RE-ENGINEERING OF ISTC's

BUSINESS PROCESSES

VOLUME 2

(ANNEXES A TO Q)

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REMANIEMENT DES PROCESSUS

TOUCHANT LA PRESTATION

DES SERVICES D'ISTC

VOLUME 2

(ANNEXES A À Q)

RE-ENGINEERING OF ISTC's

BUSINESS PROCESSES

VOLUME 2

(ANNEXES A TO Q)

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REMANIEMENT DES PROCESSUS

TOUCHANT LA PRESTATION

DES SERVICES D'ISTC

VOLUME 2

(ANNEXES A À Q)

RE-ENGINEERING OF ISTC'S BUSINESS PROCESSES

FINAL REPORT - VOLUME 2

LIST OF ANNEXES

WORKING

GROUPS

MEMBERSHIP

RE-ENGINEERING OF ISTC'S BUSINESS PROCESSES

CO-CHAIRPERSONS - WORKING GROUPS

PROGRAM DELIVERY/PROGRAM ADMINISTRATION

> David Head
> Gary Dingledine
> Mike Eustace

PERSONNEL

> Doug Heath
> Yvon Boucher

INFORMATION MANAGEMENT

> Yves Moisan
> Howard Dudley

ADMINISTRATIVE SERVICES

> Robert J. Noël
> Astrid Prud'Homme

DELEGATIONS OF AUTHORITY

> Owen Taylor
> Nancy Bainbridge

CORPORATE GOVERNANCE

> Fruji Bull

FINANCE

Terry Forth
John MacKillop

MANAGEMENT REVIEW

Angèle Leduc
Cyril McKelvie

COMMUNICATIONS

Nora Hockin
Bill Terry

SERVICES

Gerry Cooper
Pat Sampson

CORPORATE PLANNING

Mike Smith
Yvon Lavallée

SELECTED ISSUES

Robert Chartrand

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Administrative Services

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Robert Noël	Quebec Region	(514) 283-2418	
Astrid Prud'Homme	IT&RO	954-5458	192B
Members			
Colette Soulodre	IT&RO	954-3466	176C
Sandy Ostrout	FPA	954-2711	323C
Maureen Ott	IT&RO	954-4967	120B
Marthe René de Cotret	CGSI	954-3776	674A
Pierre Gautreau	IT&RO	954-3467	927A
Philippe Lalonde	IT&RO	954-3211	746A
Joanne Cecchini	ITRO	954-4041	164B
Richard Paquette	FPA	954-2804	329C
Janet Taylor	NB/PEI Region	(506) 851-6417	
Paul Beaulieu	IMB	954-1656	314F
Barbara Brackett	CGSI	991-5673	Defence Electronics 6-E
Al Quaile	ASB	954-2675	332C
Jane Kralik	ASB	954-2750	354G

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Re-Engineering of ISTC's Business Processes

Working Group Membership List

Communications

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Nora Hockin	Science & Tech.	993-6856	813E
Bill Terry	CGSI	954-3279	732A
Members			
Bryan Goodyer	BC Region	(604) 666-1434	
Grant Heron	IT&RO	954-2784	1027C
Jaak Laan	Communications	995-8900	251E
Yves Moisan	CGSI	954-3749	1067B
Patricia Seguin	AEP	954-4065	100E
Brian Torrie	FPA	957-2788	311A
Lise Picknell	Science & Tech.	998-5260	810G
Cheryl Henry	Science & Tech.	998-9881	852E
Sharon Watkins	Policy	954-1210	585A

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Corporate Governance

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Fruji Bull	FPA	954-3574	366F
Members			
Alison Bunting	Policy	954-5334	566C
Mark Cuddy	Audit	954-5079	336A
Tom Stewart	FPA	954-3654	269F
Lizanne Gosselin	IT&RO	954-3012	941C
Victor Landry	NB/PEI Region	(506) 851-6421	
Daniel Gervais	Legal Services	954-5344	190C

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Delegation of Authority

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Owen Taylor	Audit	954-5084	365A
Nancy Bainbridge	Union Rep. APSFA	954-9051	266A
Members			
Doug Sellick	CGSI	954-5205	845B
Paul Rodrigues	Ont. Region	(416) 973-5011	
Lynn Walsworth	FPA	954-5053	208A
John Newman	FPA	954-2699	341B
Richard Johnston	Legal	954-5348	189C

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Finance

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
John MacKillop	Corp. Secty.	943-7038	1144A
Terry Forth	AEP	952-4150	140E
Members			
Nancy Bainbridge	FPA	954-9051	266A
Wayne Tosh	Science & Tech.	993-5544	835F
Bruce Kalbfleisch	FPA	941-3720	224B
Mary Pavich	Tourism	954-3930	453C
Dick Letilley	Alberta Region	(403) 495-3327	
Maureen Jeffries	NS Region	(902) 426-7591	
Bruce Gale	FPA	954-2612	356E
Philippe Legault	IT&RO	954-3113	918A
James Bond	AEP	954-0710	174E
Pierre Lebrun	Quebec Region	(514) 283-3861	

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Information Management

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Yves Moisan	CGSI	954-3749	1067B
Howard Dudley	FPA	954-2823	329B
Members			
Alfred Lyon	Policy	941-0261	554C
Bob Allison	FPA	954-5514	879A
Paul Beaulieu	FPA	954-1656	314F
Steve Mills	NB/PEI Region	(506) 851-6479	
Pat Raby	Science & Tech.	993-5738	828E
John Mitchell	CGSI	941-6209	516D
Larry Hudon	CGSI	954-3342	713A
Bill Terry	CGSI	954-3279	732A
Guy Lebrun	IT&RO	954-0599	954A
Deb Hogg	Sask. Region	(306) 975-4375	
Peter Cook	Policy	954-3541	522C

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Information Management

Business Statistics

Name	Sector/Region	Phone Number	Room Number
Chairperson			
John Mitchell	CGSI	941-6209	886A
Members			
Don Astwood	Policy	954-3480	572A
Nancy Chinfen	Policy	954-4235	532B
Anne Clapperton	IT&RO	954-4038	134A
Ian Gibson	Ontario Region	(416) 973-5045	
Karen Jackson	IT&RO	954-3386	1035C
Larry Hudon	CGSI	954-3342	713A
Brian Kinsley	IT&RO	954-2968	937B
Jim Milne	IT&RO	954-1845	916B
Margaret Potts	Policy	952-5132	537B
John Skelton	Policy	954-3601	505A
Ed Therriault	IT&RO	954-3317	941A
Ken White	CGSI	954-5333	712B

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Management Review

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Angèle Leduc	Tourism	954-7577	468A
Cyril McKelvie	NS Region	(902) 426-9364	
Members			
Subash Roy	Audit	954-2760	362A
Richard Drouin	FPA	954-5365	249A
Benoit Raby	Quebec Region	(514) 283-4016	
Paul-André Pichette	Tourism	954-3969	472A
Susan Hart	Policy	954-5133	574C
Pierre Poirier	FPA	954-2910	356F

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Program Delivery and Administration

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Gary Dingledine	Policy	941-0624	525C
David Head	Alberta Region	(403) 495-3321	
Mike Eustace	FPA	954-2595	347C
Members			
Karen Burke	CGSI	954-2344	124B
Stu McNeely	IT&RO	954-5556	878A
Allan Martel	CGSI	954-3526	665C
Byd McBain	Policy	954-9633	584C
Rob Ward	AEP	954-8076	154E
Alfred Lyon	Policy	941-0261	554C
Pam Piercey	AEP Toronto	(416) 973-6988	

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Personnel

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Doug Heath	Union Rep. PIPSC	954-2782	1016A
Yvon Boucher	IT&RO	954-5264	868B
Members			
Del Scott	FPA	954-3670	277G
Nita Saville	CGSI	954-2883	1070A
Anita Dupuis	Science & Tech.	990-6323	817F
Jim Savidant	Ont. Region	416-973-5035	
Pat Gaudet	NB/PEI Region	506-857-6415	

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Services

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Gerry Cooper	Ont. Region	(416) 973-5173	
Pat Sampson	IT&RO	954-3347	952A
Members			
William Cowley	CGSI	954-3290	762A
Pierre Pelletier	FPA	954-3686	240G
Andrew Stephens	IT&RO	954-3289	916A
Jean-Guy Bernard	NB/PEI Region	(506) 851-6578	
Heather Mackenzie Scott	Ontario Region	(416) 973-5044	

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Corporate Planning

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Mike Smith	Policy	941-4510	560A
Yvon Lavallée	NB/PEI Region	(506) 851-6411	
Members			
Ken White	CGSI	954-5333	712B
Ray Smith	Science	990-6263	822F
Peter Purkis	FPA	954-3568	360F
Yvon Boucher	IT&RO	954-5264	868B
Alison Bunting	Policy	954-5334	566C
Eileen Mahoney	Ont. Region	(416) 973-5040	
Georges Esber	FPA	954-5309	223B
John Chesley	N.S. Region	(902) 426-8454	
Albert Deslauriers	Communications	995-8900	247E
Joanne Spanton	AEP	954-4061	142E
Janice Silcox	FPA	954-3699	208F
Nancy Chinfen	Policy	954-4235	532B

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Selected Issues

A/V Communication Services

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Robert Chartrand	IT&RO	941-8479	860A
Members			
Frank Arecchi	FPA	954-2714	324C
Tom O'Grady	Nfld. Region	(709) 772-4289	
Tom Penney	Tourism	954-3874	414C
Gillian Welbourne	Communications	995-8900	252E
Nancy Tremblay	FPA	941-8481	865A
Peter Martin	Communications	995-8900	206E

Re-Engineering of ISTC's Business Processes

Working Group Membership List

Selected Issues

Library Function

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Robert Chartrand	IT&RO	941-2479	860A
Members			
Mary Alex	Policy	954-3484	560B
Chris Flemming	IMB	954-2809	322E
Alex Helcl	Ont. Region	(416) 973-5165	
Rita McHugh/	FPA	954-2709	312B
Howard Dudley	FPA	954-2823	329B
John Mitchell	CGSI	941-6209	516D
Nancy Tremblay	FPA	941-8481	865A
Jane Kralik	Library	954-2750	354G

PARTICIPANTS

BY

OCCUPATIONAL

GROUP / LEVEL

AND

SECTOR / REGION

Re-engineering of ISTC's Business Processes
Participants by Occupational Group/Level and Sector/Region

Sector / Region	Occupational Group and Level																
	EX 2	EX 1	CO 3	CO 2	CO 1	LAA	AS 7	AS 5	AS 3	AS 2	AS 1	ES 6	ES 5	IS 5	IS 4	IS 3	IS 2
IT&RO	2	2	9	4	2		1			1			1				
CGSI	3	1	2	4						1	1	1					
Policy	1	3	3	1	1						1		2				
AEP	1		2											1		1	
Science & Technology		1	2							1							1
Tourism		1	3														
FPA	2	3	3	1			2	1	1	3							1
Corporate Secretary		1															
Legal						2											
Operations Audit	1		2														
Communications				1										2	1		
Union Representatives				1								1					
Newfoundland Region				1													
Nova Scotia Region			1						1								
NB and PEI Region	1		1	1													
Quebec Region		2	1														
Ontario Region		2		2								1			1		
Manitoba Region																	
Saskatchewan Region																	
Alberta Region		1															
British Columbia Region														1			
TOTAL	11	17	29	16	3	2	3	1	2	6	2	3	3	4	2	1	2

Re-engineering of ISTC's Business Processes
Participants by Occupational Group/Level and Sector/Region

Sector / Region	Occupational Group and Level																
	PE 4	PE 2	FI 4	FI 3	FI 2	SI 3	LS 3	PG 5	PG 3	CS 3	CS 2	CS 1	OM 3	SCY 3	CR 5	CR 4	CR 3
IT&RO										1							
CGSI																	
Policy						1											
AEP				1													
Science & Technology												1		1			
Tourism																	
FPA	2		1		1		1	1	1	1	1		1	1			
Corporate Secretary																	
Legal																	
Operations Audit																	
Communications																	
Union Representatives				1												1	1
Newfoundland Region																	
Nova Scotia Region																	
NB and PEI Region		1									1				1		
Quebec Region																	
Ontario Region					1												
Manitoba Region																	
Saskatchewan Region											1						
Alberta Region																	
British Columbia Region																	
TOTAL	2	1	1	2	2	1	1	1	1	2	3	1	1	2	1	1	1

Re-engineering of ISTC's Business Processes
Participants by Occupational Group/Level and Sector/Region

Sector / Region	Occupational Group and Level															
	EI *	TOTAL														
IT&RO		23														
CGSI		13														
Policy		13														
AEP		6														
Science & Technology		7														
Tourism		4														
FPA		28														
Corporate Secretary		1														
Legal		2														
Operations Audit		3														
Communications		4														
Union Representatives		5														
Newfoundland Region		1														
Nova Scotia Region	1	3														
NB and PEI Region		6														
Quebec Region		3														
Ontario Region		7														
Manitoba Region		0														
Saskatchewan Region		1														
Alberta Region	1	2														
British Columbia Region		1														
TOTAL	2	133														

* Executive Interchange from the Private Sector.

Re-engineering of ISTC's Business Processes

Participants by Sector/Region

(With Occupational Group/Level and Activity)

IT&RO

1.	Richard Pageau	EX 2	Steering Committee
2.	Robert Chartrand	EX 2	Secretariat
3.	Guy Lebrun	EX 1	Information Management
4.	Pat Sampson	EX 1	Services / Steering Committee
5.	Stu McNeely	CO 3	Program Del./Admin.
6.	Astrid Prud'Homme	CO 3	Administrative Services/ Steering Committee
7.	Colette Soulodre	CO 3	Administrative Services
8.	Grant Heron	CO 3	Communications
9.	Philippe Legault	CO 3	Finance
10.	Andrew Stephens	CO 3	Services
11.	Anne Clapperton	CO 3	Business Statistics
12.	Jim Milne	CO 3	Business Statistics
13.	Jean Regnier	CO 3	Program Del./Admin.
14.	Pierre Gautreau	CO 2	Administrative Services
15.	Philippe Lalonde	CO 2	Administrative Services
16.	Bob Steen	CO 2	Secretariat
17.	Karen Jackson	CO 2	Business Statistics
18.	Lizanne Gosselin	CO 1	Corporate Governance
19.	Ed Therriault	CO 1	Business Statistics
20.	Brian Kinsley	ES 5	Business Statistics
21.	Yvon Boucher	AS 7	Personnel
22.	Maureen Ott	CS 3	Administrative Services
23.	Joanne Cecchini	AS 2	Administrative Services

CGSI

1.	Yves Moisan	EX 2	Information Management/ Communications/ Steering Committee
2.	Bill Terry	EX 2	Communications/Information Management/Steering Committee
3.	Bruce Deacon	EX 2	Chairman (Designate), Steering Committee
4.	Allan Martel	EX 1	Program Del./Admin.
5.	John Mitchell	CO 3	Secretariat
6.	William Cowley	CO 3	Services
7.	Karen Burke	CO 2	Program Del./Admin.
8.	Marthe René de Cotret	CO 2	Administrative Services
9.	Barbara Brackett	CO 2	Administrative Services
10.	Nita Saville	CO 2	Personnel
11.	Ken White	ES 6	Corporate Planning
12.	Doug Sellick	AS 2	Delegation of Authority
13.	Larry Hudon	AS 1	Information Management

Policy

1.	Byd McBain	EX 2	Program Del./Admin.
2.	Gary Dingledine	EX 1	Program Del./Admin. / Steering Committee
3.	Mike Smith	EX 1	Corporate Planning

4.	Nancy Chinfen	EX 1	Business Statistics
5.	Alfred Lyon	CO 3	Information Management/Program Del./Admin.
6.	Mary Alex	CO 3	Selected Issues
7.	John Skelton	CO 3	Business Statistics
8.	Alison Bunting	CO 2	Corporate Governance & Corporate Planning
9.	Susan Hart	CO 1	Management Review
10.	Peter Cook	ES 5	Information Management
11.	Don Astwood	ES 5	Business Statistics
12.	Margaret Potts	SI 3	Business Statistics
13.	Sharon Watkins	AS 1	Communications

AEP

1.	Terry Forth	EX 2	Finance/Steering Committee
2.	Rob Ward	CO 3	Program Del./Admin.
3.	Pam Piercey	CO 3	Program Del./Admin.
4.	Joanne Spanton	IS 5	Corporate Planning
5.	Patricia Seguin	IS 3	Communications
6.	James Bond	FI 3	Finance

Science and Technology

1.	Nora Hockin	EX 1	Communications/Steering Committee
2.	Wayne Tosh	CO 3	Finance
3.	Ray Smith	CO 3	Corporate Planning
4.	Pat Raby	AS 2	Information Management
5.	Lise Picknell	IS 2	Communications
6.	Anita Dupuis	CS 1	Personnel
7.	Cheryl Henry	SCY3	Communications

Tourism

1.	Angèle Leduc	EX 1	Management Review/Steering Committee
2.	Paul-André Pichette	CO 3	Management Review
3.	Mary Pavich	CO 3	Finance
4.	Tom Penney	CO 3	Selected Issues

FPA

1.	Fruji Bull	EX 2	Corporate Governance/Steering Committee
2.	Mike Eustace	EX 2	Program Del./Admin. / Steering Committee
3.	Del Scott	EX 1	Personnel
4.	Richard Drouin	EX 1	Management Review
5.	Tom Stewart	EX 1	Corporate Governance
6.	Bob Allison	CO 3	Information Management
7.	Pierre Poirier	CO 3	Management Review
8.	Peter Purkis	CO 3	Corporate Planning
9.	Paul Beaulieu	CO 2	Information Management

10.	Jane Kralik	LS 3	Records Management
11.	Howard Dudley	AS 7	Information Management/ Steering Committee
12.	Cliff Pierce	AS 7	Secretariat
13.	Richard Paquette	AS 5	Administrative Services
14.	Al Quaile	AS 3	Administrative Services
15.	Lynn Walsworth	AS 2	Delegation of Authority
16.	Nancy Tremblay	AS 2	Secretariat
17.	Rita McHugh	AS 2	Selected Issues
18.	Brian Torrie	IS 2	Communications
19.	Pierre Pelletier	PE 4	Services
20.	Janice Silcox	PE 4	Corporate Planning
21.	Bruce Kalbfleisch	FI 4	Finance
22.	Georges Esber	FI 2	Corporate Planning
23.	Frank Arecchi	PG 5	Selected Issues
24.	Sandry Ostrout	PG 3	Administrative Services
25.	Bruce Gale	CS 3	Finance
26.	John Newman	OM 3	Delegation of Authority
27.	Chantal Cloutier	SCY3	Secretariat
28.	Chris Flemming	CS 2	Selected Issues

Corporate Secretary

| 1. | John MacKillop | EX 1 | Finance/Steering Committee |

Legal

| 1. | Daniel Gervais | LAA | Corporate Governance |
| 2. | Richard Johnston | LAA | Delegation of Authority |

Operations Audit

1.	Owen Taylor	EX 2	Delegation of Authority/ Steering Committee
2.	Mark Cuddy	CO 3	Corporate Governance
3.	Subash Roy	CO 3	Management Review

Communications

1.	Jaak Laan	IS 5	Communications
2.	Peter Martin	IS 5	Selected Issues
3.	Gillian Welbourne	IS 4	Selected Issues
4.	Albert Deslauriers	CO 2	Corporate Planning

Union Representatives

1.	Doug Heath	CO 2	PIPSC Rep./Personnel/ Steering Committee
2.	Nancy Bainbridge	FI 3	APSFA Rep./Delegation of Authority/ Finance/Steering Committee
3.	Ellen Crozier	CR 4	Alternate Representative PSAC Committee

4.	Kevin Nagle	CR 3	PSAC Representative/Steering Committee
5.	Roger Heath	ES 6	ESSA Representative/Steering

Newfoundland Region

1.	Tom O'Grady	CO 2	Selected Issues

Nova Scotia Region

1.	Cyril McKelvie	Exec. Inter-change	Management Review/Steering Committee
2.	Maureen Jeffries	AS 3	Finance
3.	John Chesley	CO 3	Corporate Planning

NB/PEI Region

1.	Yvon Lavallée	EX 2	Chairman, Steering Committee
2.	Victor Landry	CO 3	Corporate Governance
3.	Jean-Guy Bernard	CO 2	Services
4.	Pat Gaudet	PE 2	Personnel
5.	Steve Mills	CS 2	Information Management
6.	Janet Taylor	CR 5	Administrative Services

Quebec Region

1.	Robert Noël	EX 1	Administrative Services/ Steering Committee
2.	Benoit Raby	EX 1	Management Review
3.	Pierre Lebrun	CO 3	Finance

Ontario Region

1.	Gerry Cooper	EX 1	Services/Steering Committee
2.	Eileen Mahoney	EX 1	Corporate Planning
3.	Jim Savidant	CO 2	Personnel
4.	H. Mackenzie-Scott	CO 2	Services
5.	Ian Gibson	ES 6	Business Statistics
6.	Paul Rodrigues	FI 2	Delegation of Authority
7.	Alex Helcl	IS 4	Selected Issues

Saskatchewan Region

1.	Deb Hogg	CS 2	Information Management

<u>Alberta Region</u>

1.	David Head	EX 1	Program Del./Admin. / Steering Committee
2.	Dick Letilley	Exec. Inter-change	Finance

<u>BC Region</u>

1.	Bryan Goodyer	IS 5	Communications

Re-engineering of ISTC's Business Processes

Participants by Occupational Group and Level

(With Sector/Region and Activity)

EX 2

1.	Richard Pageau	IT&RO	Steering Committee
2.	Robert Chartrand	IT&RO	Secretariat
3.	Yves Moisan	CGSI	Information Management/ Communications/ Steering Committee
4.	Bill Terry	CGSI	Communications/Information Management/Steering Committee
5.	Bruce Deacon	CGSI	Steering Committee
6.	Byd McBain	Policy	Program Del./Admin.
7.	Terry Forth	AEP	Finance/Steering Committee
8.	Fruji Bull	FPA	Corporate Governance/Steering Committee
9.	Mike Eustace	FPA	Program Del./Admin. / Steering Committee
10.	Owen Taylor	Ops. Audit	Delegation of Authority/ Steering Committee
11.	Yvon Lavallée	NB/PEI Region	Steering Committee

EX 1

1.	Guy Lebrun	IT&RO	Information Management
2.	Pat Sampson	IT&RO	Services/Steering Committee
3.	Allan Martel	CGSI	Program Del./Admin.
4.	Gary Dingledine	Policy	Program Del./Admin. / Steering Committee
5.	Mike Smith	Policy	Corporate Planning
6.	Nancy Chinfen	Policy	Business Statistics
7.	Nora Hockin	Science & Tech.	Communications / Steering Committee
8.	Angèle Leduc	Tourism	Management Review / Steering Committee
9.	Del Scott	FPA	Personnel
10.	Richard Drouin	FPA	Management Review
11.	Tom Stewart	FPA	Corporate Governance
12.	John MacKillop	Corp. Secty.	Finance / Steering Committee
13.	Robert Noël	Quebec Region	Administrative Services / Steering Committee
14.	Benoit Raby	Quebec Region	Management Review
15.	Gerry Cooper	Ontario Region	Services / Steering Committee
16.	Eileen Mahoney	Ontario Region	Corporate Planning
17.	David Head	Alberta Region	Program Del./Admin. / Steering Committee

CO-3

1.	Stu McNeely	IT&RO	Program Del./Admin.
2.	Astrid Prud'Homme	IT&RO	Administrative Services/ Steering Committee
3.	Colette Soulodre	IT&RO	Administrative Services
4.	Grant Heron	IT&RO	Communications
5.	Philippe Legault	IT&RO	Finance
6.	Andrew Stephens	IT&RO	Services
7.	Anne Clapperton	IT&RO	Business Statistics
8.	Jim Milne	IT&RO	Business Statistics
9.	Jean Regnier	IT&RO	Program Del./Admin.
10.	John Mitchell	CGSI	Secretariat
11.	William Cowley	CGSI	Services
12.	Alfred Lyon	Policy	Information Management/ Program Del./Admin.
13.	John Skelton	Policy	Business Statistics
14.	Mary Alex	Policy	Selected Issues
15.	Rob Ward	AEP	Program Del./Admin.
16.	Pam Piercey	AEP	Program Del./Admin.
17.	Wayne Tosh	Science & Tech.	Finance
18.	Ray Smith	Science & Tech.	Corporate Planning
19.	Paul-André Pichette	Tourism	Management Review
20.	Mary Pavich	Tourism	Finance
21.	Tom Penney	Tourism	Selected Issues
22.	Bob Allison	FPA	Information Management
23.	Pierre Poirier	FPA	Management Review
24.	Peter Purkis	FPA	Corporate Planning
25.	Mark Cuddy	Ops. Audit	Corporate Governance
26.	Subash Roy	Ops. Audit	Management Review
27.	Victor Landry	NB/PEI Region	Corporate Governance
28.	Pierre Lebrun	Quebec Region	Finance
29.	John Chesley	NS Region	Corporate Planning

CO-2

1.	Pierre Gautreau	IT&RO	Administrative Services
2.	Philippe Lalond	IT&RO	Administrative Services
3.	Bob Steen	IT&RO	Secretariat
4.	Karen Jackson	IT&RO	Business Statistics
5.	Karen Burke	CGSI	Program Del./Admin.
6.	Marthe René de Cotret	CGSI	Administrative Services
7.	Nita Saville	CGSI	Personnel
8.	Barbara Brackett	CGSI	Administrative Services
9.	Alison Bunting	Policy	Corporate Governance
10.	Paul Beaulieu	FPA	Information Management
11.	Albert Deslauriers	Comm.	Corporate Planning
12.	Doug Heath	PIPSC Rep.	Personnel/Steering Committee

13.	Jim Savidant	Ontario Region	Personnel
14.	H. Mackenzie-Scott	Ontario Region	Services
15.	Jean-Guy Bernard	NB/PEI Region	Services
16.	Tom O'Grady	Nfld. Region	Selected Issues

CO-1

1.	Lizanne Gosselin	IT&RO	Corporate Governance
2.	Ed Therriault	IT&RO	Business Statistics
3.	Susan Hart	Policy	Management Review

LAA

| 1. | Daniel Gervais | LAA | Corporate Governance |
| 2. | Richard Johnston | LAA | Delegation of Authority |

AS-7

1.	Yvon Boucher	IT&RO	Personnel
2.	Howard Dudley	FPA	Information Management
3.	Cliff Pierce	FPA	Secretariat

AS-5

| 1. | Richard Paquette | FPA | Administrative Services |

AS-3

| 1. | Al Quaile | FPA | Administrative Services |
| 2. | Maureen Jeffries | NS Region | Finance |

AS-2

1.	Joanne Cecchini	ITRO	Administrative Services
2.	Doug Sellick	CGSI	Delegation of Authority
3.	Pat Raby	Science & Tech.	Information Management
4.	Lynn Walsworth	FPA	Delegation of Authority
5.	Nancy Tremblay	FPA	Secretariat
6.	Rita McHugh	FPA	Selected Issues

AS-1

| 1. | Larry Hudon | CGSI | Information Management |
| 2. | Sharon Watkins | Policy | Communications |

ES-6

1.	Roger Heath	ESSA Rep.	Steering Committee
2.	Ken White	CGSI	Corporate Planning
3.	Ian Gibson	Ontario Region	Business Statistics

ES-5

1.	Peter Cook	Policy	Information Management
2.	Don Astwood	Policy	Business Statistics
3.	Brian Kinsley	IT&RO	Business Statistics

IS-5

1.	Jaak Laan	Comms. Branch	Communications
2.	Peter Martin	Comms. Branch	Selected Issues
3.	Bryan Goodyer	BC Region	Communications
4.	Joanne Spanton	AEP	Corporate Planning

IS-4

1.	Gillian Welbourne	Comms. Branch	Selected Issues
2.	Alex Helcl	Ontario Region	Selected Issues

IS-3

1.	Patricia Seguin	AEP	Communications

IS-2

1.	Lise Picknell	Science & Tech.	Communications
2.	Brian Torrie	FPA	Communications

PE-4

1.	Pierre Pelletier	FPA	Services
2.	Janice Silcox	FPA	Corporate Planning

PE-2

1.	Pat Gaudet	NB/PEI Region	Personnel

FI-4

1.	Bruce Kalbfleisch	FPA	Finance

FI-3

| 1. | James Bond | AEP | Finance |
| 2. | Nancy Bainbridge | APSFA Rep. | Delegation of Authority/ Finance/Steering Committee |

FI-2

| 1. | Paul Rodriques | Ontario Region | Delegation of Authority |
| 2. | Georges Esber | FPA | Corporate Planning |

SI-3

| 1. | Margaret Potts | Policy | Business Statistics |

LS-3

| 1. | Jane Kralik | FPA | Records Management |

PG-5

| 1. | Frank Arecchi | FPA | Selected Issues |

PG-3

| 1. | Sandy Ostrout | FPA | Administrative Services |

CS-3

| 1. | Maureen Ott | IT&RO | Administrative Services |
| 2. | Bruce Gale | FPA | Finance |

CS-2

1.	Steve Mills	NB/PEI Region	Information Management
2.	Deb Hogg	Sask. Region	Information Management
3.	Chris Flemming	FPA	Selected Issues

CS-1

| 1. | Anita Dupuis | Science & Tech. | Personnel |

OM-3

| 1. | John Newman | FPA | Delegation of Authority |

SCY-3

| 1. | Chantal Cloutier | FPA | Secretariat |
| 2. | Cheryl Henry | Science & Tech. | Communications |

CR-5

1.   Janet Taylor   NB/PEI   Administrative Services
                            Region

CR-4

1.   Ellen Crozier   PSAC   Steering Committee
                            Alternate
                            Rep.

CR-3

1.   Kevin Nagle   PSAC   Steering Committee
                            Rep.

Executive Interchange

1.   Cyril McKelvie   NS   Management Review/
                            Region   Steering Committee
2.   Dick Letilley   Alberta   Finance
                            Region

ANNEX C

MILESTONE

DATA

RE-ENGINEERING OF ISTC's BUSINESS PROCESSES

MILESTONE DATA

Serial	Main Activity	Date (1992)
1.	ADM Committee meets	Apr 23
2.	Steering Committee meets (Thereafter as convened by the Chairman)	Apr 30 May 6
3.	Update to ADM Committee/ Communications Plan/ Interim Report to DMC	May 14
4.	Working Groups Begin	May 15
5.	Working Groups - Interim Reports	Jul 30
6.	Steering Committee - Interim Report to ADM Committee	Aug 21
7.	DM Briefing - Interim Report	Sept 4
8.	Working Groups - Final Reports	Nov 30
9.	Steering Committee - Final Meeting	Dec 14
10.	Final Report/Presentations to ADM Committee	Jan 8/93
11.	Final Recommendations to the DM	Mid Jan. 93

D

STEERING

COMMITTEE

MEMBERSHIP

Re-engineering of ISTC's Business Processes

Final Report - Steering Committee - Membership

Name	Sector	Phone #	FAX #	Room #

CHAIRPERSON

Name	Sector	Phone #	FAX #	Room #
Bruce Deacon	CGSI	954-3801	957-8912	655A

(Note: Yvon Lavallée, the REXD NB/PEI Region, served as chairman of the Steering Committee during the initial three months of the project.)

MEMBERS - HEADQUARTERS

Name	Sector	Phone #	FAX #	Room #
Terry Forth	AEP	952-4150	957-7010	140E
Nora Hockin	Science & Technology	993-6856	991-0363	813E
Gary Dingledine	Policy	941-0624	952-1374	560C
Mike Smith	Policy	941-4510	954-5492	560A
Mike Eustace	FPA	954-2595	954-2303	347B
Fruji Bull	FPA	954-3574	954-1894	366F
Howard Dudley	FPA	954-2823	954-2303	344B
Yves Moisan	CGSI	954-3749	941-1134	1067B
Bill Terry	CGSI	954-3279	954-1894	732A
Richard Pageau	IT&RO	954-3585	954-3107	1012A
Yvon Boucher	IT&RO	954-5264	952-9026	868B
Astrid Prud'Homme	IT&RO	954-5458	954-5463	192B
Pat Sampson	IT&RO	954-3347	952-8419	992A
Robert Chartrand	IT&RO	941-8479	952-2635	860A

Angèle Leduc	Tourism	954-7577	954-3964	468A
Owen Taylor	Operations Audit	954-5084	954-1894	365A
John MacKillop	Corporate Secretary	943-7038	943-1373	1144A

REGIONAL MEMBERS

David Head	Alberta Region	(403) 495-3321	(403) 495-4507	
Gerry Cooper	Ontario Region	(416) 973-5173	(416) 973-8714	
Robert Noël	Quebec Region	(514) 283-2418	(514) 283-3302	
Cyril McKelvie	Nova Scotia Region	(902) 426-9364	(902) 426-2624	
Yvon Lavallée	NB/PEI	(506) 851-6411	(506) 851-6429	

UNION REPRESENTATIVES

Doug Heath	PIPSC	954-2782	954-3107	1016A
Nancy Bainbridge	APSFA	954-9051	952-9676	266A
Roger Heath	ESSA	998-5748	996-7887	568A
Kevin Nagle	PSAC	954-5060	954-1894	200B

PROJECT SECRETARIAT

Robert Chartrand		941-8479		860-A
Chantal Cloutier		941-6210		858-A
John Mitchell		941-6209		886-A
Cliff Pierce		941-8480		863-A
Bob Steen		957-8094		885-A
Nancy Tremblay		941-8481		865-A

COMMUNICATIONS

AND

SUGGESTIONS

COMMUNICATIONS STRATEGY

<u>Re-engineering Final Report Stage</u>

<u>OBJECTIVE</u>

To propose a communications strategy for the ISTC Re-engineering initiative's final stage.

<u>STRATEGIC CONSIDERATIONS</u>

The first communications strategy developed for the Re-engineering Project identified negative perceptions among employees about re-engineering and these have not likely changed a great deal. That being said, a number of improvements to the work environment have already been made and, as a result, some positive momentum has been developed. The process has been participatory and the openness promise has been delivered. The hundreds of individuals who have been involved in the process will likely be more open to resultant change.

Re-engineering must continue to be cast as a positive initiative aimed at improving how the department operates, which will result in better service to our clients and to a better work environment for employees.

The broader environment of government restraint, wage freezes, cut-backs, and their affect on public servants, creates a difficult environment in which to launch improvements. Although public servants might be willing to respond to the challenge to some degree, clearly their level of commitment may be suffering.

While the formal re-engineering process will not continue, the re-engineering thought process is being ingrained in ISTC's corporate culture with the keen support of senior management. The timing of the end of the formal process is fortuitous because it provides a rational and participatory background for implementing changes in the management style and processes necessary to reinvigorate the department.

<u>COMMUNICATIONS OBJECTIVES</u>

1. To convince employees that Re-engineering has no connection to generic resource reductions by emphasizing the improvements to the work environment which are being made possible by re-engineering.

2.   To ensure that ISTC staff are informed about the final
      stages of the formal re-engineering process and are in a
      position to support implementation by having access to the
      complete set of recommendations.

3.   To emphasize the continuing dynamics of re-engineering and
      the departmental commitment to maintain momentum.

4.   To support the corporate culture change message that the re-
      engineering exercise has stimulated a participatory
      improvement process which will continue.

TARGET AUDIENCES

1.   All ISTC employees. Some staff can be expected to continue
      to react to re-engineering in a guarded manner. Some
      employees may react apprehensively because of likely
      perceptions that the resources identified fit in to the
      overall resource reduction requirements imposed across
      government.

2.   Managers and functional heads will ultimately be the actual
      implementors of the resulting recommendations. Management
      must be advised of the main elements of the final report and
      provided with key messages and answers in response to
      potential employee questions. Functional heads have been
      consulted by the relevant working groups and support many of
      the recommendations affecting their areas.

3.   Central Agencies, including PS 2000 and the Committee for
      Administrative Reform, as well as Other Government
      Departments, should be appraised of the overall results of
      this initiative and of our continuing commitment to seeking
      innovative ways to better serve our clientele.

COMMUNICATIONS ACTIVITIES/MESSAGES

Communications to Date

1.   Communications dating back to the Deputy Minister's
      announcement on May 13, 1992, explaining the nature of the
      exercise.

2.   A message to all staff which solicited suggestions for
      improved processes and identified the Working Groups as well
      as the means to provide input. (See Attachment C for
      results of the Suggestion Program)

3.   Questions and Answers on re-engineering as well as the
      Project Plan were sent to all managers.

4.   A generic briefing package was provided to managers for use
     in Branch meetings and/or Focus Days.

5.   A message on July 8, 1992, to all participants indicated
     that re-engineering and budget cuts are being pursued on
     separate tracks and are not linked.

6.   An article on re-engineering in the summer edition of
     <u>Précis</u>.

7.   Two separate status reports on the project were communicated
     to all staff.

8.   A series of "Brown Bag" information and feedback sessions
     for employees and held over a two month period.

9.   More recently, distribution of the draft final report to
     Director Generals in Headquarters and to REXDs, followed by
     group briefings by the Chairman of the ADM Committee, Senior
     ADM Bob Little, and by the Head of the Re-engineering
     Secretariat, Bruce Deacon.

<u>Activities to be Undertaken at the time of Presentation to ADMs</u>

1.   The head of the Re-engineering Secretariat will send an E-
     mail message to all employees to coincide with the release
     of the Re-engineering Final Report to the ADM Committee on
     December 18. The messages will be:

     -    the formal ISTC Re-engineering Project is at the final
          report stage. The Re-engineering Steering Committee
          has submitted its report and the reports of the 11
          Working Groups to the ADM Committee. The ADM Committee
          will consider the recommendations at a full day session
          on January 8, 1993.

     -    decisions will be made on the recommendations and an
          action plan approved with work to be fully underway by
          April 1, 1993.

     -    the timing of the Re-engineering Project has been
          fortuitous because its participatory nature offers us
          direct input from the front-line for ways to better
          serve our clients.

     -    moreover, the openness of the re-engineering project
          has already encouraged many of us to remove process
          irritants - a few examples of which should be included
          in the E-mail.

-    the recommendations were developed by Working Groups
     comprised of people from all levels and areas of the
     department. All Working Groups consulted with the
     Responsibility Centres for their particular subject
     matters.

-    summary documents of the recommendations are available
     at HQ from Director Generals and a complete report from
     the library. The complete report is available in the
     regions from the REXDs.

-    while the formal re-engineering process will be over
     shortly, the evolutionary method of making improvements
     to the way we do our work is here to stay.

2.   An E-Mail will be sent to all managers with a summary of the
     key communication messages (Attachment A), as well as
     selected Questions and Answers (Attachment B) for use in
     briefings or in response to questions from employees.

Activities to be Undertaken Following DM Decisions

1.   A second E-mail will be sent to all staff by either the
     Chairman of the Re-engineering Committee, Senior ADM Little,
     or the Deputy Minister (depending on the timing of any
     announcements on updated departmental direction), and will
     include the following messages:

-    the Re-engineering ADM Committee has supported the
     recommendations made by the Re-engineering Working
     Groups and each ADM has directed their area to tackle
     the recommendations which can (depending on timing and
     capability) be actioned by April 1, 1993.

-    Director Generals, Directors, and Managers have been
     empowered to ensure that the recommendations are
     implemented in their respective areas.

-    if your area is directly involved, your Director
     General will brief your Branch on the action which will
     be taken.

-    this timely and direct approval of employee-driven
     ideas clearly demonstrates that employees have been
     listened to, that improvements are being made, and that
     senior management is truly committed to an evolutionary
     improvement in the ISTC work environment.

-    the evolutionary process of identifying and
     implementing improvements to the way we do our work is
     not over.

2. A comprehensive briefing session of departmental Directors General and Regional Executive Directors by the Chairman of the ADM Committee, Senior ADM Little.

3. An implementation plan following final decisions by the Deputy Minister will be made available electronically to all staff. If a person is named to co-ordinate the overall implementation as recommended in the mid-term review, he or she should be named at this time.

4. Employees who contributed to the exercise by being involved in Working Groups will receive recognition.

5. A presentation of the results of the exercise and our future plans to further this process of continual improvement will be prepared for delivery as appropriate to Central Agencies and relevant Other Government Departments.

ISTC RE-ENGINEERING

KEY MESSAGES

*   The re-engineering initiative which began seven months ago was directed towards finding innovative ways to better serve our clients and improve our internal operations.

*   The exercise has provided an opportunity for all staff (including well over 130 employees who directly participated) to influence the future shaping of the Department's business processes.

*   As such the re-engineering initiative has served as a formal catalyst for implanting the notion of continuous challenge and improvement in ISTC's day-to-day culture.

*   The exercise has resulted in a broad range of creative options and specific recommendations. Examples of the kinds of action that could result include;

  - reorientation of organizational structures to concentrate resources in the provision of services to the public and reduce bureaucratic complexity;

  - restructuring of programs and services to provide a simpler, more streamlined service to the public through fewer programs, alternative delivery mechanisms and elimination of duplicate control processes;

  - enhancement of internal communications to provide maximum access to information and improved E-Mail and data linkages to facilitate day-to-day communications;

  - improvement of the management process through enhanced empowerment, delayering, reduced controls, improved accountability, simplification of the decision-making process, etc; and

  - development of a more progressive, less formal, client oriented corporate culture.

*   The re-engineering options will be considered by the ADM Committee on January 8, 1993 and integrated into recommendations for immediate action to go to the Deputy Minister by mid-January.

*   While the re-engineering exercise can be expected to deliver a wide range of benefits, the direct resource savings that have been identified are coming at a most fortuitous time in that we will need as much resource flexibility as possible if we are to manage a smooth transition during this period of heightened restraint.

*   The re-engineering initiative will soon have served its purpose. However, we must continue to identify opportunities and technologies that will enable us to stay ahead of future fiscal reductions.

*   In the final analysis, the re-engineering exercise has demonstrated that employees want to be engaged in change processes, that we have the capacity to identify innovative improvements, and that there is a collective determination and need to maintain the momentum.

RE-ENGINEERING QUESTIONS AND ANSWERS

1. Did you get the expected results from the re-engineering exercise? What about the target for direct savings of $5 million and 100 PY's?

Re-engineering resulted in a broad range of creative options and specific recommendations. Examples of actions that could result include:

- reorientation of organizational structures to concentrate resources in the provision of services to the public and reduce bureaucratic complexity;

- restructuring of programs and services to provide a simpler, more streamlined service to the public through fewer programs, alternative delivery mechanisms and elimination of duplicate control processes;

- enhancement of internal communications to provide maximum access to information and improved E-Mail and data linkages to facilitate day-to-day communications;

- improvement of the management process through enhanced empowerment, delayering, reduced controls, improved accountability, simplification of the decision-making process, etc; and

- development of a more progressive, less formal, client oriented corporate culture.

The re-engineering exercise has served as a major stimulus for establishing the concepts of continuous improvement and challenge into the culture of the Department.

At the moment, there are a range of savings resulting from the examination of the business processes in ISTC. Depending on the specific options implemented, there are eventually potential savings of about 100 PY's and $5 million.

2. When will I be able to examine the final report together with the recommendations that were put forward by the Working Groups? How can I comment on the recommendations and provide input into the resulting decisions?

Copies of the draft final report sent to the ADM Committee have been sent to REXDs and members of the Steering Committee. Copies are also available in the Departmental Library and in the Re-engineering Secretariat on the 8th floor east.

Any comments or feedback that you have should be directed through your immediate supervisor.

3.   When will decisions be taken by senior management and how will the recommendations be implemented?

Re-engineering options will be considered by the ADM Committee in early January and integrated into an implementation plan for consideration by the Deputy Minister in mid-January. This will include a range of mechanisms to move the work done-to-date forward.

4.   Will re-engineering continue in the future and how will it be carried out?

The Re-engineering exercise has demonstrated that employees want to be involved in the process of change, that we have the capability to identify innovative improvements, and that there is a collective determination and need to maintain the momentum. The next phase will be to integrate re-engineering into the ongoing operations of ISTC.   The first step could be to implement the recommendation calling for the immediate appointment of a senior executive to assist in co-coordinating the overall ISTC activity of internal and external renewal. This person would be supported by a small secretariat. These issues will be considered by the ADMs and DM in January.

5.   How does re-engineering fit in with the Government's announced reductions?

The direct resource savings that have been identified are coming at a crucial time in that we will need as much flexibility as possible if we are to plan and manage smooth transition during this period of heightened restraint.

6.   How will employees in the regions be affected by these recommendations?

Generic changes resulting from the re-engineering exercise will improve everyone's work environment, whether they are in head office or a regional office.   Many employees from the regional offices participated on the Steering Committee and on all the working groups, and provided a clear regional quality to the options and recommendations. By doing so, they are helping to shape the future of ISTC's business processes.

7.   When will I find out if my job has been affected? What will happen if it is?

Each manager is responsible for maintaining open lines of communication with his\her staff, including briefing them on implications and results as decisions are taken.

The Department remains committed to appropriate training of all employees, including any who need to be reallocated to better serve the needs of our clientele. As well, the work force adjustment, government policies, and union agreements all remain in full effect and any decisions made in the Department will completely respect these provisions.

Previous Messages and the Suggestion Process

Previous Communications Messages

While extensive communications were conducted with various audiences, the main messages issued to a wide-distribution included:

- May 13, 1992 - announcement by the Deputy Minister to all staff on the project's initiation, including the assurance that lay-offs will not result from re-engineering;

- May 20, 1992 - message to all staff from Yvon Lavallée which solicited suggestions, identified means to provide input and listed the Working Groups and Co-chairs;

- May 29, 1992 - a set of Questions and Answers was sent to all Managers and above;

- May 29, 1992 - a copy of the Project Plan was distributed to all Managers and above;

- June 17, 1992 - a generic briefing package was provided to all Managers and above for use in discussions with their staff or at Branch meetings/Focus Days;

- July 8, 1992 - a message from the Steering Committee Chairperson to all participants emphasizing that re-engineering and budget cuts are being pursued on separate tracks and are not linked; and,

- July 17, 1992 - a message to all staff from the Acting Deputy Minister providing a status report on re-engineering and stressing the importance of continuing interest and involvement by all employees.

- Summer, 1992 - an article on re-engineering was published in the summer edition of Précis.

- September 23, 1992 - a message to all staff from the Steering Committee Chairperson providing a status report on the project, including the availability of a feedback document on the Interim Report.

- October 21, 1992 - a message to all staff encouraging the submission of suggestions.

- September - November 1992 - a weekly series of "Brown Bag" Information/Feedback sessions were conducted (additional details are provided below).

- December 15, 1992 - an information session for all Headquarters Directors General.

- December 16, 1992 - a conference call briefing REXDs.

-       Throughout the project, the Steering Committee Chairman or members of the Secretariat briefed Branch Focus Days/Staff Meetings upon request.

Brown Bag Sessions

In order to provide employees with opportunities to obtain information and/or furnish feedback on re-engineering activities, a series of "Brown Bag" sessions were conducted within the Headquarters. These sessions, which were well attended, dealt with the following subjects:

-       September 29, 1992 - Program Delivery and Administration;

-       October 8, 1992 - Personnel;

-       October 22, 1992 - Information Management;

-       October 30, 1992 - Communications;

-       November 4, 1992 - Administrative Officer Issues;

-       November 19, 1992 - Selected Issues (Library function, Audio-Visual Services and Records Management).

Suggestions

All staff of ISTC were advised of the various methods through which they could provide input on the project, namely by phone, mail, electronic suggestion box, visiting the Project Secretariat or contacting the Co-chairs of Working Groups. The Re-engineering Secretariat implemented a process which included:

-       recording receipt of the suggestion;

-       acknowledging receipt to the suggester (which usually included responding to specific questions on the project and/or indicating that the suggestion was forwarded to a particular Working Group(s));

-       forwarding the suggestion to the applicable Working Group(s) for consideration and necessary follow-up action; and

-       if the suggestion could not be dealt with by a Working Group, it was passed to the applicable functional head for consideration.

In each case, follow-up action was taken with either the applicable Working Group and/or functional head and a reply was sent to the suggester. A total of 82 suggestions were received during the project which made a substantial contribution to the development of innovative solutions. A list of suggestions, including action taken and final disposition, is attached.

Re-engineering of ISTC's Business Processes
Summary of Status of Suggestions

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
1	Bill Coderre	SCI	May 22/92	Booking of Conference rooms	Referred to Functional Manager - Mike Eustace
2 3 4 5	Richard Stead	ITRO	May 14/92	Program delivery structure, program evaluation process, program audit, contribution audits	Points taken into consideration - participated in the Management Review Working Group
6	Peter Lawrence	CGSI	May 22/92	ISA job description (enriching support and admin. personnel jobs)	Personnel Working Group co-chair spoke with him
7 8 9	Joanne Steinberg	SCI	May 5/92	Contracting, staffing, translation services	Staffing suggestion referred to Human Resources Functional Manager Contracting issue incorporated into Program Delivery/ Admin. Working Group's Final Report
10	Jill Bhar	ITRO	May 21/92	Re-engineering work (Harvard Business Review Article)	Referred to all Working Groups for information

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
11	Doug Lingard	FOB	May 28/92	Temporary help contracting process	Incorporated in Admin. Services Working Group's Final Report
12 13	Anonymous		June 5/92	Operation of administrative units (2 suggestions from the same person)	Referred to Functional Manager – Mike Eustace & to Policy Sector
14 15	Maureen Pearce	DMO	June 3/92	Contracts and hospitality for DM's approvals	Implemented
16	Chris D'Aoust	CGSI	June 8/92	Procedure for replacement of lights	Referred to Functional Manager – Mike Eustace
17	Donna Allen	POL	May 25/92	Payment of travel expense balance (floating account)	Responded to by Finance Working Group
18	Bill Morris	CGSI	June 9/92	Hospitality – advance/approval	Responded to by Delegation of Authority Working Group
19 20	Ken Cumming	ITRO	June 8/92	Need for quality boardrooms Use of discretionary powers	Referred to Functional Manager – Mike Eustace Replied to by Re-engineering Secretariat
21	Doug Lingard	FOB	June 11/92	Excessive copies of documents (e.g. Services Purchase Orders) and original signatures	Incorporated in Admin. Services Working Group's Final Report

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
22	Michael Piersdorff	CGSI	June 9/92	DIPP Project Summary Form	Incorporated in Program Delivery/ Admin. Final Report
23	Christa Gunn	ITRO	June 18/92	Departmental Calendar on major events	Responded to by Communications Working Group and Communications Branch
24	Margaret Thibault	ITRO	June 11/92	Frames for award pictures, petty cash	Responded to by Suggestion Awards Manager - Elaine Lynch
25	Rosemary Butler	ITRO	June 19/92	Transmittal of information by messages	Referred to Functional Manager - Mike Eustace
26 27	Diane Law	ITRO	June 22/92	Travellers' cheques Language testing	Responded to by Finance Working Group Referred to Human Resources Functional Manager - B. Joubert
28	Marion Philippe	ITRO	June 23/92	Pick-up and delivery of boxes within ISTC	Referred to Functional Manager - Mike Eustace
29	Rosemary Butler	ITRO	June 26/92	Transmittal of announcements to all staff via facility in Manuals and Directives Unit (ex. Strategic Partnering Course)	Referred to Functional Manager - Mike Eustace

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
30	Elaine Lynch	HRB	June 29/92	Walkabouts by Senior Management	Should be referred to ADM committee
31	Elaine Lynch	HRB	June 29/92	Use of voice mailboxes	Referred to Communications Branch
32	Karen Jackson	ITRO	July 2/92	Drop-ins by re-engineering WG members	Referred to all Working Groups
33	Milan Gregor	ITRO	June 26/92	Renaming the PMIS Steering Committee	Incorporated in Program Delivery/ Admin. Final Report
34	Gayle Duggan	CGSI	July 20/92	E-mail message attachments english/french	Referred to IMB by Communications Working Group
35 36	Rise Segall	ASB	July 14/92	Suggested areas for review - Departmental publications, human resource related information	Responded to by Communications Working Group and referred to H. Gasewicz
37	Jean-Claude Daigneault	Mtrl	July 15/92	Travel expenses	Responded to by Finance Working Group
38	Sylvie Houde	POL	July 22/92	PAYE 1992 system bug	Responded to by Finance Working Group
39	Lyle Russell	Vanc	July 23/92	PREA rating scale	Personnel Working Group consulted Mr. Russell
40	Lucie Charest	CGSI	June 30/92	Ministerial Correspondence	Communications Working Group responded directly via e-mail

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
41 42 43	Jeff Titteringt on	Yuk	July 21/92	Clarification of terms: priorize, DISTcovery, news releases	Incorporated in Program Delivery/ Admin. Working Group's Final Report Referred to Communications Branch Selected Issues Co-chair contacted him directly
44	John Ellis	CGSI	July 30/92	Newsletters in "newspaper boxes"	Communications Working Group and Communications Branch responded directly
45	M.J. Pringle	CGSI	July 27/92	Program Measurement ie. accountability, quality, effectiveness, and cost benefits	Incorporated in Program Delivery/ Admin. Final Report
46	C.D. Robertson	ITRO	Aug. 19/92	Use of Personal Services Contract whenever appropriate instead of employment contracts	Referred to Functional Manager - M. Eustace
47	Claude Charette	ASB	July 2/92	Subscriptions to Newspapers or Periodicals	Responded to by Head of the Library
48	Rosemary Butler	ITRO	July 2/92	Orientation Document - new employees	Referred to Human Resources Functional Manager

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
49	Fraser Dickson	PEI	Aug/92	Hopes that view that one person should perform all of the steps in a process be re-assessed	Incorporated in Program Delivery/ Admin. Working Group's Final Report
50	Richard Guttormson	IMB	Aug. 21/92	How to handle sign-offs required of people leaving ISTC	Referred to Human Resources Functional Manager
51	Jim Milne	ITRO	Sept 14/92	Personal Empowerment	Active participant in Working Group – concepts contributed strongly to work plan and options of Working Group
52	Bruce Deacon	CGSI	Sept. 9/92	Header-page for documents printed on shared printer	Consulted LAN representative
53	Allan Martel	CGSI	Sept. 9/92	Signing of Purchase Orders and Taxi Chits	Referred to Functional Manager
54	Allen Martel	CGSI	Sept. 11/92	Use of collator codes to code everything from taxi chits to travel claims	Responded to by Finance Working Group

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
55 56	Joanne Cecchini & Services to Business Branch	CGSI	Oct. 8/92	Travel arrangements Payment Processes	Responded to by Finance Working Group
57				Ministerial Correspondence	Responded to by Communications Working Group
58				Assets and facilities management Contracting processes	Referred to Functional Manager - Mike Eustace
59 60				Staffing Process	Referred to Human Resources Functional Manager
61				Delegation of Authority, Human Resource requirements, equipment requirements, training requirements	Referred to Functional Manager
62				Audio-Visual Communication Services	Issue in Selected Issues Working Group's Final Report
63				Forms	Referred to Functional Manager - Mike Eustace
				Hospitality Services	Responded to by Finance Working Group
64	Allan Martel	CGSI	Oct. 8/92	Ministerial correspondence	Replied to by Communications Working Group

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
65	Rosemary Butler	ITRO	Oct. 9/92	Contracting levels - former public servants	Referred to Director, Contracts & Professional Services Directorate
66	Allan Martel	CGSI	Oct. 16/92	Application for leave and monthly attendance report - suggests Directors' initials for leave requests	Referred to Human Resources Functional Manager
67	Gary Bielert	ITRO	Oct. 21/92	Asking for copies of 2 suggestions on e-mail (DIPP, Operation of Admin. Units)	Responded to by Re-engineering Secretariat
68 69 70	Joan Baker	ITRO	Oct. 21/92	Travel expense claims, breakfast allowance, job advertisements	Responded to by Finance Working Group Referred to Human Resources Functional Head
71 72	Debra Foster	COMM	Oct. 21/92	Hospitality claim, secure phone/secure fax	Responded to by Finance Working Group Referred to Functional Manager - Mike Eustace
73	Tom Rath	TOURISM	Oct. 21/92	Savings in utilization of paper, printers and photo-copiers	Referred to Functional Manager - Mike Eustace

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
74	John Vincent	CGSI	Oct. 21/92	Copies of Purchase orders	Referred to Functional Manager - Mike Eustace
75	Sheila Watkins	CMB	Oct. 21/92	E-mail bulletins	Responded to by Communications Working Group
76	Doug Mercer	WOMENS BUR	Oct. 21/92	Departure sign-off form	Referred to Human Resources Functional Manager
77	Claudette Aschauer	HRB	Oct. 22/92	Telephone recorded services - options for users	Responded to by Communications Working Group
78	Tony Colven	ITRO	Oct. 22/92	Use of forms for official correspondence for Deputy & Ministers	Responded to by Communications Working Group
79	Suzanne Bourdage	APO	Oct. 23/92	Hospitality	Responded to by Finance Working Group
80				Delegation of Authority	Forwarded to Functional Manager
81				Records retention	Referred to Functional Manager - Mike Eustace
82	Erech Morrison	CGSI	Oct. 23/92	Laser Printers & Photocopiers	Followed-up with Mr. Morrison, but never received a copy of the suggestion
83				Travel (air reservations)	Responded to by Finance Working Group

#	SUBMITTED BY	SECTOR	DATE	SUGGESTION	ACTION TAKEN
84	Robert MacDonald	ITRO	Oct. 22/92	Organization of Corporate Focus Days	Referred to PS2000 Secretariat
85	Margaret McCuaig-Johnson	SCI	Oct. 26/92	Brown Bag Sessions regarding individual departmental programs	Referred to PS2000 Secretariat
86	John Appleby	CGSI	Oct. 30/92	On-line Calendar of ISTC activities	Referred to Functional Head - John MacKillop (re Minister & Deputy Minister agendas)
87	Anonymous		Nov 6/92	Role of Secretary - telephone & mail	Referred to Human Resources Functional Manager
88	Anonymous		Nov 10/92	Secretary stations	Referred to Human Resources Functional Manager
89	Lorraine Raynes	ITRO	Nov 27/92	By Hand and By Currier forms be made available on electronic forms	Forwarded to Functional Manager - Mike Eustace

PROGRAM DELIVERY /

ADMINISTRATION

WORKING

GROUP

RE-ENGINEERING FINAL REPORT

WORKING GROUP: PROGRAM DELIVERY AND ADMINISTRATION

Table of Contents

RE-ENGINEERING FINAL REPORT

WORKING GROUP: PROGRAM DELIVERY AND ADMINISTRATION

PROCESS: PROGRAM DELIVERY AND ADMINISTRATION

1.0   Executive Summary

1.1   This report is about change - significant change to streamline and make more effective the department's approach to funded program delivery. It is one of a number of contributions to the overall departmental effort to re-engineer ISTC's business processes so as to identify, in a resource constrained environment, resources for redistribution from indirect to direct client interaction.

1.2   ISTC is a relatively small department with 42 funded grant and contribution programs, each of which has its own terms and conditions, series of letters of offer, procedures, manual(s), processes, structures, information systems, and delivery units (formal and informal) in every corner of the department. Our programs serve a wide range of clients and provide financial assistance or guarantees for an even wider range of activities.

1.3   Program delivery and administration was chosen as a candidate for this re-engineering exercise because

—   there has been a known proliferation of programs and related machinery since the department was created;

—   external clients have been expressing concerns about complexity, inefficiency and ineffectiveness reflected in long response cycle times and confusion in responsibility and authority lines;

—   · a majority of employees have concerns about the quality and relevance of the products they provide to external clients and the department's ability to respond to changes in its operating environment;

—   individual program reviews were being undertaken with increased frequency, but there was no approach to look across the department as a whole;

—   the realization that funded program delivery is an integral part of the core processes of the department and that if we cannot deliver these well, clients will be less likely to take us seriously on matters of policy, leadership and influence in relation to our mission.

1.4 The approach to this review, once objectives and perimeters were established, was to examine two models as a continuum:

— harvesting the results of the various individual program reviews as these become available; and,

— determining the feasibility of applying approaches involving Special Operating Agency (SOA) or Most Efficient Organization (MEO) with added client focus to departmental programs.

1.5 The Working Group was comprised of interested volunteers from around the department and was assisted by Consulting and Audit Canada which undertook a survey of ISTC program Managers' views on program administration and delivery and analyses of program management resources and the feasibility of SOAs and MEOs to departmental programs.

1.6 Key findings of the analysis were as follows:

— Most program managers perceive their programs as being unique and deserving to be standalone, regardless of size or scope.

— They also support incremental change - many issues and recommendations for dealing with them are arising in ongoing processes and from other reviews and managers want action on these.

— There is not the same general level of support for major change in the delivery apparatus such as moving to a Special Operating Agency (SOA) or Most Efficient Organization (MEO) model.

— Managers of funded programs generally follow some form of the 19 point program management cycle noted in figure 2 - the processes across programs are by no means identical and managers have streamlined them where they could.

— Measuring the resources they use to manage programs according to this or their own program management cycle is not something many managers do regularly and it posed significant challenges, particularly for the managers of the smaller ISTC programs.

— Little evidence was found of the benchmarking process cycle times in a number of the smaller (S&T) programs.

— Little evidence of systematic and formalized client feedback was found other than for program evaluations. Most managers, however, seek informal feedback on a continuing basis.

— Processes for priority setting between and among programs are not well developed.

— The level and distribution of resources and expertise required to deliver particularly the smaller programs is uneven.

— Applying an SOA model to some of the department's larger programs could have merit if a business case and improved client interaction would result.

— Applying an SOA to the larger range of smaller programs of the department would not be appropriate until they are brought down to a more manageable number and the resources delivering them are more clearly identifiable and concentrated.

1.7 The Working Group concluded that:

— ISTC is changing program delivery and administration for the better, but

— circumstances are changing faster than ISTC can improve its delivery systems and processes.

1.8 Recommendations for modifying program delivery were developed on the basis of the following three principles:

a) — All actions should have a strong client orientation with the following outcomes:

- delegate approvals to employees as close to the client as possible in order that decisions are made in the best interests of the client,

- fast-track the approvals processes, so the client is not subjected to "bureaucratic" delays,

- make the programs fit the clients' needs rather than making the clients' proposals conform to our program criteria: this includes eliminating the "alphabet soup of program offerings";

b) — the department's program activity should be focused to improve the impact of our scarce personnel and dollar resources;

c) — the effectiveness of the delivery process and the results achieved should be measured and this data used to improve what we do.

1.9 Twenty recommendations have been proposed to address the following three challenges:

— To streamline the funded program mix;

— To lighten the program delivery load;

— To make program delivery and administration more efficient and effective.

1.10   In summary, the recommendations are to:

— Examine the future of the 14 federal/provincial agreements and collapse the remaining 28 programs into 9.

— Transfer MAS, AMTAP, EDP and SBLA to other agencies.

— Collapse the corporate committee structure (POB, PPMC and PCC) into one Program Operation, Coordination and Priorities Boad, and consider similar opportunities for lower-level committees.

— Integrate program services, programs integrity and financial analysis functions as a service organization to the department and secretariat to the new board (management responsibility to be shared with the Comptroller).

— Integrate resources in CGSI and ITRO responsible for the program administration/delivery aspects of sector campaigns, S&T programs and "one-offs."

— Consider SOAs for   - Tourism
                                - DIPP
                                - AEP
                                - FEDNOR
                                - consolidated "small" programs.

— Streamline delegations and the approval cycle.

— Negotiate flexibility to use grants up to a ceiling of about $50K.

— Refine other processes for administration and delivery of programs and services.

1.11   A single longer-term objective to underpin this next round is also presented for consideration. It recommends that all proposal Terms and Conditions and delivery be tied directly to the type of client support needed in the business/innovation cycle. It notes that this should be applied on the basis of all the programs and services in the Wilson Portfolio.

1.12   Implementation has been proposed in a four-step framework in two phases, the timetable for which is to be determined by management.

— Establish the new Program Operations, Coordination and Priorities Board and secretariat which would be tasked immediately with preparing a phased implementation plan for the above recommendations.

— In parallel, establish a re-engineering-type process to streamline and coordinate program and service, administration and delivery across the Wilson Portfolio on a client-need basis.

2.0 The Status Quo

Programs

2.1 The following provides a broad overview of the types, characteristics processes, resources and outputs of current departmental programs. It is intended to situate and benchmark existing activities rather than provide detailed descriptions.

2.2 ISTC currently has 42 funded grant and contribution programs, which, taken together account for approximately $627 million or 70% of the total $869 million in current year departmental budgetary expenditures. The vast majority are sunsetted and, unless renewed, some will terminate as early as the end of the 1992/93 while others expire as late as the fiscal year 1996/1997. They cover virtually all of the ISTC mandate areas. Annual program expenditures range from $0.5 million or less to $200 million per program. Individual grants or contributions can be anywhere from several thousand to several million dollars. They can be in support of anything from running a conference or workshop to sophisticated science and technology based research and development in a firm, organization alliance or consortium. Some are long established programs while others are recent entrants to the ISTC family of programs. Some are application based while others are negotiated with targeted associations or firms.

2.3 ISTC also has involvement with several other programs or types of programs which consume ISTC resources. These include the international marketing activities of Tourism Canada (also involving International Trade Canada), the Program for Export Market Development (an International Trade Canada program which uses ISTC resources) and a series of one-offs, usually involving downside protection of single firms or organizations. In addition, ISTC resources are still used for completing action on projects from programs which have been discontinued (eg: IRDP).

2.4 Programs can be classified according to a series of families based on the ISTC mandate areas and size of program as shown in Figure 1.

Process

2.5 ISTC programs have generally all developed their own management processes. These vary by program but generally follow the management cycle shown in figure 2, which is based on the checklist developed under the recently completed Mid-Term Review of S&T Programs.

FIGURE 1

ISTC PROGRAMS

Program Family	"Larger" Programs*	Smaller Programs*
Science and Technology Development	CSP DIPP MSDP STP TOP	AMTAP ETDP MAS Sector Campaigns(12)
Industry Development		One-offs
Trade Promotion/ Development	PEMD **	
Small Business	FEDNOR SBLA	Development Agreements(3) EAP EDP NPO
Aboriginal Economic Development	ABDJVP ABLIP ACC	
Tourism Development	International Marketing ***	Regional Tourism Agreements(11)

Notes:

*   The dividing line is programs with $50 million in expenditures over the life of the program or consuming 50 PYs of resources

**   ITC program/ISTC participation

***   ISTC program/ITC participation

The full list and descriptions of the 42 programs, with exception of PEMD, one-offs and International Marketing, can be found in the August 31, 1992, Program Services memorandum, "Current ISTC Grant and Contribution Programs."

FIGURE 2

ISTC PROGRAM MANAGEMENT CYCLE

Major Phase	Step
Development/ Decision	1. Program Concept (development/approval in principle) 2. Program Design (criteria, resource and delivery considerations including terms and conditions 3. Communication Plan (announcement/support material) 4. Program Approval (cabinet decision on design timing, funding, resource requirements) 5. Program Authority (TB decision)
Launch/ Delivery	6. Program Administration Structure (detailed delivery modalities) 7. Human Resources Requests (staffing/training) 8. Program Launch and Communications 9. Application Processing and Evaluation 10. Project Recommendation and Approval 11. Letter of Offer/Rejection and Contract 12. Program Review 13. Budgetary, Forecasting and Financial Control 14. Payments 15. Repayables 16. Recoveries 17. Amendments (to contract) 18. Project Monitoring (before during and after payment)
Feedback	19. Program Evaluation (frameworks and studies)

2.6   Responsibility for the program development phase can be any responsibility centre throughout the organization. It usually involves participation from the Comptroller's Communications and Human Resources Branches as well as the Program Services Directorate, where the department's core expertise on the rules, regulations and requirements for federal programs resides. Major proposals for new programs can, but have not always been, vetted by the Policy Coordinating Group (formerly the Policy Management Committee).

2.7   Once approved, individual projects and major program changes can find themselves subject to various review and approval requirements by the Legal Services Branch, Comptroller's Branch, Human Resources Branch, the Program Services Directorate, and departmental corporate committee structures, including the Program Operations Board, the Program Policy Managers' Committee and the Program Coordination Committee. In addition, a number of programs have Advisory Boards, Program Committees and Interdepartmental Project Review Committees, some of which share work relating to case work-up and project rework. The vast majority of this activity takes place in headquarters.

2.8   To effect payments, all program responsibility centres must enter data on the department-wide PRISM system, the central data base for program and service related activities for the whole department. Responsibility for payment rests with the Comptroller's Branch, which also supports program managers in decisions and activities relating to claim verification, audit, recoveries, control, and forecasting.

2.9   Other aspects of Program delivery, subject to paragraph 2.8 and depending on the program, can be in headquarters only, virtually in regions only or shared between geographic locations. This has generally been determined on the basis of workload, resource and expertise requirements, and priorities. The clarity of responsibility and accountability lines varies widely and is sometimes subject to Memoranda of Understanding between particular headquarters and regional responsibility centres.

2.10 The delegation of authority to the department from the Minister for individual project approvals is never greater than $100,000 for any program. Ministers' offices are frequently consulted on projects involving potential disbursements lower than this. Within these limits, delegation of individual authority for projects is seldom below the ADM level for large projects and the director level for smaller projects.

2.11 Each program has its own terms and conditions. There are currently over 150 different letters of offer used by the various programs and their sub-component elements.

2.12 The vast majority of disbursements are made by contributions rather than grants. When disbursements are made by contribution, they require long and detailed contribution agreements regardless of the size of disbursement involved.

2.13 There can be as few as ten steps in processing a simple project to as many as 100 control, analysis review and decision points in more complex projects. Cycle times

also vary, from as little as a week or two to get a project to the payment phase to a year or more. The larger programs tend to have specific procedures in place to monitor processing cycle times. Virtually all programs have some form of manual and management information system which all vary by program.

Resources

2.14   Total current year resources directed toward the management of funded programs for the department as a whole have been estimated by individual responsibility centres at 385.8 PYs and $14 million in O&M. These figures were arrived at from a first ever department-wide survey in which managers of funded programs and managers whose activities support the management of programs were requested to break down program management activity by program and by step. (from the program management cycle) to the extent possible. They were requested to estimate 1992/93 resources in terms of PYs and $O&M. Due to the unevenness and lateness in reporting and suspected incompleteness and errors in reporting analysis of the data, the detailed analysis contained in Appendix A is preliminary. It should be used for making only very general assessments at this point. Some of the highlights follow.

2.15   The breakdown of total resources for funded program activity by program is as follows:

Program	PYs	$ O&M
DIPP	39.7	1,420,000
CSP	12.1	500
FEDNOR	20.1	1,502,600
Aboriginal Economic Development	124.0	-
Tourism Agreements	10.7	2,703,500
All other Programs	164.9	7,931,900
Support services to programs	26.3	739,100
TOTAL	397.8	14,019,600

2.16   The region/headquarters split is as follows:

	PYs	$O&M (Total)
Regions	59.9	6,306,600
Headquarters	337.9	7,713,000
TOTALS	397.8	14,019,600

2.17   Within headquarters, the split between sectors is as follows:

	PYs	SO&M (Total)
CGSI and ITRO (excluding regions)	164.1	7,034,000
Science and Technology	12.0	-
Policy	9.5	439,000
AEP	124.0	-
Tourism	2.0	-
(FPA)	20.3	240,000
TOTALS	337.9	7,713,000

2.18 Looked at from the perspective of program phase, departmental resources are divided as follows:

Phase	PYs	$O&M Total
Development/ Decision	31.8	1,301,600
Launch/ Delivery	360.0	12,218,900
Feedback	6.0	499,100

2.19 These estimates do not take into account the departmental resources used for PEMD (crudely estimated at 50-70 PYs) Tourism Sector international marketing activities (roughly estimated at 125 PYs) or one-offs (no estimate currently available).

Outputs

2.20 Viewed from the individual program perspective, funded programs serve a range of clients and provide a vast array of outputs. In terms of clients, they serve our external partners, including

EXTERNAL

. Companies/corporations

. Business and trade associations

. Entrepreneurs

. Partners

. Foreign governments

INTERNAL

. Parliament

. Ministers/Cabinets

. Members of Parliament

. Other federal departments and agencies

. Senior ISTC management

. International organizations and firms	. ISTC sectors/branches
. Provincial/territorial/ regional/municipal/ aboriginal governments	. ISTC Regional Offices
. Research institutes	. ISTC employees
. Scientific organizations	. Public Service Unions
. Financial institutions	
. Professional associations	
. Media	
. Aboriginal groups	

2.21 In terms of outputs, they provide financial assistance, or guarantees in respect of a range of generic categories, including inter alia:

- application or demonstration of new technologies
- capital
- business management and marketing skills
- conferences, seminars workshops and other consultation processes or initiatives
- economic development
- establishment expansion and diversification of capital corporations and ventures
- establishment of centres and networks
- historical development
- innovation
- insurance
- international market penetration
- loans
- market feasibility
- organizing and networking of firms or associations
- publications
- research and development
- scholarships
- studies and analyses
- technical assistance
- technology management
- tourism products
- training and development courses.

2.22 For a broader perspective on where funded programs fit in the ISTC context, see section 5.0 Essential Outputs Required.

3.0 Rationale for Selection

3.1 The importance of considering program delivery and administration as a candidate for re-engineering arises from a variety of different sources.

3.2 The first of these involves our external partners who, from individual firms to horizontal associations, have been noting since ISTC's creation:

— the complexity of the funded program design parameters, terms and conditions and letters of offer;

— the inefficiencies and ineffectiveness in executing their delivery which are reflected inter alia in unacceptably long response cycle times, and confusion in responsibility and authority lines.

3.3 The next relates to internal clients. Ministers have noted that the department has had difficulty responding to their requests for strategic responses to issues requiring focus and the coordination of ISTC's (and the Portfolio's) resources across programs at the level of individual firms associations, or sectors.

3.4 Internally as well, the 1991 Employee Survey identified a number of concerns which could be related to the way the department's programs are managed. These comments, however, are rather general in nature and are not directed in particular to specific aspects of program delivery and administration.

3.5 Employees viewed the Department as becoming increasingly client-focused, but recognized the need for more direct involvement of clients in defining ISTC's priorities, activities, products and services. Eighty-eight per cent of Departmental respondents believe that their relationships with their clients are good and 52 per cent agree that sector priorities allow each to meet client needs. While 46 per cent agree that a variety of methods are used to assess client needs, 15 per cent disagree and 39 per cent have neutral feelings.

3.6 ISTC is viewed by employees as having a high emphasis on producing quality work. While standards remain high and employees believe that they maintain positive client relationships, quality is increasingly seen as being sacrificed for quantity. Many, however, do not believe the Department is providing excellent products and services as only 34 per cent of respondents agree that ISTC is doing so. Only 21 per cent agree that ISTC has a systematic process in place for translating client requirements into products and services; only 20 per cent agree that ISTC is proactive in following up with a large sample of its clients to determine satisfaction; and only 37 per cent agree that ISTC is responsive to changes in its operating environment.

3.7 The third source is general observation. Since ISTC's creation, there has been a known and increasing proliferation of programs, committee structures, associated procedures, processes and delivery structures around the department. There has been a general sense of heaviness and control orientation surrounding the

management of our programs. This has been coupled with perceptions that more resources than should be required are being devoted to the delivery and administration of our programs.

3.8 Before the current re-engineering exercise even began, the list of areas to be addressed was significant and included:

— the proliferation of programs and tools created to manage them;

— the need for MOUs between different parts of the same organization on program management and delivery matters;

— the extent and nature of consultation between programs developers and implementors;

— the existence or otherwise of clear authority, accountability and responsibility lines, particularly between headquarters and regions;

— the purpose, operation and impact of various program committee structures;

— the nature, extent and rationale for program and resource transfers;

— priority setting for projects within and across programs;

— the nature, extent and integration of client contact and feedback;

— the presence/absence/location of the technical skill base required to deliver ISTC programs;

— the nature, extent and need for control mechanisms and check points;

— the extent of flexibility in audit and verification;

— overheads at various stages of the program administration and delivery process for small projects versus large projects;

— accounting and recovery methodologies applied;

— the extent to which aspects of delivery are appropriately contracted out versus performed in house.

3.9 Also preceding the current exercise were reviews by individual sectors of their programs. These began from the standpoint of working within the confines of the existing systems, organization and program mix. It was recognized that these, however useful in their own right, would not look across all departmental programs nor necessarily be capable of making more broad-ranging recommendations with the entire department's interests in mind.

3.10 For these reasons, it was important that program administration and delivery be included in a department wide re-engineering of business processes.

4.0 Methodology

4.1   Re-engineering of business processes is concerned with looking for creative, non-restrained ways of improving the way an organization does business. The primary purpose of re-engineering is for the Department to collectively find better ways of serving its clients. One method of accomplishing this essential goal, within a resource scarce environment, is to identify resources for redistribution from indirect to direct client support, and to remove business process irritants while using electronic systems capabilities more effectively. Re-engineering examines organization, systems and processes, not staff.

4.2   At the heart of re-engineering is the notion of discontinuous thinking - of recognizing and breaking away from outdated rules and fundamental assumptions which underlie operations. Its working groups were created from among interested volunteers in ISTC, given a set of re-engineering principles and operating parameters and set to the task at hand.

4.3   The Working Group on Program Delivery and Administration was created in May 1992. Membership changed somewhat over the six months of its deliberations. The final membership list is attached as Appendix B one of twelve ISTC re-engineering Working Groups.

4.4   The Working Group first adapted the objectives of the exercise for its own purposes and set these as:

—   to redesign and streamline ISTC's funded program administration and delivery such that significant resources can be freed up and reallocated to enhance client interaction;

—   to continuously adapt and improve efficiency and effectiveness in the core process of funded programs from program concept through to project approval, contracting, payment, monitoring, audit and client feedback.

4.5   It next reviewed the re-engineering principles and revised these for purposes of its deliberations as:

1.   Work should be organized around outcomes not tasks.

2.   Work should be re-engineered for performance at the lowest competent level in the organization and this lowest level should be made competent to carry out the work.

3.   Those who need the output should manage the process.

4.   The doers should be the decision-makers.

5.   Geographically dispersed resources should be treated as if they were centralized.

6. Information requirements should be clearly defined and based on need; information processing should aim to capture data requirements once, and be managed by the doers.

7. Where possible, steps in business processes should be parallel rather than sequential and linked and coordinated throughout.

8. Client and employee satisfaction as well as respect for integral authorities should all be paramount in process redesign and implementation.

4.6 It then assessed the task at hand, considering it important to recognize:

— the continuing evolution from larger, general application driven to smaller, more tailored, sector-specific programs;

— continuing pressures of fiscal restraint on ISTC's G&C, O&M and salary funds;

— the range and complexity of current ISTC funded program processes and that the potential for freed up resources in the exercise is likely largest in the programs area;

— other work already under way in the department to deal with issues of administrative efficiency and effectiveness in specific departmental programs;

— the need to take a basic and holistic approach to process redesign which could tend to render quick fix solutions inappropriate for the longer terms;

— the need to ensure that consistent funded approaches are applied to both services and programs of ISTC and that these be forward looking;

— the need to present not only recommendations for change effective for 1993/94 but also a roadmap for getting to our new destination;

— the availability of resources available for this project given that ISTC is already taxed virtually to the limit of its human resource capabilities on corporate development initiatives;

— that time will be needed to implement these recommendations since it took time to make the current programs and processes as complex as they appear to be; and,

— that success will depend on real, long-term skills and culture change as well as an ongoing commitment measures to enhance client service.

4.7 Based on all of the foregoing, the Working Group decided it could not undertake a systematic program by program analysis. Instead, it decided to focus efforts on the pursuit of the following broad options:

A. "Harvest the Reviews" Model

This would involve harvesting the results of the various program reviews now under way or being completed, determining what cross-fertilization of results would be desirable and making recommendations for change to all existing programs and services as well as related core and support processes and functions on this basis. The specific reviews include those relating to:

— AEP;

— DIPP;

— PEMD;

— Account Verification and Audit; and,

— Mid-Term Review of Programs.

B. Special Operating Agency (SOA) or most Efficient Organization (MEO) with Client Focus Model

This would involve developing a plan to move ISTC program and service management to a model based on the Treasury Board SOA provisions. There would be a single departmental program/service group organized and managed along the following lines:

Administration

— negotiate right to establish SOA with Treasury Board to move funds between programs (and between O&M and G&C if relevant) to meet client needs;

— portfolio of individual tailored programs remains or is clustered into groups with common themes or could be made to evolve to a several/single program approach;

— allocation from single programs budget to each delivery unit is based initially on past take-up of all programs;

— allocations are reviewed and modified quarterly;

— budget of each program modified according to how much it is used in meeting client needs;

— specialist group is set up as Special Operating Agency (SOA);

— all review committees (POB, PPMC, Sector Campaign Review Committee, etc.) are collapsed into one ISTC SOA Board with outside membership as appropriate;

— in principle, the SOA Board only reviews projects when there is a compelling need (e.g. large projects...over $1 million) but reviews resource allocations quarterly;

— some SOA employee(s) are located in regional offices as needed to give guidance locally; and,

— delivery officers/managers get advice from program administration specialist group (e.g. on Terms and Conditions, FAA requirements, stacking policy, etc.).

Delivery

— all program decision making as close to client as possible, delegate budgets and authority to local units whenever possible (eg: AMTAP);

— all program decisions made by delivery officers/managers, who have sole responsibility and accountability (i.e. no mandatory sign-offs from HQ staff units);

— delivery officers/managers have responsibility to consult colleague agencies and administration specialists where required;

— delivery is by RO/ISB officer when budget and decision authority is local;

— delivery is by Program Manager OPI only for complex programs and high unit dollar value from central budget, with RO/ISB officer playing minimal agent role;

— eliminate overlaps and duplication among existing delivery units;

— provision also to be made for contracting out elements of delivery as appropriate; and,

— delivery personnel involved in the development of all new program offerings.

Client Focus

— officers do not deliver ISTC programs and services as such;

- they identify and satisfy client needs, choosing appropriate program/service tools and working with colleague agencies;

- ISTC offerings target relatively few clients for proactive, multi-step help where ISTC can have positive impact on Canadian economy;

- target clients get priority attention and access to resource intensive programs;

- ISTC does not advertise programs, only its partnering/assistance role; and,

- continuous client feedback and self assessment audit gets built into the delivery and administration of all programs and services.

4.8 It was also decided that the Working Group's role should not be to question how program delivery and administration arrived at where it is but to focus on the current situation and where to go from here.

4.9 The Working Group was assisted in this effort by Canada Audit and Consulting (CAC) with which the Re-engineering Secretariat contracted to carry out a two-phase study as follows:

Phase 1

Objective:

- to gather data on the delivery and administration of selected funded programs through review of recent studies and interviews with program managers.

Approach:

- determine the process followed by program managers in the delivery of their programs using the Program Management Checklist as a guide;

- determine the applicability of the issues identified by the Working Group and the Mid-Term Review of Funded Programs of June 11, 1992, to selected programs;

- identify other operational impediments and suggestions for improvement; and,

- assess the feasibility for further study of the Special Operating Agency (SOA) approach to the delivery of ISTC funded programs.

<u>Phase 2</u>

Objectives:

- to examine the applicability of Treasury Board's criteria for Special Operating Agency (SOA) operations to Industry, Science and Technology Canada (ISTC) funded programs; and.

- to present a model of the process to move to SOA status where applicable.

4.10 The Working Group co-chairs took the results of the various reviews, and the CAC study, prepared the draft final report and circulated it to the Working Group and others for review and comment before revising and submitting it.

5.0 **Essential Outputs Required**

5.1 ISTC programs (and services) are one of four current core processes used by the department to deliver on its mission of promoting excellence in Canadian industry, science and technology.

5.2 Actively seeking out and assessing partner needs and then developing, implementing, evaluating and improving program (and service) offerings is currently viewed as being key to enhancing the competitiveness of Canadian industry, science and technology efforts. Funded programs are now inextricably linked to the other three core processes, i.e., Corporate Strategy, Plans and Priorities (the overarching development, management and refinement of our strategic direction) Policy, Leadership and Influence (delivering on the government's industry, science and technology policy agenda) and Issues Management (developing responses to unforeseen crises, issues or requests for assistance).

5.3 Together, these core processes, supported by the underlying human and financial resources, intelligence gathering, communications activities and physical infrastructure which comprise the department are the major tools which the department has as its disposal to provide the outputs which will stimulate private sector growth. (A visual representation of these processes was produced as part of a mapping process exercise this summer and is attached as Appendix C.)

5.4 The inability to provide outputs from any of these core processes in a timely and efficient manner has a negative effect on the other processes, on how the department is perceived and potentially on the impact of the department in providing leadership in microeconomic policy. To put it more frankly, if we are not perceived as providing financial assistance, loan guarantees or insurance credibly, why should our partners take us seriously on other matters?

6.0 Analysis - Re-engineering Options

Findings: Phase 1 - CAC Data Gathering

6.1   Phase I of the CAC study looked at a broad spectrum of departmental programs (20 of the 42) in late October 1992, with the aim of assessing current issues and the feasibility of alternate forms for program delivery and administration. It was thus different from previous reviews of individual programs or families of programs which generally looked for improvements to existing procedures and processes in the delivery of specific programs.

6.2   An overview of key findings from the series of interviews is as follows:

— Most program managers perceive their programs as being unique and deserving to be standalone, regardless of size or scope.

— They also support incremental change - many issues and recommendations for dealing with them are arising in ongoing processes and from other reviews and managers want action on these.

— There is not the same general level of support for major change in the delivery apparatus such as moving to a Special Operating Agency (SOA) or Most Efficient Organization (MEO) model.

— Managers of funded programs generally follow some form of the 19 point program management cycle noted in figure 2 - the processes across programs are by no means identical and managers have streamlined them where they could.

— Measuring the resources they use to manage programs according to this or their own program management cycle is not something many managers do regularly and it posed significant challenges, particularly for the managers of the smaller ISTC programs.

— Little evidence was found of the benchmarking process cycle times in a number of the smaller (S&T) programs.

— Little evidence of systematic and formalized client feedback was found other than for program evaluations. Most managers, however, seek informal feedback on a continuing basis.

— Priority setting between and among programs and the level and distribution of resources and expertise required to deliver particularly the smaller programs needs attention.

6.3   A summary of key impediments to the delivery of funded programs arising from these interviews is as follows:

Impediments Noted in Interview (Responses)

1.	Lack of expertise/skills in program delivery	15
2.	Lack of departmental priority setting (between programs) and overall objectives	12
3.	Lack of consultation between HQ and Regions	13
4.	Lack of client consultation and a client focused mentality	4
5.	Letters of offer, T's and C's are too complex	12
6.	Lack of consultation between the conceptual and delivery phases	11
7.	Need to cluster the programs in broad grouping	1
8.	Need to centralize program delivery	1
9.	Need to manage client expectation	1
10.	MOU's are cumbersome and useless	1
11.	Lengthy application turn around time	2
12.	PRISM is "user unfriendly"	10
13.	Multiplicity and complexity of manuals	6
14.	Departmental committee structure is cumbersome	12
15.	Lack of communication between directorates and sectors and within the Department	1
16.	Shortage of resources, particularly in the Regions	17
17.	Some departmental staff function have a control mentality	3
18.	Lot of time spent on paperwork	5
19.	Poor project monitoring capabilities within the Department	3
20.	The existence in HQ of a mentality of control by process rather than by results	1
21.	Not enough flexibility to hire fulltime staff	1
22.	Process of hiring consultants is too long and involved	1

Impediments Noted in Interview (Responses)

23.	Getting translations done is difficult	1
24.	Unclear lines of authority, accountability and responsibility between headquarters and regions	1
25.	Financial sign-off authority is at too high a level	1
26.	Duplication of activities among ISTC Atlantic provinces offices, ACOA and the Canada - Atlantic Provinces Cooperation Agreement on International Tourism Marketing	1
27.	The TB directed ISTC funding for the Canada - Atlantic Cooperation Agreement on International Tourism Marketing has not been forthcoming	1

6.4   Suggested improvements arising from the interviews were as follows:

Suggested Improvements Noted in Interviews (Responses)

1.	Program delivery should be centralized both in Ottawa and in Region (Core units of delivery experts)	4
2.	Programs should be collapsed to a manageable number of generic programs (6 to 8)	2
3.	Within each Generic Program there could be one group responsible for the conceptual design, development, approval and authority stages of the program (steps 1. to 5. of the Program Management Cycle).	1
4.	A separate group in the Generic Program would be responsible for program delivery, from designing the administrative structure through application processing, contracting paying, monitoring and evaluation (steps 6. to 19. on the Program Management Checklist). One benefit of this structure would be increased flexibility in reallocating resources among programs. Another benefit would be the elimination of inconsistencies in the delivery of the same program in different areas.	1
5.	Obtain client feedback as to the effectiveness of program delivery	1
6.	Clarify departmental objectives and establish priorities between programs.	11
7.	PRISM should be revamped to meet user needs	9

Suggested Improvements Noted in Interviews (Responses)

8.	Simplify the letter of offer and T's & C's	7
9.	Project approval and budgetary controls should be delegated to Regions	1
10.	Performance indicators need to be updated and improved	2
11.	Number of T's & C's should not be reduced	2
12.	Establish centralized units of delivery experts in regional offices (Account Executive concept)	2
13.	More delegation of power to managers	2
14.	Train employees to accept a client focused culture	2
15.	Introduce a service oriented culture to departmental staff functions	1
16.	Program delivery should continue to be the program's responsibility	1
17.	Project Monitoring should be considered for "contracting out"	1
18.	Program delivery should be privatized to non profit organizations	1
19.	Do not centralize program delivery. Project assessment cannot be divorced from project monitoring	1
20.	Cause a cultural change from a "control mentality" to a "service mentality"	1
21.	Move the program delivery closer to client	1
22.	All program delivery should be done regionally with the exception of program development activities	1
23.	HQ role should be one of "leadership and facilitation" and generally act as "a national program manager".	1
24.	Client surveys should be included in program delivery studies, reviews and evaluations	2
25.	There should be no permanent positions in Program Operations in the Program Services Group. All positions should be rotational with a finite (2 to 3 years) posting in this staff function.	1

26. Regional offices could be consolidated reducing the   1
present number of twelve to five or six.

27. Program managers' budgets should be in the regions   1
and not controlled by headquarters.

28. Delegate financial sign-off authority to the ADM level in   1
all but exceptional cases.

Findings: Harvesting the Reviews

6.5° Changes to improve program delivery are being made throughout the organization. These are generally small, incremental improvements occurring all the time. A number of these improvements or the processes in play are highlighted in the sections which follow.

6.6 Account and Audit Verification - In accordance with a new Treasury Board directive on Account Verification, the Contribution Verification Directorate developed the first ever departmental Policy on Accounts Verification - Claims Under Contribution Agreements. Specifically, the new policy gives program managers more flexibility within the control framework to exercise their account verification responsibilities and tailor procedures to the nature of their operations; promotes the more efficient processing of payments through the introduction of the concept of risk; and stresses the confirmation of deliverables and reasonable costs as opposed to the more traditional approach verifying only the accuracy of costs claimed.

6.7 Following this direction, the Contribution Verification Directorate has streamlined its own review procedures and no longer examines all claims submitted for payment. Rather, in an effort to speed up the payment process and be more cost efficient and effective, the Directorate samples claims for payment based on criteria which also take into consideration the varying degrees of risk associated with each payment.

6.8 As a complement to the account verification policy and to maintain adequate internal control and protect the integrity of the Department, a separate Policy on the Audit of Contributions is currently under development. In addition to incorporating the concept of risk, the new policy will allow for the use of recipient's external auditors which should result in cost savings to program branches.

6.9 Program for Export Market Development - A review of the efficiency of this ITC program which uses ISTC resources in its delivery was undertaken last winter. It made recommendations to fine tune management and organization of the program, or delivery on administrative matters and on information management. A number of these have been or are in the process of being implemented. The review noted in the longer term, the two departments work toward a program structure that is more unified and cohesive. It also pointed to the need for further work on such

matters as financial control, delivery procedures, manuals, turnaround times, standards and training.

6.10 <u>Defence Industry Production Program</u> - DIPP is the largest ISTC industry support program with a current budget of $240 million in fiscal year 1992/93. In an effort to improve service to industry clients, DIPP management recently completed a detailed study to identify processing times at each stage of the DIPP approval process. The review established that there is little difference in processing time for large and small cases, despite the "fast track" process for small cases; that repeat DIPP users have cases processed in about the same length of time as new users; that the approval process is lengthy, involving numerous signoffs and approvals averaging around 320 calendar days (the median time is 290 calendar days).

6.11 Although DIPP is an effective program and generally well managed, a number of factors have led DIPP management to the conclusion that a review of the DIPP management and delivery process should be undertaken. For example, there has not been any recent systematic review of project analysis and approval processes and procedures. Service standards on contract processing (delivered by SSC) need to be updated and renegotiated. As well, there are concerns about the disproportionately high percentage of cash flow at the year-end and the associated problems. Objectives of the review, slated for completion in March 1993, would be:

— To minimize those aspects of DIPP program delivery that have little value added and result in lengthy response times which may impact negatively on client satisfaction. (The reduction of turnaround time must be balanced against other critical elements such as protection of the Crown's interests.)

— To create consensus and "buy in" by all parties in the delivery process on the extent to which staff resources now devoted to low value added elements can be redirected to the areas of strategic analysis, intelligence gathering, facilitating networking and other ISTC corporate priorities in the aerospace and defence sector.

— To find possible new and innovative approaches to bring about more consistent and more easily predictable cash flows through the fiscal year, thus placing less reliance on the need for cash management to achieve desired cash flow targets.

— To review SCC services and costs to ISTC in connection with DIPP delivery and the management of Crown projects.

6.12 The DIPP review will be carried out by using a combination of internal staff - officers and managers, guided by an ADM/DG steering committee, and external consultants with the overall project management under Gary Bielert, reporting to the ADM CGSI. In phase I, the consultant will review from a strategic point of view the procedures for assessing DIPP cases, contracting and cash management. The purpose of this approach is to first establish the management framework, policies,

and objectives for the DIPP case assessment and decision process. Thus, the study will be looking at the underlying operating framework governing the assessment process as described in the Cabinet documentation, Treasury Board guidelines and other ISTC policy and administrative guidelines for DIPP. This set of documents will provide the formal requirements for the DIPP case assessment and decision process. The second aspect of the operating framework will be to obtain an understanding of DIPP management's interpretation and application of the framework. In other words, which of the framework elements make sense and which ones require fundamental change to streamline DIPP program delivery?

6.13   The above management framework will be developed so as to clearly review the procedures for the main categories of DIPP cases: Fast Track, DDSA, MOUs, and standard cases. In addition, the processes for Cap[ital Investment, R&D, Source Establishment and Market Feasibility projects will be reviewed. Particular attention will be paid to reviewing the processing of Fast Track Cases and MOU cases to determine whether the established procedures are effective in reducing processing time and simplifying decision-making. The contractor's report will build upon the results of previously completed DIPP-related studies, as well as ongoing reviews under the re-engineering umbrella.

6.14   The "analysis" phase of the DIPP delivery process will be subjected to an internal "bottom up" review by DIPP delivery officers. The output of this exercise will be series of implementable recommendations on how to streamline the "analysis" segment of the DIPP delivery process with the objective of reducing the analysis time to an order of magnitude approaching private-sector standards for credit-risk analysis of comparable transactions. (At the same time, it is recognized that the breadth of analysis encompasses other factors beyond strictly commercial lending considerations requiring additional analysis time.)

6.15   The second phase of the study will be to review DIPP case processing and approval procedures commencing after the Director signoff, through to the SSC contracting phase using the Program Administration and Analysis Directorate's (PAA) case processing study as the starting point to make recommendations to rationalize this process.

6.16   The contractor will draw upon interview material obtained by the ISTC project manager in discussion with Program Operations Board (POB) and DIPP committee members and ministerial staff to develop specific recommendations for clearer, more focused information packages that will minimize the need for different proposal summary formats, but, at the same time, meet the information needs of decision-makers and advisors at different levels of the approval process.

6.17   A key focus of the study will be to assess the overall DIPP resources used for the assessment and decision process versus what is actually required as per the management framework and determine whether there are innovative ways of revising operating procedures and approaches to reduce the time requirements and lower costs and time process while still maintaining service and accountability standards demanded by DIPP clients and management.

6.18 Aboriginal Economic Programs - Aboriginal Economic Programs (AEP) are currently responsible for the management and delivery of several program initiatives as part of the ISTC, INAC, EIC led Canadian Aboriginal Economic Development (CAED) Strategy. All of the AEP initiatives are overseen by a National and two Regional Advisory Boards which are composed of 41 Order-in-Council appointees (most of whom are Aboriginal business people). The Regional Boards are charged with reviewing and making decisions on all projects under the Aboriginal Business Development Joint Venture Program (ABDJVP) with a program contribution between $50 K to $250 K (staff officers have delegated authority for projects under $50 K. The National Board considers policy and makes recommendations on business projects requiring a program contribution in excess of $250 K, as well as all contributions for Research and Advocacy and the Aboriginal Capital Corporations. These programs are all part of ISTC's A-base and are not scheduled to sunset. Over the last two years, considerable progress has been made in delivering "partnership agreements" with 22 Aboriginal institutions for the delivery of most elements of the ABDJVP (except decision-making) through External Delivery Contributions Agreements. These delivery arrangements mean that an increasingly significant portion of AEP's business clients are being served by Aboriginal client organizations. In Ontario, for example, this applied now to fully 50% of the business projects.

6.19 AEP is to take this process one step further by seeking Ministerial authority to actually transfer decision-making to some of those organizations with a demonstrated capacity to delivery their own program delivery. In effect, this has already been done with the 33 Aboriginal Capital Corporations, each of which manage and control their own revolving loan funds.

6.20 In June 1992, a Quality Assurance Review was initiated for the Aboriginal Business Development Program in Five regional centres. A team composed of the 2 officers from HQ and one from a Regional Office visited each office for a period of three to four days. They reviewed approximately 30 files in each office and conducted a overview study of operations policies and practices. The results were submitted to the management team for discussion and action. Outcomes included refinements to project evaluation guidelines, adjustments to the contracting and claims process, and MIS procedures. This Quality Assurance Review initiated a continuous process of ensuring the mechanics or program delivery serve Aboriginal Economic Program objectives.

6.21 Sector Campaigns - Sector Campaigns (SC) represent a core program and an umbrella framework for harnessing ISTC services and other programs to achieve specific objectives and action plans for selected sectors. The original program authority permitted the transfer of funds from the SC allocation to other ISTC programs for delivering assistance under these programs. This procedure was found to be cumbersome and inoperative sometimes due to funding ceilings set in some program authorities. It also meant that we had to go to Treasury Board to amend funding ceilings, which in a way defeated the original purpose of having the sector campaigns' umbrella feature.

6.22 The major change now trying to be introduced is to be able to provide assistance directly under Sector Campaigns to be eligible under other ISTC programs. This proposed amendment could simplify program delivery and administration, since assistance would be administered under the Sector Campaigns set of Terms and Conditions. It is only the criteria for eligibility of activities under other ISTC programs that would be used when needed, reducing the need to seek TB approval each time. Another obvious advantage is that this proposed approach would result in more appropriate program and expenditure accountability.

6.23 Among the other revisions being progressed to the SC program terms and conditions, it is being proposed to secure more ministerial discretion respecting sharing ratios (maximum levels of assistance) again to avoid having to go to Treasury Board for deviations from the normal 50/50 ratio. As well, it is hoped to achieve more flexibility in program administration by including alliances as eligible applicants, by allowing advance payments where needed and by permitting applicants to undertake payments where needed and by permitting applicants to undertake studies themselves in addition to hiring consultants.

6.24 Mid-Term Review of Funded Programs - This review of the delivery of S&T funded programs was carried out earlier in 1992. It was brought to a conclusion in October and is now awaiting consideration by senior management. This review addresses 11 issues with 31 recommendations, some of which have been implemented, others of which could be implemented in the coming months and still others of which would require further study. It further recommends implementation by a Task Force led by an executive involved with Program Delivery operating until such time as it should be integrated with the larger re-engineering effort.

6.25 There is significant congruence between the issues identified by the CAC study and this review. (In fact, CAC used the Mid-Term Review as the main backdrop to its study.) The changes recommended by the Mid-Term Review address many of the issues identified in the CAC study in an incremental way, working within existing processes and procedures. It is understood that there is consensus around the department on many of these.

6.26 Recent Program Evaluations - Evaluation studies of the following funded programs were completed during 1992-93:

— Advanced Manufacturing Technology Application Program (AMTAP);

— Technology Outreach Program (TOP);

— Strategic Technologies Program (STP).

6.27 The evaluation study of the Advanced Manufacturing Technology Application Program (AMTAP) concluded that AMTAP is supportive of departmental objectives; that it is addressing real problems and meeting real needs in the Small and Medium Enterprises (SME) community; and that it is creating awareness of competitiveness issues among firms and encouraging them to adopt continuous improvement

programs. Program emphasis is largely on the adoption of sound modern management practices, necessary preconditions for the introduction of modern manufacturing technologies. Future research will be required to assess the program's long-term impacts. No significant program design weaknesses were identified, but a number of administrative shortcomings were highlighted, notably the need for post-project implementation assistance. For the most part, these shortcomings have been addressed.

6.28 The Technology Outreach Program (TOP) evaluation study focused on program rationale and alternatives issues, impacts and effects and objectives achievement. The study found that the TOP Centres have significant potential to reach key ISTC clients and that more targeting with respect to the number and type of industry sectors could be undertaken. The study indicated that the services provided by the TOP Centres had a marked influence on the decisions and actions taken by clients. The results of the study showed that the ability of the TOP Centres to link clients with the appropriate technical expertise thereby solving problems, influencing decisions and transferring technology was the most important strength exhibited by the Centres. The study identified program design in terms of coverage, complex and varied funding arrangements and the target levels for self-sufficiency as areas for reassessment. The results of the study were used as input to decisions concerning revisions to the design of the program, the establishment of a technology diffusion network, and the operation of the TOP Centres.

6.29 The evaluation study of the Strategic Technologies Program (STP) found that the program is soundly designed, and that positive immediate effects were attributed to it. There was strong evidence that a number of projects will yield significant economic benefits in the near term. On the matter of incrementality, the study found that each STP assistance dollar invested was matched by an additional &2.50 from other sources. A number of recommendations were made to improve the delivery of the program which are currently under consideration. The study conclusions support the decision to extend the program.

Suggestions Received within the Department

6.30 Another source of input to the Working Group was suggestions received from around the department. Suggestions concerning Program Delivery, ranging from specific programs to general overall management were received which could assist the Re-engineering process in ISTC. A summary of these are listed below.

6.31 Programs within ISTC are broken down into various components delivered from numerous responsibility centres. This lengthens the time in which programs are delivered and processed. It was suggested that the project officer become an autonomous product unit carrying a project from its initiation to conclusion in all respects including administration. This would involve the development of a new management software which could be menu-driven to walk the officer through each phase of the project. It was noted that all the different modules are already in place and require a front-end to link these together allowing one element to flow automatically into the other.

6.32 Suggestions on program management were received and outlined the way measurements of the accountability, quality, effectiveness and cost benefit of major programs and services could be undertaken. It covers such areas as allocation of accountable program managers' installing simple, formal, ongoing performance indicators to determine ISTC's impact on the economy; measuring the amount and quality of programs outputs -- doing it over the long haul;limiting it to key programs and services only; and feeding back "lessons learned" to improve program and service design and delivery.

6.33 It was also suggested that ISTC focus on a lesser number of program and services. An in-depth review of our programs/services would determine whether there is a truly interested private sector client or internal need and a decision to maintain or dropped the program/service and relocate resources elsewhere.

6.34 Comments were also received for an overall ranking of tasks, programs and services within the department. These need to be prioritized, especially those which are to become the responsibility of the regions.

6.35 A suggestion to rename the PMIS Steering Committee to perhaps Program Systems Coordination Sub-Committee and move it to become a functional sub-committee of PPC was also made. In this way PMIS would continue to provide systems support to funded programs. By communicating business issues requiring system support, PPC would drive PMIS' activities.

6.36 On the DIPP Program - A combination of lower approval limit, increased scrutiny and sometimes inadequate information means lengthy delays and consequent reduced service to the customer. A request to look at this with a view to sorting out who really needs what information, and amending the form accordingly was made.

Findings: Phase 2 - CAC: Feasibility of a Special
Operating Agency (SOA)

6.37 In examining this option, the CAC found the following issues raised in phase 1 to be critical in assessing the feasibility of an SOA to deliver ISTC programs:

1. Shortage of resources, particularly in the Regions

2. The lack of expertise and skills in program delivery

3. The lack of consultation between HQ and Regions

4. Lack of overall departmental objectives and priority setting among programs

5. Letters of offer and T's and C's are too complex

6. Departmental Committee structure is cumbersome

7.   PRISM is "<u>user unfriendly</u>"

8.   Lack of consultation between conceptual and delivery phases

9.   Multiplicity and complexity of manuals.

6.38   The approach used was to consider the feasibility of establishing one or more of ISTC's bigger programs as SOAs, or alternatively, an SOA to deliver ISTC's smaller programs.

6.39   The criteria used for assessing candidacy for SOA status indicate only whether or not further investigation of the implementation of this organizational option should be carried out. It must also be pointed out that the information on which the assessments are based was obtained in one or two interviews with program personnel, from the review of recent studies, various programs documents and ISTC "Main Estimates."

6.40   The preliminary assessment of the ISTC programs is illustrated in Figure 3. It indicates that they meet four of the six T.B. criteria used to assess SOA candidacy with two exceptions.

6.41   To assess whether the managers of the big programs are committed to the SOA approach was beyond the scope of this study since, in most cases, only one person from each program was interviewed. If it is decided to proceed further with the study of applicability of the SOA concept to ISTC programs, the assessment of the commitments of all levels of management to the initiative should be carried out as a mandatory first step.

6.42   Based on the interviews conducted, the following points are noteworthy, particularly as they relate to smaller ISTC programs:

-    most of the programs are small in size and yet some carry out the full range of delivery activities;

-    the program delivery activities are fragmented amongst headquarters sector and regional offices;

-    there is inconsistency amongst programs in T's and C's used and in the eligibility criteria; and,

-    the level and characteristics of the delivery activities vary significantly between programs.

Figure 3

Assessment of ISTC's Bigger Programa against TB Criteria for SOAs

T.B Criteria For SOA's	CSP	DIPP	Fednor	AEP	Tourism	SBLA
1. discrete units of sufficient size to justify special consideration	does not meet	meets	meets	meets	meets	does not meet
2. concerned with delivery of services (rather than internal policy advice)	meets	meets	meets	meets	meets	meets
3. able to be held independently accountable within the parent department	meets	meets	meets	meets	meets	meets
4. Amenable to the development of clear performance standards	meets	meets	meets	meets	meets	meets
5. operating under a stable policy framework with a clear, ongoing mandate	meets	meets	meets	meets	meets	meets
6. staffed by managers who are committed to the SOA approach	*	*	*	*	*	*

* not assessed

6.43 As a consequence, the Department has not taken advantage of economies of scale and the formation of a critical mass in those areas where specialized skills are required. No doubt, the causal factor of this situation is the proliferation of programs and the fragmentation of delivery activities.

6.44 Consequently, it is most desirable that smaller programs be collapsed down to manageable number of programs. The idea of bringing together similar ISTC programs into a finite number of family groups was raised during the interviews. It was also listed as a "for review" recommendation in the Mid-Term Review.

6.45 With respect to the Small Business Loans Program, the following two points are noteworthy. First, a recent study by Deloitte Touche concluded that SBLA was too small a program to meet T.B. size criterion. It is understood that the T.B. is now placing less emphasis on the size criterion, leaving it instead to the judgement of the department. Second, it was noted that there are other programs in Government which are also in the business of offering loan guarantees. These programs are the AEP Loan Insurance Program (ISTC), the Student Loan Guarantee Program (Secretary of State) and Farm Improvement and Marketing Cooperative Program (Agriculture). The possibility of grouping these three programs in one SOA could be pursued by ISTC with the other two departments.

6.46 It is to be noted that an assessment against T.B. for SOA candidacy for families or clusters of smaller programs is not possible until groups have been formed and the following actions taken:

— mandate and policy framework established;
— products/services defined;

— accountability framework described; and,

— managers and staff appointed.

6.47 In forming families of smaller programs with similar delivery characteristics, consideration might be given to dividing the Program Management cycle activities between two groups in each family. The first group would be responsible for the checklist activities associated with program concept, design, development, approval, authority, administration structure and human resources planning.

6.48 The second group of each family of programs would be responsible for the delivery of the programs and their administration. These are the activities which start with application processing and continue through the complete delivery process to project monitoring. Consideration might even be given to combining a number of these delivery groups into one Special Operating Agency. The Agency should include delivery activities now carried out in regional offices.

6.49 Any division of the Program Management cycle activities between a headquarters unit and an SOA set up to deliver the programs would have to be studied carefully

in the process of formulating the organizational changes. The current complaints that there is a lack of consultation between the conceptual and delivery phases of a program and that there is a lack of communications between headquarters and the regions must be addressed in any new arrangement. Likewise, the linkage between program delivery and sector knowledge building activities must be carefully assessed to ensure that the latter function is not compromised. Client interests must also be uppermost in mind.

Additional Background on the Special Operating Agency Model

6.50 The SOA Model deals with cultural change because of its focus on client service. It allows a greater degree of empowerment and presents advantages as well as risks. The SOA concept, how it works, its organizational structure its benefits and the process of becoming an SOA are described in Appendix D. It is important to note that the successful establishment of an SOA depends on the commitment of senior management to the concept and the complete support of all members of the Agency's staff in its implementation.

6.51 The initial sections of the SOA model give a description of the operational aspects of the new organizational form. It describes what the concept is built on, the status of employees, the roles of senior managers and the concept of giving higher delegation of authority to management and staff in return for agreed upon levels of performance and results.

6.52 Along with the T.B. criteria for candidacy assessment, the model describes the cultural change at the point of service delivery, the freedoms and flexibilities associated with SOA operations and the requirement to assess the state of readiness of personnel and systems to accept and absorb the level of change required for SOA operations.

6.53 When it has been determined that an organization is ready to move to SOA status, the following documentation must be prepared:

—   an Agency Framework detailed all aspects of the Agency's operational requirements;

—   a Business Plan describing both short and long term operational management, marketing, financial and capital plans;

—   a Communications Strategy for keeping the Agency's various publics informed;

—   a Treasury Board Submission seeking approval to establish the organization as an SOA; and,

—   an Implementation and Transition Plan for creating SOA. An integral part of this plan will be a description of a Human Resources Strategy.

6.54 The preparation of the above documents requires the cooperation and participation of managers and staff at all levels of the organization. Becoming an SOA requires a significant expenditure in time and resources and success depends on the commitment and dedication of all staff.

7.0 Considerations

7.1 In framing its conclusions, recommendations and proposed action plan, the working group adopted a moving target philosophy. It considered that in synthesizing findings, the options should be considered more as a continuum than as alternative approaches.

7.2 The Working Group also considered it important that recommendations be capable of:

— addressing the Prosperity Action Plan;

— responding to an environment of continuing fiscal restraint and possible organization change within or involving the department;

— prioritizing and targeting resources between and within programs;

— responding to Ministerial requests for short, medium and longer term strategic responses requiring focus and coordination of resources across departmental (and possibly portfolio) programs at the level of individual firms, sectors or associations; and,

— facilitating the negotiation of various kinds of partnership arrangements.

It was also recognized that it would be important to avoid measures that were relatively suited to all programs and issues but perfect for none of them.

7.3 It further noted that the repositioning of regional offices initiative among other considerations are likely to have a dramatic impact on the programs ISTC will have in future and how these may be delivered.

8.0 Conclusions/Recommendations

Conclusions

8.1 ISTC is changing program delivery and administration for the better. This is occurring as individual managers and staff working in the program areas or supporting them work to continuously improve procedures and processes under their span of control. It is also occurring as a result of individual program reviews and re-engineering exercises such as the Mid-Term Review. These are to be commended and supported.

8.2   <u>Circumstances are changing faster than ISTC can improve its delivery systems and processes</u>. Continuous fiscal pressures and the repositioning of regional offices, among foreseen and unforeseen changes on the horizon, will mean that action on many identified impediments will not be taken precisely at a time when solutions are most urgently needed. These solutions will need to extend beyond re-engineering processes per se and may also have to involve changing the program mix, changing the way ISTC is organized for delivery and establishing clearer priorities on the program offerings to be resourced, the clients, and the ways they are to be served.

Recommendations

8.3   The working group has developed its recommendations on modification to the program delivery activities of ISTC on the basis of 3 principles.

a)   all actions should have a strong client orientation: there are three outcomes of this principle

- delegate approvals to employees as close to the client as possible in order that decisions are made in the best interests of the client,

- fast track the approvals processes, so the client is not subjected to "bureaucratic" delays,

- make the programs fit the clients' needs rather than making the clients' proposals conform to our program criteria: this includes eliminating the "alphabet soup of program offerings";

b)   the department's program activity should be focused to improve the impact of our scarce personnel and dollar resources;

c)   the effectiveness of the delivery process and the results achieved should be measured and this data used to improve what we do.

8.4   From these principles the working group has concluded that there are three near term challenges that can be met to achieve meaningful improvement results, and a longer term goal that will significantly change how we do business and look at our program offerings.

8.5   It should be noted that the working group made no attempt to obtain a consensus view in the department on its recommendations.

8.6   Action on individual recommendations will obviously depend on senior management's view of

—   their viability, feasibility and implications;

—   the priority attached to them in relation to other externalities;

Annex F/Page 37

—   the future of the program(s) in question;

—   the capacity of the organization to deal with them;

—   the willingness and capacity of the "system" outside the department to deal with them.

8.7   The following recommendations are seen as being achievable over the near term. They are grouped to fall under one of three challenges.

Challenge -   To streamline the funded program mix.

1   Blend the TOP and NCE programs into one program with one set of Ts and Cs and one generic letter of offer.

2   Blend the EAP and NPO programs into one program with one set of Ts and Cs and one generic letter of offer.

3   Blend the AEP programs into a single program with one set of Ts and Cs and one generic letter of offer.

4   Make the Sector Campaigns one program with one set of T s and C s and one generic letter of offer.

5   Make all other strategic technology programs of the department one program with one set of Ts and Cs and one generic letter of offer.

Challenge -   To lighten the program delivery load.

6   Transfer program responsibility for and delivery of MAS and AMTAP to the NRC IRAP network (Note: This is already under way.)

7   Transfer program responsibility for and the delivery of the EDP and SBLA together with two of the other federal loan programs (i.e., the SLGP and FIMCP) to an agreed federal financial organization which would either establish them as an SOA or contract out their delivery to a financial institution or group, whichever is more cost effective and efficient.

Challenge -   To make program delivery and administration more efficient and effective.

8   Fold existing corporate departmental committee structures into one Program Operations, Coordination and Priorities Board comprised of senior management with periodic private sector input on issues of client feedback, and attach the program services, program integrity and financial analysis

functions to it as a service function to the department and secretariat (with responsibility for this latter function being shared with the Comptroller). Similar efficiency opportunities should also be considered in relation to lower-level program committees as well.

9 Centralize resources devoted to the delivery and more particularly administration, by CGSI and ITRO, of sector campaigns, their S&T programs and one-offs, ensuring that the delivery tasks centralized do not detract from knowledge building requirements

10 Establish a Canadian Tourism Authority as an SOA with ITC and ISTC resources currently devoted to international marketing as the core and consider similar arrangements for PEMD.

11 Consider using the SOA model for DIPP, AEP and FEDNOR if net benefits and improved client service from the additional flexibilities obtained can be demonstrated.

12 Consider the feasibility of an SOA to deliver the post-consolidation "small" ISTC programs if net benefits and improved client service from the additional flexibilities obtained can be demonstrated at that time.

13 Redefine the program management cycle to be generic for all programs and client oriented: this implies using client needs information as the driver for program design and client feedback as an integral part of program monitoring and amendment; an approval process optimized for fast response; and payment and monitoring procedures that retain the integrity of services to the client.

14 Delegate project authority approval and make budget allocations as close to the client/servicing officer interface as possible.

15 Establish an agreed baseline on program management resources in the department using that gathered in the CAC study as a starting point and then monitor ensuing changes and test these against the criterion of maximizing client service.

16 Determine the future of the 14 regional-based programs and the other regional resource/expertise issues identified in this report in the context of repositioning of regional offices, enhanced business access, Enterprise Excellence Canada and other externalities.

17 Reduce the administrative overhead by negotiating the flexibility to use grants in all cases for disbursements of up to $50K if circumstances warrant.

18 Review the recommendations of the Mid-Term Review of Funded Programs and other similar reviews (complete or to be completed) and implement

those which are consistent with the recommendations of this report which are accepted by senior management.

19 Consider and then apply these recommendations, as appropriate to services offered by the department.

20 Address (at the POCPB level) other program/delivery issues raised in this report or which subsequently arise on a program by program basis as circumstances warrant.

8.8 These recommendations, if implemented as a group, would have the following implications:

— the 42 funded programs, Ts and Cs and 150 letters of offer would be reduced to 9 core programs, Ts and Cs and letters of offer, i.e., DIPP, CSP, AEP, FEDNOR, S&T, Sector Campaigns, EAP/NPO, NCE/TOP, ETDP, plus the 14 regional agreements;

— priority setting and coordination of activities between and among programs would for the first time be possible through the POCPB;

— reallocations of resources away from program delivery to other functions could be tracked to ensure that re-engineering objectives are met (resource implications cannot be adequately estimated at the outset);

— no new departmental structure other than POCPB would be required and several existing structures could be eliminated; and,

— the impact would begin to be felt virtually immediately and the process could be managed until desired or achievable outcomes had been achieved.

8.9 Over the longer term, the following recommendation is proposed as a key rationale for the next round of re-engineering.

21 Redefine and rewrite Ts and Cs and other program details from a strict client orientation perspective that reflects functions in the business/innovation cycle: for example, R&D technology development/acquisition, product/process development commercialization, market development, financing and equity, product process/diffusion, etc. This implies a unified set of Ts and Cs with a subset that recognizes the unique situation for each of profit and non-profit organizations; of individual firms and industry associations; and of research development and commercialization activities. This approach should ideally be undertaken for the entire portfolio of programs and services.

8.10 This recommendation, if and when implemented, would have the following implications:

—   all programs and services would be subject to these Ts and Cs;

—   modifications would only be considered on the basis of client needs and would apply to all programs affecting that specific class of clients; and,

—   modification of Ts and Cs based on client feedback would have the effect of evolving all programs and services at the same time, thus keeping them all responsive to client needs on an ongoing basis.

8.11   Through these recommendations, it should be possible to free up 10 - 20% of these resources currently devoted to program delivery and administration for reallocation to other forms of client interface. To be more precise in the identification of the levels and locations of freed-up resources will require another layer of verification and analysis of the data obtained in the program management resources survey contained in Appendix A as well as an analysis of the application of the SOA model to those ISTC (or portfolio) programs which are to be continued.

9.0 Proposed Action Plan

9.1 To proceed with implementation, there would appear to be four phases of activity.

9.2 The first would be to fold all departmental program structures into the new Program Operations, Coordination and Priorities Board (recommendation #8). The Secretariat should then have as its first task establishing the baseline on program management resources so that subsequent changes can be benchmarked against it.

9.3 The second phase of activity, which may commence shortly after the start of the first phase, would involve dealing with the majority of the other recommendations according to a timetable determined by senior management (the POCPB) based on the considerations outlined in 8.3 above.

9.4 Last to be implemented would be recommendation #20 (addressing other issues raised in this report) and the recommendations dealing with the establishment of SOAs (#10 #11 and #12). This would comprise the third phase.

9.5 The fourth phase, which should be undertaken in parallel with the third phase. os to begin the next round of re-engineering which would restructure and rewrite Ts and Cs and other program detail from a strict client orientation as noted in recommendation #21.

9.6 These could be collapsed to two phases, as follows:

Phase I

Establish the new Program Operations, Coordination and Priorities Board and secretariat which would be tasked immediately with preparing a phased implementation plan for the above recommendations.

Phase II

In parallel, establish a re-engineering-type process to streamline and coordinate program and service, administration and delivery across the Wilson Portfolio on a client-need basis.

PROGRAM MANAGEMENT RESOURCE ANALYSIS

Note: It would be dangerous and misleading to use the PY and O&M information contained in this document for anything but making very general assessments since:

— the O&M input was not presented on a consistent basis by reporting groups;

— two reporting officers referred to the PY figures as "guestimates" and "rough estimates";

— PY reporting went from whole numbers down to thousandths of a PY;

— reporting of both PY and O&M information covered the full spectrum from being broken down by Program Management Checklist Activity, to giving it only by program and, in some cases, only by ISTC Region; and,

— errors in compilation are likely to have been made by the consultants due to lack of familiarity with ISTC programs, the lateness of receipt of data and consequent time pressures placed on them.

OVERALL RESOURCE TOTALS
BY PROGRAM MANAGEMENT CHECKLIST (PMCL) ACTIVITY
($000)

	PMCL ACTIVITIES 1. TO 5.		PMCL ACTIVITIES 6. TO 18.		PMCL ACTIVITY 19.		OTHER		TOTALS	
	PY's	O&M	PY's	O&M	PY's	O&M	PY's	O&M	PY's	O&M
1. Headquarters	27.6	1,290.0	263.8	5,874.0	6.0	499.0	40.5	50.0	337.9	7,713.0
2. Regions	4.2	11.6	55.7	6,294.9	-	0.1	-		59.9	6,306.6
TOTAL	31.8	1,301.6	307.5	12,168.9	6.0	499.1	40.5	50.0	397.8	14,019.6

ANALYSIS OF PROGRAM DELIVERY RESOURCES

HEADQUARTERS COMPONENT

December 1, 1992

ANALYSIS OF PROGRAM DELIVERY RESOURCES

Program	Activity 1 - 5		Activity 6 - 18		Activity 19		Other Activities PY's	Total	
	PY's	O&M 000's of $	PY's	O&M 000's of $	PY's	O&M 000's of $		PY's	000's of $
FedNor	1	50	19.0	1,350	-	100		20	1,500
Non Profit Organisation	-	-	0.5	-	-	-		0.5	-
AEP	11		95.5	-	1		16.5[1]	124	
Entrepreneurship Awareness			4.0	50				4	50
Program Evaluation					5	389		5	389
Tourism	0.5		1.5					2	
SBLA							24[2]	24	50
Technology Outreach (TOP)			4.5	250				4.5	250
Advanced Industrial Materials (AIM)			3.0	41				3	41
Biotechnology (BIO)			3.7	24				3.7	24
Information Technologies Industry (ITI)			5.0	36				5	36

[1] The AEP program indicated 16½ PY's as performing management responsibilities and miscellaneous administrative functions.

[2] The activities performed by SBLA are not consistent with other programs' delivery activities. Its main focus is to ensure compliance with the Act.

Program	Activity 1 - 5		Activity 6 - 18		Activity 19		Other Activities PY's	Total	
	PY's	O&M 000's of $	PY's	O&M' 000's of $	PY's	O&M 000's of $		PY's	000's of $
Advanced Manufacturing Technology Applications (AMTAP)			15.6	150				15	150
Environmental Affairs	0.1	18	0.2			10		0.3	28
St. Lawrence River Env.			0.5	36				0.5	36
Environmental Technology	0.2		2.2	262				2.4	262
Forest Products		3	5.4	169				5.4	172
Medical Devices	0.5	25	0.5	17				1	42
MSDP			2.0	162				2	162
Software Product		5	0.5	66				0.5	71
Microelectronics	.		1.5	222				1.5	222
Photonics	0.6	5	1.5	213				2.1	218
STP			5.0	37				5.0	37
Aeronautics - DIPP			39.7	1,142				39.7	1,142
SM & LDS	0.2		3.0	17				3.2	17
SVC/BUS TOP	0.3	16	4.5	330				4.8	346
TOP - AIM	0.1		1.5	88				1.6	88
Auto-ACI			2.0	91				2.0	91
IEET - AMT	1.4	40	0.7	35				2.1	7.5

Program	Activity 1 - 5		Activity 6 - 18		Activity 19		Other Activities	Total	
	PY's	O&M 000's of $	PY's	O&M' 000's of $	PY's	O&M 000's of $	PY's	PY's	000's of $
Resource Equipment Technology			0.9	20				0.9	20
Other	1.0	6						1.0	6
Seafood & Marine	0.3		6.7	520				7.0	520
Other	1.8	55	0.2	6				2.0	61
Fashion Apparel	2.6	1,055	0.1					2.7	1,055
Other	2.2	3	0.3					2.5	3
SCI Commercial			3.0	300				3.0	300
Comptroller	3.8	9	16.5	231				20.3	240
Canada Scholarships			12.0					12.0	
	27.6	1,290	263.8	5,874	6	499	40.5	337.9	7,713

ANALYSIS OF PROGRAM DELIVERY RESOURCES

REGIONAL COMPONENT

1. Program Resources Broken Down By Program Management Checklist Activity By ISTC Regional Office; and

2. Program Resources By ISTC Regional Office

December 1, 1992

1.   Program Resources Broken Down By Program Management Checklist
     Activity By ISTC Regional Office

ANALYSIS OF PROGRAM RESOURCES BY PROGRAM
MANAGEMENT CHECKLIST ACTIVITY

Program	Activity 1 - 5		Activity 6 - 18		Activity 19		Total	
	PY's	O&M 000's of $	PY's	O&M' 000's of $	PY's	O&M 000's of $	PY's	000's of $
1. ISTC Quebec (Valiquette)								
- Strategic Tech. Program (Bio)	0.1	0.5	3.0	16.6	-	-	3.1	15.1
- Microelectronics	0.3	0.9	1.2	16.1	-	0.1	1.5	17.1
- Tourism	0.2	-	4.8	2,700.0	-	-	5.0	2,700.0
2. ISTC Quebec (Poirier)								
- Microelectronics	-	-	10.2	337.0	-	-	10.2	337.0
- Finance & Admin	-	-	0.4	13.2	-	-	0.4	13.2
3. ISTC Halifax (Shewood)	-	0.5	3.8	94.5	-	-	3.8	94.5
4. ISTC Winnipeg (Anderson)								
- ACI	-	-	0.1	-	-	-	0.1	
- AMTAP/MAS	-	-	0.4	-	-	-	0.4	
- WTID	-	-	0.1	-	-	-	0.1	
- Medical Device Toolbox	-	-	0.1	-	-	-	0.1	
- Tourism	-	-	0.1	-	-	-	0.1	
- MSDP	-	-	-	-	-	-	-	
5. ISTC British Columbia Yukon (Russell)								
- ETCP (Environment)	-	-	0.5	-	-	-	0.5	-
- MSDP (Microelectronics)	-	-	0.2	34.0	-	-	0.2	34.0
- Medical Device Tech.	-	-	-	-	-	-	-	-
- DIPP	-	-	-	-	-	-	-	-

Program	Activity 1 - 5		Activity 6 - 18		Activity 19		Total	
	PY's	O&M 000's of $	PY's	O&M' 000's of $	PY's	O&M 000's of $	PY's	000's of $
- Seafood & Marine Products	0.1	-	0.2	-	-	-	0.3	
- Technology Outreach Pgm (TOP)	-	-	-	-	-	-	-	-
- Forestry R&D Pgm	-	-	0.3	-	-	-	0.3	-
- AMTAP	-	-	0.5	-	-	-	0.5	-
- AIM	-	-	0.3	10.0	-	-	0.3	10.0
- Strategic Tech (Biotechnology)	-	-	0.5	10.0	-	-	0.5	10.0
6. ISTC Alberta/NWT (Fields)								
- Tourism	0.2	-	1.0	-	-	-	1.2	-
- Business & Community Dev.	0.2	-	1.0	0.6	-	-	1.2	0.6
- Co-op Agreement on Nor. Dev.	0.6	-	0.9	-	-	-	1.5	-
- NWT Tourism	-	-	1.2	-	-	-	1.2	-
- DIPP	-	-	-	-	-	-	-	-
- TOP	-	-	0.1	-	-	-	0.1	-
- AMTAP	-	-	0.9	7.0	-	-	0.9	7.0
- STP	-	-	1.4	28.0	-	-	1.4	28.0
- MSDP (Microelectronic)	-	-	-	-	-	-	-	-
- ETCP (Environmental)	-	-	0.5	7.5	-	-	0.5	7.5
- Sector Campaigns	0.2	-	0.6	9.1	-	-	0.8	9.1
7. ISTC Ontario (Cram)								
- MSDP	-	-	0.9	29.7	-	-	0.9	29.7
- STP - AIM	-	-	0.8	7.4	-	-	0.8	7.4
- STP - BIO	-	-	0.9	7.3	-	-	0.9	7.3
- ETCP	-	-	1.0	53.0	-	-	1.0	53.0
- TOP - AIM	-	-	0.5	6.1	-	-	0.5	6.1
- AMTAP	-	-	2.7	14.0	-	-	2.7	14.0
- ACI	-	-	0.5	3.5	-	-	0.5	3.5

Program	Activity 1 - 5		Activity 6 - 18		Activity 19		Total	
	PY's	O&M 000's of $	PY's	O&M' 000's of $	PY's	O&M 000's of $	PY's	000's of $
- Software Sector Campaign	-	-	0.1	4.0	-	-	0.1	4.0
- Food Sector Campaign	0.3	1.0	0.2	1.5	-	-	0.5	2.5
- Fashion Appasel Sector Campaign	0.1	0.5	0.2	-	-	-	0.1	0.5
- National Furniture Industry Initiative	0.2	1.0	-	-	-	-	0.2	1.0
- MED DEV	-	-	-	1.0	-	-	0.2	1.0
- AMT	-	-	0.2	59.4	-	-	0.6	59.4
- Forest	-	-	0.6	1.1	-	-	0.2	1.1
- Sarmia - Lampton	-	-	0.2	1.5	-	-	-	1.5
- Convention Centres	-	-	-	4.5	-	-	0.3	4.5
- Metro Toronto Ambassador Program	0.1	0.2	0.3	0.3	-	-	0.2	0.5
- Nation Trade Control (Proposed)	0.2	-	0.1	-	-	-	0.2	-
- FEDNOR	-	-	-	2.6	-	-	0.1	2.6
- Sunset Programs	-	-	4.5	90.1	-	-	4.5	90.1
- Gov. Ont. Community Competitiveness	1.4	7.0	-	-	-	-	1.4	7.0
8. ISTC Saskatchewan (Reid)								
- Medical Devices	-	-	-	35.0	-	-	-	35.0
- AMTAP	-	-	0.2	40.0	-	-	0.2	40.0
- Finance & Admin	-	-	-	1,275.0	-	-	-	1,275.0
- SCAN	-	-	0.1	1,200.0	-	-	0.1	1,200.0
- Advanced Tech Fed/Prof. Ag.	-	-	0.1	-	-	-	0.1	-
- ETDP	-	-	0.1	-	-	-	0.1	-
9. ISTC New Brunswick (LeBlanc)								
- Cda/NB Tourism Agree	-	-	0.2	1.5	-	-	0.2	1.5
- Cda//PEd Tourism Agree	-	-	1.0	2.0	-	-	1.0	2.0
- Cda/NB Agree a Travel Generates	-	-	0.2	1.0	-	-	0.2	1.0
- Cda/NB Agree on Econ. Dev.	-	-	0.3	2.5	-	-	0.3	2.5
- AMTAP	-	-	1.0	5.0	-	-	1.0	5.0
- Mfg Assess Soc. (MAS)	-	-	0.3	1.5	-	-	0.3	1.5

Program	Activity 1 - 5		Activity 6 - 18		Activity 19		Total	
	PY's	O&M 000's of $	PY's	O&M' 000's of $	PY's	O&M 000's of $	PY's	000's of $
- ETDP (St-Laurence River)	-	-	0.5	5.0	-	-	0.5	5.0
- ETCP (Environ Comm)	-	-	0.2	0.5	-	-	0.2	0.5
- STP (Bio)	-	-	0.2	1.5	-	-	0.2	1.5
- Sector Campaign Forest Inc.	-	-	0.4	3.5	-	-	0.4	3.5
- Sector Campaign Seafood & Mar. Prod.	-	-	0.2	2.5	-	-	0.2	2.5
- Sector Campaign Medical Devices	-	-	0.1	2.5	-	-	0.1	2.5
- Cda Scholarship Pgm	-	-	0.1	0.5	-	-	0.1	0.5
- Innovations Pgm	-	-	0.1	0.5	-	-	0.1	0.5
- Repap Ênterprises	-	-	0.3	2.5	-	-	0.3	2.5
10. ISTC Newfoundland (Nolan)								
- Industry, Technology and Investment	-	-	2.2	141.8	-	-	2.2	000
TOTALS	4.2	11.6	55.7	6.294.9	-	0.1	59.9	6,306.6

2. Program Resources By ISTC Regional Office

PROGRAM RESOURCES BY ISTC REGIONAL OFFICE
($000)

PROGRAM	NFLND		N.S.		N.B. - P.E.I.		QUE.		ONT.		MAN.		SASK.		ALTA. - N.W.T.		B.C. - YUKON		TOTAL	
	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M
1. Strategic Tech Pgm (Biotech)					0.2	1.5	3.1	15.1	0.9	7.3					0.6	9.1	0.5	10.0	5.3	43.0
2. MSDP (Microelectronics)							11.7	354.1	0.9	29.7							0.2	34.0	12.8	417.8
3. Tourism					1.2	3.5	5.0	2,700.0			0.1	-			2.4	-			8.7	2,703.5
4. ETCP (Environment)					0.2	0.5	0.5	-	1.0	53.0					0.5	7.5			2.2	61.0
5. Finance and Administration							0.4	13.2					-	1,275.0					0.4	1,288.2
6. ACI									0.5	3.5	0.1	-							0.6	3.5
7. AMTAP					1.0	5.0			2.7	14.0	0.4	-	0.2	40.0	0.9	7.0	0.5	-	5.7	66.0
8. WTID											0.1	-							0.1	-
9. Medical Devices Tech.					0.1	2.5			0.2	1.0			-	35.0					0.3	38.5
10. Seafood/Marine Products					0.2	2.5											0.3	-	0.5	2.5
11. Tech Outreach Pgm (TOP)									0.5	6.1					0.1	-			0.6	6.1
12. Forestry R&D					0.4	3.5			0.2	1.1							0.3	-	0.9	4.6
13. Strategic Tech Pgm (AIM)									0.8	7.4							0.3	10.0	1.1	17.4
14. Medical Devices Toolbox											0.1	-							0.1	-
15. Business and Community Dev.															1.2	0.6			1.2	0.6
16. Coop Agree. on Northern Dev.															1.5	-			1.5	-
17. Sector Campaigns (Alberta)															0.6	9.1			0.6	9.1
18. Software Sector Campaign									0.1	4.0									0.1	4.0
19. Food Sector Campaign									0.5	2.5									0.5	2.5
20. Fashion Apparel Sec. Camp.									0.1	0.5									0.1	0.5
21. National Furn. Ind. Initiative									0.2	1.0									0.2	1.0

PROGRAM	NFLND		N.S.		N.B. - P.E.I.		QUE.		ONT.		MAN.		SASK.		ALTA. - N.W.T.		B.C. - YUKON		TOTAL	
	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M	PY	O&M
22. AMT									0.6	59.4									0.6	59.4
23. Sarnia-Lampton									-	1.5									-	1.5
24. Convention Centres									0.3	4.5									0.3	4.5
25. Metro TD. Ambassador Pgm									0.2	0.5									0.2	0.5
26. National Trade Centre (Proposed)									0.2	-									0.2	-
27. FedNor (also in H.Q. section)									0.1	2.6									0.1	2.6
28. Sunset Programs									4.5	90.1									4.5	90.1
29. Sth. Ont. Community Comp.									1.4	7.0									1.4	7.0
30. SCAN													0.1	1,200.0					0.1	1,200.0
31. Advanced Tech. Fed/Prov. Agree.													0.1	-					0.1	-
32. ETDP					0.5	5.0							0.1	-					0.6	5.0
33. Cda/N.B. Agree. on Travel					0.2	1.0													0.2	1.0
34. Cdal N.B. Agree. on Econ. Dev.					0.3	2.5													0.3	2.5
35. Mfg. Assess. Sves. (MAS)					0.3	1.5													0.3	1.5
36. Cda Scholarships Pgm.					0.1	0.5													0.1	0.5
37. Innovations Pgm.					0.1	0.5													0.1	0.5
38. Repap Enterprises					0.3	2.5													0.3	2.5
39. Industry, Technology and Investment	2.2	141.8																	2.2	14.8
40. All Programs in N.S.*			3.8	94.5															3.8	94.5
	2.2	141.8	3.8	94.5	5.1	32.5	20.7	3,082.4	15.9	296.7	0.8	0.6	0.5	2,550.0	7.8	33.3	2.1	54.0	58.9	6,285.2

* Nova Scotia O&M and PY resources were given for the Province and not by program

WORKING GROUP ON PROGRAM DELIVERY AND ADMINISTRATION
MEMBERSHIP

Name	Sector/ Region	Phone Number	Room Number
Co-Chairpersons			
Gary Dingledine	Policy	941-0624	525-C
Mike Eustace		954-2595	347-C
David Head	Alberta Region	(403) 495-3321	
Members			
Karen Burke	CGSI	954-2344	347-C
Alfred Lyon	Policy	941-0261	554-C
Allan Martel	CGSI	954-3526	665-C
Byd McBain	Policy	954-9633	584-C
Stu McNeely	IT&RO	954-5556	878-A
Pam Piercey	AEP Toronto	(416) 973-6988	
Jean Regnier	ITRO	954-5462	154-A
Rob Ward	AEP	954-8076	154-E
Secretariat			
J. Caroleo	Policy	941-0262	520-C
M. Lafrance	Policy	941-0625	562-C
J. Leblanc	Policy		
Bob Steen	Re-engineering	957-8094	885-A

MAPPING OF ISTC CORE AND ENABLING PROCESSES

THE SPECIAL OPERATING AGENCY MODEL

1. GENERAL DESCRIPTION

Special Operating Agenc⟨...⟩ ⟨...⟩m in
Government that is gainir⟨...⟩ ⟨...⟩oncept evolved
from the Increased Manag⟨...⟩ initiatives as a
response to internal and e⟨...⟩ the way
business is conducted. TⁱⒸ ⟨...⟩ ervice delivery
and cost effectiveness of ⟨...⟩ ⟨...⟩ough increased
management flexibility, in ⟨...⟩ ror agreed upon levels of performance and results.

The SOA model supports and builds on innovation, people, enhanced authority at the front line, client-focused culture, better management of people and accountability for results. In short, the SOA model is intended to provide increased freedom from department and government-wide administrative rules in return for commitment to clear performance levels.

Employees of an SOA remain part of the public service, with all the rights thereof, including the ability to transfer to other government departments or agencies. Hence, the fundamental principles under which the public service operates remain intact, including employment equity and the official languages policy.

Special Operating Agencies are headed by a Chief Executive Officer (CEO) who reports to a Deputy Minister in line with a Management contract between the SOA and the Deputy Minister. The SOA model separates the policy role of the Minister and supporting bureaucrats from the managerial role of an SOA. To date, 14 SOAs have been created in the Public Service and encompass a variety of programs, and the SOA's themselves range from very small to large organizations. As an extension of IMAA, the SOA introduces extensive structural and operational changes that emulate private sector management practices. How it differs is that, while IMAA deals with delegation of authority from Treasury Board to departments, the SOA model extends this to delegation from central agencies and departments to individual organizational units within government.

2. CRITERIA FOR ASSESSMENT

The criteria established by Treasury Board (TB) for the assessment of candidacy for SOA status are as follows:

a.   discrete units of sufficient size to justify special consideration. The term discrete units is intended to mean those units which perform a specific

THE SPECIAL OPERATING AGENCY MODEL

CRITERIA AND PROCESS

1. GENERAL DESCRIPTION

Special Operating Agency (SOA) is a relatively new organization form in Government that is gaining acceptance in the Public Service. The concept evolved from the Increased Managerial Authority and Accountability (IMAA) initiatives as a response to internal and external pressure on government to change the way business is conducted. The rationale for an SOA is to improve the service delivery and cost effectiveness of certain government services through increased management flexibility, in return for agreed upon levels of performance and results.

The SOA model supports and builds on innovation, people, enhanced authority at the front line, client-focused culture, better management of people and accountability for results. In short, the SOA model is intended to provide increased freedom from department and government-wide administrative rules in return for commitment to clear performance levels.

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2. CRITERIA FOR ASSESSMENT

The criteria established by Treasury Board (TB) for the assessment of candidacy for SOA status are as follows:

a.   discrete units of sufficient size to justify special consideration. The term discrete units is intended to mean those units which perform a specific

activity within a department and do not interact regularly with the rest of the department for the delivery of their programs;

b.   concerned with the delivery of services (rather than internal policy advice);

c.   able to be held independently accountable within the parent department;

d.   amenable to the development of clear performance standards;

e.   operating under a stable policy framework with a clear, ongoing mandate; and,

f.   staffed by managers and employees who are committed to the SOA approach.

3.   THE QUID PRO QUO

The SOA model is built around the concept of giving higher delegation and flexibilities to management and staff in return for agreed upon levels of performance and results. As well, the SOA model demonstrates government's willingness to eliminate certain administrative controls if the risks are mitigated by a commitment to improved performance.

4.   THE CULTURAL CHANGE AND THE HUMAN DIMENSION

The SOA model is first and foremost about "cultural change" at the point of service delivery and about encouraging efficiency and improved focus on client service. The SOA model is an attempt to introduce extensive structural and operational changes more in line with private sector management practices. It is an attempt to undergo extensive cultural change closer to the customer, within a single organizational unit, rather than at the department level.

5.   FREEDOMS AND FLEXIBILITIES

The Special Operating Agency represents a non-legislative approach to the way that government business is conducted, in that all changes have to come from within existing legislation. Flexibilities granted must consequently come from authorities available for delegation under existing legislation.

There is no set of flexibilities that define SOA status. Each SOA is different and has a unique set of "business" circumstances and other issues. Accordingly, individual negotiations with the parent department and with Treasury Board will establish the kinds of flexibilities that are appropriate.

In the case of the existing SOAs, some of the flexibilities granted include:

a.   exemption from person year controls;

b.   the ability to shift expenditures between personnel, operations and maintenance as conditions warrant;

c.   increased authority to enter into service contracts;

d.   authority to approve a variety of administrative matters like business class travel, conference attendance, travel allowances, organizational memberships, hospitality, etc.;

e.   authority to increase management category complement; and

f.   revolving fund operations.

Each SOA is required to present a sound business case justifying how proposed flexibilities will contribute to more efficient or cost effective operations.

6.   **PROCESS OF BECOMING AND SOA**

Considering a move to SOA status means being concerned with the management of change. Successful change requires the following:

a.   assessing the strengths and weaknesses of the existing organization;

b.   defining what better service means in the specific context;

c.   identifying the type and source of management delegation necessary to improve performance; and

d.   carefully attending to people and communicating well with staff.

A prerequisite to considering the implementation of the SOA style of operations is the assessment of the organizations state of readiness to accept and absorb the level of change necessary to move to the new operational style and culture. First and foremost, does the change have the support of managers and staff at all levels? Second, are the operational systems (finance, personnel, administration and information) capable of meeting the requirements of the new mode of operations?

The initial step in addressing the above questions is to identify the changes necessary to move from the existing organization to an SOA. Once this has been done, the state of readiness of personnel to accept these changes can be assessed through interviews with key managers and staff and other techniques as required. An assessment of the capacity of existing systems to serve the modified needs must also be carried out.

When it has been determined that the organization is ready to move to the SOA status, the next steps are the following:

a.   Develop an <u>Agency Framework</u> representing the Agency's "Constitution" or "Operating Charter". It must be approved by the department and the TB. The outline of this document is given in Attachment 1.

b.   Prepare a <u>Business Plan</u> that gives specific operational plans for the first year together with the general operational strategy for the next three years. The framework for a Business Plan is given in Attachment 2.

c.   Decide on a <u>Communications Strategy</u> for keeping the Agency's various publics informed. Key elements to be considered in the formulation of a communications strategy are given in Attachment 3.

d.   Prepare a <u>Treasury Board Submission</u> seeking approval to establish the organization as a Special Operating Agency. The outline of such a submission is shown in Attachment 4.

e.   Prepare an <u>Implementation and Transition Plan</u> for creating the SOA upon receipt of TB approval. An integral part of this plan will be the development of a <u>Human Resources Strategy</u>. The plan will also cover the transition time to full operations as an SOA, with complete details of what actions are required, who is responsible for carrying them out and in what time frame.

The preparation of the above documents requires the cooperation and participation of managers and staff at all levels in the organization. Typically, the process will include:

a.   appointing the individual(s) responsible for the preparation of the documents;

b.   creating a review and approval process for individual segments of each document; and

c.   assigning the drafting of these individual segment to qualified individuals in the organization.

In conclusion, although the SOA option offers the advantages of a higher level of flexibility and greater freedom to manage, the level of cultural and operational changes needed have to be carefully assessed before embarking on this option. Becoming an SOA requires a significant expenditure in time and resources and success depends on commitment and dedication. Only after the transition has occurred will it be possible to assess the improvements to effectiveness and efficiency of program delivery and administration.

OUTLINE FOR AN AGENCY FRAMEWORK

1. Mission, Mandate and Objectives

   — Mission
   — Mandate
   — Objectives
   — Operating Principles
   — Services
   — Clients

2. Accountability Arrangements

   — Accountabilities to:
   - the Deputy Minister
   - central agencies

   — from the CEO to SOA senior management

   — Responsibilities to clients

   — Relationship with:
   - other federal departments
   - other levels of government

   — Planning and Reporting:
   - framework for reporting
   - Annual Business Plan
   - Annual Report

   — Accounting, Evaluation and Audit

3. Organizational Framework

   — Chief Operating Officer
   — Headquarters
   — Regions
   — Organizational Chart

4. Authorities/Flexibilities

   — Existing Authorities
   — Additional Authorities

5. Performance Measures

FRAMEWORK FOR A BUSINESS PLAN

1. <u>Background</u>

   — Introduction
   — Planning Assumptions
   — Basis for Performance Assessment

2. <u>Environmental Assessment</u>

   — Internal
   — External
   — Opportunities

3. <u>Management Plan</u>

   — Financial Arrangements
   — Organization and Human Resources
   — Planning and Reporting
   — Administrative Services

4. <u>Marketing Plan</u>

   — Business Definition
   — Product/Service Lines
   — Marketing Strategy
   — Marketing Objectives
   — Marketing Action Plan

5. <u>Financial Plan</u>

   — Business Outlook
   — Source of Funds
   — Projected Grant Distribution
   — Projected Contribution Distribution
   — Projected Operation and Maintenance Costs
   — Projected Human Resource Requirements
   — Projected Recoveries and Repayables
   — Projected Defaults

THE COMMUNICATIONS STRATEGY OUTLINE

The communications Strategy should be designed to help Special Operating Agency managers meet their obligation to inform their publics. To accomplish this dissemination of information, managers, with the assistance of communication specialists should:

1. <u>Identify the communications publics</u>

    a. External to the Agency:

        —   the Deputy Minister and departmental groups
        —   Cabinet, Parliament and Government
        —   other departments
        —   other governments
        —   clients
        —   institutions
        —   etc.

    b. Internal to the Agency:

        —   management groups
        —   professional staff
        —   support staff
        —   union representatives
        —   etc.

2. <u>Enumerate the types of communications to be delivered</u>

    a. operational results
    b. plans
    c. changes in policy
    d. improvements in service delivery/promotion
    e. social events
    f. administrative updates
    g. etc.

3. <u>Choose the most appropriate communications instrument</u>

    a. Written/Printed:
        —   pamphlets
        —   letters/memorandum
        —   news letters
        —   position papers
        —   monthly, quarterly, annual reports
        —   etc.

4.   <u>Tabulate and disseminate communications services offered to the department</u>

     a.   writing

     b.   editing

     c.   publishing/production

     d.   promotion/publicity

     e.   advertising

     f.   public relations

     g.   etc.

FRAMEWORK FOR A TREASURY BOARD SUBMISSION

1. <u>Subject</u>

    — establishment of an SOA

2. <u>Proposal</u>

    — approval
    — financial authorities required
    — personnel authorities required
    — administrative authorities required

3. <u>Cost</u>

    — increase/decrease in costs

4. <u>Remarks</u>

    — organizational framework:
        - mission
        - accountability
        - reporting structure
        - accountability relationships
        - business relationships
        - employee status

    — management framework
        - marketing
        - finance
        - performance principles
        - personnel
        - legislative reporting (conformance with national objectives)
        - financial statements
        - implementation plan

Potential Benefits of Moving To SOA Operations

1. General Benefits

    a. Improved service to clients through better utilization of resources and skills resulting from merging programs into compatible family groupings.

    b. Better motivated staff as a result of enhanced operational flexibilities and authorities and greater clarity of mission and mandate.

    c. Potential freeing up of resources for other applications due to the centralization of common functional activities from a number of responsibility areas to a family group covering all areas.

    d. Clear accountability regime from program managers through to deliveries of services to clients.

2. Potential Benefits in Specific Areas
    (Requiring departmental/T.B. negotiations)

    a. Human Resources

        —   freedom from person year controls
        —   flexible resource levels
        —   increased flexibility in classification and staffing
        —   greater latitude for training and development
        —   tailored performance appraisals
        —   incentives tied to performance

    b. Finance

        —   increased flexibility in using operation and maintenance funds
        —   moving to revolving fund
        —   use of vote netting
        —   determination of fee structure
        —   delegation of approval for capital expenditures
        —   exemption from allotment controls

c.   Administration

— flexibility in using departmental resources
— increased delegation for contracting
— freedom from departmental controls
— greater delegation of authority from T.B.

d.   Managerial

— simulate the discipline of private sector market place (client focus)
— operate in an environment of progressively greater managerial freedom.

SERGICES

WORKING

GROUP

RE-ENGINEERING FINAL REPORT

SERVICES WORKING GROUP

Table of Contents

RE-ENGINEERING FINAL REPORT

WORKING GROUP: SERVICES

PROCESS: SERVICES

1.   **Introduction**

ISTC offers a broad range of programs and services aimed at helping businesses improve their ability to compete in the international marketplace. These programs and services comprise both direct financial support and non-financial, primarily information, services. In delivering these programs and services ISTC operates, at present, mainly as a retailer with direct service and program delivery to its clients through Industry Sector Branches (including Tourism) and Regional Offices. To a lesser extent ISTC operates as a wholesaler, offering services and programs through intermediaries such as industry associations, outreach centres and consultants.

The original mandate of the Services Working Group was to review delivery of a number of these services and recommend improvements that would improve the efficiency with which the services were delivered and save money or staff time. The services selected for review were the Advanced Manufacturing Technology Applications Program (AMTAP), and Sector Campaigns particularly the Automotive Components Initiative (ACI). The interim report of the Working Group identified some options for improvement. These recommendations are attached at Annex A to this document.

2.   **Linkages**

Since the presentation of the Services Working Group interim report, the National Action Plan for prosperity has been published. The action plan recommended that many of ISTC's technology diffusion services be consolidated within the IRAP program. These services include the Advanced Manufacturing Technology Application Program, (AMTAP), the Manufacturing Assessment Service (MAS) and the Manufacturing Visits Program (MVP).

Negotiations are under way with the National Research Council (NRC) for an orderly transfer of responsibility for delivery of these services. Responsibility for delivery will be fully transferred by March 31, 1993. As a result most of the recommendations made in the interim report are moot since responsibility for these programs will reside with NRC. (saving about 10-15 PY's and $50 K O&M for re-allocation within the department).

In this context the Services Working Group's mandate has been changed to:

1. Define and categorize in general terms present ISTC and other Wilson Portfolio service offerings (eg financial or non-financial by competitiveness building blocks; formal or informal) and indicate options for their rationalization.

2. Review and document three or four wholesale and retail service delivery models and mechanisms in other jurisdictions (eg Australia's NIES, EEC's Info Centres, US Export Hotline and Aboriginal Economic Program) and assess their utility and potential effectiveness in a Canadian environment.

3. Review and develop some options for increased delegation of authority for financial commitments to officers in the Commerce group category to accelerate decision making in program and service delivery.

3. Key Recommendations

The Services Working Group makes the following recommendations:

1. The Portfolio DMs appoint a full time Executive Director, a small research secretariat and a private sector advisory council to organise, launch and oversee the rationalization of the portfolios programs. Terms of reference to follow guidelines noted in " Possible Next Steps" in Appendix A to this report.

2. The Executive Director be empowered to negotiate with portfolio members and provincial governments to develop a co-ordinated approach to the delivery of national extension services modelled on the NIES example described in this document.

3. The Department, in co-operation with Investment Canada and the private-sector proponents of the " Export Hotline," develop a business plan for its expansion and enhancement in Canada.

4. Signing authority for approving service offerings to clients be delegated to Commerce Officers for up to $25,000.

Background and supporting information for these recommendations follows.

4. Portfolio Service Offerings

An inventory of the current Wilson Portfolio's business assistance offerings has been compiled by the Services Working Group of the ISTC Re-Engineering Initiative. It lists some 124 programs and services and assigns them to one or more of seven targeted client needs.

A number of qualifications about this inventory should be noted. First, the Services Working Group was directed not to contact any of the eight other members of the Wilson Portfolio. Second, certain key data is typically missing concerning Client Coverage, Delivery Staff, Delivery Budget, etc. Third, due to the nature of the references, it is probable that some programs and services have not been included while still others that have been included may no longer be available. And fourth, the assignment of offerings to various targeted client needs is somewhat judgemental and therefore subject to change upon consultation with the members of the Portfolio.

The 124 programs and services supplied by the nine member departments and agencies of the Wilson Portfolio actually result in Portfolio clients and delivery staff having to deal with some 223 possible permutations and combinations of assistance and advice. In fact, 64 of the listed programs and services address two or more of the seven Targeted Client Needs. Interestingly, there are nine programs and services that each have offerings for four of the seven Targeted Client Needs. This extensive array of 223 offerings creates a dilemma of choice for both the business community and the Portfolio delivery staff. It presents both clients and staff with a considerable challenge in trying to determine which forms of assistance or advice are most applicable in responding to specific problems and opportunities.

Such a sizable array has within it some potential for overlap and duplication but pinpointing actual instances of redundancy is beyond the scope of this initial review. The scope and scale of the offerings also suggests a need for greater coordination and cohesion among the Portfolio members in order to reduce confusion and delay among clients and delivery staff and to enable easier and faster access to the few, most appropriate offerings for a given client. Improved cohesion through a Portfolio wide consolidation and rationalization initiative, in combination with ongoing cross-Portfolio coordination, could enhance the effectiveness and efficiency of the assistance and advisory services currently available to Canada's business community.

5.   **Portfolio Service Rationalization Recommendations**

The Working Group on Services Re-engineering makes the following recommendations regarding the rationalization of service offerings across the portfolio, namely;

The following common goals and principles are recommended:

(1)   Measures to reduce by 50% each the total number of Portfolio programs and services (from 124 to 60) and the total number of offerings (from 223 to 110);

(2)   Consolidate and make as uniform as possible the terms and conditions for all offerings aimed at the same Targeted Client Need cluster;

(3) Double both the number of outside, private sector intermediaries from seven to 15 and the number of programs and services they deliver on behalf of the Portfolio members from 14 to 30;

(4) Start (1) and (2) by January 4, 1993 and complete by March 15, 1993 and (3) by March 31, 1994 and, in each case, identify the resource implications of specific changes;

(5) In carrying out the rationalization process, involve Canada's business community through a series of client focus groups and an advisory panel;

(6) Consult periodically with provincial governments, especially those that are conducting similar rationalization reviews over the forthcoming year.

6. Possible Next Steps

1. Present the recommendations to departmental senior management for initial reaction.

2. Distribute the recommendations and background paper to ADM level officials in the other eight Portfolio departments to gauge their reactions and solicit their suggestions for flushing out the approach and key organizational arrangements.

3. Present paper to Portfolio DMs for ratification, sponsorship and announcement of formal initiative. Each member of the DMs Council is to sponsor one of six rationalization teams as a visible demonstration of interest and commitment to the rationalization process. The sponsor would participate periodically in team meetings to maintain a general awareness of progress and to help resolve any critical problems that could delay or defeat the team's completion of its work plan.

4. Portfolio DMs to appoint a full time Executive Director to organize, launch and oversee the rationalization teams and to report to the DMs Council. The Executive Director would also liaise with provincial governments to encourage them to undertake similar initiatives using basically the same approach so as to facilitate a second and subsequent initiative across federal and provincial boundaries.

5. Portfolio DMs to authorize creation of a small research secretariat (two or three people) and a private-sector advisory council to work with the Executive Director. The secretariat will provide research assistance to teams; update the inventory of Portfolio programs and services, compile synopses of background references such as relevant reports and working papers from the Prosperity Initiative, the Nielsen Task Force Review (ie: Services and Subsidies to Business Report), PS 2000 Service to The Public Task Force Report, Cabinet Memos and Treasury Board submissions on

programs and services, etc); and assist Team Leaders in conducting team orientation seminars, arranging meetings, focus group sessions, etc and preparing assessment notes, presentation materials, interim and final reports.

6.   Executive Director to appoint full-time team leaders and, in conjunction with them, recruit full-time members from appropriate officials of various Portfolio members plus, if possible, a Treasury Board Secretariat officer. Task each team leader to recruit client focus groups; to prepare and obtain the Executive Director's approval of the Team's Work Plan including time and resource estimates; and to execute that Work Plan.

WHOLESALE AND RETAIL DELIVERY MODELS IN OTHER JURISDICTIONS

PRIVATIZED DELIVERY - ELECTRONIC INFORMATION SERVICES

EXPORT HOTLINE (UNITED STATES)

1. **Introduction**

    US firms through via telephone and facsimile have access to worldwide export information - the Export Hotline service. A firm can calls the service's 1-800 number and order a specific market or country report through the telephone touchtone key set. The report is then transmitted to the user by facsimile. The only cost to the user is for the facsimile transmission; typically, a five-minute long-distance phone call. The service is now logging 550 calls a day and has delivered over 75,000 reports since it was launched eight months ago. User firms are typically SMEs with sales of less than $5 million.

2. **Organization and Responsibilities**

    The service was created by a market research company in Boston. Operating costs are underwritten by a group of US companies providing export services. In return, these sponsors receive the names of companies using the service plus details on the markets which most interest exporters. It is estimated that the service costs $2 million per year to operate (including promotion, development and updating the database, and communications).

    The primary source of information for the service are 2 500 detailed reports prepared by the US Department of Commerce. While the Department of Commerce cannot officially endorse the service, its reports are provided without charge. In this way Commerce is able to expand distribution of its information products to a far larger population of firms than was previously possible using traditional means (e.g., paper-based reports).

    In January 1993, the service will be extended to Canada (sponsored by Investment Canada) and Mexico. Some of the original sponsors will provide support for this extended service. US reports will be made available to non-US firms, but information on government support programs will be tailored to the nationality of the firm.

3. **Quality of the Information Provided**

    The reports that have been reviewed would give an SME considering a particular market in-depth information on market size, trends, marketing channels and a number of key business contacts. The information is so comprehensive and topical that its value must be substantial.

One weakness in the service is coverage - the service providers have reports on 2 500 markets. Also, it is likely that export markets for Canadian companies in the US will not be as well served.

The service has benefited substantially from changes instituted within the Department of Commerce in 1989. At that time, quality standards were set for the reports prepared by each overseas trade post. Future funding for posts depends on them meeting quality and quantity quotas.

4. Implications for Delivery of Information Service Providers

What has been established in the US is an electronic information service paid for by advertisers (the sponsors). Telecommunications makes it possible to increase dramatically the penetration of a target population at relatively low cost. (Such a service could also be provided without advertising. The information provider either underwrites the electronic distribution costs or alternatively charges for its service through 1-900 telephone service.)

5. Implications for the Portfolio

As it stands, the service is perfectly adapted to Canadian domestic and export market information. In addition the service is complementary to some portfolio offerings. In addition, other portfolio information products such as industry profiles, sector directories, and information on programs could all be adapted to this format and the services could possibly be delivered jointly. Production cost savings resulting from the transfer to an electronic system could be used to improve the quality and quantity of information products that are made available. It also could be extended to information products such as BOSS (which is already available through a computer database).

A public access database such as the Export Hotline in the US requires that the information being entered into it is systematised. The ISTC industry profiles and BOSS are two of the few information products within the Wilson portfolio which meet that criteria.

There may be some impedimenta to the joint delivery in that copyright laws and cost recovery policies in the two countries are different. This has implications for the dissemination of government generated information. US government data is distributed at no charge whereas STATSCAN data is cost recoverable giving an advantage to the US data sources.

The recommendation of the Working Group is that the extension of the Export Hot Line service to Canada should be encouraged, that the service be enhanced to distribute information on other business subjects and that all efforts be made to integrate the information services across the portfolio into the export hotline.

THE EURO INFO CENTRE NETWORK

1. Background

The Euro Info Centre Network was established in 1987 to provide European businesses with better access to information on EC matters. The aim of the centres is to provide information on all aspects of EC affairs, its politics, regulations and projects. This is done through the EC publications, access to electronic information and networks, seminars and workshops and advice.

2. Organization and Responsibilities

The network has a two-tier structure with network manager and a group of "host" organizations forming the direct client contact. The network management function is privatised (Coopers & Lybrand) and it provides overall management and partner selection. The hosts are typically local chambers of commerce or regional development agencies which have existing links with businesses in their community. Currently 187 such centres operate throughout the EC. Overall support to the hosts is provided from the EC through staff training, information products, promotional materials, and financial assistance fro start-up costs. The management contract for the network is $3.2 million per year. No information is available on the costs directly incurred by the EC.

3. Quality of the Information Provided

The service was established by the EC because of the poor availability of information to SMEs - typically the information providers were the individual national governments. An evaluation of the centres performance indicates that they are able to provide accurate and impartial advice to clients. However, despite the fact that each host is selected because of its links to local businesses, is reported that there is a low level of awareness among SMEs of their existence.

4. Implications for Delivery of Information Service Providers

Host organizations have the potential to form an effective information link to clients. As well, they can be impartial - serving a wider market than their pre-existing membership. However, the lack of awareness among SMEs in the EC may indicate that they do not have a multiplier effect - the local presence does not buy instant recognition.

5. Implications for the Portfolio

Development of this model for the Portfolio could be included in the review and rationalisation process recommended above. However the Working Group does not recommend that this activity be given high priority.

NATIONAL INDUSTRY EXTENSION SERVICE (NIES) AUSTRALIA

1. Background

NIES is a Joint Commonwealth, State and Territory Government initiative intended to assist firms in traded goods and services become more competitive. The service encourages the use of and assists in the financing of outside expertise to help the clients improve key management capabilities. NIES provides information to its clients through 300 marketing, manufacturing management or design consultants. The service provides information about consultants, provides selection criteria and develops methodologies and tools for use by the client. The service assisted 1500 manufacturers (actual 1990) and is expected to help 200 service companies (projected 1991). NIES is delivered through 8 offices across Australia.

2. Financial Arrangements

— 60% of the cost
  - maximum of $8,500 for a MCM workshop and $10,000 for a detailed study

— total budget $14.3 million
  - $8.8 million of this being paid direct to states and Territories under bilateral agreements

  - $5.5 for new product development,pilot projects, co-ordination, promotion, evaluation

3. Organization

— Commonwealth has a national liaison and coordination role.

— State and Territory government agencies administer and deliver the services using state NIES networks.

— National Advisory Committee on Extension Services (NACES)

  - is the main advisory body and reports to the Australian Industry and Technology Council

  - joint private and government members (private members appoint the Chairman)

  - meet two or three times per year

  - operational management and policy issues.

4. **Positive Features of NIES**

— Decentralized delivery results in improved client responsiveness,

— Responsibility for program design, promotion and evaluation is well defined,

— Program design, promotion, management and evaluation are well funded ($5.5 million/year).

— Extensive industry input through industry Board members.

— Sufficient scope $14.3 million per year over an extended period of time (to 1995), which is used to lever additional State and Territory funds.

— Extensive use of tools/methodologies to ensure consistency of service across the country.

Success factors (as defined by Stuart Rosenfeld in *Smart Firms in Small Towns*):

— Have scale
  - NIES ranks high with a penetration of 1,500 manufacturers per year.

— In February 1991, the Federal Cabinet extended its support for NIES to 1995.

— Are comprehensive

  - services cover strategic and financial planning, marketing, manufacturing, human resources, innovation, design and quality

  - are accessible to firms in communities if all sizes and in all places

  - decentralized delivery and bilateral agreements with State and Territory governments allows for delivery to be customized to local needs and capabilities.

— Sustainable because customers value them and are willing to share or pay for the cost of the service

  - maximum contributions under the program are 60% of consulting fees

  - respond to and stimulate demand

  - publishes a magazine with a circulation of 17,000 every two months

  - sponsors excellence awards and conferences

- complement and expand, not duplicate, private services

- in fact one of its main objectives is to stimulate the use of private sector services.

- involve SME owners/managers and labour in their design and planning

- managed by a Board made up of public and private sector members

- Board in 1990 conducted a "Future Directions" review of the NIES program. This involved a wide range of seminars and discussions with contributions from industry, unions, consultants and officials. The review focused on the NIES products, its promotion and its delivery.

— Improve the level of skills and wages and quality of life in a region

- no information available

- feature a return on investment mentality, an attempt to maximize the value of public sector investments

- program evaluation involves assessing company performance before and after they receive NIES assistance.

5.   Implications for the Portfolio

The working group considers the NIES model be to a very effective way of co-ordinating the activities of a number of levels of government. Negotiation of a program based on the model should have a high priority in the rationalization process.

ABORIGINAL ECONOMIC DEVELOPMENT PROGRAMS

1. **Background**

The External Delivery Organization (XDO) pilot program was approved in November 1990 with the aim of improving service to Aboriginal people and preparing for the ultimate devolution of investment decision-making. Six pilot initiatives were launched and, based on their successful early implementation, in August 1991 the network was expanded.

2. **Organization and Responsibilities**

Central to the model are two—year contribution agreements between ISTC and Host organizations providing for up to $250,000 for salary, operating and travel related to the hiring of officers for program delivery. Hosts offer established links to the aboriginal business community (e.g., 14 are Aboriginal Capital Corporations) and provide office space and administrative support; officers do case work up; and regional offices provide mentoring and training, policy and technical advice, and payments, audit and evaluation support. Within this framework, individual arrangements have evolved based on location, capability and experience. At present, there are 21 hosts and 24 external delivery officers with the greatest number in the West and Ontario. In Ontario, for example, 360 (54%) of all cases are handled by external delivery officers.

3. **Success Factors**

Regional Office ownership, customized support to Hosts and XDOs, and clearly communicated roles, responsibilities and performance expectations have proven to be key success factors. As the choice of individuals is critical, the two-year term may need to be extended to attract high calibre officers. The approach to date has provided for a strengthening of the Host organizations; improved geographic coverage, response time to clients and quality of submissions; and an increased sense of ownership of the program on the part of the client base.

Preliminary work on an evaluation of the model is commencing. Expanding the approach to encompass delegation of authority as well as contribution fund management are future options.

The working group recommends that this model continue within the AEP but that there are limited opportunities for expansion of the process to other jurisdictions at the present.

DELEGATION OF AUTHORITY

1. Introduction

The recommendation in the interim report suggested $15,000.00 for CO-02 positions and $25,000.00 for CO-03 positions. However, after further study and consultation, we have concluded that such a distinction would be quite artificial and of no benefit. Therefore, it is recommended that all COs involved in delivery of existing or new services including sector campaigns (including ACI which is not being transferred to NRC) be delegated for commitments, contracts and claims of up to $25,000.00.

2. Classification

Considering the present structure of the CO group, where, in fact, two (2) levels are being used (CO-02 and CO-03), this additional delegation of authority will have no direct impact on the classification of positions. For the individuals concerned, the payoff will be in terms of empowerment and increased control over their work.

3. Accountability Mechanisms

This delegation of financial authority to commerce officers must be accompanied by appropriate accountability and verification mechanisms. The delegation of authority for commitments will require the development of budget control mechanisms. These mechanisms should be developed as part of the terms of reference for the pilots, but we recommend that they be simple, efficient and economical, and that new approaches be tried. For example, commerce officers could verify transactions for their peers rather than relying on the traditional verification by the next level in the hierarchy.

A spot audit system could be put in place for the duration of the project. The CO officers with delegated authority would also be expected to consult their supervisor or the program managers for unusual cases.

4. Training

Commerce officers will require some training before exercising delegated financial authority. We recommend that this training consist of a two-day course. One day would be given by the Comptroller's Branch and would cover the Financial Administration Act, and basic principles of financial management and accountability. The second day would consist of a refresher course on the targeted programs. Completion of this training would be a requirement before a commerce officer exercises delegated financial authority.

5.   **Monitoring and Evaluation**

The program ADM concerned, with assistance from the ADM, FPA should spearhead the implementation of the pilots. Operations Audit should carry out on-going monitoring and formally evaluate the results after twelve (12) months. Decisions should then be made as to whether they should be made permanent and whether the principle of increased delegation to commerce officers should be applied to other programs or sector campaigns.

6.   **Benefits**

The working group believes that these pilots would be in the spirit of PS 2000 and could contribute to streamlining our processes, reducing red-tape and providing faster responses to our clients. They would also result in substantial empowerment of the officers who are closest to our clients.

DISCUSSION PAPER ON

WILSON PORTFOLIO RATIONALIZATION INITIATIVE

INTRODUCTION:

This document makes a "first cut" at determining the scale and scope of the business assistance programs and advisory services offered by the nine members of the Wilson Portfolio to Canada's business community. The paper's purpose is to provide a basis for discussing ways and means of mounting a rationalization initiative regarding the Portfolio's assistance and advisory offerings.

The need for rationalization and consolidation is set out in Inventing Our Future - An Action Plan For Canada's Prosperity. The report notes that Canadians are angry with their governments; see growing government debt and deficits as signs of waste and ineffiency; view with concern the duplication, overlap and conflict between federal and provincial governments; and are unhappy with the deteriorating standard of services being provided by governments. Within an overarching theme of Canada becoming a society characterized by continuous innovation and a reputation for top-notch quality, the Steering Group on Prosperity calls for action across a broad front, including a reduction in the size and cost of governments so as to spend smarter, eliminate overlap, reduce regulations and foster competitiveness. The Steering Group specifically proposes three measures, namely:

(1) review the number of government departments, agencies and programs with the objective of restructuring or reducing them. Introduce immediately (ie by April 1993) an implementation plan with tough performance deadlines;

(2) consolidate, by September 1993, government technology support programs into coherent, readily accessible packages, responsive to customer needs and with demonstrable value added; and

(3) by January 1994, make federal and provincial business development programs more effective by consolidating trade development programs to eliminate duplication and overlap and by focusing each level of government's efforts on complementary areas.

The Steering Group's first recommendation relates closely to the pending de Cotret Report. Thus it bears noting that the nature of the initiative could also be affected by the government's response to that report. If, for example, that response includes the enlargement of the Wilson Portfolio by the addition of other economic development departments or agencies, presumably the business assistance programs and advisory services of such organizations would warrant inclusion in the rationalization initiative at some point in time.

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More recently, the government, in its Economic and Fiscal Statement of December 2, 1992, states that Minister Wilson "...will take steps to streamline delivery and ease of access to federal technology programs and services." This commitment is made in the context of improving support for research and development. As well, ISTC's paper Strategic Direction, 1993-94 declares, as a matter of principle, that "...we need to make our programs easier to access and easier to understand, and help break down the walls between government programs - we must coordinate, consolidate and rationalize in collaboration with our public and private sector partners."

So the need for and commitment to action is clear. The question is how best to take up the challenge of rationalizing and consolidating the array of business programs and services delivered by the Wilson Portfolio.

Appendix A presents an inventory of the current (ie pre de Cotret Report) Wilson Portfolio's business assistance offerings compiled from an internal review undertaken over a four week period by the Services Working Group of the ISTC Re-Engineering Initiative. It lists some 124 programs and services and assigns them to one or more of seven Targeted Client Needs, namely, Market Development, Technology Diffusion, Technology Development, Debt/Equity Capital, Corporate Planning & Development, Training, and Other. Sources for the inventory include Part Three of Main Estimates, SSC's publication "Federal Programs and Services", ISTC's directory entitled "ISTC Programs and Services", and brochures and pamphlets on various offerings.

A number of qualifications about this inventory should be noted at the outset. First, the Services Working Group was directed not to contact any of the eight other members of the Wilson Portfolio. Second, certain key data is typically missing concerning Client Coverage, Delivery Staff, Delivery Budget, etc. These missing data are denoted by "TBD" (for To Be Determined) in Appendix A. Third, due to the nature of the references, it is probable that some programs and services have not been included in Appendix A while still others that have been included may no longer be available. And fourth, the assignment of offerings to various Targeted Client Needs is somewhat judgemental and therefore subject to change upon consultation with the members of the Portfolio.

With these caveats in mind, Appendix A does enable some interesting observations to be made that have a bearing on the options for engaging the initiative.

OVERVIEW:

As shown in Table One below, the 124 programs and services supplied by the nine member departments and agencies of the Wilson Portfolio actually result in Portfolio clients and delivery staff having to deal with some 223 possible permutations and combinations of assistance and advice. In fact, 64 of the listed programs and services address two or more of the seven Targeted Client Needs. Interestingly, there are nine programs and services that each have offerings for four of the seven Targeted

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Client Needs. This extensive array of 223 offerings creates a dilemma of choice for both the business community and the Portfolio delivery staff. It presents both clients and staff with a considerable challenge in trying to determine which forms of assistance or advice are most applicable in responding to specific problems and opportunities.

Such a sizable array has within it some potential for overlap and duplication but pinpointing actual instances of redundancy is beyond the scope of this initial review. The scope and scale of the offerings also suggests a need for greater coordination and cohesion among the Portfolio members in order to reduce confusion and delay among clients and delivery staff and to enable easier and faster access to the few, most appropriate offerings for a given client. Improved cohesion through a Portfolio-wide consolidation and rationalization initiative, in combination with ongoing cross-Portfolio coordination, could enhance the effectiveness and efficiency of the assistance and advisory services currently available to Canada's business community.

A PROFILE OF THE PORTFOLIO'S PROGRAMS AND SERVICES:

Table One, in conjunction with Appendix A, enables an analysis to be made of the Portfolio's offerings from a number of viewpoints. These perspectives include the clusters of targeted client needs, the types of service, the members of the Portfolio, and the efficiency of the delivery channels used. This "slice and dice" analysis also suggest options for organizing and undertaking a rationalization initiative.

There are a number of points to be drawn from Table One with respect to the clusters of Targeted Client Needs, namely:

(1) the Market Development cluster has the most numerous offerings, 68 or 30% of the total, and involves six of the nine Portfolio members;

(2) Technology Diffusion (47 offerings for 21% of total via 6 members) & Technology Development (40 offerings for 18% of total and 7 members) vie for the second largest cluster of assistance and advice;

(3) Training (32 offerings for 14% of total via 6 members) is fourth largest cluster but about half of the Market Development level;

(4) Corporate Planning & Development (17 offerings for 7.6% of total via 6 members) and Debt/Equity Capital (11 offerings for 5% of total via 3 members) are the fifth and six largest clusters.

This raises the question of whether the Portfolio's array of offerings is positioned and balanced in strategic terms to support and respond to the key thrusts of the Prosperity Initiative's Action Plan. Should, for example, more emphasis be put on the Technology Diffusion, Technology Development and Training clusters relative to the

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others given the Action Plan's call for more effort by all players in these critical areas? Alternatively, would a more comprehensive and coordinated approach to Corporate Planning and Development offerings provide a more coherent framework within which fewer, more focused offerings in Market and Technology could be delivered? These and other questions could be the subject of a series of client focus groups working in concert with a team made up of representatives from all nine Portfolio members.

In terms of the thirteen types of programs and services provided, the main message is that funding and information are the two significant ones. This is based on the fact that:

(1) there are 54 funding programs and services. They constitute the single largest type and account for some 43% of the 124 listed in Appendix A; and,

(2) of the 12 types of non-funding programs and services, information-related ones are the most numerous (45) and constitute some 36% of the 124 listed in Appendix A. Regulatory (6), promotion (5), advisory (4) and referral (3) services account for most of the remaining types.

With respect to the members of the Portfolio, one can observe that:

(1) ISTC has the broadest and most numerous array and is active in all of the seven client need clusters. Overall, ISTC provides 110 or 50% of the total offerings via 57 programs and services, as shown in Appendix A. In terms of offerings, ISTC dominates six of the clusters including: Technology Diffusion (53%), Technology Development (62.5%), Debt/Equity Capital (54%), Corporate Planning & Development (41%) and Human Resources (53%). ISTC also provides 35% of the Market Development offerings, second only to EAITC;

(2) EAITC is active in five of the seven clusters and provides 55 or some 25% of the total offerings via 35 programs and services. It dominates the Market Development one in delivering over 45% of the available offerings in this cluster. EAITC is also second only to ISTC in Technology Diffusion offerings. EAITC also provides jointly with ISTC another 10 offerings, mainly in Market Development and Technology Development. EDC has two offerings in one cluster via two programs;

(3) FBDB operates in four of the seven clusters and provides 13 or 5.8% of the total offerings via eight programs and services. Its offerings are evenly balanced across the four clusters. Investment Canada provides five offerings in 3 clusters via five services. Statistics Canada similarly delivers 12 offerings across four clusters via three services;

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(4) NRC is active in three clusters and provides eight or 3.6% of the total offerings via four programs; of which seven of these offerings are focused on Technology Diffusion and Technology Development. NSERC has six offerings available in three clusters via three programs.

With regards to the mix of delivery channels:

(1) only seven outside intermediaries currently deliver 14 of the 124 programs and services listed in Appendix A. Consultants handle six of the 14 while volunteers, associations, and Supply and Services Canada provide two each;

(2) direct delivery is the dominant mode across all members of the Portfolio. ISTC provides 51 of its 57 programs and services directly while EAITC direct delivers 33 of its 35 programs and services. As well, all five of the EAITC/ISTC programs are delivered directly. FBDB retails seven of its eight programs and services and the other six members direct deliver all of their respective offerings.

Further data would have to be provided by the Portfolio members in order to assess delivery efficiency of comparable types of programs and services to similar client groups. It is possible that economies of scale, greater coverage, more responsive access, and other benefits such as strengthening of industry associations could be achieved by changing the distribution channel mix towards greater use of intermediaries. Whether Portfolio members, however, ought to adopt more of a wholesale and less of a retail approach to distributing their offerings requires further analysis beyond the time and scope of this paper.

OPTIONS FOR UNDERTAKING A PORTFOLIO RATIONALIZATION INITIATIVE:

While a rationalization initiative can be undertaken in a number of different ways (see below), the first and most important step is that the initiative be guided by a statement of direction embodying a common set of goals and principles making up a unifying vision. Such leadership most appropriately should come from the Portfolio's Council of Deputy Ministers. On the basis of the above analysis and in the context of the Prosperity Initiative's Action Plan, the following common goals and principles are proposed:

(1) propose measures to reduce by 50% each the total number of Portfolio programs and services (from 124 to 60) and the total number of offerings (from 223 to 110);

(2) propose means to consolidate and make as uniform as possible the terms and conditions for all offerings aimed at the same Targeted Client Need cluster;

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(3) identify ways to double both the number of outside, private sector intermediaries from seven to 15 and the number of programs and services they deliver on behalf of the Portfolio members from 14 to 30;

(4) start by January 4, 1993 and complete (1) and (2) by March 15, 1993 and (3) by March 31, 1994 and in each case, identify the resource implications of specific changes;

(5) at the outset, develop a common set of definitions and a standard architecture, based on Appendix B, for use by all Portfolio members in generating and collecting key data on their programs and services;

(6) in carrying out the rationalization process, involve Canada's business community through a series of client focus groups and an advisory panel;

(7) consult periodically with provincial governments, especially those that are conducting similar rationalization reviews over the forthcoming year; and

(8) affirm that the effectiveness and efficiency of offerings will be the basis on which rationalization decisions will be made.

Appendix A suggest there are four main options for conducting the rationalization initiative, namely:

(1) rationalize vertically the offerings, programs and services of all Portfolio members within each main cluster of Targeted Client Needs;

(2) rationalize horizontally the offerings, programs and services within each Portfolio member by Targeted Client Needs;

(3) rationalize the offerings, programs and services across the thirteen types of programs and services; or

(4) rationalize the offerings, programs and services across the 16 different delivery agents.

Option (1) would be simpler to manage in that it would involve only six Portfolio teams; one for each main needs cluster. Each team would consist of representatives from only those Portfolio members providing program or service offerings in the given cluster. Thus the teams would range in size from three to seven people for a total of some 30 people.

Option (1) is market-driven, facilitates the use of client focus groups, and encourages a strong client focus to be maintained by each team. It provides an objective, external basis for making trade-offs and resolving the inevitable conflicts of

interest which will arise during the course of the rationalization process. It even offers the prospect of advancing the quality of cohesiveness across the Portfolio as Portfolio members work together within the framework of the main needs clusters.

A variation on Option (1) would be to conduct it in two phases. Phase one would consist of just the three teams (technolgy diffusion, technology development and market development) required as an immediate, positive response to the specific recommendations of the Steering Group on Prosperity. The second phase would address the other three Target Client Need clusters and allow some intervening time to assess any implications arising from the de Cotret Report. The two-phased approach could also be less resource intensive; an important consideration in view of further resource reductions that may be made in the coming months as the government attempts to stabilize the deficit.

Option (2) may be easier to organize and launch as it would entail each member of the Wilson Portfolio independantly undertaking the initiative within its own particular set of programs and services. Nevertheless, coordinating the eight teams involved in this approach will be more of a challenge than would be the case in Option (1). As well, the gains from Option (2) will not likely be as significant as those that could result from Option (1).

Options (3) and (4) are more cumbersome than the first two and require further definition and development before they could reasonably serve as a basis for organizing the rationalization initiative.

In sum, Option (1) would appear to be the optimum approach.

POSSIBLE NEXT STEPS:

* present this paper to the Chair, Re-Engineering Initiative with a view to getting his endorsement and agreement to take it to the Chair of the Wilson Portfolio's Council of Deputy Ministers for initial reaction.

* shop the paper with ADM level officials in other eight Portfolio members to gauge their reactions and solicit their suggestions for flushing out the approach and key organizational arrangements.

* present revised paper to Council of DMs for ratification, sponsorship and announcement of formal initiative. Each member of the Council of DMs is to sponsor one of the six rationalization teams as a visible demonstration of interest and commitment to the rationalization process. The sponsor would participate periodically in team meetings to maintain a general awareness of progress and to help resolve any critical problems that could delay or defeat the team's completion of its work plan.

* Council of DMs to appoint a full time Executive Director to organize, launch and oversee the rationalization teams and to report to the Council of DMs. The Executive Director would also liaise with provincial governments to encourage them to undertake similar initiatives using basically the same approach so as to facilitate a second and subsequent initiative across federal and provincial boundaries.

* Council of DMs to authorise creation of a small research secretariat consisting of two or three people) and a private sector advisory council to work with the Executive Director. The secretariat will provide research assistance to teams; update the inventory of Portfolio programs and services in Appendix A based on inputs received in response to surveys based on Appendix B; compile synopses of background references such as relevant reports and working papers from the Prosperity Initiative, the Nielsen Task Force Review (ie Services and Subsidies to Business Report), PS 2000 Service to The Public Task Force Report, Cabinet Memos and Treasury Board submissions on programs and services, etc); and assist Team Leaders in conducting team orientation seminars, arranging meetings, focus group sessions, etc and preparing assessment notes, presentation materials, interim and final reports.

* Executive Director to appoint full time team leaders and, in conjunction with them, recruit full time members from appropriate officials of various Portfolio members plus, if possible, a Treasury Board Secretariat officer. Task each team leader to recruit client focus groups; to prepare and obtain the Executive Director's approval of the Team's Work Plan including time and resource estimates; and to execute that Work Plan.

TABLE ONE:
SUMMARY OF BUSINESS ASSISTANCE OFFERINGS
WILSON PORTFOLIO

WILSON PORTFOLIO MEMBERS	TARGETED BUSINESS CLIENT NEEDS							TOTAL OFFERINGS BY MEMBER
	MARKET DEVEL'T NEEDS	TECH'GY DIFFUSN NEEDS	TECH'GY DEVEL'T NEEDS	DEBT OR EQUITY CAPITAL NEEDS	CORPORATE PLAN'G & DEVEL'T NEEDS	TRAIN'G & EDUCATN NEEDS	OTHER NEEDS	
CSA			1					1.00
FBDB	3			3	4	3		13.00
EAITC	31	14	1		3	6		55.00
EAITC/ISTC	5	1	3		1			10.00
EAITC/IC					1			1.00
EDC				2				2.00
ISTC	24	25	25	6	7	17	6	110.00
INV CDA	2				1		2	5.00
NRC		3	4			1		8.00
NSERC		1	3			2		6.00
SC	3	3	3			3		12.00
TOTAL OFFERINGS BY CLUSTER	68.00	47.00	40.00	11.00	17.00	32.00	8.00	223.00
# MEMBERS BY CLUSTER	5	5	6	3	4	6	2	

APPENDIX A:

INVENTORY OF WILSON PORTFOLIO

BUSINESS ASSISTANCE PROGRAMS AND

ADVISORY SERVICES

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	TARGETED NEEDS							REMARKS
								MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	
ACI SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC •	ISTC SB, ROS	AUTO FIRMS	TBD	TBD	TBD		X				X		2
AEP BUSINESS DEVELOPMENT	FUNDING	ISTC	ISTC AEP ROS	NATIVE FIRMS	TBD	TBD	$62,882,000				X				1
AEP RESEARCH/ADVOCACY	INFO, ADVOCACY	ISTC •	ISTC/AEP,INA,CEIC	NATIVES	TBD	TBD	TBD					X		X	2
AIM NETWORKS	FUNDING, INFO	ISTC •	ISTC ISB	FIRMS,UNIVS,ASS	TBD	TBD	TBD	X	X	X					3
AMT SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC •	ISTC SB, ROS	AMT MAKERS, USE	TBD	TBD	TBD	X	X	X			X		4
AMTAP	FUNDING, ADVICE	ISTC •	ISTC ROS	MANUFACTURERS	TBD	TBD	$2,000,000		X			X	X		3
APPAREL SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC ·	ISTC ISB	APPAREL SECTOR	TBD	TBD	TBD	X	X				X		3
ASIAN LANGUAGE TRAINING	TRAINING	EAITC	TBD	ALL	TBD	TBD	TBD						X		1
BOSS	REFERRALS	ISTC •	ISTC HQ, ROS	ALL	TBD	TBD	$500,000	X	X				X		2
BROKERAGE SERVICES	INFO, ADVICE	ISTC •	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
BUSINESS COUNSELLING SERVICES	INFO, ADVICE	FBDB •	110D CONSULTANTS	SMES	10,000	TBD	TBD	X				X	X		3
BUSINESS SERVICES CENTRES	REFERRALS	ISTC ·	ISTC HQ, ROS	ALL	TBD	27.5	$1,500,000	X	X	X			X		4
CANADA EXPORT AWARDS	PROMOTE	EAITC	EAITC HQ	ALL	TBD	TBD	TBD	X							1
CANADA SCHOLARSHPS PROGRAM	FUNDING	ISTC	ISTC/S&T, ROS	S&E STUDENTS	TBD	TBD	$13,700,000						X		1
CANADEXPORT PUBLICATION	INFO	EAITC	EAITC	ALL	60,000	TBD	TBD	X	X						2
CANADIAN COMMERCIAL CORP	ADVICE	EAITC, ISTC	SSC	CDN FIRMS	TBD	TBD	TBD	X							1
CANUS FTA	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
CAPITAL PROJECTS	INFO	ISTC •	ISTC/CGSI	ALL	TBD	TBD	TBD	X							1
CDN AWARDS FOR BIZNESS EXCELLENCE	PROMOTE	ISTC •	CONFERENCE BD	ALL	TBD	TBD	$1,400,000			X				X	2
CISTI	INFO	NRC	IRAP	S&T RESEARCHERS	500,000	196	$28,599,000		X	X				X	2
COM'L EDN/TRNG SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC ·	ISTC ISB	EDN/TRNG SECTOR	TBD	TBD	TBD	X						X	2
DEFENCE DEVEL'T SHARING AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X					2
DEFENCE PRODUCT'N SHAR'G AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X		X			3
DEHAVILLAND SALES INSURANCE	FUNDING	ISTC ·	ISTC HQ	DEHAVILLAND	TBD	TBD	$32,500,000	X			X				2
DIPP	FUNDING	ISTC •	ISTC/CGSI	DEFENCE FIRMS	TBD	TBD	$201,669,000				X	X			2
DISTCOVERY	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	4	$400,000		X	X					2
DO-IT-YOURSELF KITS	INFO	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD	X				X	X		3
ENTREPRENEURSHIP AWARENESS	INFO	ISTC	ISTC/ESBD	SMES	TBD	TBD	$884,000					X			1
ENVIRON'L INDUSTRIES SECTOR CAMP	FUNDING, ADVICE	ISTC	ISTC ISB	SECTOR FIRMS	TBD	TBD	TBD	X	X				X		3
ENVIRON'L TECH'GY COMM'L PROG	FUNDING	ISTC	ISTC/EAB, ROS	MANUFACTURERS	TBD	TBD	$2,500,000			X					1
ENVIRON'L TECH'GY DEVEL PROG	FUNDING	ISTC	ISTC/EAB, ROS	ST. LAWR FIRMS	TBD	TBD	$4,500,000			X					1
EXPORT CONTROLS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X							1
EXPORT FINANCING	FUNDING	EDC	EDC	ALL	115	TBD	TBD				X				1
EXPORT INSURANCE	INSURANCE	EDC	EDC, BANKS	ALL	1000	515	TBD				X				1
EXPORT RECEIVABLES GUARANTEE	FUNDING	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD				X				1
EXPORTER GUIDES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X				X		3
FBDB TERM LOANS & GUARANTEES	FUNDING	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD				X				1
FBDB VENTURE CAPITAL	FUNDING	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD				X				1
FEDNOR-CAPITAL INVESTMENT	FUNDING	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD				X				1
FEDNOR-CONSULTANT STUDIES	FUNDING, ADVICE	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD	X	X						2
FEDNOR-MARKETING	FUNDING	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD	X							1
FEDNOR-QUALITY,TECH'GY,MGT DEVL	FUNDING	ISTC	FEDNOR	NORTH ONT FIRMS	TBD	TBD	$10,999,000		X	X			X		3
FEDNOR-R&D	FUNDING	ISTC	FEDNOR	NDR ONT FIRMS	TBD	TBD	TBD			X					1

INVENTORY OF WILSON PORTFOLIO PROGRAMS & SERVICES — FIGURE 1: SORTED BY PROGRAM/SERVICE NAM[E]

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
FEDNOR-TOURISH	FUNDING	ISTC	FEDNOR	NORONT TOURISM	TBD	TBD	TBD	X			X				2
FINANCIAL PLANNING SERVICES	INFO, ADVOCACY	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD					X			1
FOREST INDUSTRIES BR-CIMDP	FUNDING,INFO	ISTC	ISTC ISB	WOOD PRODUCTS	TBD	TBD	TBD	X							1
FOREST INDUSTRIES BR-COMDP	FUNDING	ISTC	ISTC ISB, PROV GO	WOOD PRODUCTS	TBD	TBD	TBD	X							1
FUNDED RESEARCH DATABASE	INFO	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	TBD		X	X					2
GATT NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
GEOG TRADE OFFICES	INFO, ADVICE	EAITC	EAITC HQ	ALL	TBD	290	TBD	X							1
GEOGRAPHIC MARKET STUDIES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X							1
IMPORT CONTROLS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X							1
INCOMING TRADE MISSIONS	FUNDING	EAITC	ISTC HQ, ROS	ALL	60	TBD	$1,000,000	X							1
INDUSTRIAL RESEARCH FELLOWSHPS	FUNDING	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	$22,900,000			X			X		2
INDUSTRY PROFILES	INFO/INTELL	ISTC	ISTC ISB, ROS	120 SECTORS	TBD	TBD	TBD	X		X		X		X	4
INFO CENTRE	INFO	IC	IC	PUBLIC	TBD	TBD	TBD					X			1
INFOEXPORT	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X					X		2
INTERFIRM COMPARISONS	INFO, ADVICE	ISTC	CONSULTANTS	SME MFTRS	TBD	TBD	$500,000					X	X		2
INTERNATIONAL EXPOSITIONS	FUNDING	EAITC	CONTRACTORS	PROVINCES	TBD	TBD	$10,600,000	X							1
INTERNATIONAL TRADE CENTRES	INFO/REFERRALS	EAITC, ISTC	ISTC RDS	ALL	TBD	TBD	TBD	X	X						2
INTERNATIONAL TRADE DATABANK	INFO	EAITC	- EAITC	UNIVERSITIES	TBD	TBD	TBD	X							1
INTERNATIONAL TRADE MONTH	PROMOTE, ADVICE	EAITC	ISTC ROS	POSTS, FIRMS	TBD	TBD	TBD	X							1
INVESTMENT DEVELOP'T PROGRAM	PROMOTE, ADVICE	EAITC, IC	EAITC	FOREIGN INVESTO	TBD	TBD	TBD					X			1
INVESTMENT REVIEW	REGULATORY	IC	IC	INVESTORS	TBD	TBD	TBD							X	1
IRAP ITA NETWORK & PARTNERS	ADVICE	NRC	IRAP & 80 ASSOC	SME < 500 EMP	5,000	250	$28,522,000		X	X					2
IRAP RDA PROJECTS	FUNDING	NRC	IRAP	SME < 500 EMP	TBD	250	$57,607,000			X					1
IRAP TECHNOLOGY ENHANCEMENT	FUNDING	NRC	IRAP	SME < 500 EMP	TBD	250	TBD		X	X			X		3
JAPAN S&T FUND	FUNDING	EAITC	ISTC ROS	UNIVS, FIRMS	TBD	TBD	TBD		X	X			X		3
MANAGEMENT TRAINING SEMINARS	INFO	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD	X					X		2
MANUFACTURING ASSESS'T SERVICE	FUNDING, ADVICE	ISTC	ROS/CONSULTANTS	SME MFTRS	TBD	TBD	$4,100,000		X			X	X		3
MANUFACTURING VISITS PROGRAM	INFO, ADVICE	ISTC	CONSULTANTS	SME MFTRS	TBD	TBD	$400,000		X				X		2
MARKET INTELLIGENCE SERVICE	INFO, ADVICE	ISTC	ISTC/SBB	SME MFTRS	TBD	TBD	$300,000		X						1
MED DEVICES SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB/ROS, NRC	MED DEV SECTOR	TBD	TBD	TBD	X	X	X			X		4
MERIT PARTNERSHIP PROGRAM	PROCUREMENT	ISTC	SSC	INFO TECH FIRMS	TBD	TBD	TBD	X		X					2
MISSIONS	INFO/INTELL	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X					3
MSDP	FUNDING	ISTC	ISTC/ITIB, ROS	MICROELEC FIRMS	TBD	TBD	$9,212,000			X					1
NABST	ADVICE	ISTC	VOLUNTEERS	ALL	TBD	TBD	TBD		X	X					2
NAFTA NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
NAT INNOV'ORS IN SCHOOLS NETWKS	ADVOCACY	ISTC	VOLUNTEERS	K-12 STUDENTS	TBD	TBD	TBD						X		1
NEW EXPORTERS OVERSEAS	INFO, ADVICE	EAITC	ISTC RDS	SME	TBD	TBD	TBD	X							1
NEW EXPORTERS TO BORDER STATES	INFO, ADVICE	EAITC	ISTC ROS,PROV GOV	SME	TBD	TBD	TBD	X							1
NEW EXPORTERS TO US SOUTH	INFO, ADVICE	EAITC	ISTC ROS	SME	TBD	TBD	TBD	X							1
OUTGOING TRADE MISSIONS	FUNDING	EAITC	ISTC HQ, ROS	ALL	50	TBD	$1,300,000	X	X						2
PEMD	FUNDING	EAITC	ISTC HQ, ROS	ALL	4,500	TBD	$22,500,000	X							1
PROMOTION & SERVICES	INFO	IC	IC	LARGE INVESTORS	TBD	TBD	TBD	X							1
PROSPECTING	BROKERING	IC	IC	HI TECH SMES	TBD	TBD	TBD	X							1

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'Y	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
PUBLICATIONS	INFO	IC	IC	INVESTORS	TBD	TBD	TBD							X	1
R&D, PRODUCTION AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X					2
RESEARCH PARTNERSHIPS PROGRAM	FUNDING	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	$42,600,000			X			X		2
S&T AWARENESS PROGRAM	INFO	ISTC	ISTC S&T BR/COMM	ALL	TBD	TBD	TBD							X	1
S&T COUNSELLORS	ADVICE	EAITC	EAITC TRADE POSTS	UNIVS, FIRMS	TBD	TBD	TBD		X						1
SCIENCE CULTURE CDA PROGRAM	FUNDING	ISTC	SSC	TBD	TBD	TBD	TBD							X	1
SEAFOOD SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB, ROS	SEAFOOD SECTOR	TBD	TBD	TBD		X	X			X		3
SECTORAL MARKET STUDIES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X						2
SECTORAL MKT DEVEL'T PLANS	INFO, ADVICE	EAITC	EAITC	ASSOCIATIONS	TBD	TBD	TBD	X							1
SECTORAL TRADE OFFICES	INFO, ADVICE	EAITC	EAITC HQ	MAJOR SECTORS	TBD	TBD	TBD	X	X						2
SERVICES INDUSTRIES STUDY PROG	INFO	ISTC	ISTC ISB	SERVICES SECTOR	TBD	TBD	TBD	X				X			2
SMALL BUSINESS LOANS ACT	FUNDING	ISTC	CDN BANKS	SMES	TBD	TBD	$17,500,000				X				1
SOURCING	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
STATS CAN ADVISORY SERVICE	STATS, INFO	SC-HQ	SC ROS (10)	ALL	148,000	TBD	TBD	X	X	X			X		4
STATS CAN CUSTOM STATISTICS	INFO	SC-HQ	SC ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
STATS CDA MKTG & INFO SERVICES	DATA PRODUCTS	SC-HQ	SC HQ, ROS	ALL	148,000	TBD	TBD	X	X	X			X		4
STEAR PROGRAM	FUNDING	CSA	CSA	MFTRS	TBD	TBD	TBD			X					1
STP-AI	FUNDING	ISTC	ISTC/ITIB	INFOTECH FIRMS	TBD	TBD	TBD			X					1
STP-AIM	FUNDING	ISTC	ISTC/MATLS BR,ROS	MANUFACTURERS	TBD	TBD	TBD		X	X					2
STP-BIO	FUNDING	ISTC	ISTC/CHEM&BIO,ROS	BIOTECH FIRMS	TBD	TBD	TBD			X					1
STP-IT	FUNDING	ISTC	ISTC/ITIB	INFOTECH FIRMS	TBD	TBD	TBD			X					1
STRATEGIC PLANNING	INFO, ADVICE	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD					X			1
TECH OPPORT SHOWCASE	INFO, ADVICE	ISTC	RDS	ALL	TBD	TBD	$300,000		X	X					2
TECHNOLOGY INFLOW PROGRAM	FUNDING, INFO	EAITC	POSTS, IRAP ITA	CDN FIRMS	TBD	TBD	TBD		X						1
TECHNOLOGY OUTREACH PROGRAM	FUNDING	ISTC	ISTC/TOP	TBD	TBD	TBD	$15,257,000		X	X			X		3
TELECOM EXEC MGT INSTITUTE	FUNDING	EAITC	CONTRACT CONSULTS	TELECOM FIRMS	TBD	TBD	$225,000	X					X		2
TOP-AIM	FUNDING	ISTC	ISTC/MATLS BR,ROS	TBD	TBD	TBD	TBD		X						1
TOURISM MARKETING	INFO	ISTC	TOURISM SECTOR	ALL	TBD	TBD	TBD	X							1
TOURISM MKT DEVEL'T BOARD	PROMOTE	EAITC	EAITC	TOURISM FIRMS	TBD	TBD	TBD	X							1
TOURISM REF&DOC CTR	INFO	ISTC	ISTC ISB	TOURISM SECTOR	TBD	TBD	TBD	X							1
TRADE CONFERENCES	INFO, ADVICE	EAITC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2
TRADE FAIRS	INFO/INTELL	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X							1
TRADE FAIRS	FUNDING	EAITC	EAITC	ALL	190	TBD	$10,000,000	X							1
TRADE POSTS	INFO, ADVICE	EAITC	POSTS	ALL	TBD	540	TBD	X	X						2
TRADE SEMINARS	INFO, ADVICE	EAITC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2
UNIVERSITY TRADE CENTRES	FUNDING	EAITC	UNIVERSITIES	ACADEMICS	TBD	TBD	TBD	X					X		2
WINEXPORT DATABASE	INFO	EAITC	POSTS, ISTC ROS	ALL	30,000	TBD	TBD	X							1
WISE	INFO	ISTC	IND'Y ASSOC	ALL	TBD	TBD	$200,000		X						1
TOTALS	124					2322.5	$609,056,000	68	47	40	11	17	32	8	223

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
CANADIAN COMMERCIAL CORP	ADVICE	EAITC, ISTC	SSC	CDN FIRMS	TBD	TBD	TBD	X							1
PROSPECTING	BROKERING	IC	IC	HI TECH SMES	TBD	TBD	TBD	X							1
STATS CDA MKTG & INFO SERVICES	DATA PRODUCTS	SC-HQ	SC HQ, RDS	ALL	148,000	TBD	TBD	X	X	X			X		4
UNIVERSITY TRADE CENTRES	FUNDING	EAITC	UNIVERSITIES	ACADEMICS	TBD	TBD	TBD	X					X		2
TELECOM EXEC MGT INSTITUTE	FUNDING	EAITC	CONTRACT CONSULTS	TELECOM FIRMS	TBD	TBD	$225,000	X					X		2
OUTGOING TRADE MISSIONS	FUNDING	EAITC	ISTC HQ, ROS	ALL	50	TBD	$1,300,000	X	X						2
PEMD	FUNDING	EAITC	ISTC HQ, ROS	ALL	4,500	TBD	$22,500,000	X							1
INCOMING TRADE MISSIONS	FUNDING	EAITC	ISTC HQ, ROS	ALL	60	TBD	$1,000,000	X							1
INTERNATIONAL EXPOSITIONS	FUNDING	EAITC	CONTRACTORS	PROVINCES	TBD	TBD	$10,600,000	X							1
TRADE FAIRS	FUNDING	EAITC	EAITC	ALL	190	TBD	$10,000,000	X							1
DEFENCE PRODUCT'N SHAR'G AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X		X			3
DEFENCE DEVEL'T SHARING AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X					2
R&D, PRODUCTION AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X					2
FEDNOR-TOURISM	FUNDING	ISTC	FEDNOR	NORONT TOURISM	TBD	TBD	TBD	X			X				2
DEHAVILLAND SALES INSURANCE	FUNDING	ISTC	ISTC HQ	DEHAVILLAND	TBD	TBD	$32,500,000	X			X				2
FEDNOR-MARKETING	FUNDING	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD	X							1
FOREST INDUSTRIES BR-COMDP	FUNDING	ISTC	ISTC ISB, PROV GO	WOOD PRODUCTS	TBD	TBD	TBD	X							1
MED DEVICES SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC-ISB/ROS, NRC	MED DEV SECTOR	TBD	TBD	TBD	X	X	X			X		4
AMT SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC SB, ROS	AMT MAKERS, USE	TBD	TBD	TBD	X	X	X			X		4
ENVIRON'L INDUSTRIES SECTOR CAMP	FUNDING, ADVICE	ISTC	ISTC ISB	SECTOR FIRMS	TBD	TBD	TBD	X	X				X		3
APPAREL SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB	APPAREL SECTOR	TBD	TBD	TBD	X	X				X		3
FEDNOR-CONSULTANT STUDIES	FUNDING, ADVICE	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD	X	X						2
CON'L EDN/TRNG SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB	EDN/TRNG SECTOR	TBD	TBD	TBD	X						X	2
AIM NETWORKS	FUNDING, INFO	ISTC	ISTC ISB	FIRMS,UNIVS,ASS	TBD	TBD	TBD	X	X	X					3
FOREST INDUSTRIES BR-CIMDP	FUNDING,INFO	ISTC	ISTC ISB	WOOD PRODUCTS	TBD	TBD	TBD	X							1
EXPORTER GUIDES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X				X		3
INFOEXPORT	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X					X		2
CANADEXPORT PUBLICATION	INFO	EAITC	EAITC	ALL	60,000	TBD	TBD	X	X						2
SECTORAL MARKET STUDIES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X						2
WINEXPORT DATABASE	INFO	EAITC	POSTS, ISTC ROS	ALL	30,000	TBD	TBD	X							1
GEOGRAPHIC MARKET STUDIES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X							1
INTERNATIONAL TRADE DATABANK	INFO	EAITC	EAITC	UNIVERSITIES	TBD	TBD	TBD	X							1
DO-IT-YOURSELF KITS	INFO	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD	X				X	X		3
MANAGEMENT TRAINING SEMINARS	INFO	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD	X					X		2
PROMOTION & SERVICES	INFO	IC	IC	LARGE INVESTORS	TBD	TBD	TBD	X							1
SERVICES INDUSTRIES STUDY PROG	INFO	ISTC	ISTC ISB	SERVICES SECTOR	TBD	TBD	TBD	X				X			2
TOURISM REF&DOC CTR	INFO	ISTC	ISTC ISB	TOURISM SECTOR	TBD	TBD	TBD	X							1
CAPITAL PROJECTS	INFO	ISTC	ISTC/CGSI	ALL	TBD	TBD	TBD	X							1
TOURISM MARKETING	INFO	ISTC	TOURISM SECTOR	ALL	TBD	TBD	TBD	X							1
STATS CAN CUSTOM STATISTICS	INFO	SC-HQ	SC ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
SECTORAL TRADE OFFICES	INFO, ADVICE	EAITC	EAITC HQ	MAJOR SECTORS	TBD	TBD	TBD	X	X						2
TRADE POSTS	INFO, ADVICE	EAITC	POSTS	ALL	TBD	540	TBD	X	X						2
TRADE SEMINARS	INFO, ADVICE	EAITC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
TRADE CONFERENCES	INFO, ADVICE	EAITC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2
SECTORAL MKT DEVEL'T PLANS	INFO, ADVICE	EAITC	EAITC	ASSOCIATIONS	TBD	TBD	TBD	X							1
EOG TRADE OFFICES	INFO, ADVICE	EAITC	EAITC HQ	ALL	TBD	290	TBD	X							1
NEW EXPORTERS TO US SOUTH	INFO, ADVICE	EAITC	ISTC ROS	SME	TBD	TBD	TBD	X							1
NEW EXPORTERS OVERSEAS	INFO, ADVICE	EAITC	ISTC ROS	SME	TBD	TBD	TBD	X							1
NEW EXPORTERS TO BORDER STATES	INFO, ADVICE	EAITC	ISTC ROS,PROV GOV	SME	TBD	TBD	TBD	X							1
BUSINESS COUNSELLING SERVICES	INFO, ADVICE	FBDB	110D CONSULTANTS	SMES	10,000	TBD	TBD	X				X	X		3
BROKERAGE SERVICES	INFO, ADVICE	ISTC	ISTC ISB, RDS	ALL	TBD	TBD	TBD	X	X	X			X		4
SOURCING	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
INDUSTRY PROFILES	INFO/INTELL	ISTC	ISTC ISB, ROS	120 SECTORS	T90	TBD	TBD	X		X		X		X	4
MISSIONS	INFO/INTELL	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X					3
TRADE FAIRS	INFO/INTELL	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X							1
INTERNATIONAL TRADE CENTRES	INFO/REFERRALS	EAITC, ISTC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2
MERIT PARTNERSHIP PROGRAM	PROCUREMENT	ISTC	SSC	INFO TECH FIRMS	TBD	TBD	TBD	X		X					2
TOURISM MKT DEVEL'T BOARD	PROMOTE	EAITC	EAITC	TOURISM FIRMS	TBD	TBD	TBD	X							1
CANADA EXPORT AWARDS	PROMOTE	EAITC	EAITC HQ	ALL	TBD	TBD	TBD	X							1
INTERNATIONAL TRADE MONTH	PROMOTE, ADVICE	EAITC	ISTC ROS	POSTS, FIRMS	TBD	TBD	TBD	X							1
BUSINESS SERVICES CENTRES	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	27.5	$1,500,000	X	X	X			X		4
SCSS	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	TBD	$500,000	X	X						2
NAFTA NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
CANUS FTA	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
GATT NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
IMPORT CONTROLS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X							1
EXPORT CONTROLS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X							1
STATS CAN ADVISORY SERVICE	STATS, INFO	SC-HQ	SC ROS (10)	ALL	148,000	TBD	TBD	X	X	X			X		4

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
S&T COUNSELLORS	ADVICE	EAITC	EAITC TRADE POSTS	UNIVS, FIRMS	TBD	TBD	TBD		X						1
NABST	ADVICE	ISTC	VOLUNTEERS	ALL	TBD	TBD	TBD		X	X					2
IRAP ITA NETWORK & PARTNERS	ADVICE	NRC	IRAP & 80 ASSOC	SME < 500 EMP	5,000	250	$28,522,000		X	X					2
STATS CDA MKTG & INFO SERVICES	DATA PRODUCTS	SC-HQ	SC HQ, ROS	ALL	148,000	TBD	TBD	X	X	X			X		4
OUTGOING TRADE MISSIONS	FUNDING	EAITC	ISTC HQ, ROS	ALL	50	TBD	$1,300,000	X	X				X		2
JAPAN S&T FUND	FUNDING	EAITC	ISTC ROS	UNIVS, FIRMS	TBD	TBD	TBD		X	X			X		3
STP-AIM	FUNDING	ISTC	ISTC/MATLS BR,ROS	MANUFACTURERS	TBD	TBD	TBD		X	X					2
TOP-AIM	FUNDING	ISTC	ISTC/MATLS BR,ROS	TBD	TBD	TBD	TBD		X						1
FEDNOR-QUALITY,TECH'GY,MGT DEVL	FUNDING	ISTC	FEDNOR	NORTH ONT FIRMS	TBD	TBD	$10,999,000		X	X			X		3
TECHNOLOGY OUTREACH PROGRAM	FUNDING	ISTC	ISTC/TOP	TBD	TBD	TBD	$15,257,000		X	X			X		3
IRAP TECHNOLOGY ENHANCEMENT	FUNDING	NRC	IRAP	SME < 500 EMP	TBD	250	TBD		X	X			X		3
MED DEVICES SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB/ROS, NRC	MED DEV SECTOR	TBD	TBD	TBD	X	X	X			X		4
ENVIRON'L INDUSTRIES SECTOR CAMP	FUNDING, ADVICE	ISTC	ISTC ISB	SECTOR FIRMS	TBD	TBD	TBD	X	X				X		3
FEDNOR-CONSULTANT STUDIES	FUNDING, ADVICE	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD	X	X						2
APPAREL SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB	APPAREL SECTOR	TBD	TBD	TBD	X	X				X		3
AMT SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC SB, ROS	AMT MAKERS, USE	TBD	TBD	TBD	X	X	X			X		4
AMTAP	FUNDING, ADVICE	ISTC	ISTC ROS	MANUFACTURERS	TBD	TBD	$2,000,000		X			X	X		3
ACI SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC SB, ROS	AUTO FIRMS	TBD	TBD	TBD		X				X		2
MANUFACTURING ASSESS'T SERVICE	FUNDING, ADVICE	ISTC	ROS/CONSULTANTS	SME MFTRS	TBD	TBD	$4,100,000		X			X	X		3
SEAFOOD SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB, ROS	SEAFOOD SECTOR	TBD	TBD	TBD		X	X			X		3
TECHNOLOGY INFLOW PROGRAM	FUNDING, INFO	EAITC	POSTS, IRAP ITA	CDN FIRMS	TBD	TBD	TBD		X						1
AIM NETWORKS	FUNDING, INFO	ISTC	ISTC ISB	FIRMS,UNIVS,ASS	TBD	TBD	TBD	X	X	X					3
CANADEXPORT PUBLICATION	INFO	EAITC	EAITC	ALL	60,000	TBD	TBD	X	X						2
EXPORTER GUIDES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X				X		3
SECTORAL MARKET STUDIES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X						2
WISE	INFO	ISTC	IND'Y ASSOC	ALL	TBD	TBD	$200,000		X						1
CISTI	INFO	NRC	IRAP	S&T RESEARCHERS	500,000	196	$28,599,000		X	X					2
FUNDED RESEARCH DATABASE	INFO	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	TBD		X	X					2
STATS CAN CUSTOM STATISTICS	INFO	SC-HQ	SC ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
SECTORAL TRADE OFFICES	INFO, ADVICE	EAITC	EAITC HQ	MAJOR SECTORS	TBD	TBD	TBD	X	X						2
TRADE POSTS	INFO, ADVICE	EAITC	POSTS	ALL	TBD	540	TBD	X	X						2
TRADE SEMINARS	INFO, ADVICE	EAITC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2
TRADE CONFERENCES	INFO, ADVICE	EAITC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2
BROKERAGE SERVICES	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
SOURCING	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
MANUFACTURING VISITS PROGRAM	INFO, ADVICE	ISTC	CONSULTANTS	SME MFTRS	TBD	TBD	$400,000	X	X				X		2
MARKET INTELLIGENCE SERVICE	INFO, ADVICE	ISTC	ISTC/SBB	SME MFTRS	TBD	TBD	$300,000		X						1
TECH OPPORT SHOWCASE	INFO, ADVICE	ISTC	ROS	ALL	TBD	TBD	$300,000		X	X					2
MISSIONS	INFO/INTELL	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X					3
INTERNATIONAL TRADE CENTRES	INFO/REFERRALS	EAITC, ISTC	ISTC ROS	ALL	TBD	TBD	TBD	X	X						2
BOSS	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	TBD	$500,000	X	X						2
BUSINESS SERVICES CENTRES	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	27.5	$1,500,000	X	X	X			X		4
DISCOVERY	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	4	$400,000	X	X	X					2
NAFTA NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
CANUS FTA	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
GATT NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
STATS CAN ADVISORY SERVICE	STATS, INFO	SC-HQ	SC ROS (10)	ALL	148,000	TBD	TBD	X	X	X			X		4

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
EXPORT FINANCING	FUNDING	EDC	EDC	ALL	115	TBD	TBD				X				1
FBDB VENTURE CAPITAL	FUNDING	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD				X				1
EXPORT RECEIVABLES GUARANTEE	FUNDING	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD				X				1
FBDB TERM LOANS & GUARANTEES	FUNDING	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD				X				1
DIPP	FUNDING	ISTC	ISTC/CGSI	DEFENCE FIRMS	TBD	TBD	$201,669,000			X	X				2
FEDNOR-TOURISM	FUNDING	ISTC	FEDNOR	NORONT TOURISM	TBD	TBD	TBD	X			X				2
DEHAVILLAND SALES INSURANCE	FUNDING	ISTC	ISTC HQ	DEHAVILLAND	TBD	TBD	$32,500,000	X			X				2
FEDNOR-CAPITAL INVESTMENT	FUNDING	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD				X				1
SMALL BUSINESS LOANS ACT	FUNDING	ISTC	CDN BANKS	SMES	TBD	TBD	$17,500,000				X				1
AEP BUSINESS DEVELOPMENT	FUNDING	ISTC	ISTC AEP ROS	NATIVE FIRMS	TBD	TBD	$62,882,000				X				1
EXPORT INSURANCE	INSURANCE	EOC	EDC, BANKS	ALL	1000	515	TBD				X				1

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
MABST	ADVICE	ISTC	VOLUNTEERS	ALL	TBD	TBD	TBD		X	X					2
IRAP ITA NETWORK & PARTNERS	ADVICE	NRC	IRAP & 80 ASSOC	SME < 500 EMP	5,000	250	$28,522,000		X	X					2
STATS CDA MKTG & INFO SERVICES	DATA PRODUCTS	SC-HQ	SC HQ, ROS	ALL	148,000	TBD	TBD	X	X	X			X		4
STEAR PROGRAM	FUNDING	CSA	CSA	MFTRS	TBD	TBD	TBD			X					1
JAPAN S&T FUND	FUNDING	EAITC	ISTC RDS	UNIVS, FIRMS	TBD	TBD	TBD		X	X			X		3
DEFENCE PRODUCT'N SHAR'G AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X		X			3
DEFENCE DEVEL'T SHARING AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X					2
R&D, PRODUCTION AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X					2
STP-AIM	FUNDING	ISTC	ISTC/MATLS BR,ROS	MANUFACTURERS	TBD	TBD	TBD		X	X					2
FEDNOR-QUALITY,TECH'GY,MGT DEVL	FUNDING	ISTC	FEDNOR	NORTH ONT FIRMS	TBD	TBD	$10,999,000		X	X			X		3
TECHNOLOGY OUTREACH PROGRAM	FUNDING	ISTC	ISTC/TOP	TBD	TBD	TBD	$15,257,000		X	X			X		3
STP-AI	FUNDING	ISTC	ISTC/ITIB	INFOTECH FIRMS	TBD	TBD	TBD			X					1
ENVIRON'L TECH'GY COMM'L PROG	FUNDING	ISTC	ISTC/EAB, ROS	MANUFACTURERS	TBD	TBD	$2,500,000			X					1
SIP-IT	FUNDING	ISTC	ISTC/ITIB	INFOTECH FIRMS	TBD	TBD	TBD			X					1
DIPP	FUNDING	ISTC	ISTC/CGSI	DEFENCE FIRMS	TBD	TBD	$201,669,000			X	X				2
FEDNOR-R&D	FUNDING	ISTC	FEDNOR	NOR ONT FIRMS	TBD	TBD	TBD			X					1
MSDP	FUNDING	ISTC	ISTC/ITIB, ROS	MICRDELEC FIRMS	TBD	TBD	$9,212,000			X					1
ENVIRON'L TECH'GY DEVEL PRDG	FUNDING	ISTC	ISTC/EAB, ROS	ST. LAWR FIRMS	TBD	TBD	$4,500,000			X					1
STP-BIO	FUNDING	ISTC	ISTC/CHEM&BIO,ROS	BIOTECH FIRMS	TBD	TBD	TBD			X					1
IRAP TECHNOLOGY ENHANCEMENT	FUNDING	NRC	IRAP	SME < 500 EMP	TBD	250	TBD		X	X			X		3
IRAP RDA PROJECTS	FUNDING	NRC	IRAP	SME < 500 EMP	TBD	250	$57,607,000			X					1
RESEARCH PARTNERSHIPS PROGRAM	FUNDING	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	$42,600,000			X			X		2
INDUSTRIAL RESEARCH FELLOWSHPS	FUNDING	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	$22,900,000			X			X		2
MED DEVICES SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB/ROS, NRC	MED DEV SECTOR	TBD	TBD	TBD	X	X	X			X		4
AMT SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC SB, ROS	AMT MAKERS, USE	TBD	TBD	TBD	X	X	X			X		4
SEAFOOD SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB, ROS	SEAFOOD SECTOR	TBD	TBD	TBD		X	X			X		3
AIM NETWORKS	FUNDING, INFO	ISTC	ISTC ISB	FIRMS,UNIVS,ASS	TBD	TBD	TBD	X	X	X					3
CISTI	INFO	NRC	IRAP	S&T RESEARCHERS	500,000	196	$28,599,000		X	X					2
FUNDED RESEARCH DATABASE	INFO	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	TBD		X	X					2
STATS CAN CUSTOM STATISTICS	INFO	SC-HQ	SC ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
BROKERAGE SERVICES	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
SOURCING	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
TECH OPPORT SHOWCASE	INFO, ADVICE	ISTC	ROS	ALL	TBD	TBD	$300,000		X	X					2
MISSIONS	INFO/INTELL	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X					3
INDUSTRY PROFILES	INFO/INTELL	ISTC	ISTC ISB, ROS	120 SECTORS	TBD	TBD	TBD	X		X		X		X	4
MERIT PARTNERSHIP PROGRAM	PROCUREMENT	ISTC	SSC	INFO TECH FIRMS	TBD	TBD	TBD	X		X					2
CDN AWARDS FOR BIZNESS EXCELLENCE	PROMOTE	ISTC	CONFERENCE BD	ALL	TBD	TBD	$1,400,000			X				X	2
BUSINESS SERVICES CENTRES	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	27.5	$1,500,000	X	X	X			X		4
DISTCOVERY	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	4	$400,000		X	X					2
STATS CAN ADVISORY SERVICE	STATS, INFO	SC-HQ	SC RDS (10)	ALL	148,000	TBD	TBD	X	X	X			X		4

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
NAT INNOV'ORS IN SCHOOLS NETWKS	ADVOCACY	ISTC	VOLUNTEERS	K-12 STUDENTS	TBD	TBD	TBD						X		1
STATS CDA MKTG & INFO SERVICES	DATA PRODUCTS	SC-HQ	SC HQ, ROS	ALL	148,000	TBD	TBD	X	X	X			X		4
JAPAN S&T FUND	FUNDING	EAITC	ISTC ROS	UNIVS, FIRMS	TBD	TBD	TBD		X	X			X		3
UNIVERSITY TRADE CENTRES	FUNDING	EAITC	UNIVERSITIES	ACADEMICS	TBD	TBD	TBD	X					X		2
TELECOM EXEC MGT INSTITUTE	FUNDING	EAITC	CONTRACT CONSULTS	TELECOM FIRMS	TBD	TBD	$225,000	X					X		2
FEDNOR-QUALITY,TECH'GY,MGT DEVL	FUNDING	ISTC	FEDNOR	NORTH ONT FIRMS	TBD	TBD	$10,999,000		X	X			X		3
TECHNOLOGY OUTREACH PROGRAM	FUNDING	ISTC	ISTC/TOP	TBD	TBD	TBD	$15,257,000		X	X			X		3
CANADA SCHOLARSHPS PROGRAM	FUNDING	ISTC	ISTC/S&T, ROS	S&E STUDENTS	TBD	TBD	$13,700,000						X		1
IRAP TECHHOLOGY ENHANCEMENT	FUNDING	NRC	IRAP	SME < 500 EMP	TBD	250	TBD		X	X			X		3
RESEARCH PARTNERSHIPS PROGRAM	FUNDING	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	$42,600,000			X			X		2
INDUSTRIAL RESEARCH FELLOWSHPS	FUNDING	NSERC	NSERC	FIRMS, UNIVS	TBD	TBD	$22,900,000			X			X		2
AHTAP	FUNDING, ADVICE	ISTC	ISTC ROS	MANUFACTURERS	TBD	TBD	$2,000,000		X			X	X		3
MANUFACTURING ASSESS'T SERVICE	FUNDING, ADVICE	ISTC	ROS/CONSULTANTS	SME MFTRS	TBD	TBD	$4,100,000		X			X	X		3
MED DEVICES SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB/RDS, NRC	MED DEV SECTOR	TBD	TBD	TBD	X	X	X			X		4
AMT SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC SB, ROS	AMT MAKERS, USE	TBD	TBD	TBD	X	X	X			X		4
SEAFOOD SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB, ROS	SEAFOOD SECTOR	TBD	TBD	TBD		X	X			X		3
ENVIRON'L INDUSTRIES SECTOR CAMP	FUNDING, ADVICE	ISTC	ISTC ISB	SECTOR FIRMS	TBD	TBD	TBD	X	X				X		3
APPAREL SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC ISB	APPAREL SECTOR	TBD	TBD	TBD	X	X				X		3
ACI SECTOR CAMPAIGN	FUNDING, ADVICE	ISTC	ISTC SB, ROS	AUTO FIRMS	TBD	TBD	TBD		X				X		2
EXPORTER GUIDES	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X				X		3
INFOEXPORT	INFO	EAITC	EAITC	ALL	TBD	TBD	TBD	X					X		2
DO-IT-YOURSELF KITS	INFO	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD	X				X	X		3
MANAGEMENT TRAINING SEMINARS	INFO	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD	X					X		2
STATS CAN CUSTOM STATISTICS	INFO	SC-HQ	SC ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
BUSINESS COUNSELLING SERVICES	INFO, ADVICE	FBDB	1100 CONSULTANTS	SMES	10,000	TBD	TBD	X				X	X		3
INTERFIRM COMPARISONS	INFO, ADVICE	ISTC	CONSULTANTS	SME MFTRS	TBD	TBD	$500,000					X	X		2
BROKERAGE SERVICES	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
SOURCING	INFO, ADVICE	ISTC	ISTC ISB, ROS	ALL	TBD	TBD	TBD	X	X	X			X		4
MANUFACTURING VISITS PROGRAM	INFO, ADVICE	ISTC	CONSULTANTS	SME MFTRS	TBD	TBD	$400,000		X				X		2
BUSINESS SERVICES CENTRES	REFERRALS	ISTC	ISTC HQ, ROS	ALL	TBD	27.5	$1,500,000	X	X	X			X		4
STATS CAN ADVISORY SERVICE	STATS, INFO	SC-HQ	SC ROS (10)	ALL	148,000	TBD	TBD	X	X	X			X		4
ASIAN LANGUAGE TRAINING	TRAINING	EAITC	TBD	ALL	TBD	TBD	TBD						X		1

PROGRAM OR SERVICE NAME	PROGRAM OR SERVICE TYPE	PROGRAM OR SERVICE DEVELOPER	DELIVERY AGENTS	CLIENT GROUP	ANNUAL CLIENT COVERAGE	1992-93 DELIVERY STAFF	1992-93 DELIVERY BUDGET	MARKET DEVEL'T	TECH'GY DIFFUSION	TECH'GY DEVEL'T	DEBT/EQUITY CAPITAL	CORP PLAN'G & DEVEL'T	HUMAN RESOURCES	OTHER	REMARKS
DEFENCE PRODUCT'N SHAR'G AGRMT	FUNDING	EAITC, ISTC	ISTC DIPP	DEFENCE FIRMS	TBD	TBD	TBD	X		X		X			3
AHTAP	FUNDING, ADVICE	ISTC	ISTC ROS	MANUFACTURERS	TBD	TBD	$2,000,000		X			X	X		3
MANUFACTURING ASSESS'T SERVICE	FUNDING, ADVICE	ISTC	RDS/CONSULTANTS	SME MFTRS	TBD	TBD	$4,100,000		X			X	X		3
DO-IT-YOURSELF KITS	INFO	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD	X				X	X		3
INFO CENTRE	INFO	IC	IC	PUBLIC	TBD	TBD	TBD					X	X		3
SERVICES INDUSTRIES STUDY PROG	INFO	ISTC	ISTC ISB	SERVICES SECTOR	TBD	TBD	TBD	X				X			1
ENTREPRENEURSHIP AWARENESS	INFO	ISTC	ISTC/ESBD	SMES	TBD	TBD	$884,000					X			2
BUSINESS COUNSELLING SERVICES	INFO, ADVICE	FBDB	1100 CONSULTANTS	SMES	10,000	TBD	TBD	X				X	X		3
STRATEGIC PLANNING	INFO, ADVICE	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD					X			1
INTERFIRM COMPARISONS	INFO, ADVICE	ISTC	CONSULTANTS	SME MFTRS	TBD	TBD	$500,000					X	X		2
FINANCIAL PLANNING SERVICES	INFO, ADVOCACY	FBDB	FBDB BRANCHES	SMES	TBD	TBD	TBD					X			1
AEP RESEARCH/ADVOCACY	INFO, ADVOCACY	ISTC	ISTC/AEP,INA,CEIC	NATIVES	TBD	TBD	TBD					X		X	2
INDUSTRY PROFILES	INFO/INTELL	ISTC	ISTC ISB, ROS	120 SECTORS	TBD	TBD	TBD	X		X		X		X	4
INVESTMENT DEVELOP'T PROGRAM	PROMOTE, ADVICE	EAITC, IC	EAITC	FOREIGN INVESTO	TBD	TBD	TBD					X			1
NAFTA NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
CANUS FTA	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3
GATT NEGOTIATIONS	REGULATORY	EAITC	EAITC	ALL	TBD	TBD	TBD	X	X			X			3

APPENDIX B:
WPRI TERMS OF REFERENCE
OUTLINE OF PROGRAM/SERVICE INPUT INFORMATION TEMPLATE

PROGRAM/SERVICE   NAME:

OBJECTIVES:

ENABLING AUTHORITY:

DESCRIPTION OF KEY ELEMENTS:

MAIN TERMS & CONDITIONS:
- Eligibilty Criteria
- Costing Memo
- Cost Sharing
- Launch & Sunset Dates
- etc

TARGET CLIENTS:

MULTI-YEAR RESOURCING:

* PYs & SALARIES

* $ O&M (NON-SALARY)

* $ G&C

APPROVAL LEVELS:

DELIVERY AGENTS:

OBSERVATIONS:

CONTACT NAME:

FINANCE

WORKING

GROUP

RE-ENGINEERING FINAL REPORT

WORKING GROUP: FINANCE

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TO À	Bruce Deacon Chairperson Re-Engineering Steering Committee	SECURITY - CLASSIFICATION - DE SÉCURITÉ
		OUR FILE - N / RÉFÉRENCE
FROM DE	Co-Chairs Finance Working Group	YOUR FILE - V / RÉFÉRENCE
		DATE December 1, 1992

SUBJECT
OBJET **Final Finance Re-Engineering Working Group Report**

The final report of the Finance Working Group is attached. This memorandum is intended to provide a context for the discussion of individual business processes developed by the Finance Working Group.

In order to properly understand the challenges faced by members of the Finance Working Group, some description of the federal government's legal and regulatory financial regime is necessary. All financial transactions undertaken by federal departments fall within the jurisdiction of the *Financial Administration Act (FAA)*. Nevertheless, it is really the regulations set down and revised from time-to-time by the Treasury Board which establishes how departmental officers must operate and reporting their financial transactions. These regulations are documented in the Comptroller General's directives and the Receiver General's directives and are summarized in the *Guide on Financial Management*. Part three of the guide *Expenditure and Cost Management*, is particularly prescriptive in describing how departments must organize themselves in terms of managing their financial transactions. The guide was recently re-issued, but with a few minor exceptions (such as the use of electronic signatures), does not reflect much of the significant technological innovations which have been introduced by ISTC and other departments and also the profound downsizing of the public service both of which have taken place over the past few years.

The intent of the FAA and the Treasury Board regulations and guidelines is to assure Parliament that public funds are being properly administered and in particular, to ensure that those required to account for public expenditures and revenues are qualified and are in turn receiving information and advice from trained officers. It is the Deputy Head who must account to Treasury Board with respect to this process and he is directly assisted in this task by the department's senior financial officer -- in the case of ISTC, the Comptroller. This is not a responsibility which can be taken lightly. The consequences of financial decisions contrary to regulations may result in criminal prosecution and jail terms. The Grants and Contributions "bankruptcy" episode which occurred only a few years ago at ISTC is still fresh in everyone's minds. For the moment, therefore, we are "locked" into the following paradigm:

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— Certain ISTC staff are delegated with the responsibility for signing off financial transactions under Section 32 of the FAA indicating that funds approved by Parliament are available;

— Certain ISTC staff are delegated with the responsibility for signing off financial transactions under Section 34 of the FAA indicating that the goods or services have been received;

— Certain ISTC staff, usually financial officers, are delegated with the responsibility for signing off financial transactions under section 33 of the FAA which is the authority for payment and which must follow a review of the legality of the payment and a testing of statutory financial controls;

— The functions described above under Sections 32 and 34 may be performed by the same person, but the functions described under Section 33 must always be performed by a different person with a functional reporting relationship through the financial administration system of the department, which ultimately falls under the control of the senior financial officer reporting to the Deputy Head;

— Systems must be in place to allow the Deputy Head and the Senior Financial Officer to report to Central Agencies on the administration of all their financial transactions on a timely basis.

ISTC has gone through some profound changes over the past ten years in terms of its organizational structure, mandate and management complement. Like other departments we have been downsized and are gradually learning how "to do more with less." During this period, we have also gone through the same technological revolution as everyone else and our current capacities bear no resemblance to the situation we were in only a short time ago. Staff at all levels are equipped with electronic workstations, and the potential exists for all staff to be linked to each other through Local Area Networks (LANS) and to transfer information and files electronically throughout the department (and even beyond) within seconds. This networking is not yet complete, but given the technological investment to date, the incremental costs associated with this completion would not be significant. Less than three years ago the Resource Accounting Management System (RAMS) was available only to those with access to the mainframe. Today, Manager's RAMS can provide anyone with the capability of accessing information from their workstation. The information is not "on line," but LAN administrators can refresh their Manager's RAMS database as often as they like, even daily if necessary. They can also use Manager's RAMS to maintain their own personal record of commitments. Nevertheless, the understanding of officers and managers across the department with respect to the capabilities of this system is uneven and there is still significant "cultural change" required in most areas.

Why do we mention all this? First, because all Working Groups were told at the outset that we must work within the existing regulatory regime, which in the case of financial administration, as can be seen from the above, is particularly intrusive. Second, although it should be obvious, current regulations, processes and systems which flow from them, are probably ill-suited for public service requirements in the nineties.

So how can we change the paradigm? It is our view that opportunities for significant changes in how ISTC manages its financial administrative business within the current set of rules and structures is severely restricted by the Treasury Board guidelines. The best we can do under these circumstances, with respect to our own practices, is tinker a bit at the edges. This is not a very satisfactory course of action for a department intent on serious re-engineering of its business processes. In the long term, we should be ready to challenge Treasury Board and Central Agencies with proposals to change the current practices which recognize the realities of fewer resources as well as improved information capacity. User friendly systems could be implemented to enable less experienced staff assume greater responsibility for financial transactions without sacrificing the need for proper controls. However, this must be done from a fresh perspective and not simply become a process of how to manage the existing system more effectively.

John MacKillop   Terry Forth

Attachments

RE-ENGINEERING

OF ISTC's

BUSINESS PROCESSES

Finance Working Group

Final Report
December 2, 1992

RE-ENGINEERING FINAL REPORT

THE FINANCE WORKING GROUP

EXECUTIVE SUMMARY

— 8.7 person-years would become available for re-assignment within ISTC if the verification of travel advances and claims were transferred from each of the 18 administrative units in Headquarters to the Financial Services Directorate (7.6 PYs), if Supply and Services Canada were to mail travel refunds cheques directly to employee residences (0.6 PYs) and if the Resource Management Directorate were to assume sole responsibility for inputting all budgetary changes directly into the RMD data base management system (0.5 PYs).

— None of the other business processes examined by the Working Group will yield immediate person year benefits.

BACKGROUND

— The Finance Working Group and its Sub-Committee consists of 14 ISTC employees:

Nancy Bainbridge	Manager	Expenditure Management, Financial Services Directorate, Comptroller's Branch, Finance, Personnel and Administration
James Bond	Financial Management Advisor	Aboriginal Economic Programs
Terry Forth	Director General	Policy, Research and Advocacy, Aboriginal Economic Programs
Bruce Gale	Head Data Management Centre	Data Management and Systems Development, Information Management Branch, Finance, Personnel and Administration
Maureen Jeffries	Manager	Management Services, Nova Scotia Regional Office
Bruce Kalbfleisch	Manager	Resource Management Directorate, Comptroller's Branch, Finance, Personnel and Administration

Pierre Lebrun	Director	Audit and Final Payment, Federal Office of Regional Development (Quebec)
Philippe Legault	Sr. Program Officer	Programs and Planning, Information Technologies Industry Branch, Industry, Technology and Regional Operations
Dick Letilley	Director	Policy and Corporate Services Alberta/Northwest Territories Regional Office
John MacKillop	Corporate Secretary	Office of the Corporate Secretary
Mary Pavich	Manager	Partnerships, U.S.A. Directorate, Marketing Branch, Tourism
Wayne Tosh	Director	Planning and Operations, Science and Technology Sector

— In the Working Group's Interim Report of July 30, 1992, five business processes were identified as prime candidates for re-engineering:

1. Travel
2. Cheque Requisition
3. Payroll
4. Budget and Allotment Preparation, Allocation and Reallocation (including Mid-Term Review)
5. Impact of Financial Decisions Contrary to Regulations

— Subsequently, the Budget and Allotment Preparation, Allocation and Reallocation business process was expanded to include the Resource Accounting Management System and Financial Delayering. This initiative resulted in the creation of two new business processes - the Allocation, Monitoring and Forecasting of Financial Resources and Resource Accounting Management System. Both of these process were examined in consultation with the Working Group on Information Management.

— The Working Group confirmed that the business processes identified in the Interim Report and in the subsequent amendment were, indeed, candidates for re-engineering.

— The Working Group concluded that the realization of person-year benefits in the short term, that is, beginning April 1, 1993 would be possible only in the case of the verification of travel advances and claims, the issuance of travel refund cheques and in the inputting of budgetary changes. The former two

areas are presented in the final report on the Travel Business Process and the latter will be found in the final report on the Allocation, Monitoring and Forecasting of Financial Resources.

— With respect to the other Business Processes, there was sufficient evidence to conclude that person-year benefits could be realized over the longer term and that a stronger commitment to the total quality approach in financial decision-making would free-up resources from unnecessary and unproductive work.

— The Working Group found that there were a number of initiatives currently under way which will have a bearing on the potential person-year benefits in several of the business processes.

-	Travel	Supply and Services Canada (SSC) study on the automation of travel authorities, advances, claims, and reporting. The project also includes electronic signaturing.
-	Payroll	Treasury Board study of the Public Service Compensation System.
-	RAMS	SSC project to develop a government-wide financial reporting system.
-	Allocation, Monitoring and Forecasting of Financial Resources	Internal Review by the ADM Sectors of Industry, Technology and Regional Operations and Capital Goods and Service Industries.

OBSERVATIONS

— The person-year benefits which were identified represent the sum of many redundancies that would occur should the recommendations of the Working Group be implemented. The reason for this is that there were no instances of employees being dedicated solely to the functions which are the subject of the recommendations.

— Contrary to popular belief, the Resource Accounting Management System can meet the needs of managers for "immediate" information on free balances and thereby render redundant the "black books" currently being maintained by managers and their staff.

— The Working Group is fully cognizant that the functions where the person-year benefits would be realized are essentially administrative in nature.

— Section 33 of the Financial Administration Act (FAA) and the regulations issued in accordance therewith, and the delegation of Section 33 authority by the Deputy Minister were important factors in the Working Group's consideration of several of the business processes. This was particularly true in the case of cheque requisitioning where the authorization of payment for goods and services received is inextricably linked to a time-tested process designed to ensure that ISTC's responsibilities under the FAA are met.

— The recommendations contained in the final reports represent the views of the majority of the members of the Working Group.

CONCLUSION

— Career counselling and training must be made available to employees who may have to be re-assigned as a result of the implementations of the Working Group's recommendations.

— The delegation of authority, pursuant to Section 33 of the FAA should be examined to determine whether or not person-year benefits would be attainable, while at the same time ensuring that the department's responsibilities under the Act are met.

— An ongoing process should be developed to monitor the results of such projects as the Internal Review by the ITRO and CGSI ADM sectors to ensure that the person-year benefits potential is identified.

— The final report on the Travel Business Process follows the format and content requirements specified by the Re-engineering Secretariat. The documents for the other business processes addressed by the Working Group are more in the nature of situation reports which essentially describe the Group's findings and identifies issues.

— Final reports are attached for the following Business Processes:

- Travel

- The Allocation, Monitoring and Forecasting of Financial Resources

- Resource Accounting Management System

- Cheque Requisitioning

- Payroll Functional Review

- Impact of Financial Decisions Contrary to Regulations

—   The person-year benefits identified by the Working Group should be considered to be an integral component of the Corporate Re-engineering Process rather than be considered as benefits to be re-deployed by the Responsibility Centre in which they originated.

RE-ENGINEERING FINAL REPORT

WORKING GROUP: FINANCE

PROCESS: TRAVEL

1.   Executive Summary

The processing of travel authorities, advances and claims in ISTC entails some overlaps between Administrative Units and the Financial Services Directorate. These overlaps could be avoided by eliminating the roles of Administrative Units in verifying advances and claims, producing a saving of 7.6 person-years. Coupled with this change, travel refunds could be issued directly by Supply and Services to employee residences rather than through the Financial Services Directorate and the Administrative Units. This proposal would produce a saving of .6 person-years. The expanded use of standing advances for frequent travellers could reduce the paper burden, remove irritants and create more flexibility for managers.

For the longer term, modifications should be made to RAMS to improve the effectiveness of this system in reporting travel-related expenditures and transactions.   These modifications would assist the Financial Services Directorate in verifying transactions and preparing reports. As well, early consideration should given to the feasibility of introducing within ISTC a fully automated system for travel advances, claims and, in this context, assess the savings, investment requirements and other non-financial advantages and disadvantages of such a system.

2.   The Status Quo

The current business processes for travel advances and claims require the following steps:

Travel Advances

—   The traveller receives authority for the travel plans from the Branch authority and then proceeds to secure a travel number from the Administrative officer;

—   Pending receipt of the travel number, the travel arrangements are made and the travel authority and advance form is completed. This form is signed by the appropriate authority and forwarded to the Administrative Unit. The latter verifies the form, includes the financial coding and makes the commitment in RAMS (commitments in RAMS are not made by all the Units). The form then moves to the Financial Services Directorate (FSD);

—   FSD verifies the travel advance and authority form, confirms there are no prior and outstanding accountable advances for the employees and then

passes the form to the Head, Travel and Removal Unit for signature under Section 33 of the FAA. Following this signature, the form moves to the Cashier to issue the travellers cheques.

Travel Claims

— Within l5 working days of completing a trip, the traveller is required to complete a travel expense form and have it signed under Section 34 of the FAA.

— The claim is sent to the Administrative Unit for verification, financial coding and if required, to make the RAMS commitment. Thereinafter, the claim is sent to the FSD.

— FSD audits a sample (l in 25) of low value claims, which are defined to be those valued at $500 (Cdn) or less. All claims exceeding this value, as well as U.S. and foreign travel claims and travel claims from senior management are audited by FSD.

— Following this step, FSD provides the travel expenditure information into RAMS to create a cheque requisition or credit voucher. Finally, the Head, Travel and Removal Unit signs the claim under Section 33 of the FAA.

Some sector branches augment these steps with the involvement of other support staff to prepare the advances, claims and verify the various forms. In particular, secretaries, office managers and clerical staff complete the forms and then, examine them relative to Treasury Board directives.

During 1991-92, a total of 17,300 advances, claims and cheques were processed within the department. The time required to process each varies, depending on the complexity of the travel, whether it is a domestic or foreign trip, etc. Estimates from the Financial Services Directorate indicate the minimum processing times for cheques is 3 minutes, 5 minutes for advances and l0 minutes for claims.

In addition to the foregoing, standing advances also represent another element of the business processes for travel. This means that those travelling frequently can opt for standing advances, with the prior approval of the appropriate branch authorities. While standing advances are an area of discretionary authority for ISTC managers, the application has been limited. The procedures for authorizations and claims related to standing advances are the same as those outlined above for regular travel advances and claims.

3. **Rationale for Selection**

ISTC has a large population of employees who are required to travel to perform their duties. Employees and senior management in particular have commented on the need to simplify existing procedures and expedite advances and claims with a minimum turnaround time. Those travelling frequently, on a monthly basis, find the entire process of completing authorities and claims both cumbersome and time consuming. They too, are looking to simplify the process and minimize the paper burden while respecting the policies and regulations.

In investigating the business processes for travel, some redundancies were uncovered along with some dated tools to record and report travel transactions. These are:

— Administrative Units in the department and the FSD both verify travel authorities, advances and claims for completeness. The Administrative Units perform preliminary reviews while FSD must, pursuant to the regulations audit roughly 4% of low-valued travel claims and 100% of the high-valued ones plus all claims submitted by senior management. Additionally, officers in the FI category are, as per the regulations, required to conduct the reviews, and the ultimate authority for this task rests with the Section 33 Officer. Administrative Units currently have no officers in the FI category and therefore, they cannot address the Section 33 requirements.

— Administrative Units and FSD preform the same verifications for the issuance of travel refunds. The same forms are processed by each area and time and effort is expended with little value added.

— The RAMS is dated, and at times, imposes additional functions in reporting travel budgets and expenditures. For example, RAMS creates an added workload as travel numbers must be entered using separate functions. Mathematical functions to offset debits and credits cannot be performed and financial information from the enRoute Interface System cannot be loaded into the Mainframe.

Based on information from the Regional offices, the redundancies identified above reportedly do not occur in the same order of magnitude at the regional level. In this respect, Regional offices note there are relatively fewer transactions involved and financial officers are on hand to deal directly with travellers for authorities, advances and refunds. Furthermore, all regions have independent financial capacities to ensure objectivity in signing Section 33 of all travel forms and also have the option of using RAMS for reporting travel. However, some have elected not to employ the system, but from their perspective, they are complying with the FAA and accountability requirements. Nevertheless, the absence of a standard application of RAMS at both headquarters and regional levels, increases the workload on FSD because the latter must gather information from a number of sources using different systems.

4. Methodology

Detailed consultations were held with the FSD on the processes and regulations pertaining to travel. As well, informal discussions were held with selected Administrative Units to determine their roles and responsibilities, ideas on key issues and their input on some of the Working Group's recommendations.

Various sector branches provided suggestions and comments on irritants and problems that should be addressed to improve the issuance of travel advances, processing claims and reporting travel budgets, commitments and expenditures.

5. Essential Outputs Required

The business processes for travel authorities, advances and claims are designed to:

—   provide timely approvals for federal employees to travel which is required in the performance of their duties;

—   receive sufficient funds to finance the costs of travel in accordance with Treasury Board regulations;

—   substantiate how public monies are spent on government-related travel;

—   reimburse federal employees for costs exceeding advances or reimburse the Crown in cases where the advance is higher than the travel costs; and

—   ensure there is an independent financial authority, distinct from the traveller, to endorse advances and claims under Section 33 of the FAA.

Treasury Board regulations and the FAA govern travel advances and claims. Additionally, government travel is included in the collective agreements negotiated by the Treasury Board with federal employees.

6. Analysis - Re-engineering Options

(i) Option A

To avoid the redundancies and simplify the procedures, the roles of Administrative Units could be eliminated. With this option, travellers would deal directly with FSD for all advances and claims, generating time savings. There would be fewer checks and balances in the system to verify the documentation and managers would be held accountable for expenditures under Section 34 of the FAA. Managers would also be responsible for providing their financial coding on advances and claims. Administrative Units would no longer be able to commit travel. The only travel related

items that could be committed by Administrative Units would be enRoute invoices.

By adopting this option, 7.6 person-years would be saved but, these reductions would not be produced in any one given area. This is because Administrative officers, located in the I8 distinct Administrative Units in Headquarters, do not deal exclusively with travel claims and advances on a full-time basis. (The estimated savings were calculated using estimates of the number of advances and claims processed in I99I-92 and the average processing time required.

Informal consultations with Administrative Units suggests the reactions to this option will vary. One unit indicated the elimination of their roles and responsibilities in processing travel will reduce control over sector branch budgets. Along these lines, they noted the existing process allows them to identify individual transactions and to record them for their branch. This element will be missing if they are taken out of the equation and transactions are reported on a centralized basis by the FSD. Another Administrative Units also reacted negatively to the proposed re-engineering recommendation, stating the whole exercise of re-engineering was questionable and was a vehicle to justify reductions in support services.

(ii)   **Option B**

Another option to eliminate the redundancies between the Administrative Units and FSD would foresee eliminating the roles and responsibilities of FSD for travel advances and claims. This latter option would mean that all Administrative Units would have to perform the verification, auditing and Section 33 signing functions, and in accordance with the regulations, have to establish a complement of FI personnel to maintain objectivity in signing Section 33 of the documents.

The person-year savings under option B would be similar to those identified for the previous option, however, they would all occur in FSD. These person-years could be reallocated to the Administrative Units to handle Section 33 requirements and the added workload. All Administrative Units would have to use the staffing process to establish their FI capacity and this could take time to complete.

Costs could rise if the person-year reductions in FSD could not offset the requirements for FI capacity in all the Administrative Units. Along these lines, more FI officers may have to be hired, raising the operating costs. Internal budgetary control may also suffer with the lack of a centralized system to handle all advances and claims.

(iii)   **Option C**

Redundancies in issuing travel refunds could be accomplished by having SSC forward the refunds directly to employee residences. Pending the acceptance of one of the foregoing options, claims would be verified, audited and endorsed as required and then, cheque issuance would be conducted directly by SSC.

A savings of .6 person years could be produced if the Administrative Units and FSD were no longer involved in issuing the refunds. No direct postage costs would be incurred by ISTC as we are not required to pay for cheques. However, added postage costs would be incurred at the aggregate government level. Based on the number of refunds issued in 1991-92 (3,200), the added postage costs would be roughly $1,344.

(iv)   **Option D**

As an alternative to Option C, direct deposit could be considered to save time, money and eliminate overlaps for travel refunds. Cheques would be deposited directly to employee bank accounts.

In discussions with the Financial Program Systems Directorate (FPSD), it was determined that direct deposit might produce very limited benefits, because:

-   ISTC does not maintain a computerized file system on direct deposits. SSC does have a system and updates it on a regular basis. ISTC could use SSC's system if the latter were compatible with the ISTC technology.

In the event that compatibility could be achieved, ISTC would have to update the direct deposit information. This process is labour intensive and would have to be conducted manually.

-   Only 58 per cent of ISTC employees have opted for direct deposits of their salary cheques and the numbers would probably be smaller for those who would agree to direct deposits of travel refunds. Employees cannot be legislated to accept direct deposits and therefore, cheques would still have to be issued those who are not part of the direct deposit system.

(v)   **Option E**

Managers could expand the usage of standing advances for frequent travellers who travel a minimum of three times monthly. The existing regulations would not have to be changed to authorize advances for such

purposes. Duly authorized requests for standing advances must be forwarded to FSD for approval, standing advances normally cover a 4 to 6 week period. The employee must apply for a travel authority and travel number for each trip. Once the trip has been completed a travel claim must be submitted within the 15 day period following completion.

Existing directives emphasize the need to minimize the usage of standing advances. In cases where advances are used, directives address the requirement for a maximum dollar ceiling per advance, coupled with stringent reporting requirements.

Special measures are not required to implement this option as managers currently have the authority to use the advances but, most do not do so. This could be attributed to the limited frequency of travel in some branches or to concerns over the degree of control managers can exercise over travel by individual employees. In some cases, employees have not complied with travel requirements and submitted overdue, incomplete or inaccurate claims and have had to be reprimanded. Managers may be only willing to increase standing advances for very low-risk employees who have perpetually complied with the travel regulations.

Increased use of standing advances could reduce irritants for frequent travellers; and support staff; it could also reduce the costs of processing refunds and banking service charges imposed on travellers for writing cheques to reimburse the Crown. Time savings could also be produced by eliminating the need to complete separate requests for advances for each trip taken. However, payments to the Crown and refunds must, according to the collective agreements, still be issued even if the amounts are minimal. Floating accounts to offset small debits and credits for frequent travellers are excluded from the existing regulations. While a number of trips may be grouped in one claim under certain circumstances, current forms do not facilitate this and current limitations of RAMS would, at least in the short run, necessitate a continuation of issuing traveller refunds for each trip rather than one cheque for the group.

With this option, additional costs may be incurred, notably to FSD. FSD would be required to maintain a constant follow-up on the advances, thereby expanding their workload. This additional requirement might be offset, to some extent, by the reduced number of claims that would have to be processed by the travellers. As well, standing advances increase overall cash outlays as the funds are not returned or reported until the expenditures are incurred. Difficulties could also be encountered with some employees in obtaining their claims on standing advances.

A more detailed examination of this option is required to determine the costs and offsets.

(vi) <u>Option F</u>

RAMS could be modified to verify the status of outstanding advances, offset debit and credit claims, employ the same function for travel numbers, cheques and journal vouchers and take advantage of enRoute's micro program for downloading enRoute statements. These modifications would service users more effectively. The FPSD is examining these potential modifications, the associated costs and benefits. Thus far, they have confirmed their intentions to accommodate the offsetting of debits and credits for travel in RAMS. In addition, they are studying the feasibility of merging existing micro-based travel systems to improve the management of information from the TAN register and enRoute billing systems.

(vii) <u>Option G</u>

Over the longer term, travel authorities, advances, claims and reporting could be fully automated with electronic signatures. Travel allowances and all other details would be automatically included in the programming to reduce errors.

Currently, SSC has a major project under way involving the automation of these functions as well as electronic signaturing. This project is being undertaken by a consultant, ISTC and other departments are included in the Working Group. In addition, various systems are being examined independently by a number of government departments. The time frame for completion of these studies is uncertain and it is not known whether directives might be issued for mandatory implementation.

In the absence of substantive results from on-going studies, this option could involve the purchase of new software and hardware plus the training of personnel to deal with how to obtain travel numbers from the computer and who has authority to do so; how to complete and forward the appropriate forms between sections on the computer and reporting on the various transactions. Such changes are significant and at this stage, it is still uncertain whether the savings in money, time and personnel would justify the investment requirements. The SSC study on a fully automated system should provide key information for future decisions on whether automation is a viable alternative.

7. <u>Conclusions/Recommendations</u>

It is recommended that:

— the roles and responsibilities of Administrative Units in processing travel advances and claims should be eliminated;

—   travel refunds should be forwarded directly by SSC to employee residences;

—   the use of standing advances should be increased on an experimental basis for employees travelling a minimum of three times monthly;

—   modifications should be made to the RAMS to verify the status of outstanding advances, offset debit and credit claims, apply the same function for travel numbers, cheques and journal vouchers and to take advantage of enRoute's micro computer program for downloading enRoute statements; and,

—   ISTC should continue to participate in the SSC study of the savings, investments and benefits associated with fully automating travel authorities, advances and claims with electronic signatures and decide, in light of the findings, the most appropriate course for the department.

8.   **Proposed Action Plan**

To implement the foregoing recommendations, the following action plan could be adopted:

—   Administrative Units should be advised of the impending changes immediately and identify their concerns. At the same time, they should be reassured their jobs are not being jeopardized because of the new business processes for travel. Thereinafter, all sector branches should work directly with the FSD for travel authorities, advances and claims.

—   SSC should be consulted as soon as possible on ISTC's proposal to forward all travel refunds to employee residences. Thereafter, a directive should be issued to employees by ISTC on this process.

—   The FPSD should implement the no-cost modifications to the RAMS as soon as possible. These modifications include offsetting travel debits and credits. Other modifications should be examined and priorities established by this Directorate relative to available funding. Further modifications should await the results of the cost-benefit study on fully automating travel authorities, advances and claims.

RE-ENGINEERING FINAL REPORT

WORKING GROUP: FINANCE

PROCESS:
THE ALLOCATION, MONITORING AND
FORECASTING OF FINANCIAL RESOURCES

1.   **Current Model**

Resources are managed by a central resource management group tasked with the allocation, monitoring and forecasting of financial resources, as well as the preparation of the annual MYOP and Main and Supplementary Estimates. This model functions on the principle that all responsibility (R1) centres report to the Deputy Minister and accordingly are treated the same for budgetary purposes.

The creation of the ITRO and CGSI sectors with central policy, planning and regional services groups has altered this basic model; these central groups allocate resources to the Industry Sector Branches (ISB) as well as creating reserves for secondary allocation to Regions thereby, in part, duplicating the Comptroller's resource allocation function. Confusion exists within the Regions as to the source, availability and the right of access to funds since they receive funding allocations both directly from the Comptroller and from secondary allocations created by and held in the ITRO/CGSI sectors. ISB's also receive all their funds from the central policy and planning organization within these sectors rather than from the Comptroller's organization. The subsequent task of forecasting is more complex since forecasts are now collected and analyzed by the central policy and planning shops prior to being transmitted to the Comptroller.

2.   **Proposed Model**

All resource allocations and subsequent reallocations due to new or altered funding requirements would be made by the Comptroller directly to Regional offices and other cost centres at Headquarters including the ISB's; thus, ISB's within ITRO/CGSI would be treated on an equal basis with Regional offices and other Headquarters responsibility centres (R1) becoming, for budgetary purposes, autonomous responsibility centres. Similarly, forecasts would be received directly from ISB's, Regional offices and other Headquarters R1 organizations bypassing ITRO/CGSI'S intermediary coordination groups. Funding allocations would be made directly to the responsibility centre charged with the delivery of the program; ISB's would retain functional responsibility for the program and be consulted on budget allocation but would relinquish authority over budgets for programs delivered by Regions; Regional offices would accept advice from functional managers but assume control of and accountability for the program budgets. The ADMs of ITRO

and CGSI and the Comptroller would liaise respecting the most appropriate allocations to make for these regionally delivered programs.

3.   Status

Consultations with officials of ITRO/CGSI have revealed that their own internal review is already under way to look at these same tasks and resources. It is recognized that the principle of program funds residing with the program manager is an ISTC program decision and that the sector program and policy groups also perform an internal cash management function. In addition, a number of external events such as the Prosperity consultations, portfolio considerations, the de Cotret review and budget reduction exercises may affect the structure of ISTC and, therefore, the way in which the department would seek to operate and organize most efficiently. In view of this, it was agreed that this proposal being developed through the re-engineering task force would be deferred as the timing was inappropriate and would lead to likely duplication and unnecessary disruption. When resource savings are identified from the ITRO/CGSI reviews, they should accrue to the Department's Re-engineering initiative.

4.   Resource Management Directorate (RMD) - Facilitating the Budget Change Process

An opportunity exists within RMD to improve the internal management of budget changes for responsibility centres. The analysts in RMD are committed to a total service approach in serving their respective responsibility centres. This commitment can be strengthened by allowing each analyst direct control over the management of all budgetary changes respecting an RC. This means that each analyst will personally make all changes directly into the local RMD database management system. The RMD information system will be modified to permit multi-user access to budgetary data and on-line displays of current budget and planning target information. Changes to the corporate database (RAMS) will no longer be centrally controlled but will also be made by the responsible analyst; access to RAMS can be restricted to particular organizations through the operator code. This will encourage the elimination of hard copy paper records and encourage the use of information technology.

The technology is now available within RMD to effect this change. An estimated saving of 0.5 person years is anticipated and an implementation date of April 1, 1993 is forecast.

RE-ENGINEERING FINAL REPORT

WORKING GROUP: FINANCE

PROCESS: RESOURCE ACCOUNTING MANAGEMENT SYSTEM (RAMS)

1. ## Introduction

   This working group was tasked with examining the processes and steps involved in making financial commitments and approving payments with a view to identifying those steps that impede managers from making financial management decisions in a timely manner. We were also to look at the financial system itself to identify areas which were deemed not to be "user-friendly" and which were wasteful in time and effort. Lastly, we were to identify options to streamline the management and inputting of data to make the process more user friendly.

2. ## Findings

   In the Regional offices, the commitment of funds for goods or services is initiated by a staff member, approved by the appropriate RC Manager and forwarded to the Administrative Unit for verification and recording in RAMS. Questions and concerns are raised directly with the officer or manager and resolved with little delay. Turn-around time is not considered an issue in the Regions and there do not seem to be any gains to be made in shifting the entry of data to the commitment initiators. The question of coding in RAMS is viewed as having room for simplification but was not seen to be a major issue.

   At Headquarters, each sector has evolved the administration processes to suit their individual needs. In most cases an officer or staff member communicates the need for a commitment to their Administration Unit which then verifies and records the commitment in RAMS. Again, as in the Regions, administration and financial staff communicate concerns or problems with the responsible officer or manager which are resolved in a timely manner. Coding is seen as overly extensive but not an area of great concern as most items are of a repetitive nature and pose no great demand on time. Consideration must be given to controls which are imposed by central agencies on the department through the Comptrollers Branch.

   The process to approve payments is not considered to be problematic in Headquarters or the Regions. The great concern is timely recording and reporting of commitments in RAMS. Whether the commitments were to be recorded as outstanding or an expenditure is considered inconsequential. The bottom line is the identification of free balances.

   The majority of complaints involving RAMS can be linked to bottlenecks in RAMS, data entry, particularly at the end of the fiscal year.

Most problems at the end of our fiscal year can be attributed to administrative process problems in the individual sectors themselves. There are either not enough employees trained to deal with the process of committing funds, not enough management attention, or the administrative processes have not been fully streamlined. Re-organizations and restructuring over the last few years have been disruptive in some sectors, particularly ITRO and CGSI. The Working Group recognized that administrative processes are not identical in each of ISTC's responsibility centres. The differences reportedly arise from the nature of responsibilities and challenges assigned to each of them. While this situation does not rule out the application of horizontal solutions, the Working Group acknowledges that within the existing departmental structure it would be difficult to move in this direction. The only common link is the issue of training and a need for greater attention to budgets as the end of the fiscal year approaches.

The majority of problems regarding Manager's RAMS can be linked to the issues of awareness and training. Some managers feel that they are unable to track soft commitments forcing them to use parallel "black book" systems. In fact, they can and are often surprised when shown how to do so. Manager's RAMS does perform most of the functions required by RC managers. Interestingly, complaints do not originate from frequent users. This is not to say, of course, that there is no room for improvement. FPA needs input from RC's to make adjustments. Our findings indicate that improvements are ongoing. Training is essential in this area.

Other complaints can also be linked to internal processes. An example, is the timeliness of data available in Manager's RAMS. Downloads can be performed daily if required but unfortunately rarely are. FPA does daily downloads and have absolutely no complaints regarding the process. RAMS is an on-line system and is, therefore, always up-to-date. Internal sector process activities contribute to the timeliness of the information in Manager's RAMS.

Salary information in Manager's RAMS is problematic essentially due to its inherent complexity. It serves RCs well for routine procedures but can be daunting when trying to use it to forecast special events such as Departmental Assignment Programs (DAP), secondments and transfers. We did not have the time nor the resources to fully investigate this issue. It should be noted, however, that improvements to salary forecasting are ongoing.

We found that expectations from Manager's RAMS vary to a great degree. Again, this was due to a lack of understanding of the capabilities of the systems in place. There is a need for uniform expectations in regards to our financial systems.

3.   **Summary**

In summary, we noted that RAMS was developed to serve the central agencies as well as ISTC's financial community. It was designed during a time when a PC did not sit on each desk. It has come a long way towards serving our individual RC's needs. Manager's RAMS now gives the RCs the ability to closely monitor and

forecast their financial activities. Finance and Program Systems Branch (FPSB) in consultation with the Information Management Branch (IMB) is currently seeking a software package to make RAMS data entry more user friendly by giving the screen image a more modern and simplified appearance. Supply and Services Canada (SSC) is developing a government-wide financial reporting system to be implemented in the mid 1990's and may well fill our requirements in the not too distant future.

In general, we feel the following is necessary to allow the system to operate at greater efficiency and to instill greater confidence in RAMS.

Complete reviews must be undertaken by the OPI of the internal administrative processes involved in the commitment of funds in sectors where complaints originate.

Increase training activities for Manager's and their administrative staff in the functions of Manager's RAMS and RAMS itself. Included in this training should be the clear identification of who is responsible for maintenance of tombstone information in Manager's RAMS Salary Forecasting.

Greater attention should be paid to the process of commitments and expenditures by all parties especially towards the end of the fiscal year to ensure that bottlenecks do not occur at any point in the system.

The development of a "Statement of Management Expectations" for RAMS and Manager's RAMS.

The above in itself may not effect any savings in person-years or O&M dollars and would indeed require some investment of resources. Savings could, however, be at the end-user level as secondary "black books" with their acquisition costs and duplicate entry requirements are dropped and replaced by managers comfortable with be existing RAMS and Manager's RAMS options. These recommendations are in fact ongoing in one form or another. What is required is an increase in activity and priority for the implementation of these modifications. In the broader context of the Re-engineering Project, the efficiencies which could be effected in the RAMS process, will contribute in a positive way to the realization of person-year benefits in the administrative process as a whole.

RE-ENGINEERING FINAL REPORT

WORKING GROUP: FINANCE

PROCESS: CHEQUE REQUISITIONING

Initially, the Finance Working Group addressed the cheque requisitioning function from the point of view of preparing the actual requisition in the context of O&M expenditures.

By far, the majority of responsibility centres are sending their documentation to the Financial Services Directorate (FSD) where the cheque requisitions are prepared. There are, however, several units which who prepare their own cheque requisitions. The issue, therefore, is whether or not person-year benefits could be realized by adopting a policy whereby all cheque requisitions would be completed at the responsibility centre level.

Subsequent investigation revealed that while cheque requisitions are indeed being completed by certain responsibility centres, those units continue to send their documentation to the FSD which, in turn, verifies all aspects of the requisition to ensure accuracy and compliance with regulations.

In both scenarios, the FSD exercises responsibilities pursuant to Section 33 of the Financial Administration Act (FAA) which have been delegated by the Deputy Minister. The attached diagram illustrates the two scenarios.

The Working Group concluded transferring of the cheque requisition process from the FSD to individual responsibility centres would likely not produce person-year benefits and would not enhance accountability unless Section 33 responsibility were also transferred. The Working Group also concluded, that the cheque requisition cannot be dealt with, in isolation from the broader and very important corporate issues inherent in the delegation of Section 33 authority, such as the interpretation and uniform appreciation of Treasury Board financial and administrative policies, internal, financial and administrative controls and management of the year-end function.

The transfer of the cheque requisition process from the FSD to the responsibility centres would likely not produce PY benefits and would not enhance accountability unless Section 33 responsibility were transferred also. The full impact of the wider delegation of this authority would have to be studied.

Cheque Requisition Function

O&M

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┌─────────────────────────────────┐
│         Supplier Invoice        │
└─────────────────────────────────┘
                │
┌─────────────────────────────────┐
│   R.C. Certification of receipt │
│     of goods or service Sec. 34 │
└─────────────────────────────────┘
```

R.C. prepares cheque requisition and sends documents to Finance Services Directorate	R.C. sends documents to Finance Services Directorate where cheque requisition is prepared
Finance Services Directorate verifies requisition and authorizes cheque payment by DSS Section 33	Finance Services Directorate authorizes cheque payment by DSS Section 33

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┌─────────────────────────────────┐
│   Finance Services Directorate  │
│      communicates cheque        │
│      authorizations to DSS      │
└─────────────────────────────────┘
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RE-ENGINEERING FINAL REPORT

WORKING GROUP: FINANCE

PROCESS: PAYROLL FUNCTIONAL REVIEW

Investigation of Payroll as a potential area for re-engineering results in a recommendation that, within the scope of this re-engineering initiative, no potential for either person-year or dollar savings to ISTC exists. The payroll function is too closely tied to central agency requirements and procedures and scrutinized by collective bargaining units to permit any meaningful, unilateral enhancement by this department.

What follows is a brief description of some of the issues and processes involved and what is being done on a government-wide basis.

The payroll unit in ISTC is currently comprised of a manager, two supervisors/trainees and 8 pay assistants. The regions are served by 1 or 2 staff in each of 4 regions; East, West, Toronto and Montreal.

Currently, the government's payroll system supports two models, one for direct deposit and one for cheque issue. SSC estimates savings of $1,000,000 annually by the universal adoption of direct deposit. In effect, with the duplication of function across the two models, the current situation is even more expensive than that which existed before direct deposit.

The actual cost difference between cheque issue and direct deposit does not seem to be as large as might be thought. The cheque production is so automated that it is not considered by SSC to be excessive. The processing fees charged by financial institutions to process direct deposit is classified, but the difference between it and processing cheques is thought to be in the range of 4 to 5 cents per transaction.

Most of the cost savings would result from removal of the duplicate system and some capital cost savings for machinery and space.

There is also a real, but unacknowledged, saving resulting from employees not having to leave the workplace to do their banking on pay days.

It is clear that direct deposit is in the future and considerable savings will accrue to the government.

In ISTC, approximately 58% of employees take advantage of direct deposit. This is exactly in line with government figures for the end of June, 1992. It was hoped that by aligning deposit with the Wednesday payday more employees would move to direct deposit. This has not been the case.

In addition, the apparent reluctance of employees to use direct deposit is the contention that it would infringe on their rights. There is also the feeling by some staff members that they require a "cheque in hand" to feel that they are really getting paid.

The distribution of cheques and direct deposit stubs by the administrative staff is not perceived as an excessive overhead, occurring only every two weeks. While some staff seldom look at their stubs, others pay very close attention. In addition, with the cumulative amounts on the stubs, staff use them for viewing the status of CS Co-op loans, Canada Savings Bond payments, early completion of income tax returns etc.

Universal direct deposit could preclude the requirement for pay stubs if alternate methods of providing the information could be developed. Some SSC sources estimate that substantial savings could be realized by distributing the pay stubs by mail, realizing that maintaining current address information for employees would introduce another problem. Other sources seem to feel that postage cost would be unnecessarily excessive.

The public service is currently reviewing the Public Service Compensation System (PSCS). ISTC is represented on the working group. This group which has been working for two years to revamp the government payroll system and procedures, will approach Treasury Board in April, 1993 for funding to proceed with the project. Implementation in selected departments, of which ISTC is one, is planned for 1994 or mid-1995.

The impact of the recommendation of the group could be extensive. Early indications are that they could include, for example, the abolition of SSC's pay office and the redeployment of several hundred staff members.

Additional recommendations could permit departmental pay assistants to directly input salary and deduction information into the central system. Cheques could be printed locally reducing distribution time and cost.

The PSCS study is not expected to recommend action to implement mandatory direct deposit, but it is generally accepted that this will eventually become a reality, since the cost of maintaining the two sets of procedures and systems is excessive.

In addition, a work group has been established under the Re-engineering and Alternate Delivery initiative of the Council for Administrative Review (CAR). While ISTC is not directly participating on the working group, senior financial and personnel managers will be kept advised.

One other area of payroll with financial overtones is the processing of the monthly attendance forms, overtime forms and leave buy-out. Currently staff must enter data in both SSC's on-line pay system and ISTC's Human Resources Information System (HRIS). This introduces the risk of error, leaving both systems out of step as well as introducing extra workload. The idea of feeding HRIS from the on-line pay system has been suggested, but has always been relegated to a low priority.

In summary, while there is much more which can be done at a governmental level, we should not ignored the important works that is presently under way. ISTC is directly

involved in these initiatives and will realize the benefits of their results. In addition, the small size of the payroll function makes this area an unlikely candidate to realize measurable savings due to any streamlining of the associated processes.

The only recommendation that may be appropriate is that ISTC initiate an internal campaign to increase the number of employees using direct deposit. While there may be no immediate direct savings to the department, it would contribute to the government's long term goals. On the other hand, given current restraints, HRB may feel it more prudent to leave this sort of marketing to SSC.

RE-ENGINEERING FINAL REPORT

WORKING GROUP: FINANCE

PROCESS:
IMPACT OF FINANCIAL DECISIONS CONTRARY TO REGULATIONS

During the course of the deliberations of the Finance Working Group, there was evidence that resources were being consumed in the review, correction and justification of financial decisions which had proven to be contrary to regulations.

In an attempt to assess the impact of financial decisions contrary to regulation, a Working Group conducted a one month incidence sample with Headquarters and the Edmonton Regional office.

The results of the sample were assessed as to cause and effect. The conclusions reached were:

- — the incidence of occurrence was only an issue in Headquarters which was considered understandable given its size compared to the Edmonton office;

- — the reduction or elimination of decisions contrary to regulation would saved time not only in the FSD but in the sector concerned;

- — the sample was too small to extrapolate the conclusions to the department as a whole; and,

- — there is a need to re-enforce the total quality approach to the financial decision-making process so as to minimize, to the extent humanly possible, the impact of ill-founded decisions on ISTC's scarce resource and to capitalize as opportunities for greater efficiencies.

ADMINISTRATIVE
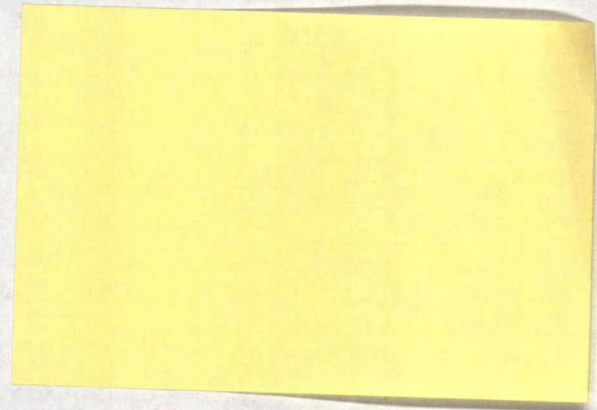
SERVICES

WORKING

GROUP

A. CONTRACTING

B. RECORDS MANAGEMENT

RE-ENGINEERING FINAL REPORT

WORKING GROUP: ADMINISTRATIVE SERVICES

PROCESS:

A. CONTRACTING

B. RECORDS MANAGEMENT

Table of Contents

A. CONTRACTING

RE-ENGINEERING FINAL REPORT

WORKING GROUP: ADMINISTRATIVE SERVICES

PROCESS: CONTRACTING

1.   **Executive Summary**

The contracting process, and in particular the contracting for professional services, is one that touches nearly every responsibility centre within the department. The process is also one that is currently centrally controlled due to the many complex and rigorous regulations and requirements that must be met.

The re-engineering review examined the situation from a risk point of view. The reason for the controls over the contracting process is to reduce the risk to the department and the government as a whole. The risks include overpayment, poor quality work, vague or inappropriate deliverables, etc.., all of which would leave the department open to embarrassment, poor use of funds, and potential legal action. Our analysis of the process was with the intent of perhaps having the department accept a slightly higher degree of risk on the one hand but with the result of having a greatly improved process that would shorten the processing time of contracts, reduce the amount spent on consulting work, improve planning and control over funds used for contracting, and allow for more appropriately placed responsibility for the control of the process. One thing that was discovered as a result of our review of the ISTC contracting process versus that of other departments is that ISTC is well ahead of others in terms of the decentralization of the function and in terms of servicing the client.

There are three main scenarios upon which our analysis was performed and are outlined below. A matrix identifying which of the detailed options falls under which scenario is provided. It should be noted, however, that certain of the options are possible under each of the scenarios and, in fact, could be implemented immediately on their merit. The responsibility for implementing these options does not lie with CPS but rather with senior management and specifically the other responsibility centres.

A.   The contracting process would in general remain unchanged other than the improvement in certain specific procedures. These would improve the situation and would not require any major changes within the department.

B.   The responsibility for ensuring that the contracting process within the many regulations and requirements issued by Treasury Board, Supply and Services Canada, and senior management of this department would be shared by the Administrative Services Branch (i.e.. in particular the Contracts and Professional Services Directorate - CPS) and the various responsibility

centres issuing the contracts (i.e. the contracting authorities). Currently the CPS has the delegated authority from the Deputy Minister for the issuing of contracts, and therefore, is responsible for ensuring that the process is conducted within the existing regulations.

C.   The contracting authority would be delegated to the various Director Generals (and perhaps on down further) of the departments responsibility centres. Responsibility for ensuring that all existing requirements are being met would rest with the responsibility centres as opposed to CPS. CPS, however, would still play a crucial advisory role to ensure that all areas have access to information relating to the contracting requirements.

At first the concept of reducing CPS's control over the process may seem to leave the department open to considerable risk. This might be true if the process were to remain as it is now. However, with the enhancement of certain existing tools (including training sessions, user friendly guides, access to tracking systems, increased consultation amongst the various responsibility centres, etc..) the risk to the department could be kept to an acceptable level. In addition, the department must institute an improved auditing process by the Internal Audit Branch which would test the results of the contracting process and allow for the pinpointing and correcting of any problems which may develop. Also, giving greater authority to only those responsibility centres who can demonstrate that they are performing well in terms of meeting the contracting requirements could be given additional authority thereby reducing the risk of error. Guidance and advice would naturally still be available from CPS. All of these items would reduce the risk factor considerably. The benefits due to an improved process and a better informed work force could be considerable.

The main difference to the level of risk to the department should a more decentralized approach to the contracting process be implemented, would be that the control over the individual contracts would now happen after the fact rather than before the contract has been signed. Currently, each contract is reviewed before it is sent to the contractor for signature. With the scenarios B and C presented earlier, contracts would be reviewed after they have been signed by the contractor and would therefore, be much more difficult to amend should the need arise.

SUMMARY OF OPTIONS

ISSUES STUDIED	SCENARIOS APPENDIX A		
	IMPROVEMENT TO EXISTING PROCESS	PARTIAL CONTROL BY RESP. CENTRES	TOTAL CONTROL BY RESP. CENTRES
Contracts Review Committee: Appendix B	abolish briefing prepared by RC	dismantle review committee but keep a "watchdog" group	dismantle review committee
Competitive Bidding Process: Appendix C	set up generic deptl. standing offer	set up generic deptl. standing offer	set up generic deptl. standing offer
Contracting Authority Levels: Appendix D	maintain existing levels	reduce authority for sign-off to program manager or senior officer level	reduce authority for sign-off to program manager or senior officer level
Functional Authority Sign-offs: Appendix E # 1	ATIP to set out clear directives	ATIP to set out clear directives	ATIP to set out clear directives
E # 2	reduce number of functional sign-offs	delete the need for functional sign-offs	delete the need for functional sign-offs
Administrative Review Forms: Appendix F	redesign forms to be more user-friendly	redesign forms and have sections to be filled out by RC only and others to be filled out by CPS only	delete forms and provide a checklist as a guide for the officer in completing contract documents
Generic Recommendations: Appendix G # 1	set up Policy Committee for the contracting process	set up Policy Committee for the contracting process	set up Policy Committee for the contracting process
Appendix G # 2	establish a dept. wide contracts info. system	establish a dept. wide contracts info. system	establish a dept. wide contracts info. system
Appendix G # 3	ensure users are consulted re changes by central agencies	ensure users are consulted re changes by central agencies	ensure users are consulted re changes by central agencies

2.   The Status Quo

Currently, each responsibility centre completes the required contract documents along with an Administrative Review Form. Both are signed off by either the Director General or the Director (depending upon what level the signing authority has been delegated to) and then sent to the Contracts and Professional Services Directorate (CPS) for review and sign-off. Once the contract has been signed-off by CPS, the documents are then ready to be sent to the contractor for signature.

The Administrative Review Form is a checklist for the officer to fill in to ensure that all contracting requirements have been met, including the sign-offs by certain functional authorities to ensure that the services being contracted for do not duplicate services provided internally or to ensure that the items being contracted for are acceptable (eg, as in computer equipment). The CPS then reviews this form and signs it off as well as the actual contract documents.

The CPS currently provides a control function (i.e. tracking of contracts being awarded, number of contracts, dollars involved, types of contracts being awarded, etc.), a quality control function (i.e. review of documents and sign-off) and an advisory and assistance function (responding to enquiries, producing manuals and information booklets, training sessions, etc..).

During the review of the ISTC contracting process and the comparison of it to the process used in several other departments, it was noted that ISTC is very progressive in its way of thinking. The process is quite decentralized in comparison with other departments and the overall attitude of CPS is much more one of cooperation and assistance rather than control.

3.   Rationale for Selection

The contracting function involves potentially every responsibility centre in the department. Therefore, the potential impact and savings resulting from any improvements or changes made are considerable.

The volume of contracts created in this department is relatively high. For example, for professional services, during 1991-92, 3,047 contracts were produced in Headquarters and 632 were produced in the regions for a total of 3,679 contracts. Therefore, any savings in time and effort spent on the processing of these contracts would have considerable impact.

The contracting process is seen as being a source of great frustration by many people likely due to the complexity of the requirements and therefore, a lack of understanding of the reasons for all of these requirements, seemingly imposed by the CPS. A review of the process may help explore ways of simplifying the requirements or of making them more transparent to the users of the process.

4. Methodology

In performing the review of the contracting function, the following methodology was used to analyze the process and develop options for improving the system:

— review of all pertinent documentation, including ISTC Contracting Manuals, information booklets, contracting manuals from other government departments (including Transport Canada, Department of Communications, Secretary of State, and Energy, Mines and Resources), the Guide to the Financial Administration Act, PS 2000 reports, ISTC employee survey, and audit reports relating to the Information Management Branch (IMB), the Contract Administration function, sole source contracts, and the Access to Information and Privacy Office (ATIP). In addition, information regarding the number and types of contracts issued as well as their related dollar values was studied.

— The processes relating to the issuing of the various types of contracts were flowcharted and analyzed.

— The various issues or frustrations relating to the contracting process were identified and discussed within the sub-working group.

— Discussions were held with other re-engineering working groups to establish areas of possible overlap. The groups spoken with included the Information Management, the Delegations of Authority and the Program Delivery Working Groups.

— Various branches within the department were consulted to gain more detailed information and to establish any areas of concern or frustration that they may have. In particular, the Information Management Branch was consulted as well as the CPS and representatives from various regional offices.

— Seven specific areas of review were identified and each was assigned to a specific member of the sub-working group. These areas were discussed at quite some length within the group and potential options were identified. The areas of study were the following:

  - the role of CPS
  - the contracts review committee
  - the competitive bidding process
  - contracting authority levels
  - functional authority sign-offs
  - administrative review forms
  - SSC contracts.

—   Several items were identified that could be implemented or that were already being implemented by the CPS during the re-engineering exercise. These have been included in Appendix H.

—   Discussions were held with other government departments including Transport Canada, Secretary of State, National Capital Commission and Indian and Northern Affairs Canada. In addition, the competitive contract process used by other government departments was also reviewed including the process used by Energy, Mines and Resources, Transport Canada, External Affairs, Public Works Canada and the Department of Communications.

—   Reports on each of the major issues identified as an area of review highlighting the current process, the issues surrounding this process and the options suggested for improving the area were produced and are included in Appendices A through G.

—   Regular weekly meetings of the sub-working group were held to discuss progress, problems, issues and potential options.

—   Debriefings of the progress being made by the sub-working group were provided to the working group's co-chairs on an as needed basis.

—   The contracting process for each type of contract was handled as a generic process since the same rules and requirements must be met by all responsibility centres. Therefore, no specific group or responsibility centre was studied separately but rather the "client" groups of the CPS were studied collectively.

—   The study concentrated on the contracting for professional services since it was felt that this was the area that created the most frustration for the majority of the responsibility centres and therefore, would result in the greatest level of potential savings or improvements. In general, ISTC's level of procurement is quite low, as is the number of contracts relating to these, relative to other departments.

The decision was taken not to research the methods used by the private sector since the rules and requirements relating to the contracting process in the federal government are so extensive and specific that it was felt the methods used in private industry would be too different to apply within the public service or would take too much time and effort to modify given the time available for this exercise.

5.   **Essential Outputs Required**

The essential output of the contracting process is the successful completion of a signed contract document which conforms to all existing regulations and

requirements (i.e. signed by all parties including the contractor). In this way, work essential to the functioning of the department can proceed.

A secondary but also very essential output is the provision of advice, guidance, responses to questions, information manuals and booklets, etc.. by the CPS to the rest of the department. This is very important to the contracting process since it is impossible for each responsibility centre to have experts in the area of contracting available within their area given the complexity of the regulations and requirements of the process.

6. **Analysis - Re-engineering Option(s)**

The detailed analysis and resulting suggested options for each of the areas of review within the contracting process are included in Appendices A through F of this report. In addition, there are three recommendations being made that are applicable to the contracting process as a whole rather than within any specific issue analyzed. These generic recommendations are implementable regardless of which of the three scenarios is considered, and are discussed in Appendix G. These generic recommendations also enhance many of the more specific options presented.

7. **Considerations**

The option of electronic sign-offs for contracts was discussed. However, since contracts are legal documents also signed off by a party outside the federal government, a signed hard copy is required.

A test by ISTC is currently in place and results will be made available when ready regarding the use of electronic sign-offs. Currently certain non-financial documents requiring only one signature are being tested. If results are positive the test will be expanded to other documents.

8. **Conclusions/Recommendations**

The options presented must be considered in view of the risk that senior management is willing to accept and in view of the PS 2000 recommendations, in particular in the area of empowerment.

The ISTC contracting process is complex and serviced relatively well with few individuals specifically allocated to the task. Although a great deal of discussions and analysis took place, we were unable to identify specific person-year savings. However, should ISTC implement either Scenario B or C, the result should be significantly decreased turn-around time allowing us to better respond to our client needs and to move along the PS 2000 and Employee Survey recommendations.

In order to provide a rough idea of the resources involved in the process, approximately 3,700 contracts for professional services were issued in 1991-92. For calculation purposes, we shall round this down to a conservative 3,000 contracts per year. Each contract is quite different and the time spent by the sector officer in drawing up the contract can vary enormously, depending on the type of contract involved and the complexity of the work to be performed. However, we shall use an average time of one day per contract. This figure is likely rather conservative. Therefore, 3,000 contracts X one day per contract means that approximately 3,000 days or 12 person years (using a standard 250 day person year) are spent by sector branch staff on the contracting process. In addition, approximately 16.5 person years are spent each year by the department in the contracting process for professional services. As noted earlier, no overall saving in person years is expected. However, with the shift in responsibility, there might be a saving in terms of the total response time to the client in terms of issuing a contract.

Insofar as dollar savings are concerned, due regard to contracts which could be issued under a master ISTC standing offer (i.e. General Recommendation No. 1) would considerably increase the value of these numbers. The Auditor General has identified that up to 30% savings could be realized. For this department, based on last year's figures and only a 15% savings, we could expect a savings in the area of $2.5 million as a minimum.

9.   **Proposed Action Plan**

Study groups should be established to further study in detail the options presented chosen as worth while by senior management, and develop detailed implementation plans where applicable.

Role and Mandate of the Contracts and Professional Services Group

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CURRENT SITUATION

Over the past few years, the role and mandate of the Contracts and Professional Services Directorate(CPS) of the Administrative Services Branch and their counterpart contract officers in the regional offices has been shifting.

Current Advisory Role

CPS has taken on a more service-oriented role with increased sharing of contracting responsibility with line managers. A number of products and activities have been developed and delivered:

— information sessions

— "how-to" guides to contracting

— the shift of "contracting authority" for service contracts from contracting officers to line managers who now are seen as the "owners" of the contracts

— low dollar value professional service contracts (< $10,000) which can be let without final sign-off by CPS.

Contracts and Professional Services officers spend more time providing advice to line officers (who prepare and develop their own contract documents) than they do actually preparing and processing all contracts themselves.

Quality Control

The ADM of Financial, Personnel and Administration retains the ultimate accountability for contract activity and departmental performance in this regard, as delegated by the Deputy Minister. Accordingly, Contracts and Professional Services provides an active quality control function for the majority of professional service contracts and their amendments and for all requisition of goods issued through ISTC. All Request for Proposals and professional service proposals must be reviewed and approved by Contracts and Professional Services. Professional service contracts are examined to ensure, for example, that;

—   they comply with the policies and procedures of Treasury Board, Supply and Services Canada, and ISTC;

—   they are complete;

—   they have been reviewed by the appropriate functional authorities, who may have an interest in the activity or who should review and authorize in order to minimize risk to the department;

—   the appropriate contract vehicle (sole source vs. competitive) and contract process (different for former public servants, for example) have been selected;

—   the methods of payment are solid, as are the evaluation criteria and methodology, etc.;

—   the contract is consistent with the contractor's proposal.

It should be noted that approximately 50% of contracts reviewed by CPS are being reworded by CPS prior to final approval. Most contracts are now sent electronically to CPS for an initial review.

Involvement in Larger Contracts

Contracts and Professional Services staff are also actively involved in the preparation of Request for Proposals, and in fact often undertake the preparation of larger dollar value ones themselves.

Quality Assurance - Information Required

In order to allow Contracts and Professional Services to quality assure all aspects of each contract, the line officer is required to supply supplementary information in the form of administrative review forms, letters of justification, briefing notes, the contractor's proposal, and other required documentation.

Procurement of Goods

For the procurement of goods, all requisitions for supplies, equipment and material must not only be approved by Contracts and Professional Services, but the final selection of suppliers, negotiation for best price and delivery times, and acquisition of goods are handled centrally by CPS. This includes office supplies (for example, printer cartridges, overhead foils) as well as informatics equipment and furniture. The current practice ensures that all procurements are registered in the

departmental inventory and that there is a clear audit trail for minimizing purchase abuses.

NOTE: Acquisition cards have been introduced. Four Administrative Officers have cards and are using them.

Relationship with Regional Offices

Although Contracts and Professional Services is responsible for policy and procedure development for all of ISTC, the regions currently handle their own contract and procurement transactions themselves. Contracts and Professional Services regularly provides advice to regional administrative officers functioning as contract officers. Contracts subject to review by the Contracts Review Committee are still flowed through CPS in Headquarters.

Innovation and Automation

In ISTC, increased sharing of responsibility with line managers will be seen over the next months with the introduction of both the acquisition card and the Contract Operational Tracking System(COPS). The card will allow managers to purchase goods up to $1000 ($300 for informatics equipment) per month without prior notification to Contracts and Professional Services. However, because CPS is still accountable for all procurement, an audit will be done by CPS prior to payment of purchases.

With the forthcoming implementation of the new tracking system, now in final development stages, users will be able to choose the appropriate type of requisition, fill in the blanks to create the requisition, forward the contract document automatically to required functional authorities for sign-off and electronically forward for CPS authorization. Such automation of the current process should eliminate paper burden considerably. However, since the accountability still rests with Contracts and Professional Services, the basic business process will be retained.

OGDs - A Comparison

During this Re-engineering exercise, consultations were held with four other medium-sized federal departments which are considered progressive in contracting processes (Transport Canada, Secretary of State, Department of Indian and Northern Affairs and National Capital Commission). This not only provided the opportunity to learn about other best practices, but provided a benchmark to compare how far along the control/advisory continuum ISTC is compared to others. In fact, the other departments all provide much more of a traditional transaction-oriented, centralized service than ISTC, with all their contracting decisions made and action taken by the contract officers.

SCENARIOS

The three options presented below -- status quo with information feedback, delegation of authority to selected managers, delegation of authority to all managers -- represent a progression to a decentralized service/advice contracting environment.

Note: The policies and procedures associated with contracting are complex. Elimination of risk to the department, whether it be embarrassment or legal action is consequential and therefore must be a priority in any option.

Scenario 1:   Improvement to Existing Process - Maintain Existing Process and Initiatives; Adding Information Feedback to Managers

This would see a continuation of the current situation as indicated above. Accountability would continue to rest with Contracts and Professional Services of ASB and their regional counterparts. It is also suggested that formal monitoring and subsequent reporting to line managers of contracting performance within their organizations be initiated.

PROS	CONS
· risk to Dept. minimized with central quality control	· accountability not aligned with responsibility
· audit trail of action/decisions/revisions	· most line officers & managers want authority to make own decision
· for procurement of goods, assets inventory easily maintained	· significant preparation effort still required of officers to provide information to CPS for quality control inspections
· CPS ensures that contracts comply with TB policies and procedures	· the RCs will not be required to accept responsibility for the total quality of the documents issued
· single source for reporting to ADM,FPA and auditor	· 50% of contracts requiring revision does require some time, however, many are done electronically
· performance reporting to managers should increase awareness and turnbacks likely to decline	· multiple checks and effort continues
· improvements to the process are more easily actioned	· CPS monitoring function would require modifications to current tracking system

Implications

— Need to develop a visible and interactive monitoring and reporting process for identifying both the key problem areas in contract preparation, the organizational areas requiring training and for feeding back this information to managers, DGs and regional EXDs. The Generic Recommendation No. 1 addresses this issue.

Scenario 2:   Partial Control by Responsibility Centres - Delegation of Authority and Accountability to Selected Managers

Full accountability and authority for non-sensitive contracts under $100,000 could be delegated to those branches or managers which have demonstrated high performance in their contracting practices.

This scenario would see a move to a reward/recognition culture, It is based on the premise that ownership will increase the quality of contracts when someone else is not inspecting and quality assuring the details.

The overall risk to the department would increase somewhat since all contracts would now not be subject to review by CPS prior to their signing. However, with certain control mechanisms put in place, the risk could be managed to within a tolerable level. For example, the Internal Audit Branch could now review the performance of various branches on a test basis and on a more regular basis. As well, the Responsibility Centres that would be given added authority would be those who have performed well in the past in terms of meeting the needs of the contracting process.

PROS	CONS
· reduced processing time to process a contract	· a great deal of up front effort required to develop performance standards, procedures etc.
· risk to the Dept. kept at tolerable levels with introduction of certain control measures	· auditing function may still be viewed by managers as control-driven system
· quality performance/reward culture supports ISTC value goals	· central reporting on decentralized activity requires enhanced information tools
· incentive to improve quality for branches wanting authority	
· Cautious gradual move to decentralized authority for associated culture changes	

Implications

— Line managers with delegated authority would be fully accountable for the decisions and practices regarding the processing of their contracts and procurements. Managers with delegated authority would:

- decide on the appropriate contracting process and contract type, with system assistance and expert advice available from Contracts and Professional Services (CPS, however, may still be perceived as being accountable unless senior management clearly states otherwise.),

- consult with functional experts as they deemed appropriate,

- prepare and issue requests for proposals, where required,

- evaluate proposals, select suitable contractors,

- authorize and issue contracts or procurement requisitions,

- evaluate the performance of the goods or service provided;

— contracts and procurement requisitions in those areas with delegated authority would no longer require the sanction of CPS (CPS, however, unless senior management clearly states otherwise, could still be perceived as being accountable to a certain extent.);

— requires development of performance standards, clearly identifying the criteria used for CPS review, for turnbacks/reworks, and for delegating accountability to branches (Often, however, many of the items are learned through experience and developing an understanding.);

— development of tolerance levels would need to be set, based on levels of risk -- risk to the department in terms of legal action and in terms of political embarrassment versus non-adherence to policy and procedure (In establishing tolerance levels, it must be remembered that legally, there is no tolerance level acceptable. The tolerance levels refer to the level of error and loss of dollars that the department is willing to accept.);

— would require post-process monitoring function by CPS; authority delegation could be revoked based on continued performance declines;

—   an aggressive and proactive training function would be required to address problem areas identified during performance monitoring, to assist organizations wanting to improve contracting performance, and to bring areas with delegated authority back up to high performance levels should declines occur (Unfortunately, many people - including often the worse offenders - will not want to attend the training sessions and if forced to go, will not be in the right frame of mind to learn.);

—   would require enhancements to newly developed Contracts Operational Tracking System to facilitate access to contract information for CPS performance auditing and statistics reporting, and for functional areas to monitor contract activity of interest to them;

—   contracts of sensitive nature and large dollar value contracts (> $100,000) should still be handled with the involvement of CPS (who will establish whether or not a contract is sensitive and based on what criteria will have to be determined. Training and guidelines offered by CPS would also mitigate against the risk.);

—   continuance of innovation and automation initiatives by CPS.

Scenario 3:   Total Control by Responsibility Centres - Full Delegation of Authority/Accountability to Managers

Managers would be delegated authority and would be fully accountable for the decisions and practices of processing their contracts and procurements of non-sensitive nature and under $100,000 value. Contracts and Professional Services would move from a challenge/quality assurance role to a policy, training and advisory role, providing users with the support of user-friendly, easy-to-use yet sophisticated information/decision tools such as an expert system to assist users throughout the contracting exercise Depending on the technology available). This may be seen as a long-term option (i.e., 5 - 1- years) while the previously discussed Option 2 may be a more immediately implementable scenario. At the very least, the responsibility centres should have access to a user-friendly information system such as the one now in use by CPS but not accessible to all interested parties.

PROS	CONS
· supports ISTC and PS 2000 move to empowerment and the employee survey	· loss of centralized control which will result in higher risk of error and risk of increased cost for work done
· aligns contract accountability with financial accountability	· upfront costs/effort
· owning the consequences should lead to higher quality decisions and practices	· demands change of skills for officers/managers processing contracts and for CPS
· offers standard processes and practices across regions & HQ	· a longer-term option; not a quick switch-over
· reduced level of frustration from lack of decision-making ability	· higher level of auditing and correction training probably needed initially may be seen as retention of central control
· decreased effort in "getting around the system"	· will increase risk to dept. and will therefore require compensating controls to be put in place such as increased auditing on a test basis
· intelligent user-friendly support tools (expert system) would provide interactive expertise in a complex environment	· no broad base of ISTC experience yet in building intelligent expert systems
· use of intelligent technology to eliminate paper burden and confusion over myriad of forms and supporting documentation	· no such system exists in government today
· maximize benefits of technology	· the development of an expert system could be very expensive
· minimize costly one-on-one advice for basic day-to-day information	
· audit trail and assets inventory automatically updated	

Implications

— Managers would:

- decide on the appropriate contracting process and contract type, with system assistance and expert advice available from Contracts and Professional Services;

- accountability would have to clearly rest with each responsibility and not with CPS;

- consult with functional experts as they deemed appropriate;

- prepare and issue requests for proposals where required;

- evaluate proposals, select suitable contractors;

- authorize and issue contracts or procurement requisitions;

- evaluate the performance of the goods or service provided.

— CPS would focus primarily on strengthening their efforts in the:

- development of standards and tools;

- providing full access to managers of all information required to make contracting decisions without requiring managers to become contract or procurement specialists;

- monitoring of departmental trends, efficiencies and problems in order to adjust policies and training;

- updating information and tools according to Treasury Board changes;

- reporting on departmental performance and statistics;

- the development of training modules;

— contract and procurement requisitions would no longer require the sanction of CPS. However, the participation of CPS could be solicited for contracts of a sensitive nature and over $100,000. How it is determined, and by whom, that a contract is of a sensitive nature would have to be specified;

—   questionable practices revealed during audits or reviews would not lie with the ADM of Finance, Personnel and Administration but rather the individual managers. The same would be true for any legal action or embarrassment resulting from contracting decisions;

—   monitoring and auditing of performance still needed to safeguard and protect department;

—   consequences of misuse and/or abuse would need to be strong and be clearly communicated;

—   requires continued work on development of user-friendly standards and methodologies;

—   development of user-friendly intelligent automated tools such as provided by an expert system would assist officers and reduce risk by guiding officers through the maze of options with on-line access to all policy, procedure and guideline information and expertise;

—   human nature is such that many responsibility centres will still contact CPS as a first resort rather than as a last resort. Therefore, CPS' workload will not shift entirely away from contract development;

—   aggressive and proactive training function essential;

—   a needs analysis and feasibility study would be required. There may be opportunities to partner with OGDs in this activity;

—   Deputy Minister's and senior management's concurrence and understanding of increased risks being accepted are required;

—   Deputy Minister's and senior management's concurrence and active support of this new process.

CONTRACTS REVIEW COMMITTEE

ISTC's Contracts Review Committee was established in conformity with Treasury Board Administrative Policy guideline #11.1. The guideline suggests that departments maintain a formal mechanism to challenge all contractual proposals.

ISTC's Contracts Review Committee is comprised of the following members:

Chairperson: **ADM Finance, Personnel & Administration**

Full-time members: **Director, Resource Management Directorate**
- Finance, Personnel & Administration

General Counsel, Legal Services

Director, Planning, Program & Regional Services

Director General, Planning, Coordination & Control

Secretariat: **Director, Contracts & Professional Services**
- Administrative Services (Finance, Personnel & Administration)

Special Member for: Personal Services contracts:
Director General, Human Resources Branch

Promotional Services contracts:
Director, Operations, Communications Branch

Computer-service-related contracts:
Director General, Information Management Branch

MANDATE OF THE COMMITTEE

The committee is required to review all non-competitive service contracts of $25,000.00 and over. The Committee has delegated that authority for contracts of $25,000 up to $100,000 to the Director General, Administrative Services Branch. For all other contracts including competitive ones, the committee is asked to review only the ones deemed "sensitive" (determined by the Contracts and Professional Services Directorate) regardless of its value.

The Assistant Deputy Minister, Finance and Administration (Chairperson of the committee) is responsible for the departmental contracts review process. Sole source contracts valued at over $100,000 require the Deputy Minister's approval following the Contracts Review Committee's consideration.

CURRENT SITUATION

Anyone preparing a sole source contract valued at $25,000.00 or over, must prepare a **briefing document** for the Contract Review Committee to be included with the other required contractual documentation (i.e. contract forms, sole source justification, etc...). This request for contract services is sent to the Contracts and Professional Services Directorate for review. They will ensure that all pertaining documentation is administratively correct and if any other responsibility centres should be advised of the proposed project.

For the contracts valued between $25,000 and $100,000 (deemed "not sensitive"), copies of the documentation are sent to the Director, Resource Management Directorate **for information only.** Contracts and Professional Services then prepares the contractual documentation for approval by the Director General of the Administrative Services Branch. However, if there are any questions raised by the Contracts Review Committee members, Contracts and Professional Services will endeavour to obtain clarifications. A meeting may be called.

For contracts deemed sensitive and/or valued at or over $100,000, copies of the documentation are sent to committee members for comments and/or recommendations. Again members may call a meeting of the Review Committee if there is a need to further discuss the project. Contracts and Professional Services prepares documentation for review by the Director General, Administrative Services Branch who in turn will recommend it's approval to the Committee's Chairperson. From the Committee's approval, the Contracts and Professional Services Directorate prepares a briefing note recommending DM's approval. For contracts deemed "sensitive" and valued under $100,000 the Director General, Administrative Services Branch may approve based in a positive review from the Committee.

In terms of statistics, during the last 12 months Contracts and Professional Services prepared some **208** packages of 3 to 4 cases each for information and review by the

committee's members. A total of 4 meetings were held with discussions on approximately 16 cases (2.6%). These statistics, although estimates, indicate that a very low percentage of cases are actually discussed by the committee. Turn around time caused by the process is between 3 to 7 working days and up to 15 working days if DM approval is required.

ISSUES

1. The preparation of a briefing document on the proposed contract which represents an additional burden to the officer preparing the documentation (see attachment "A"). It should be noted that most of the information required in the briefing document is included in the other contractual documents.

2. The time delays caused by having a contract submitted to the Contracts Review Committee is normally 3 to 7 days. It should be noted that by the time a contract is sent to the Review Committee all potential problems have been identified and in some cases solved. The Contracts & Professional Directorate has ironed out most of the problems with the project officer. The very low percentage of cases discussed at committee meetings (2.6%) support this.

3. Low percentage of cases actually discussed by the Contracts Review Committee. This can be best explained by perhaps asking ourselves the following question. Do we need to hold meetings with this number of persons at these administrative levels (Executives - no one on the committee is under a director level) to discuss so few cases? Frequently the persons attending the committee meetings are at officer levels. They have been delegated to do so by official committee members.

OPTIONS

1. That we abolish the requirement for a briefing document on the contract. We suggest to have a briefing document on an "ad-hoc" basis only. Should be a requirement for the potential problem only.

    Direct Benefits: Time savings in preparing contract documents.
    Less paper - reduces "paper burden" in the process.
    No adjustment required to the contractual process to implement this suggestion.

2. The Contracts Review Committee could be dismantled due to the very low percentage of cases actually being considered by the committee. Contracts and Professional Services already perform a detailed administrative review on each contract. However, if it is deemed necessary to keep a "watchdog" on the process, we suggest that this function be handled by one or two persons at the working level in ISTC (i.e., project officers as opposed to executive-level officers).

These persons would then advise the ADM Finance, Personnel & Administration in line with the "audit" process.

3.   The Contracts Review Committee could be dismantled due to the very low percentage of cases actually being considered by the committee. Contracts and Professional Services already perform a detailed administrative review on each contract.

     Direct Benefits: A -   Time saving in terms of preparing the contract documentation

                                B -   Time saving as the decision will be rendered faster (presently three to 15 working days).

NOTE:

A scenario that could be envisaged by ISTC, is a change in the mandate of the Contracts Review Committee. Acknowledging the need of an objective body to oversee the contract process, the committee could become a more policy oriented body.

The committee could meet once or twice a year to discuss operational problems. These problems could be identified by "users" and submitted to the committee by the Contracts and Professional Directorate. From this the committee could propose changes to the rules and regulations that would benefit both users and administrators. (See Generic Recommendation No. 1 for further details.)

COMPETITIVE BIDDING PROCESS

CURRENT SITUATION

The project officer within a responsibility centre obtains an Invitation to Tender number from CPS and then prepares the Request for Proposal letters along with the Terms of Reference and the Evaluation Criteria.

CPS reviews the documentation for completeness and to ensure that the project is within the related policies and procedures. If acceptable, CPS signs the Request for Proposal letters and returns them to the project officer for mailing.

If required, CPS arranges a bidders conference and records the various questions and related answers arising during the meeting. Copies of the minutes are sent to all bidders.

CPS receives the tenders and conducts the official tendering opening and recording of prices with the project officer in attendance. The project officer conducts the tender evaluation process using an evaluation team (CPS may be part of the evaluation team).

The project officer completes the appropriate contract forms and obtains in-house approvals if required (i.e. functional sign-offs). The Contracting Authority within the responsibility centre (either the Director or Director General level) signs the Articles of Agreement and the Request for Administrative Review of a Service Contract. These documents are forwarded to CPS.

CPS performs an in-depth administrative review to determine if the contract requires a more detailed review by another functional group (i.e. Legal Services, Human Resources, etc..). Once all required reviews have been performed, CPS signs the Articles of Agreement and returns the documents to the project officer to obtain the successful bidder's signature. The project officer distributes copies of the Agreement. CPS informs the unsuccessful bidders of the contract award.

SHORTCOMINGS OF THE PRESENT SYSTEM

The current system is not causing any particular aggravation to most people and is, in fact, well regarded. However, a recent Treasury Board decision to authorize an Open Bidding policy may have a dramatic effect on the departmental process should we choose to use such a system.

Under the system, the departmental contracting authority increases from $400,000 to $1 million when the open bidding process is used. The open bidding process is essentially that all contractors who pay a fee have access to an electronic billboard thereby receiving notice of all contracts available for tender under this open bidding process.

This new system will be useful in reducing the number of contracts which must be awarded through SSC. This is considered by some other departments to be a big plus. Within ISTC this is seen as a potential problem given that the number of proposals that could potentially be submitted will increase substantially as many more contractors will be vying for the same contracts.

OPTIONS

1. Establish a departmental standing offer list which could be accessed by every responsibility centre in the department. The department currently awards the majority of its professional services contracts for management consulting services. Therefore, the standing offer would be set up in a very generic way for "management consulting services". An average of 20 to 25 consultants would be kept on the list with the list being reviewed annually. A generic statement of work and Terms of Reference would be developed. The actual setting up of the standing offer could be lead by CPS. Whether or not this standing offer would be used by the regional offices as well as by Headquarters will have to be established if this option is pursued any further.

    Any call-up against the standing offer would result in a competitive contract rather than a sole-source contract even though only one contractor may have been considered for the specific work to be performed. Therefore, the high use of sole-source contracts would be avoided. (i.e. Sole-source contracts currently make up 91% of the contracts awarded by the department and represent 40% of the dollars spent on contracts.)

    Effort would be required in the initial setting up of the standing offer by both CPS and by the responsibility centres. However, after this initial phase, there would be time savings for each contract awarded by the department for these types of services. According to the Auditor General's 1991 annual report (18.22), "depending on the type of commodity...., significant price savings, in the range of 30 per cent, could be achieved if previously non-competitive contract requirements were competed where feasible." This is as a result of contractors bidding at lower rates on standing offer contracts rather than for non competitive contracts. Such a system therefore, could be expected to save approximately 25% to 30% on the rates currently being charged by the consultants thereby reducing our costs departmentally for the contracting of management consulting services by that amount.

Since so many contracts are awarded for "management consulting services", it would seem that the potential is there to further reduce departmental expenditures by combining contracts or by benefiting from the knowledge gained previously from work performed on similar contracts completed earlier by different responsibility centres (increased knowledge from both the contractor's and the responsibility centre's point of view). Therefore, in order to assist in such things as avoiding duplication of work within the department or the better sharing of the experiences of using certain contractors for certain types of work, the existing tracking system now in use by CPS could be modified and made widely available throughout the department (see Generic Recommendation No. 1).

CONTRACTING AUTHORITY LEVELS

CURRENT SITUATION

The O&M budgets within the department are now assigned to the Director General level. Each of these either maintains control, including sign-off of commitments and expenditures, or delegates the signing authority down to the Director level. In very few instances is that authority further delegated downward to the manager or officer level. Therefore, for each contract which is let by the department, either a Director General or Director is the contracting authority. Each contract is, as well, signed off by CPS prior to being released to the contractor for signature.

SHORTCOMINGS OF THE PRESENT SYSTEM

With signing authorities at the current level, the Director General or Director must either go over the details of the contract personally to determine the appropriateness of the transaction or have the officer developing the contract write a memo outlining the items that the Director General or Director should be aware of before signing. (This may occur verbally as well.) This process takes a certain amount of time particularly when several very similar contracts are being awarded and when the demands on every individual's time are so pressing. Certain areas have stated that this can cause quite a time delay while others have not found that maintaining the signing authority at this level creates any particular difficulties. In addition, certain anomalies in a few of the existing authority levels currently exist which have people confused.

OPTIONS

1. Reduce the delegated authority for contract sign-off to the program manager level as a minimum, for most contracts. For lower risk contracts (i.e. very small and/or repetitive contracts or call-ups against standing offers), the signing authority could be further delegated to individual senior project officers. To provide limits to the amounts involved, the budgets available for contracts could be specified at the beginning of the year and updates could be provided to the Director on a regular basis, either verbally or in writing, specifying contracts awarded and contracts expected to be awarded. In this way, the Director or Director General would still have advance notice of most contracts and could question the officer on any of the

items before the commitment is made. In addition, control over contracting regulations would still be in place since CPS would continue to review each of the contracts, other than the short form contracts which they do not sign at the moment. Basically, the delegated authority would be determined based on who is responsible for the task or function rather than by an individual's level. This option would result in reduced processing time for most contracts since fewer levels are involved. In addition, the principals of PS 2000 regarding empowerment would be put into play. Increased planning of contracts to be awarded might also result given the reporting requirements to the Director General or Director regarding expected contracts.

FUNCTIONAL AUTHORITY SIGN-OFFS

CURRENT SITUATION

The Administrative Review Form, which must be completed before a contract will be signed off by CPS, requires the sign-off of the following functional authorities when considered appropriate:

—   Administrative Services

—   Information Management Branch

—   Operational Audit Branch (or Contributions Verification)

—   Communications Branch

—   Access to Information and Privacy Office

—   Human Resources Branch

—   Evaluation Branch

—   Security and Safety Directorate

—   Legal Services

Special sign-offs are also required when personal services, an organizational type study or a contract issued as a result of ISTC's Work Force Adjustment Policy are involved.

SHORTCOMINGS OF PRESENT SYSTEM

1.   The sign-offs are time consuming not only for the contracting authority but for the functional authority as well.

2.   Certain of these areas are rarely, if ever, required to sign-off since the contracts awarded by the department involving work in these areas would normally only be awarded by that particular group (eg, Operational Audit Branch, Evaluation Branch).

3. Many of these areas sign-off almost automatically since they use the sign-off as a means of obtaining information on what contracts are being awarded as opposed to establishing whether or not any duplication with the work being done in their area is occurring (eg, Contributions Verification Directorate).

4. The sign-off by the ATIP office can result in excessive delays in the processing of a contract due to limited staff, the time required to consult with other departments, as well as the ISTC senior management and Minister's office.

5. With the PS 2000 policies of employee empowerment, the requirement of having other responsibility centres sign-off on a contract that another responsibility centre is trying to award is seen, at times, as undue control and as undermining the intention of empowerment.

OPTIONS

1. Delete the need for functional sign-offs by the various groups except for the ATIP office (due to the legislative nature of the need to fulfil a very complex set of requirements) and the Security and Safety Directorate. The contracting authority (i.e. the responsibility centre awarding the contract) would be responsible for consulting with the various areas which may be doing similar work to that outlined in the terms of reference for the contract to ensure that no duplication of work is occurring. A statement stating that all related groups have been consulted can be included in a covering memo from the responsibility centre to CPS. To ensure that information regarding the various contracts being awarded is available to the groups within the department to which this information may be of interest, the current tracking system used within CPS could be modified and made more widely available within the department (i.e., see Generic Recommendation No.1)

2. If the complete deletion of functional sign-offs is not acceptable, review each of the areas required to be consulted to determine how many times they have actually been required to sign-off on a contract. This information would be the basis for determining the need to continue including them on the required list. In addition, establish the true requirements of the various functional authorities for this information to ensure that it could not be provided to them in some other simpler and more useful form. For example, a listing or access to a computerized tracking system would provide the functional authorities with information on which contracts are being processed while elimination their need to try and remember which contracts they have signed off or the need to set up their own tracking system. This review of the functional sign-offs will likely result in a reduction in the number of required sign-offs thereby reducing the time required to process a contract.

3.   Have clear directives set out by ATIP as to when and why an ATIP review is necessary. These should be developed in a very user friendly format. The general feeling within the various responsibility centres is that the ATIP review process is incomprehensible and far too strictly enforced. In addition, many feel that more judgement could be used in the interpretation of the ATIP requirements. To help the responsibility centres and the ATIP office work more closely together, the level of understanding and communication within the department must be increased. Therefore, a greater number of information sessions or user friendly information circulars should be made available within the department.

ADMINISTRATIVE REVIEW FORMS

CURRENT SITUATION

Currently, there are three administrative review forms for different contractual situations.

1. Basic Administrative Review of a Contract for Services
    (ISTC form 495)
    Purpose: To submit a short contract for hiring professional services valued at less than $10,000 and taking place over a short period of time.

2. Request for Administrative Review of a Service Contract
    (ISTC form 308)
    Purpose: To submit a contract for hiring professional services valued over $10,000.

3. Request for Administrative Review of a Contract Amendment
    (ISTC form 496)
    Purpose: To request approval of amendment(s) on existing contracts, i.e. extension of time requirement.

ISSUES

Forms are confusing and somewhat technical; require several functional sign-offs; questions are repeated in different sections of the form; form 308 and 496 require the same information.

Forms are completed by the Project Officer and reviewed and amended by the Contract Officer. As a result, there is clearly a duplication of effort by both parties.

The savings would be in eliminating waste, in time and frustration, of both the Project Officer and Contract Officer.

OPTIONS

1. Re-design forms 495 and 308 by converting various questions into mandatory clear statements. Take out repetitive questions that exist in various sections of the same form. Eliminate portions of the form that do not add any value. Remove form 496 (amendment) and replace it by a photocopy of the amendment letter and use it to obtain the necessary functional sign-off. Project Officer would complete the form and obtain signatures of authority. (Copies of the forms showing the suggested changes are included in Attachments A to C of this Appendix.)

2. To build on the above option, to date administrative review forms are filled out by the Project Officer and are reviewed and amended by the Contract Officer. Therefore, there is clearly a duplication of effort currently being made by both parties. It is recognized that a large portion of the form could be completed by the Contract Officer which is where the expertise of contractual jargon really lies, while a smaller portion of the form is best completed by the actual Project Officer for specific questions (i.e. is the consultant on or off site, etc.). Form 308 could be re-designed in such a way that it would separate these two portions for each Project Officer and Contract Officer to complete.

3. When initiating a new service contract, instead of obtaining functional sign-offs, which take a considerable amount of time, provide a check list for the Project Officer to clarify concerns with the necessary responsibility centres.

GENERIC RECOMMENDATIONS

Generic Recommendation No. 1:

The need for some form of policy committee responsible for overseeing the contracting process was identified. At the moment, members of CPS are responsible for formulating any policy or process changes that may be beneficial. While they are seen as doing a very fine job, it was felt that a committee which included members from different areas of the department (i.e., the clients of CPS) could be formed. The committee would meet once or twice a year to review trends in the contracts issued, new Treasury Board, SSC or departmental requirements, operational problems, etc. They could also consider developing a user survey which could be completed every couple of years to help identify problem areas or to gather useful suggestions for improvement. A representative from the CPS would be a member of the committee as well.

This committee would take the burden off the CPS staff to perform this sort of analysis and would be in a better position to provide independent input into a process which concerns every responsibility centre in the department. Having representatives who are users rather than designers of the process would also tend to add a greater level of understanding and, therefore, tolerance to the process in general.

Generic Recommendation No. 2:

Now that the department has developed a "Backbone" network system, a potential use of the system would be to provide information on all of the contracts in process or already awarded by the department during the current fiscal year (or longer, if possible). The CPS already has a contracts tracking system which provides much of this information. This system could perhaps be modified and its availability broadened to allow increased access by other responsibility centres within the department. An improved system called the Contracts Operational Tracking System (COTS) is expected to be in place within CPS by April, 1993.

Reports on contractors used by ISTC is currently available from CPS. However, better sharing of information on the contractors used by the department, of the "Terms of Reference" which may be easily modified for similar projects, of the "Statement of Work" so that potential duplication of work could be avoided, or so that joint contracts may be developed in order to reduce costs, etc. This process would be improved if the information was made available to the ISTC staff electronically. This system, if used in this way, could reduce the contracting out for very similar work, and may reduce or eliminate amounts spent on mediocre work resulting from hiring poor or unsuitable contractors for a project.

Generic Recommendation No. 3:

If a Central Agency, such as Treasury Board or another department such as SSC, wanted to implement a change to the contracting process which would be required to be used by all departments, user groups should be consulted prior to any such implementation to help ensure that all considerations have been properly addressed.

ITEMS ALREADY IMPLEMENTED BY CPS

A Short Form Contract how-to booklet has been distributed to all staff. Training sessions on how to complete and transmit have been developed and will be offered to all staff.

Branches are sending draft contract/procurement documents electronically or by diskette. Corrections are made by the Contracts Officer reducing the level of frustration for the client.

The Contracts Review Committee process has been revised. The Committee has agreed to review contracts deemed sensitive by Contracts Administration reducing the paper burden.

Contracts Review Committee approval for temporary help call-ups over $25,000 has been eliminated.

The Employer-Employee Checklist for personal services contracts is being revised. Contracting Authorities will be asked to certify that an employer-employee relationship will not develop during the contract making managers more accountable. A legal opinion will not be required reducing the time to process a personal services contract.

Contracts Administration is part of a steering committee looking into automating the temporary help system. In the meantime, branches have been asked to send extensions by e-mail freeing up the officers time.

An information session on acquisition cards has been given to the Administrative Officers. The policy has been distributed and the detailed procedures are in final draft. Contracts & Professional Services has been conducting a pilot to test the cards. Once the financial systems are on side, the cards will be made available to responsibility managers. This will eliminate the paperwork associated with low dollar purchases.

Credit cards for the Supply & Services Canada Self Service Stores will be issued shortly. A bulletin informing staff of the availability of the cards and the requirements to obtain them will be out within the next couple of weeks.

The need to get Information Management Branch approval for computer equipment purchased against the approved standing offers has been eliminated.

Supply and Services Canada is working on guidelines for the Open Bidding System. They hope to hook up one or two departments sometime in November and phase in the rest of the government.

The present contract computer system is being updated--Contract Operation Tracking System (COTS). A prototype should be ready in about two weeks for installation and testing on Contracts & Professional Services' LAN.

SERVICE CONTRACT DOCUMENTS ISSUED BY
CONTRACTS & PROFESSIONAL SERVICES DIRECTORATE

1991-92

Headquarters:

Number	Total $ Value	Type of Contract Document
194	37,532,385.00	SSC Requisition
417	12,682,055.80	ISTC Standard Contract
20	98,193.00	ISTC Photo Contract
654	2,471,646.00	ISTC Short Form Contract
41	4,824,744.08	Interdepartmental Letter of Agreement
490	2,449,585.00	Travel Letter Contract
36	3,229,216.00	Common Service Agency
370	3,766,691.62	Call-ups Against a Regional Individual Standing Offer
65	845,956.00	Call-ups Against a National Master Standing Offer
738	6,175,594.24	Call-ups Against a Regional Master Standing Offer
22	243,416.90	Call-ups Against ISTC-Issued Standing Offers
3,047	74,319,483.64	

Regions:

632	3,952,200.00

GLOSSARY OF TERMINOLOGY

COMPETITIVE CONTRACT - A contract where bids from at least three qualified persons or firms are solicited and the lowest bid, or the bid offering the best value was accepted.

NON-COMPETITIVE CONTRACT- A contract for which bids were not solicited, the conditions of a competitive contract were not met.

SOLE SOURCE CONTRACT - A contract with only one source for services because it is an emergency situation, or the contractor is the only one who had the required expertise, or the cost of selection does not warrant the competitive approach.

CONSULTING SERVICE
CONTRACT - A contract for the provision of advise.

NON-CONSULTING
SERVICE CONTRACT - An agreement for the provision of services other than consulting services.

MEMBERS OF WORKING GROUP

Chairperson: Colette T. Soulodre

Members: Joanne Cecchini

Philippe Lalonde

Sandy Ostrout

Maureen Ott

Co-Chairs,
Administrative Services: Astrid Prud'Homme

Robbie Noël

B. RECORDS MANAGEMENT

RE-ENGINEERING FINAL REPORT

WORKING GROUP: ADMINISTRATIVE SERVICES

PROCESS: RECORDS MANAGEMENT

1.   Executive Summary

The records management process is one that affects every responsibility centre in ISTC, as it deals with the management of a vital corporate asset - information. Visible senior management commitment to the importance of records management is an integral part of managing corporate information assets. The process is centrally controlled and managed with decentralized delivery situated close to internal client areas.

The re-engineering review concentrated on options that would streamline the process, take into consideration projects that had already been approved by ISTC senior management (in particular, Management of Government Information Holdings), incorporate changes and opportunities brought on by rapid computerization in ISTC over the last three years, and acknowledge major initiatives already undertaken or under way by Records Management Division, which need to be better known.

It is proposed that Records Management remain a central function but focus on development and implementation of corporate infrastructure. The required investment in time and resources, both human and monetary, should have major benefits in the future in terms of efficiency, access and shareability of information.

Following are the major options studied and recommended, as analyzed in detail in Section 6 of the report.

1.   Implement Management of Electronic Records

Management of Electronic Records should be implemented as a foundation for the future. Studies are currently under way to examine client needs and software for user-friendly management of information on computers, according to corporate standards and consistent techniques. The intent is that electronic filing would be integrated with hard copy (paper) files as well as with other initiatives i.e., MGIH, Access ISTC and Infoguide.

Costs would be incremental, up to $800,000, depending on recommendations of a study targetted for completion March 1993. However, this upfront investment is considered crucial to information access and shareability.

2.   Improve Client Relations

Improved internal understanding of needs, development of closer more productive relationships, and resulting continuous actions should result in better management of corporate information with less duplication. Specific actions recommended include:

—   continue to support existing Records Management Division, RMD, initiatives (RMD staff development team, regular client surveys, orientation program);

—   establish Clients' Group(s);

—   enhance regular consultations with clients and regular review with client areas;

—   upgrade client service skills of RMD staff;

—   negotiate, Branch by Branch, common understandings on expectations/actions;

—   designate liaison individuals from client areas;

—   develop orientation materials for clients.

No particular costs or savings are expected, but, over time, in conjunction with other recommendations, management of information in the Department would be much improved.

3.   Redesign Specific Processes

In conjunction with recommendations on management of electronic records and improved client relations above, redesigning certain specific processes would allow better management of corporate information and free up time to devote to development/maintenance of corporate standards, systems and advice. Four recommendations are proposed:

1.   Accelerate conversion to Corporate Classification Index in active consultation with clients completed in 1993/4;

2.   Promote greater use of permanent charge-out files;

3.   Consider Branch/Departmental reorganizations as Day 1 for new files, i.e. convert only those files necessary for the new organization to a new system;

4.   Delete mail-opening and classifying functions in all records units except for the three Branches which receive public money (ATIP, Finance, SBLA).

The substantially increased time requirements by RMD staff to realize the first recommendation would be offset by reductions in time spent on mail opening and filing/classification on permanent chargeout files. This would need to be supplemented with $100,000 for temporary clerical help in implementing the conversion.

4. Integrate Internal Information Services

This option is a "one-stop shopping" service for internal ISTC clients, combining information needs from different sources e.g. Records, Library, Information Management, LANs, etc. The concept is in its infancy and most organizations, private or public, are only beginning to experiment. While this concept may have merit in the long term, substantial further study would need to be undertaken. Upfront investment costs, if this option were investigated further, would likely be substantial in planning, training and overcoming cultural/organizational resistance. It is recommended that a "watching brief" be conducted with Transport Canada and the Canadian Imperial Bank of Commerce, two organizations which were identified in experimental stages.

Over the long term, time and attention devoted to building a good base for corporate management of information will result in accessible, organized, shared information across ISTC.

2.   Status Quo

Records Management in ISTC is conducted as a central organizational function but with decentralized delivery physically co-located to client users. Records Management Division reports to Director-General, Administrative Services Branch and consists of three sections:

— Records Operations Section (33 PYs), which operates 12 records units located on individual floors at Headquarters;

— Systems and Procedures Section (5 PYs), which develops corporate standards, systems, procedures and reports;

— Mail Management Section (not dealt with in this report as it is an entirely separate business process from records management);

— Records management operations for the 11th Floor (i.e., DM and Ministers' Offices) reports to the Corporate Secretary and operations in Regional Offices report to individual REXDs. In both cases, however, they use the same corporate systems, standards and procedures as developed by the central Records Management Division and are supported by the central Division when specific activities are being carried out e.g. Disposal/Storage or, from time to time, as the need arises.

The functional breakdown of the two Records Management Division Sections is shown on the next two pages and a description of the functions performed is summarized in Appendix D. Current situation and initiatives taken regarding specific processes within records management are further developed in 6. Analysis of Re-Engineering Options.

RECORDS MANAGEMENT DIVISION
RECORDS OPERATIONS SECTION
FUNCTIONAL BREAKDOWN

Functions	Records Classifiers	Records Clerks	Records Office Coordinators	Retention/ Disposal clerk	TOTAL
1. Classify individual correspondence Verify security classification	50% = 6.0 PY		10% = 0.6 PY		6.6 PY
2. Create new files Add to secondary/tertiary classification index as per client needs Enter/modify ARMS data	30% = 3.6 PY	5% = 0.7 PY	20% = 1.2 PY		5.5 PY
3. Review long-term charge-outs; add files	10% = 1.2 PY		5% = 0.3 PY		1.5 PY
4. File individual correspondence	5% = 0.6 PY	50% = 6.5 PY	5% = 0.3 PY		7.4 PY
5. Register Negotiables	5% = 0.6 PY				0.6 PY
6. Sort incoming mail		20% = 2.6 PY			2.6 PY
7. Charge-out files & B.F.		20% = 2.6 PY			2.6 PY
8. Disposal/Storage as per Archival Requirements		5% = 0.6 PY		100% = 1 PY	1.6 PY
9. Client Relations: develop standards, users guides, training sessions			25% = 1.5 PY		1.5 PY
10. Supervisory			35% = 2.1 PY		2.1 PY
TOTAL	12 PY (CR-4)	13 PY (CR-3)	6 PY (CR-5)	1PY (CR-4)	32.0 PY

Notes: 1) Above % based on approximate guesstimates
2) Records Operations Units report to Chief, Records Operations Section (AS-3)
3) Records Offices located one on each Floor East & West Towers with 2 Offices, each reporting to one coordinator, i.e., O1E & O2E; 02W & 03E; 04E & 08E; 05E &08W; 06E & 07E; 09E & IOE
4) 11th Floor (DM & Ministers) Records Office (3PYs) reports to Corporate Secretary; according to systems, standards, retention/disposal schedules, corporate file index etc. set by central HQ , Records Operations Section above
5) Regional Records Offices (up to 1 PY/region) report to each individual REXD; use central services, standards, etc. developed by central HQ Records Operations Section above

RECORDS MANAGEMENT DIVISION
SYSTEMS AND PROCEDURES SECTION
FUNCTIONAL BREAKDOWN

Functions	3 Systems Officers (AS-2)	1 ARMS Coordinator (CR-5)
1. Design/implement corporate electronic file system; ARMS (Automated Records Management System)	10% = 0.3 PY	
2. Develop multi-year retention/disposal schedules Assist Records units in application of schedules	10% = 0.3 PY	
3. Maintain/Enhance corporate file classification structures	10% = 0.3 PY	
4. Develop/maintain corporate standards/procedures	10% = 0.3 PY	
5. Implement MGIH (Management of Government Information Holdings), including capture of electronic holdings	50% = 1.5 PY	
6. Input for ATIP, Security Guide requests	5% = 0.2 PY	
7. Audit of records management functions - document, implement recommendations	5% = 0.1 PY	
8. Coordinate enhancements/solve problems on ARMS system		50% = 0.5 PY
9. Train Records units (including Corporate Secretary & Regional Offices) on ARMS		20% = 0.2 PY
10. Develop reports including catalogue, disposal reports, labels etc.		20% = 0.2 PY
11. Quality Control on ARMS data entry through sample audits		10% = 0.1 PY
TOTAL	3 PY	1 PY

Notes:
1) Above functions performed for entire department, including Corporate Secretary and Regions.
2) Section reports to Chief (AS-3)
3) ARMS, developed by IDRC and refined by ISTC, allows for immediate electronic tracking of any files or combination of files in system; e.g. for Westray enquiry, located all relevant files within one hour - these constituted 80% of all ISTC records on Westray
4) In addition to the MGIH project, consultant currently developing client needs and recommendations for management of electronic records.

3. Rationale for Selection

Good records management allows ISTC to fulfill its mandate effectively. Efficient access to and shareability of information necessary for corporate decision-making and policy development affect every responsibility centre in ISTC. Yet, the corporate culture in most areas of ISTC, other than Records Management Division itself, has relegated filing/records management to the lowest priority and therefore often gets done haphazardly, if at all. The problem with respect to paper records became particularly acute during the massive retirements in ISTC in 1991-92. Rapid computerization within the last three years has exacerbated the problem, allowing any employee to create, store and delete electronic records at will without the benefit of consistent management techniques.

These are problems that have been recognized by Records Management Division and by senior management and staff throughout ISTC, resulting in approved ongoing projects like MGIH which includes the development of an inventory of information holdings (Infoguide). By emphasizing the needs and potential solutions, this re-engineering exercise may strengthen ISTC commitment to efficient records management and allow the function to be more transparent and useful to users within ISTC.

4. Methodology

In reviewing the records management process in ISTC to develop options, the following methodology was used:

— review of all pertinent documents including Records Management Division organization structure and functions performed; 1991 Branch Client Survey Report and resulting actions; Management of Government Information Holdings (MGIH) policies, projects, and reports, as summarized in Appendices A & B (i.e., Treasury Board MGIH Policy, National Archives Information Management and Office Systems Advances (IMOSA) program, ISTC MGIH Reports on Corporate Inventory Implementation Plan May /91 and Progress Report June /92, MGIH presentations to DMC, "INFOGUIDE" Terms Model Sept. /92); legislation and central policies affecting records management as summarized in Appendix C (i.e., Treasury Board MGIH Policy, National Archives Act, Security Policy of Government of Canada, Treasury Board Guide on Financial Administration); PS2000 reports; ISTC Employee Survey and ISTC Corporate Information Plan;

— analysis of processes relating to current records management functions as summarized in Appendix D;

— identification and discussion of potential issues within the working group;

— discussions with other relevant re-engineering working groups, in particular Information Management and Library working groups;

— discussions with ISTC working groups, other than re-engineering, dealing with Corporate Information Plan, Information Management and Management of Government Information Holdings;

— discussions with various consultants dealing with records management and MGIH issues, in particular Mr. Chris Johnson of IMTC, Mr. Murray Friesen of Murray, Nicholas and Associates and Mr. R. Denault of Condar Consulting Inc.;

— attendance at a demo for ISTC of a records management software package "PC Docs," which had been highly recommended in *PC Magazine*;

— discussions with other government departments and high-tech, private-sector companies; in particular. Supply & Services Canada, Gandalf, Bell Northern Research and Newbridge;

— individual detailed interviews with private and public-sector organizations on their records management organization and client relations; summary interview and reports attached for

- Transport Canada:	Appendix E
- Canadian Imperial Bank of Commerce:	Appendix F
- Central Mortgage and Housing Corp:	Appendix G
- Environment Canada:	Appendix H

— discussion with Records Management Division employees participating on their Improvements Steering Committee established in June 1992;

— open forum discussion at a special "Brown Bag" session for ISTC employees;

— weekly group meetings (list of members Appendix I) to discuss issues, options, results of analysis (Note: group had to be re-formed in September, as four of six original members left the group because of circumstances beyond their control);

— major issues and options initially identified were regrouped into four major actionable items as discussed in more detail in the remainder of this report; these are:

1. Management of Electronic Records
2. Client Relations
3. Integrated Information Services
4. Redesign Specific Processes

— Within these issues, many initiatives are already being undertaken by Records Management Division; in particular, with respect to management of electronic records. The goal in highlighting these issues within re-engineering is to re-emphasize the importance and gain further senior management commitment and support to the efforts already under way.

5. Essential Outputs Required

The essential output of the records management process is organized, easy, access to information regarding the government's decisions. Information is a vital corporate resource which needs to be managed in the same manner as that of any other valuable asset. As stated in Treasury Board's policy on Management of Government Information Holdings, good management of information is necessary to:

— support effective decision-making,

— meet operational requirements,

— protect government and public interests,

— make widest possible use of information, and,

— preserve information for policy and historical purposes.

Essential core elements of effective records management (whether paper, electronic, or other media) which should be carried out centrally by experts are:

— development of standards, guidelines and procedures;

— creation and continuing development of corporate classification index that meets client needs;

— life-cycle management of information holdings according to corporate needs as well as government archival and security requirements with respect to retention, storage and disposal;

— provision of advice, guidance, responses to questions, information manuals and booklets;

— development and maintenance of standard corporate systems for location, retrieval, storage, disposal of information;

— audit, monitoring, and quality control of records management;

— training;

— maintain ISTC corporate ability to respond to central agency requirements, e.g., MGIH, ATIP, Archives, Security.

6.   Analysis - Re-engineering Options

A. Management of Electronic Records

Current Situation

At the present time, Records Management is directed primarily towards hard copy records (paper). The influx of computers and integrated software packages over the last three years in ISTC allow all employees to create, store and delete electronic records at will without the benefit of consistent management techniques. This has created a significant gap in the corporate memory of the Department and hampered the shareability of the information. In recognition of this government-wide problem, and in response to Treasury Board policy on the Management of Government Information Holdings (MGIH), ISTC began in 1990 to scope out the issues involved.

Already catalogued holdings, including records management paper files, were considered manageable to integrate with other ISTC holdings. However, it was quickly identified that records created electronically were not being managed and no standards, guidelines nor technical means existed to catalogue, store, retrieve, dispose of electronic records consistently. Moreover, as computer usage by all ISTC employees increased, clients themselves recognized the need for standards in this area. A client survey conducted by Administrative Services Branch in 1991 emphasized this emerging client need. At that time, 38% of clients surveyed had a need to maintain electronic records (a figure which has undoubtedly increased substantially), 70% wanted the central Records Management Division to take an active role in developing management of electronic records, and 100% wanted such management to be a central service rather than a contracted out function.

In response, Records Management Division adopted a two phase initiative. Phase One, completed in March 1992, analyzed current policies, standards and practices in Federal Government, including Treasury Board, National Archives, and visits to CMHC and IDRC who were considered leaders in this regard. Also investigated was a software package "Foremost" developed under the auspices of National Archives. Phase Two, to be completed in March 1993, is evaluating off-the-shelf software, and analysing client needs and issues. The objective is to develop specific recommendations for a transparent, user-friendly approach which can be integrated with classification and management techniques used for paper records. Further phases will address implementation and issues such as non-text electronic records. (For complete summary of this initiative, see Appendix B).

Recommendations developed will allow full integration with initiatives under way with respect to MGIH, Infoguide, Access ISTC and official paper records.

Proposed Option

It is proposed that the initiative already under way, as described above to develop standards, guidelines and mechanisms for consistent management of electronic records continue and be actively supported by ISTC senior management.

Pros

— Better management of resources according to consistent standards;

— Information integrity;

— Efficient fast integrated access to existing information;

— Eventual reduction in paper records and duplication;

— Facilitate information sharing and decision-making;

— New opportunities for Records Management staff;

— Ability to apply retention and disposal schedules;

— True re-engineering.

Cons

— New training requirements (and costs) for users and Records Management staff;

— High development costs.

Implications

The upfront development and implementation costs for development of management of electronic records is likely to be very high, possibly up to $800,000. The costs would be additional to those incurred for MGIH ($825,000 approved of which $220,000 expended to date). However, it is considered essential to commit this upfront investment in order to benefit from efficiencies at a later date.

B. Improve Client Relations

Current Situation

The existing state of client relations in records management (RM) is characterized by a distributed RM service delivery with physical collocation of Records Management Division (RMD) staff in Headquarters but with Regional Offices carrying out their own RM functions. RMD staff (which has not been growing and has a high turnover rate) is coping on a daily basis with pressures to handle increased file creation and traffic, fallout from reorganizations, and conform to or implement requirements from central agencies.

Findings of a 1991 Record Management client service survey show that:

—   50% of respondents use classification system;

—   67% use file retrieval service;

—   65% rarely need assistance in modifying file systems;

—   86% rarely use service for scheduling and disposal of obsolete documents since it is done for them by RM;

-    56% keep some official documents instead of sending them to their records offices;

-    38% have a need to maintain electronic records (44% of which are not in paper format);

-    70% want RMD to take a more active role in management of electronic records;

—   100% want management of electronic records to be central service and not contracted out;

There seems to be a widely perceived low level of understanding, appreciation, and recognition of the RM functions by clients. It is also perceived that the RM system is being ignored, bypassed, or duplicated. This is partly due to the fact that some employees for whatever reasons have no faith in the system, find it weak or not credible. There seems to be an absence of systematic, institutionalized ways to identify, raise and address client problems, needs, experiences, suggestions. However, there are current examples and case histories of cooperative productive working relations on specific activities and in local areas, e.g. MGIH project, cooperative file management development with the Science & Technology Sector.

The following initiatives have been undertaken by RMD to improve existing client relations:

- developing inventory of information holdings, with clients as part of MGIH;
- developing improved orientation program for new clients;
- developing RM client survey program to improve services to clients, correct deficiencies, and gain insight into clients' needs;
- initiation of RMD staff development team (RM Specific Improvement Opportunities Steering Committee) to look at ways to improve client recognition, perception and trust, means of feedback e.g. reviewing client needs and client perception of services, improving communication with clients to make services more client-oriented; and
- developing Multi-Year Disposal Plan in cooperation with clients.

Proposed Option

This option consists of a concerted, accelerated effort by RMD to undertake a range of initiatives aimed at strengthening and improving its existing relations with departmental clients. This option would continue and support the current initiatives already being undertaken, and include new, additional ones to improve understanding and contacts between the RMD staff and their internal clients.

- Support and continue existing improvement initiatives, such as the RMD staff development team, the client survey and the new orientation program;

- Establish an RM Client's Group (at a local level and departmentally) as a valuable communications vehicle to identify and address issues and problems of concern to clients;

- Implement enhanced consultation, input and involvement of clients in RMD development work and initiatives (e.g. Corporate Classification Index, Management of electronic records pilot, Multi-Year Disposal Plan, process/service changes, etc.;

- Upgrade client service skills of RMD staff through training and leadership;

- Undertake regular, systematic client attitude surveys of experiences, perceptions, needs, problems, suggestions;

- Take actions to make RMD staff less isolated, more visible, more integrated, more knowledgable of the local work area and clients they serve e.g. attendance at staff meetings, focus days, regular systematic consultations with Branch management, officers, support staff;

- Negotiate common understandings, branch by branch, of expectations and respective responsibilities/actions to be taken;

- Designate a specific individual from the client area as the local RM contact/representative to liaise between the local area and the RMD staff on RM matters;

— Improve RM awareness among users by a full range of orientation materials, easy guides, training courses, special seminars, guest speakers, management presentations;

— Develop regular reviews/reports once or twice a year for discussion with local client areas on client/RMD relations.

Pros

— Better, more effective RMD/client relations;

— Improved quality service in RM in meeting client needs;

— Enhanced reputation and support in department for RMD staff and RM function;

— Progress towards full service culture and approach in an important administrative support area;

— Through increased awareness and action on both sides, better, more consistent management of records and information;

— Ultimately, less time wasted by individual officers in locating information needed quickly.

Cons

— May be too taxing, demanding and time consuming as a new way of doing things and working together for both RMD staff and the client areas;

— Additional resources (financial and time) will be required for several new initiatives, especially in providing training, developing materials, undertaking surveys, negotiating agreements, operating user groups, consulting, etc. This may be difficult in a time of resource restraint and existing heavy workloads.

Implications

— Requires senior management support and RMD leadership.

C. Redesign Specific Processes

Current Situation

As discussed earlier in the report, Records Management has been particularly affected by continuous departmental reorganizations, downsizing, files "dumping" during the heavy retirement periods of 1990-91 and 1991-92, rapid

computerization and central agency requirements. This has led to a situation where records operations is in continuous "catch-up" mode and therefore, clients perceive that records are not always up to date.

Records Management Division has begun a number of initiatives to deal with these problems:

— A Corporate Classification Index was developed in 1990 consisting of primary, secondary and tertiary sequences, where the latter two are adjusted to meet client needs. To date, 25% of ISTC's files have been converted to the Corporate Index and a major effort is currently under way to incorporate Science and Technology Sector files into the departmental system.

— Some official files are on a permanent charge-out basis, as agreed with clients. This allows clients to retain those issue files for which they need immediate access, yet the files are part of the official system. Currently, 15% of files are on permanent charge-out.

— As an integral part of the MGIH project (to be completed by mid-1994), Records Management Division will be conducting "sweeps" in Branches to identify information holdings and catalogue them into the system, and will be developing Infoguide, a pointer system to information regardless of media.

— Records Management no longer attempts to incorporate all documents in unofficial files which are given to them en masse. Only the most relevant files are incorporated into the system, the remainder are noted and sent off-site to storage.

— With respect to computerization, Records Management Division itself has a highly efficient electronic system, ARMS (Automated Records Management System), for location, retrieval, storage, disposal and reporting on files. For example, when the Westray enquiry was begun, all official records, whether in Headquarters or Regions, were located and brought together within one hour. These official files were 80% of all files (20% were unofficial, some of which were duplicates). In addition, with respect to Management of Electronic Records (i.e., those on individual computers), it is intended that any software chosen or developed would be integrated with the ARMS system and other developments taking place, i.e., ACCESS ISTC, MGIH, Infoguide.

— A Steering Committee on Priority Improvements was formed consisting of Records Management staff, which is questioning, identifying and streamlining existing detailed processes and procedures.

— Development of Multi-Year Disposal Plan, scheduled for 1993-94.

Proposed Options

Option 1 - Accelerate conversion to Corporate Classification Index in active consultation with clients

It is proposed that expert teams of 3 RM staff each hold discussions with Branch managers to agree on secondary and tertiary classification additions to the Corporate Index. Through agreement with individual Branches, additional clerical help would be hired to implement the conversion. Any new filing to be done as conversion takes place, would be into the new, rather than the old system. Moreover, if secondary and tertiary indexing were developed selectively on a directorate rather than a Branch basis, this would allow for future re-organizational changes in combinations of directorates.

Pros

— Immediate increase in awareness by clients and improvement in client relations.

— Active involvement by RMD staff.

— Allows continuous up-to-date records management.

— Decreases duplication.

— Adaptable for future organizations.

— Builds foundation for incorporation into MGIH, Infoguide and later integration with electronic records.

Cons

— Adds in short term to burden on clients and RMD staff.

— May not be regarded as priority.

— Regular duties will need to be decreased to free time for conversion.

— Could increase duplication of documents.

Implications

— Requires major commitment by clients and RMD staff.

— To accomplish in short elapsed time frame, requires additional temporary/agency clerical help.

— Roughly estimated time frame and costs are:

a) Development of Index with Branches - 1 week per functional area (27)
i.e., total PY effort 27 weeks X 2 experts = 54 weeks or 1.0 PY.
Elapsed time could be shortened through formation of 3 to 4 teams.

b) Implementation - 2 months per functional area (27) -
i.e., total PY effort 54 months X 2 staff (including one temporary/
agency clerk) = 108 months or 9.0 PYs.

Elapsed time could be 6 months in total through simultaneous hiring of temporary help in each records unit. (Estimated additional cost: $100,000)

Option 2 - Promote greater use of permanent charge-out files

Pros

— Files immediately accessible to users and organized according to user needs.

— Allows records units to concentrate on management of records.

— Better management of and accessibility to corporate information, since all files official.

— Decreases duplication, photocopying by clients needing immediately accessible documents.

— Reduces amount of individual documents classification done by RMD staff.

Cons

— Possibility of resistance by departmental officers who may see this as an added burden (but: if these officers are keeping their own unofficial files regardless, the burden is the same; in fact, they should be able to save time by not having to search for documents).

Implications

— Should be done in conjunction with accelerated conversion to Corporate Classification Index and Improved Client Relations.

— No particular costs/saving; rather, better, more efficient corporate management of information.

Option 3 - Consider any Branch/Departmental reorganization as Day 1 of new files

Instead of converting all old files to a newly organized structure, only those files which will be relevant to the new organization should be brought over into the new system. Discussions with Branch management in the first week of a reorganization would identify the file structure needed and pinpoint those files to be carried over immediately. In addition, any files requested over the first six months after reorganization would be brought into the new system. All other files not used in this initial period would be sent to official storage (off-site), appropriately marked within the ARMS system as "old" classification.

Pros

— Records management immediately reflects new organization and establishes good client relations.

— Files can still be located if needed at a later date through ARMS.

Cons

— Storage space initially will be limited.

— Branch managers may not want to devote time to records management issues immediately following a reorganization.

Option 4 - Delete mail-opening and classifying functions in records units, except for those branches where monies/cheques normally enter (i.e., 02 West - ATIP, 02 East - Financial Services, 08 East - SBLA Recoveries)

Pros

— Frees up RMD staff time for corporate management of records/improved client relations.

— Still fulfills requirements of Treasury Board Guide on Receipt of Public Money.

— Receipt date stamps usually done regardless within Branches for letters; faxes and telexes automatically show official date/time of receipt.

Cons

— Could place burden of classification on client or mean that classification would be done when correspondence is filed.

Implications

— Allows for about 1.5 PY effort within Records Management to be shifted to higher priority tasks.

D. Integrated Information Services

Current Situation

The services provided by RMD were solely devoted to traditional records management and archival functions of departmental paper files (and lately, development of similar functions for management of electronic records), in isolation from other internal information-based and related services, e.g. information management, library, communications. As a result of MGIH, RMD is currently developing an inventory of information holdings, called "INFOGUIDE." Beginning implementation in 1993, the guide is to be fully operational by 1994 and will provide one-stop shopping for locating information regardless of the media. The user will consult INFOGUIDE to ascertain where to access specific information.

Proposed Option

This option would expand the existing RM services into "one-stop shopping" for all information needs as a support to internal clients. The option would be analogous to those being developed by the government for external clients in improved public and business access projects under way. The integrated information services would bring together for internal ISTC clients, information from ANY recorded source: paper and/or electronic files (RMD), non-Departmental published and unpublished material (library services), communications (Departmental Publications & Press releases), information management, information on LANs, Business Services Centre, Photo Library etc.

Consultations with the public and private sectors revealed that some organizations are experimenting with such integration of information services. Theoretically, the concept is sound and could potentially generate economies of scale in the long-term. The key word is, however, "experimenting": our research did not find one model that could be categorically classified as a success story. Nevertheless, the Working Group decided that the concept and its long-term potential economies were intriguing enough to undertake a preliminary assessment.

Pros

There are several benefits to one-stop shopping, but they are unquantifiable at this point in time. From the client perspective, all corporate information sources would be available from one location which would save time and effort as staff would be aware of or have access to all possible cross-references. From the provider perspective, there is some similarity of skills, particularly between the RM and Library cataloguing functions which could lend itself to amalgamation. In addition, the enlarged function could conceivably generate opportunities for enhanced and more interesting job functions.

Cons

Amassing all of the entities within ISTC that could possible fall under the rubric of internal "information management" is complex and very controversial. The concept is in its infancy and most organizations, private and public, are only in the experimental stage of determining what activities should be brought together (see Appendix E and F which describe interviews with Transport Canada and CIBC). ISTC is, by definition, an intelligence generator and will become more so as the mandate matures. It is impossible, however, to collocate physically all units that generate intelligence.

Upfront investment costs would most likely be substantial as they would include: capital acquisitions; time for planning and creating the new organization; training requirements for both the provider and the client and the ensuing learning curve; and finally, the organizational and cultural resistance as disciplines are amalgamated.

Implications

This option would be true "re-engineering" as some of the old ways of doing the work would be discarded and new processes developed; however, the amount of examination that this concept needs precludes it being considered within the timeframe of Phase II. If and when this concept is pursued, the Department will be faced with definite training requirements driven by the need for new skill sets and learning curve delays as users and providers become acclimatized to the new environment. Accordingly, if pursed, provision should be made for substantial training budgets.

Finally, it should be mentioned that the rudiments for one-stop shopping may already be in place and that the concept may evolve in a haphazard fashion rather than by design. For instance, INFOGUIDE and MEGATEXT are arguably already precursors to one-stop shopping. MEGATEXT is a software package that will allow the user to search data of many kinds. A current project, ACCESS ISTC, will use the software to put Departmental Manuals on-line. Consideration is also being given to putting the Library Catalogue and INFOGUIDE on the same software; thus, the infrastructure for one-stop shopping for information management may already be forming. As a result, the long-term re-engineering of records management may be defined in future by the infrastructure being put in place.

Despite the foregoing, the Working Group agreed that there may be significant benefits to this concept and that it warrants further in-depth study.

7. Considerations

Our research revealed that the most successful records management operations had two salient characteristics:

— a strong corporate culture with respect to visible senior management commitment to the importance of records management as an integral part of managing corporate information assets;

— mandatory continuous on-going training/client relations for all new employees, users and providers alike.

In addition to the detailed examination of options contained above in Section 6, Analysis, brief consideration was given to complete decentralization of the records management function. It was not viewed as viable by the Working Group for several reasons:

— Certain corporate core functions would still be more efficiently handled as a central function (i.e., development and maintenance of corporate standards, guidelines and systems; continuous development of corporate classification index with clients; life-cycle management of information holdings; expert advice and guidance; audit, monitoring, quality control; training; response to central agency requirements). These are estimated at 28 PYs.

— Over time, less emphasis/resources would be placed on records management as more pressing priorities intervene. The result would be decreased management of valuable information just at a time when knowledge and shareability of information are crucial to fulfilling the Department's mandate.

— Individual Branches would likely devote at least 1 PY per Branch to records management (i.e., 33 PYs) in addition to core function responsibilities.

— Approved departmental implementation of projects that will promote shareability of information e.g. ACCESS ISTC, MGIH, Infoguide currently under way would be considerably set back, since conversion will take dedicated resources and expertise.

— Across individual Branches, commitment, interest, experience, and skill levels with respect to records management vary widely. Some areas would be unwilling or unable to commit declining resources to records management. Inconsistency and deterioration would likely be the result.

RECORDS MANAGEMENT AND THE MGIH PROJECT

The MGIH (Management of Government Information Holdings) Project started in the fall of 1990. In response to government wide policy guidelines, its ultimate objective is to provide an automated inventory of the Department's information holdings, regardless of media and location. The eventual system will have two main features:

— a comprehensive database management facility which will facilitate full life-cycle management of the Department's information holdings in accordance with the various applicable regulations, procedures, and policies. This will be of primary interest to RMD, and RMD will be the primary, and probably sole, user of this feature of the system; and,

— a very fast and user-friendly information retrieval facility which will give the essential details about information holdings based upon user requests. These requests can be very simple (all references to a given word) or quite complex (all holdings for a given organization).

The system will be supported by a Departmentally-approved hierarchical thesaurus, for which development work is just now beginning.

At the start of the project, a "quick-and-dirty" survey was carried out to estimate the size and scope of the Department's information holdings. Aside from the files registered in ARMS, there are at least 300 other significant holdings of information, some of them containing many tens of thousands of individual records (for example, the Tourism Photographic Slide Library, various correspondence systems, and collections of maps and diagrams, computer tapes, and so on).

A prototype systems called "Infoguide" was designed, developed and tested during 1991/92. Data about information holdings in Operations Audit, and Communications, branches was gathered and entered. The prototype exercise has allowed the MGIH team to refine the specifications, and to identify the critical features for the eventual system. A further pilot will be conducted in Tourism branch. Infoguide will use Access ISTC (Megatext) as a front-end.

Now that a PC-supported version of MINISIS is becoming a reality, the MGIH team is leaning toward a solution for the inventory which will adapt the great power of MINISIS to the undeniable speed of a full-text search engine. The ultimate product will be fast and efficient.

Most important for records management, the eventual MGIH system will be capable of "absorbing" ARMS directly. Because of the solution now being recommended, this will mean little or no re-training for existing ARMS-MINISIS users, and no incremental training for Department MGIH system users generally, since the same "user Interface" will be used for MGIH as for the other directory-like applications.

In addition, the adoption of MINISIS means that the Department will not have to re-develop computer programs to deal with the reservation and charge-out of information holdings: that functionality already exists in ARMS, and can easily be extended to all types of information holding.

It is, then, planned that the MGIH system will allow Departmental users direct access to find the location not only of information holdings generally, but also of specific registered paper files which may be appropriate to their searches.

The MGIH system is scheduled for full implementation by mid-1994, and is currently running on budget and on time. Data for information holdings will be gathered starting in April 1993 with collection completed by July 1994.

MANAGEMENT OF ELECTRONIC TEXTUAL RECORDS

The MGIH (Management of Government Information Holdings) Project Team was assigned the task, in the fall of 1990, of both cataloguing the information holdings of the Department and developing an automated system to provide easy and accurate access to the location of the information, regardless of the media.

It quickly became apparent to the Project Team that, while a large portion of the Department's holdings are managed in a consistent manner making the process of incorporating them into an automated Departmental system (InfoGuide) relatively easy, a significant portion are not. This group, for the large part, are electronic records created using proprietary software such as WordPerfect, Lotus 1-2-3, and dBase. Such records also include the Department's electronic mail.

These records are essentially being created, stored, modified, deleted etc., at the whim of the individual. While some areas have instituted their own standards, no common ISTC standard exists. This has rendered a very large portion of the Department's information base unavailable to others and even, at times, to those who created the records. These records, in their current state, would be very difficult if not impossible to incorporate into the InfoGuide system in a manner that would make them useful.

In short, a need was identified by the Project Team to provide a standard means of managing electronic records. The Administrative Services Branch Client Survey conducted in the fall of 1991 also echoed this need.

A two-phase initiative to develop standards for ISTC was adopted. The first phase was to approach the appropriate central agencies, namely, Treasury Board and the National Archives of Canada to identify the current state (existing standards and practices etc.) of electronic records management throughout the Federal Government. As well, this phase was used to document activities, in this regard, in other Federal Institutions. Phase Two will use a pilot site as a means of developing standards and, as well, of identifying and resolving the related issues and concerns in a real time situation.

Phase One was completed in March, 1992. It, along with other recommendations, recommended that the scope of Phase Two, to allow the pilot to focus on the largest single group of records (WordPerfect/electronic forms were estimated to be 80% of all electronic textual records), be restricted to WordPerfect/electronic forms. Phase Two began in September 1992 with a target completion date of March 31, 1993.

Further phases with address implementation and such issues as non-text electronic records.

The end result of this project will be that all official electronic departmental documentation will be managed using electronic record identifiers in the same manner as official paper records.

LEGISLATION AFFECTING RECORDS MANAGEMENT

Management of Government Information Holdings Policy (MGIH)

Policy Statement

—   Government Institutions must plan, direct, organize and control their information holdings throughout their life cycle.

—   Government Institutions must maintain a current, comprehensive and structured identification or classification system or systems which provide an effective means for organizing and locating information and comprise a corporate inventory for managing the institution's information holdings.

Policy Requirements

—   Government Institutions must apply government-wide standards for the transmission, maintenance and protection of information holdings.

—   Government Institutions must ensure all information is scheduled for retention and disposal, ensure that records of enduring value are maintained and identify and document projects, programs and policies to ensure continuity in the management of government institutions and the preservation of a historical record.

National Archives Act- Item 5.1

—   No record under the control of a government institution and no ministerial record shall be disposed of without the consent of the Archivist.

Security Policy of the Government of Canada - Item 2.6 and 3.4

—   Government Institutions shall safeguard classified information by limiting access to persons that have a "need to know" and a current security clearance at the appropriate level and by applying standards covering physical security that will safeguard the information.

—   Government Institutions shall accord enhanced protection to sensitive information that lies outside national interest by limiting access to persons who have a "need to know" and meet the requirements of an enhanced reliability check and by applying standards covering physical security.

Chapter 10 Treasury Board Guide on Financial Administration: Receipt of Public Money

—   All mail directed to a Department or to an individual should be opened in a central mail room. Arrangements must be made for two persons to be present at the mail opening and for an immediate record to be made of receipts.

RECORDS MANAGEMENT FUNCTIONS
(EXCLUDING MAILROOM)

Classification of Records

—   Classify incoming mail and papers sent for filing by using Subject File Classification System in each Branch, checking designation or security classification of correspondence against Security Designation and Classification Guide, returning any internal papers that have been improperly classified to the originator to be corrected, creating primary numbers in the Automated Records Management System (ARMS) creating cross-reference in ARMS to retrieve the correspondence (average 17,000/month).

Control of Records

—   Bring forward files when requested by users at a later date.

—   Charge out files (average 6,000/month).

—   Pass file from one user to another and record change of charge out form.

—   Recall files that have been out for long periods of time.

—   Trace files that are missing.

—   Review files that are out on long-term charge to a user to verify that files are properly maintained, papers are filed in logical order, files are all accounted for.

—   Modify file titles in ARMS to accommodate user.

Maintenance of Records

—   Create new files and new volumes of existing files using proper file covers and pockets with regards to security classification or designation and entering the data in ARMS.

—   Replace worn or used file covers and obtain new labels from ARMS.

—   Review files, remove non-record material, check date order, remove misfiled material, destroy duplicates, split general files to create specific files, close files that are too thick and open new volumes, check for closed files, check file cover reflects security classification or designation of contents, create as many as three (3) files for each subject, if required (i.e., Unclassified or Protected, Confidential and Secret).

—   When files have become inactive (i.e., 2 years) or case is terminated, close files using closed files form, modify ARMS.

— Transfer files between Branches, modify data in ARMS.

— Put away files returned to the Records Office.

— Put away papers that are returned for filing, ensure file number is correct, classify to proper file number if none has been quoted, verify documents to ensure file number and contents match, verify security classification or designation to ensure it is in line with Security Classification and Designation Guide, place thick or irregular size documents in pockets (average 30,000/month for P.A. papers, 13,000/month for documents verified).

Incoming, Internal and Outgoing Mail (in individual records units, i.e., not including Central Mailroom)

— Receive incoming mail, sort into mail to be opened and sent directly, open mail to be opened, date-stamp, classify correspondence to the proper file number and despatch all mail to recipient (average 77,000/month).

— Reroute all mail which is wrongly addressed.

— Stamp negotiable (cash, cheques, money orders, etc.) with a specific stamp and date stamp, complete Cash Blotter form, initial and obtain initials of a witness on entries, make photocopy of correspondence and cheque, if any, deliver form and negotiable to cashier, obtain signature of receipt and retain copy of form.

— Dispatch internal mail to other floors and outgoing mail to Mail Room using conveyor system.

Records Disposal

— Review all file holdings on a yearly basis and remove all files that are inactive.

— Print lists of inactive files in ARMS.

— Box files and identify boxes.

— Transfer all inactive files to National Archives Records Centre until disposal period is up (average 210 boxes/month).

— Maintain lists of files stored in Records Centre.

— Service or retrieve inactive records (average 150 requests/month).

— Dispose of records stored in Records Centre.

Services to Clients

— Maintain files up to date.

— Apply security procedures for the release of information.

— Give training sessions on records office procedures.

— Maintain and update Users' Guide.

— Keep up to date on arrivals and departures of employees.

Records Systems and Procedures Section

— Design and implement file classification systems at Headquarters and in the Regional Offices using the Corporate File Classification System as the base.

— Maintain the Corporate Subject File Classification System, add new primaries and delete obsolete primaries.

— Develop retention and disposal schedules on all information holdings for approval of National Archives.

— Conduct comprehensive records audits of Regional and Headquarters Records Offices and make recommendations.

— Maintain and develop enhancements for the Automated Records Management System (ARMS).

— Develop and maintain operating procedures.

— Train records staff on the use of ARMS.

— Provide departmental staff with up-to-date catalogues of their information holdings.

— Develop and maintain an inventory of information holdings in the Department.

— Prepare input for Info Source (ATIP).

— Prepare input for Security Classification and Designation Guide.

Records Management

— Maintain division budget.

— Maintain Human Resources requirements.

— Prepare all requests for purchases, supplies, contracts, service agreements, commissionaire services, staffing actions, classification actions

INTERVIEW - TRANSPORT CANADA

Transport Canada: ISTC:
Karl Cornwall, Dir., Information Mgmt.   Al Quaile, ASB
Don Harrod, Chief, Records & Mail Mgmt.   Paul Beaulieu, IMB

HIGHLIGHTS

—   "Consolidation": Completed department-wide exercise to document each area's
    local files and records and relate to central RM to avoid duplication of effort (and
    need to do again now).

—   Model: -   decentralized and collocated
             -    based on negotiated MOU agreement with local area re services &
                  resources
             -    lines of functional direction and responsibility
             -    still standards re: classification, security, disposal schedules, control
                  inventory, audits

—   Total Service Island Concept (being developed/implemented):
    -    make available to users in one stop shopping a suite of available services both
         IM (information management) and IT (information technology); e.g., RM,
         library, LAN support, systems development
    -    client selects and buys in to type and quality of service through an agreement
    -    local ADMs like it as a helpful way to obtain expertise/service they need for
         their business
    -    obtained copy of original concept study (October, 1990)

—   Client Focussed:
    -    culture view: RM is more than just a central RM office
    -    the real records managers are the actual users/clients in the department
    -    "What are clients asking for?" (not techie or RM pushers)
    -    from needs of clients in their business ("Help me!")
    -    Access: no one except individual can obtain information provided (user
         comfort)
    -    with local client identification: it's their RM, their people, their office
    -    importance of any classification to be easy for users to complete (as many file
         prefixes as possible)
    -    central RM office sees itself more as a custodian, service provider, active
         observer rather than as an owner, pusher, implementer

—   Electronic RM:
    -    existing paper RM captures 90% of electronic files since they are put to paper
         at some point
    -    electronic technology has meant more and more paper RM
    -    no need now nor push to get into electronic RM
    -    requirement remains to ensure life cycle management

- preparation of Multi Year Disposition Plan will eventually tie in paper and electronic files

— Technology:
- automating opens up possible changes in business processes first before you automate, e.g., pilot's licenses (from HQ to regions)
- almost got into imaging site license (cancelled at last minute due to budget constraints)
- no real hard savings in technology per se (costs more except for saving some floor space costs)

ASSESSMENT

Transport Canada has a very interesting approach and process to records management, and is involved in a number of approaches and activities of interest to ISTC. For example, ISTC may profit from considering the following possibilities drawn from the Transport experience:

— There may be a possible need for ISTC to do a similar "consolidation" exercise throughout the department in order to get a good accounting of the existing records management situation. (The last comparable exercise appears to have been done many years ago). But this would be an expensive undertaking in terms of resources and time.

— Real benefits appear to be possible in having negotiated MOU agreements with each area on records management (agreed responsibilities, levels of services, dedicated resources, management attention, etc).

— Possible provision of a one stop suite of information/technology services to users could result in benefits:
- integration of records management as one information service among other related ones;
- better marketing of available services;
- freedom to choose since client can "pick and choose" what to buy into.

— Need to keep client in mind at all times, eg. make process/system as easy to use and as least burdensome as possible for user.

— Disagree with Transport's deliberate benign neglect/avoidance policy of tackling electronic records management: ISTC must move in this area (this is the future).

— Possible use of Multi Year Disposition Plan to tie in paper and electronic files.

— Possible need for ISTC (like Transport) to deal with the imaging issue (a departmental standard? a departmental site license?).

— Like Transport, ISTC must avoid overselling new technology/new projects by promising cost savings which are impossible and never really materialize.

INTERVIEW - CANADIAN IMPERIAL BANK OF COMMERCE (CIBC)

HIGHLIGHTS

Organization

— CIBC's Head Office (HO) Records Management (RM) function is integrated with Library Services (Business Information) and Archives in organizational terms.

— The organization is responsible for HO administrative files only. Company files are kept on a mainframe which has been set up by systems people and are maintained by Account Managers. The company files RM activity is completely separate from the administrative files.

Functions

— It is true "management" function in that it provides the direction, infrastructure and minimal resources to allow the user to perform the RM tasks:

- recommend file classification systems;

- establish retention policy and schedules;

- track projects and approach users at maturity to archive documents;

- provide orientation seminars, 30-40 officers, 3-4 times a year, 3 days in length;

- will train users in the use of the chosen automated system;

- provide equipment and alternative storage media;

- back up vital records in case of catastrophic loss;

- serve 4,000 clients with 22 people; 3 are in RM per se and the other 19 are located in off-site Records Centres which house inactive files (Note: not included are centralized standards, management functions).

Automation

— Just beginning to automate its RM functions.

— Have chosen "Versatile" which is a PC-based software package that is popular among American law firms.

— It has recently been purchased by the Metropolitan Toronto Archives.

— In test mode at CIBC's Toronto Record Centre.

— Modular package with automated transfer capabilities.

— Storage rule is that office of origin keeps record. Once file is inactive, all others should delete. Versatile would remind users who originator is.

— The RM personnel will train HO personnel on how to use the Versatile.

— Office Administrators, in particular, will be using the software as the end user will neither open nor maintain the files.

— Library and RM have separate software packages.

— Just starting to employ imaging technology. Keep paper because microfilm is not always readable.

Attitude/Philosophy

— RM organization is very pro-active and business-like
  — have a mission statement
  — extremely sensitive to senior management's view that they are overhead and constantly have an eye to the budget
    - promote 1/3 rule to keep costs down
    - 1/3 needed in user's office
    - 1/3 off-site storage
    - 1/3 garbage
  — proactive in marketing their services
    - the success of the orientation seminars led to older bankers demanding to be upgraded
  — argue against outsourcing
    - would cost more: Commercial RM is very expensive. CIBC goes by rule of thumb that if boxes > 50K, you should do your own RM
    - lose: confidentiality, turn-around time and competitive edge

ANALYSIS

— See themselves as consultants and intend to further this posture. A team of library services, record analyst and micrographics is sent to prospective customers.

— The RM management sees the future as information management
  - trend can be seen at academic level as enrolment is up in library sciences graduate programs and RM courses are being added to the curriculum.

—   Emphasis is on providing Business Information services (12 staff vs 3 pure RM people) in the organization.

—   The organizational layout is an attempt to re-engineer, thrust is to be a Business Information Centre.

INTERVIEW - CENTRAL MORTGAGE & HOUSING CORPORATION (CMHC)

HIGHLIGHTS

—   Records Management (RM) is a centralized function within CMHC headquarters in Ottawa.

—   Very strong corporate commitment to the process of filing and record keeping.

—   CMHC employs 3,200 people across the Country (5 regions with 52 offices).

—   RM consists of 25 employees (classifiers - AS/PM level and assistant classifiers - CR level).

—   All employees in RM rotate every three to five months to gain experience.

—   Very low turn-around in RM.

—   It takes approximately 6 months to train a new classifier.

—   RM is responsible for establishing policies, guidelines and training for the entire corporation.

—   Each employee had an IBM computer (homogeneity) to start with.

—   CMHC developed its own software package to deal with records management and archiving because no software package was found that could meet their needs. The Information Management System (IMS) within CMHC developed the software in close cooperation with RM. IMS developed the present system using programs they had previously purchased (approximately 30). IBM has shown an interest in purchasing the system for marketing purposes.

—   From start (idea) to finish, the process took two years. All employees were trained (3 people and 3 months to complete).

—   CMHC uses an upgraded ARMIS package to control the archiving of all documents.

—   CMHC is not converting their existing paper files to electronic files. They decided that at a certain given time all new files would be kept either electronically or in paper form or both.

—   The CMHC filing system for paper files was very efficient and made the conversion to electronic file very simple.

—   Kept all employees informed at every stage of the process.

— All requests for new filing cabinets controlled by RM (in their recent move they got rid of 250 filing cabinets). RM is also responsible for ordering and distributing file folders to employees (control).

— New files can only be opened by RM (the responsibility lies with one officer for the whole corporation).

— RM does not open any mail - each employee opens his/her mail and has the responsibility to assign a file number and file the document when completed.

— Upon completing a document, each individual has the option to file his/her document in the electronic filing system or to keep it on their own directory. Once filed the document goes through a buffer zone whereby a classifier will review it for accuracy. If it has not been classified properly the classifier will contact the individual and suggest the proper method to use.

— A key word system has been developed for easy retrieval - the first 25 words of any documents are key words. You may also choose up to ten key words to facilitate the search.

— Each individual employee is monitored as far as filing is concerned. If an employee has not used the filing system in a predetermined time frame then an enquiry is made as to the reasons for not filing documents.

FUTURE OUTLOOK

— Within the next six months FAX cards will be installed in all computers to keep track of incoming and outgoing faxes.

— CMHC is investigating different new areas: imaging, scanning, optical reading for use within RM. Imaging is a new technology for which the legality has not yet been proven.

ANALYSIS

At first glance the RM system at CMHC seems to work extremely well. (We were not given a demonstration of the system).

The RM system seems to work because a number of corporate decisions had been made in the past which made the process very simple. When CMHC decided it was time to purchase computers, it was decided that they would only purchase IBMs so that all machines would be compatible. They were not permitted to create their own individual LAN system, unlike ISTC. This meant that any RM system to be developed had to work with IBM machines and once approved it could be used by all employees. There is also a

very strong Corporate commitment to the filing and archiving process of documents within CMHC. The filing of documents is taken very seriously. Each new employee is given a training session on records management and how the system operates. Because it is taken so seriously, it might be the reason for having a lot of controlling mechanisms built into the system which take a lot of time and effort on the part of the RM employees, e.g. each document is reviewed by a classifier for accuracy.

ISTC should look at the CMHC system very carefully and modify it to our own needs. Some of the areas we should focus our attention on are as follows:

— establishing a mandatory training/orientation session for every new employee the week they arrive explaining the process, the structure, etc.;

— getting a strong commitment from the top that RM should be taken seriously and that each employee has the responsibility to ensure that the filing of corporate information is done consistently across the board;

— ensuring that our paper filing system is well understood and meets the needs of the users before implementing an electronic filing system;

— investigating existing software package that could serve the needs of the users (ISTC employees);

— making the process very simple to use to show the users that there is some benefit in using the system;

— working in close cooperation with other branches of the department that have a direct or indirect interest in RM in order to come up with a system that will be used by everyone;

— inform all employees every step of the way so that they know what is going on;

— Records Management should be more visible. Meetings with every directorate should take place to inform all employees of the work done to date and to seek their advice and suggestions for changing or ameliorating the process.

INTERVIEW - ENVIRONMENT CANADA

<u>Present</u>: Denis Bohemier, Manager, Disposition & Cataloguing, EC
Edith Dubois, Manager, Records Improvement, EC
Paul Beaulieu, IMB, ISTC
Al Quaile, ASB, ISTC

RM ORGANIZATION

EC is made up of three quasi-independent areas, i.e., Parks Canada, Conservation and Protection, and Atmospheric Environment Services. Each area has its own Records Manager as well as a Records Manager at the corporate level. Decisions are made via a committee with a representative from each area.

Records Offices are decentralized as close as possible to the client.

They have hundreds of site offices that report to one of four regional offices. Site office records are with the client but subject to monitoring by RM staff.

Regional Offices each have a records office with HQ having functional control.

SUBJECT CLASSIFICATION

They are working on subject standards.

ELECTRONIC RECORDS MANAGEMENT

EC has no electronic records system nor is one planned for the near future.

INCOMING MAIL

Incoming mail is sent directly to the addressee for opening and processing.

AGREEMENTS WITH CLIENTS TO MANAGE RECORDS

They have developed a generic agreement which lists all of the relevant RM services. Agreements are customized by essentially trading resources for services. More services, more resources. This arrangement is of course subject to audit by RM staff.

No agreements are yet in place.

ASSESSMENT

The agreements with clients to manage their records is interesting and would have some potential. It, in fact, is what we are currently doing in an informal way (no signed document). The success relies heavily on auditing on a regular basis to ensure the records are kept up to date.

Disadvantages include: the lack of control over the staff, they may not give records management work top priority if their duties included non RM work. They could be subject to layoff or re-deployment once the agreement expires.

Sending incoming mail directly to the clients would serve to lessen the heavy workload already placed on RM staff. It would obviously place that burden on the client. This may not be the most efficient way to open mail. The work will be spread out over 2,500 employees as opposed to only RM staff. As well, the question of receipt of monies must be dealt with.

MEMBERS OF WORKING GROUP

Paul Beaulieu

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Al Quaile

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Robbie Noël

PERSONNEL

WORKING

GROUP

A. PERFORMANCE APPRAISAL

B. REGIONAL HUMAN RESOURCES SERVICES

RE-ENGINEERING FINAL REPORT

WORKING GROUP: PERSONNEL

PROCESS:

A. PERFORMANCE APPRAISAL

B. REGIONAL HUMAN RESOURCES SERVICES

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A. PERFORMANCE APPRAISAL

RE-ENGINEERING FINAL REPORT

WORKING GROUP: PERSONNEL

PROCESS: PERFORMANCE APPRAISAL

1.   Executive Summary

The Personnel Working Group (Group) proposes to replace the Performance Review and Employee Appraisal system (PREA) of ISTC with the Personal Accomplishment Review (PAR) process in order to render performance feedback more meaningful and rewarding to all employees of the department. **If adopted, PAR is expected to yield important resource savings in the range of six to 10 Person Years.**

The quest for answers to the question, "Does the current PREA system foster meaningful results for ISTC?" revealed that, within the ISTC community, there is widespread dissatisfaction and lack of credibility and confidence in the current appraisal system. The PREA is viewed as a massive, deadline-ridden paper exercise which does not live up to its promise of (1) maximizing an employee's contribution to the goals and objectives of the Department; (2) promoting supervisor/employee communication; (3) facilitating career aspirations of employees. Nevertheless, employees at all levels have confirmed that they still want performance feedback but that a major overhaul of the current appraisal system is badly needed.

The Group consensus to take a fresh look at performance appraisals resulted in a comprehensive study of this function within ISTC and several other government departments (OGDs), many of which have already surpassed ISTC in developing appraisal policies that are more compatible with the new human resources development strategies and cultural changes envisaged in the PS 2000 White Paper.

The **PAR** option offers a **simplified** yet more **flexible** and **effective** approach to performance review and feedback that will: (1) be drawn into the mainstream of **day-to-day** business operations; (2) encourage more meaningful and **ongoing communication** between supervisor and employee; (3) focus on **accomplishments;** (4) **"reward and motivate"** rather than "control and punish."

2.   The Status Quo

Under the current PREA regime (approved by the DMC on September 18, 1990), the prescribed procedures state that the supervisor and the employee will, at the outset, meet to formulate work objectives. They will then have ongoing work performance discussions throughout the appraisal period and this will be concluded by a final meeting to summarize these discussions. The process culminates in the

completion and sign-off of a very lengthy and complex PREA form. While the current policy espouses regular supervisor/employee communication, in practice, and for various reasons, the one-on-one formal meeting that occurs at the end of the appraisal period often constitutes the only occasion for the supervisor and the employee to discuss performance as well as other topics such as training and career development. There are two separate PREA forms, one for the EX category and another for the non-EX categories.

The most prominent feature of the PREA form is the performance rating ranging from UNSATISFACTORY to OUTSTANDING. Actual ratings in fiscal years 1989/90 and 1990/91 indicated that 62.5% of employees were "fully satisfactory", 32% were "superior" and 4% were "satisfactory". A meagre 1.5% of employees were rated either "outstanding" or "unsatisfactory". More precisely, in the opinion of supervisors, 94.5% of all ISTC employees performed to the standards expected of them or more.

The percentage of completed PREAs is reported annually and used to measure departmental compliance with the Treasury Board Secretariat (TBS) PREA policy assessment process requirements. Historically, from the TBS perspective, ISTC has had a good track record in that by the end of August of each year, some 95% of PREAs are completed although the official deadline for completion is May 31.

The completed PREA form is submitted to the Human Resources Branch (HRB) which then extracts the training and development elements for planning purposes. The HRB then deposits the form in the employee's personal file. Apart from being revisited occasionally for exceptional circumstances, the form resides in the personal file for a period of three years and then it is destroyed.

It is estimated that this annual year-end ritual of discussion, paperwork and sign-off consumes some 12 to 15 person-hours per employee. On the basis of 15 person-hours for each of approximately 1,700 PREA forms completed in 1990/91 and 220 person-days per employee annually, this translates into 15.5 PYs for the department overall.

The PREA form is a lengthy, multi-purpose document covering the objectives of the past review period, a summary of performance and objectives for the next review period. The PREA form is also the sole personnel document that captures the following elements:

(a)   **Training and Development**

Because of the forced synchronization of the identification of training needs with the performance appraisal at the end of the fiscal year, the extraction of training information occurs largely in the latter part of the summer since only about 79% of completed appraisals are submitted by the end of June. Actual planning for customized training addressing ISTC needs usually commences in September. While the TB Secretariat lauds the department's PREA completion rate, the Group view is that this delay in identifying

training needs for the current fiscal year presents some detrimental consequences. For example, while actual training activity is least discernible between April and August, it is most intensive between September and March. However, heightened training activity projected to occur in the latter half of the fiscal year is becoming increasingly vulnerable to postponement or cancellation due to recurring fiscal restraints.

(b)   Career Planning

This is also an element of the PREA form. The absence of a departmental framework for career development coupled with the incapability of supervisors to guide and tangibly influence career aspirations have prevented this element from advancing much beyond its mention in the form.

(c)   Performance Pay

The Executive Group and the highest levels of some occupational groups are eligible for salary adjustments based on performance ratings. Performance ratings, however, are decided upon as a result of discussions held each year between the DM and the Executive Committee (ADMs) prior to the formalization of appraisals and their decisions are then incorporated into the PREA form.

3.   Rationale for Selection

The Group decided to re-engineer the ISTC appraisal system in light of:

(1)   ISTC opinion surveys which reveal notable employee dissatisfaction with performance feedback.

(2)   PS 2000 initiatives promoting greater flexibilities, co-operation, communication and feedback in the workplace.

(3)   Revision of Performance Review and Employee Appraisal policies by Treasury Board in 1990, which reduced central control by shedding ineffective prescriptive policies.

(4)   The possibility of realizing important resource savings.

A fundamental rethinking of the purpose of performance appraisals and the means by which they are done in the Public Service is occurring in many central government agencies such as the TB Secretariat as well as OGDs, among them, Statistics Canada, CCAC, Public Works, Supply and Services, Western Diversification.

ISTC employee comments indicate that the department's investment in the PREA system is not yielding acceptable returns. For example, they say that continuing

insistence on performance ratings frustrates rather than encourages meaningful dialogue. Most managers have nothing to gain and a lot to lose by trying to make fine distinctions in performance levels and in any case, the PREA overlooks the human instinct to reject negative feedback and to defend one's pride and self-esteem against criticism.

In the spirit of re-engineering and at a time of intensified demands on the public sector, when government organizations are required to do things better with fewer resources, important resource savings could be accomplished if the cumbersome PREA paper process is replaced by a PAR people process where needs of employees are addressed in a more personal and dynamic fashion.

The Group questioned the effectiveness of an all-purpose PREA form which, while tackling performance feedback, obscures the important elements of training and development and career development that are buried in it. For these, the Group strongly advocates the development of stand-alone mechanisms for identification and delivery in order to lend the prominence to these functions that they deserve.

4.   **Methodology**

The Personnel Working Group commenced work on June 1, 1992. It steered away from the use of outside consultants in the belief that this re-engineering initiative should be developed by the people who have to make it work, who should know what needs fixing. The work of the Group spanned the period June 1 to December 1, 1992 and included:

—   Intensive information-gathering

—   Intra- and inter-departmental consultations with invited specialists (ISTC, TB, CCAC, Ontario Government).

—   A comprehensive study of pertinent literature and documentation from OGDs (Statistics Canada, Transport Canada, WD, EMR) and from private and academic sectors.

—   Group presentations as well as one-on-one consultations as delegated to individual members of the Group.

—   An analysis of the results of employee opinion surveys of ISTC and OGDs.

—   Extensive focus group round-table discussions with some 80 employees of ISTC Headquarters and the Regions, representing most groups and levels including 16 EXs. The Group was able to garner very candid information on employee attitudes and preferences.

Products that have been produced by the Group include the rationale for the PAR Option, a PAR form, and an information package to inform ISTC employees of the PAR process.

A product that the Group has yet to produce, largely due to resource and time constraints, but which could be done at a later date is a draft of a PAR Policy and Guideline document.

5.   **Essential Outputs Required**

If adopted, this option will stimulate a fundamental cultural change that will have an immediate and profound impact on every employee of ISTC and any increment of systemic improvement will be very obvious. The new PAR process demands regular and ongoing communication between supervisor and employee because it is built on the foundation of mutual trust, flexibility and co-operation between all parties. It is expected to foster open and ongoing verbal performance feedback focussing primarily on employee accomplishments and contributions to the fulfillment of individual and departmental goals and objectives. By simplifying and reducing the paperwork, the Group anticipates enhanced productivity with substantial residual resources that could be better spent on direct services to clients.

The Group believes that training and development should be the highlight of an equally important but separate process from the PAR. While identified through the continuous dialogue facilitated by the PAR, this important element will be accorded a life of its own replete with the necessary flexibilities for optimum planning, scheduling and implementation.

The responsibility for career and development will fall primarily on the employee to pilot her/his own career path but with access to facilitating departmental mechanisms such as the DAP and the proposed Career Develoment Centre for assistance, guidance and opportunities.

The new PAR process is expected to be more responsive to the departmental mandate and the employee's objectives which are to be kept as an informal working document. It is the opinion of the Group that the rigid embedment of the objectives within the PREA form is too confining in the context of today's environment of constantly changing priorities and depleting resources.

6. Analysis - Re-engineering Option(s)

In acknowledging that the PREA system is riddled with problems that need to be resolved, the Working Group examined three options:

Option 1	Retain the current system.
Option 2	Eliminate appraisals altogether.
Option 3	Adopt the PAR process, a new and positive approach to performance feedback that better responds to employee needs, promotes higher employee morale and productivity, and eliminates traditional irritants and bureaucracy.

Option 1 was outrightly rejected in light of the severity of the problems that need to be addressed.

Option 2 was also rejected in light of the strong endorsement of performance feedback by a broad representation of departmental employees participating in focus group discussions.

Option 3 was unanimously recommended by the Working Group as the way to go because it promises more for less.

The PAR option introduces some major adjustments to the way ISTC performs appraisals and offers:

— more emphasis on regular, ongoing performance feedback focusing on employee accomplishment, and less emphasis on detailed written documentation;

— a simplified PAR form devoid of performance ratings (Appendix 1);

— a single form for all employees up to and including the Director General levels;

— a discretionary record, of which a written record is optional;

— exclusion of training and development and career planning from the PAR form;

—   a flexible PAR form that is adaptive to individual circumstances. Annexing additional information is an option.

The PAR process

The process starts with the supervisor and the employee meeting to discuss and agree on performance goals and objectives for the coming year. While written objectives are an integral component of the PAR process, they are to be kept as an informal working document between supervisor and employee (could be annexed to the PAR form). Freed from the confines of the PAR form, the objectives can be revised and updated more easily throughout the year, if necessary.

Ongoing performance feedback and open communication between the supervisor and the employee throughout the year culminates in a formal review at the end of the review period that is brief, uncomplicated and surprise-free. The formal review is wrapped up with certification by the supervisor, the employee and the reviewing officer that the PAR has been undertaken. A written record of accomplishments is prepared **only** if requested by the supervisor or the employee.

ANTICIPATED DIRECT SAVINGS	
SYSTEM	PY UTILIZATION
PREA	12 - 16*
PAR	4
TRAINING & DEVELOPMENT	2
NET PY SAVING IF PAR REPLACES PREA	6 - 10

*   Although it is calculated that some 15.5 PYs are utilized by ISTC overall, it is impossible to accurately determine the time spent on performance appraisal functions; however feedback from a broad range of ISTC employees indicates that each employee spends in the range of 12 to 15 hours annually in the year-end exercise.

7.   **Considerations**

The training and development and career planning elements are not integral components of the PAR form, but remain very important topics for discussion throughout the ongoing communication between supervisor and employee.

Due to limited resources and time and lack of pertinent expertise within the Personnel Working Group, separate systems for these newly-independent functions have yet to be developed.

The Group is not recommending how to structure or deliver Training and Development; rather it suggests that the Human Resources Branch of ISTC is in a better position to give more focused attention to this area. The PAR process releases this element so that greater flexibility, more appropriate timing relative to the planning and delivery cycles, and stronger commitment to this prominent element can be exercised.

For career development, in addition to the services that could be provided by the DAP and the proposed Career Development Centre, supervisors could provide mentoring support. In the opinion of the Group however, they are not necessarily skilled or empowered to strongly influence employee career development, nor should they be required to do so.

Last, the process by which performance pay is determined will not be disrupted by the PAR process since all critical assessments by senior management are accomplished in advance and independently of the formal performance review. In fact, the elimination of ratings should alleviate the burden of juggling ratings to reflect the realities of budgetary restrictions.

8. Conclusions/Recommendations

The Group undertook this project with a keen allegiance to the concepts articulated in the PS 2000 White Paper, the key ones being: (1) the incorporation into the business culture of a performance management approach rather than a pure appraisal approach and (2) the promotion of enhanced manager/employee communication and mutual performance feedback.

These concepts in particular are expected to contribute substantially to the improvement of employee performance and productivity. The PAR process requires major policy revisions and cultural changes that we believe will upgrade the quality of life in today's work environment. The performance evaluation is not the end of a bureaucratic process but rather the means to an improved organization, whereby the ultimate purpose of the performance appraisal is not "rehabilitation and repair" but rather "reassurance and recognition."

Aside from a few instances where "mindset" will be difficult to mellow, employee reaction overwhelmingly indicates that PAR will be a "soft sell" - in fact, it is expected to be eagerly embraced by the majority of ISTC employees, including senior management. Additional work needs to be done, but this depends on whether or not Option 3 is adopted. Since the Group recommends that PAR be implemented in the current fiscal year, an imminent decision is critical.

9. Proposed Action Plan

ACTION	TIMING	RESPONSIBILITY CENTRE
Approval of PAR	Mid-January 1993	ADM Committee
Finalization of PAR Policy and Guidelines	Late January 1993	HRB and Working Group
Communiqué to employees and information sessions	February 1993	HRB
Training of Managers	February 1 - March 15/93	HRB
Implementation	April 1993	ALL STAFF
Training and Development	Transition period 93/94.	HRB

REPORT SUBMITTED: December 2, 1992

PERSONAL ACCOMPLISHMENT REVIEW

Period of review								
From	Y	M	D	To	Y	M	D	

PART I - BASIC INFORMATION

Family name	Given name(s)	Group and level

Position Title

Branch	Directorate	Location

Supervisor's name	Supervisor's position title	Period of supervision
		From Y M D To Y M D

PART II - ACCOMPLISHMENT REVIEW CERTIFICATION

Employee

I have received ongoing verbal feedback on my performance ☐ Yes ☐ No

Major work objectives have been agreed upon for the next review period ☐ Yes ☐ No

I have requested that this accomplishment review be provided in writing ☐ Yes ☐ No

Signature	Date
	Y M D

Supervisor

I have provided the employee with ongoing verbal feedback on her/his performance ☐ Yes ☐ No

Major work objectives have been agreed upon for the next review period ☐ Yes ☐ No

I have recorded the accomplishment review on the reverse ☐ Yes ☐ No

Signature	Date
	Y M D

Review Officer

I have provided the opportunity for this employee to discuss any issues arising from the accomplishment review

Signature	Date
	Y M D

PART III - EXCEPTIONS

An accomplishment review will not be completed for the following reasons:

☐ Retiring   Start Date → | Y | M | D | ☐ Other (state reason) _____

☐ On extended leave   Start Date → | Y | M | D |
  (unpaid leave, disability, education, etc.)

Supervisor's signature	Date
	Y M D

PERSONAL ACCOMPLISHMENT REVIEW

Parts IV, V, VI and VII are optional

PART IV - EMPLOYEE'S ACCOMPLISHMENTS (Outline to be developed & completed by the supervisor in consultation with employee)

PART V - SUPERVISOR'S COMMENTS

PART VI - EMPLOYEE'S COMMENTS

PART VII - REVIEW OFFICER'S COMMENTS

PART VIII - SIGNATURES

Employee's signature				Supervisor's signature				Review Officer's signature			
Date	Y	M	D	Date	Y	M	D	Date	Y	M	D

B. REGIONAL HUMAN RESOURCES SERVICES

RE-ENGINEERING FINAL REPORT

WORKING GROUP: PERSONNEL

PROCESS: REGIONAL HUMAN RESOURCES SERVICES

1.   Executive Summary

The Personnel Working Group examined several options to re-engineer the processes of the Regional Human Resources Branch (RHR) of ISTC as a means of reducing resource requirements, yet maintaining or improving the current level of service. While it was recognized that critical mass and co-location of services with clients are the key organizational determinants governing the current RHR branch structure, the Group concluded that, in the medium term, the centralization of selection functions (Option B) could yield a net saving of 2 PYs, but with some impact on the level of service. In this instance, basic human resource services would be retained in the Regions while two predominantly "post office" functions, Training and Development and Appraisals, would be transferred to ISTC Headquarters.

Total centralization (Option C) is not considered viable at this time because it would require immediate and substantial resources to implement. It is, however, an option for consideration in the longer term which could result in a net saving of 6 PYs. While on the face value the benefit is significant, the Group concluded that the consequences would be too detrimental to justify the adoption of this option in the short term. Under this scenario, a severe disruption of services would occur and workloads would multiply rapidly in order to service the adjustment needs of affected Regional employees. Furthermore, in the face of overall mounting pressures to attune ISTC operations and human resources to the reality of continuing budget constraints, the need for on-site human resource services would become even more critical. In light of this, and particularly the fact that unavoidable upfront costs of total centralization would rapidly erode the projected person-year savings, the Group opted for the gradual and more selective centralization of services as detailed in Option B.

Among all possible options carefully examined over several months, Option B is deemed to be the most realistic relative to the Region's ability to absorb the smaller workload increase. Any further reductions would result in a direct reduction of service, particularly since no work per se has been re-engineered or deleted; it has just been re-located. Under both Options B and C, a reduction of resources can only be achieved at a cost of diminished service. Further downstream, however, as Regional Offices contract in size, eventually, the Human Resources organization required to serve them would itself be reduced accordingly, resulting in more identifiable direct savings.

2.   The Status Quo

Currently, the Human Resources Branch delivers regional human resource services
through four (4) Regional Units as follows:

LOCATION	NO. EMPLOY.	ASSIGN. PYs	AREA SERVED	CLIENTS SERVED
Moncton	4	4	ISTC and AEP in 4 Atlantic Provinces	100
Montreal	3	3	ISTC and AEP in Quebec	112
Toronto	4	4	ISTC, FEDNOR and AEP in Ontario	125
Winnipeg	5	4	ISTC and AEP in 4 Western Provinces	192

The services provided include, staffing, pay and benefits, training coordination and
staff relations.

In New Brunswick, Quebec, Ontario and Manitoba, the Personnel Units are
co-located with most of the clients served. In Newfoundland and Nova Scotia,
service is obtained from Moncton. Saskatchewan, Alberta and British Columbia are
served from Manitoba.

3.   Rationale for Selection

The method of providing Regional Human Resource Services was selected for
review as the current organization evolved from the former DRIE organization and it
was felt that there may be more efficient ways of providing these services.

4.   Methodology

Traditional organizational re-design methodology was used in this re-engineering
initiative, i.e., from an assumption that there was no organization in place for the
delivery of Regional Human Resource Services, the Working Group identified all
possible options, both internal and external to the Department, assessed them in
relation to their efficiency and effectiveness, selected those with realistic potential

for success, determined advantages and disadvantages of each and thus, established a basis for deciding on the most efficient and effective option.

5. **Essential Outputs**

The product of this business function is the administration of human resource services in the Regional Offices of the Department in the most efficient and effective manner available.

6. **Analysis of Re-engineering Options**

Background:

The Working Group assumed that there was no attachment to the status quo, that change should not be made for the sake of change, that the highest level of decentralization needed to be reviewed, the highest level of centralization and all options between these two (2) extremes. In addition, a commitment was made to undertake an equally all encompassing review of alternatives external to the Department. Following extensive research, a comprehensive list of options was compiled which was then reduced to a short list for more detailed consideration. These are:

A. Provide full human resource services in each Region.

B. Centralize some services to Headquarters, retain Staffing, Pay and Benefits and Staff Relations in Regions.

C. Centralize all Human Resource Services at Headquarters.

D. Retain the status quo.

E. Obtain services from a Regional Agency or an existing department or Agency.

F. Contract for human resource services in the Regions.

Appendices A through F identifies the advantages and disadvantages identified by the working group for each of these options. Following is a brief summary of this analysis and/or the conclusion reached relative to them:

A) <u>PROVIDE FULL HUMAN RESOURCE SERVICES IN EACH REGION</u>

This option, although it could be viewed as the ideal option, was rejected quickly because of the increased cost and lack of critical mass to support human resource services in each Region.

B) CENTRALIZE SOME SERVICES TO HEADQUARTERS, BUT RETAIN BASIC HUMAN RESOURCE SERVICES IN REGION

With this option, a largely post office function (training and appraisal coordination) is eliminated in the Human Resources Units outside of Headquarters, some additional workload (.25 p-y in each of nine (9) Regions) would result for Regional Administrative Staffs. As a result, Training and Development would be handled on a consistent basis across the Department. A direct reduction of two (2) PYs could be achieved, but workload in the Regions would increase by an estimated .25 p-y per region, thereby obliterating a net reduction in person-years overall. It should be possible, however, for each region to absorb this small workload increase without organizational adjustments.

C) CENTRALIZE ALL HUMAN RESOURCE SERVICES AT HEADQUARTERS

This option would increase costs in the shorter term and, in the longer term, it would not produce a significant degree of net savings, i.e. the transitional cost of work force adjustment for fifteen (15) employees would be significant, i.e., six (6) months surplus, plus re-training and possible relocation. While this option would appear to produce a saving of six (6) PYs (since 9 PYs would be required at Headquarters to perform the work which would be centralized), this would be offset by at least .50 of a PY in increased staffing workload in each Region and an additional pay and benefits workload increase of .25 PY in the four (4) locations where Human Resources Units are currently located for a net reduction of only .50 PY. There would also be increased travel costs which are estimated at the equivalent of one (1) to two (2) PYs on an ongoing basis.

In summary, this option would involve a transitional period of at least one year while 15 employees are being declared surplus, re-deployed and/or re-trained commensurate with the hiring and training of regional staffs to perform the work that would have to be retained in the Regions. In the short term, costs would increase as it would be difficult to avoid some duplication of staff during the transition. In the longer term, any net saving from this option is doubtful.

D) RETAIN THE STATUS QUO

Currently, the critical mass in each location where Human Resources Units are located is, for the most part, sufficient to support assigned resource levels and any net savings as a result of centralization is offset by enhanced services which the Regional Units are able to provide. There is a concern in locations where Human Resources Units do not exist that the service could be performed equally well from Headquarters. While this may well be true, there are some direct (travel costs) savings by locating the Human

Resources Units in closer proximity to the clients and there is room for enhancement of these services.

E) OBTAIN SERVICES FROM A REGIONAL AGENCY OR AN EXISTING DEPARTMENT OR AGENCY

The research of the Working Group revealed that consideration is being given by the Committee for Administrative Renewal to the creation of a Regional Service Agency which could serve the needs of small departments and Agencies outside of Headquarters, but that this option has not progressed to a stage where it is considered viable at this time. Similarly, discussions have been held on the provision of human resource services for departments having small regional staffs by a department having a larger regional presence. Here again, the project has not reached a point where any concrete proposals are available to assess. The concept of such proposals would be to achieve critical mass in each regional location through such consolidation. As is the case with ISTC, however, this critical mass can be achieved through partial or total centralization as well and the department involved would remain in control of its services. Enhanced electronic communications facilitates this. These options could, however, evolve as having some greater interest in the future.

F) CONTRACT FOR HUMAN RESOURCE SERVICES IN THE REGIONS

A legal opinion has been obtained from the Department of Justice through the PSC that the Deputy Minister is not able to delegate human resources authority to any person working under contract to the Department. This precludes the pursuit of such an option at this time.

7. Considerations

In assessing options for regional human resource services, consideration had to be given to co-location with other organizational units having delegated financial signing authorities. Since this is the case in each Region, it has not had an impact on the recommendations. Also, while on-line pay facilitates the delivery of pay services (cheques) in any Region from other regional or central locations and was not a factor, the benefit of personal contact at least cost relative to pay and benefits and other human resource services had to be taken into account.

8. Conclusions/Recommendations

A reduction of two (2) person-years (see Option B) could be achieved in the medium term if a decision is taken to transfer an equivalent amount of work to Regional Offices without providing them with additional resources. There would be

a work force adjustment cost in the shorter term and a reduction in service from the Regional Human Resource Units. Over a significantly longer period of time, a reduction of six (6) person-years (see Option C) could be made but, here again, the reduction would be fully offset by an equivalent workload increase in Regional Offices, service levels would be reduced, additional training costs would be incurred, travel costs would increase significantly and substantial work force adjustment costs would be encountered.

Option B is recommended as it is expected that the re-directed workload is small enough to be absorbed by Regional Offices without resource adjustments, whereas this would not be the case with Option C where short-term costs would be too high and longer-term gains cannot be clearly identified.

9. **Proposed Action Plan**

If the above recommendation is accepted (Option B), the Regional Executive Directors will be informed of the decision, the affected positions will be declared surplus to requirements, the affected employees advised and the transition monitored to ensure implementation at the earliest possible date.

FULL SERVICE IN EACH REGION

ADVANTAGE	DISADVANTAGE
— Service on site	— Too costly (27 PYs VS 15 PYs)
— Employee access	— Inefficient use of resources
— Less travel (time & $)	— Difficulty in obtaining and retaining expertise
	— Critical mass would not exist in each Region

NOTE: Three (3) person-years would be required in each Region to cover all areas of expertise.

**CENTRALIZE SOME SERVICES
(T&D AND APPRAISALS) TO HEADQUARTERS
RETAIN STAFFING,
P&B AND STAFF RELATIONS**

ADVANTAGE	DISADVANTAGE
	— Some adjustment costs (i.e., retraining of Admin. Officers in Regions)
— Consistency in services provided by HR HQ staff and Admin. Officers across the Department	
— Eliminates a largely post office function for training and development in HR Units outside of Ottawa	— Reduces further service enhancements
	— Some work force adjustment costs for two (2) employees
— Retains basic on site services in Regions	

CENTRALIZE EVERYTHING
(WITHIN ISTC)

ADVANTAGE	DISADVANTAGE

ADVANTAGE

— Longer-term saving of six (6) PYs providing an equivalent amount of workload is absorbed by Regional Offices without resource increases.

DISADVANTAGE

* Increased workload and training for admin. staff and managers in every Region

— Reduction in service to employees (i.e., Pay and Benefits, Staffing, particularly in locations where there is co-location now)

— More difficult to keep abreast of provincial laws affecting Pay and Benefits

— Significant transition costs (up to six (6) months surplus and two (2) years retraining and relocation for each of fifteen (15) employees

— Significant increase in travel costs

* This option would require the delegation of staffing authority to Regional Executive Directors, the reallocation of .5 of a person-year to each Region to cover the staffing workload and an additional .25 of a person-year in each of the Regions where Human Resources Units are now located to cover increased pay and benefits work. Regional Administrative staff would also require extensive training. Nine (9) person-years would be required at Headquarters to perform the work which would be centralized.

STATUS QUO

ADVANTAGE

— Services directly available in four (4) Regions and closer in remaining five (5)

— Direct departmental access to Central Agencies in Regions

— Critical mass achieved within Department

— Expertise can be retained in all decentralized functions

— Facilitates further enhancements, i.e., delegation of classification authority

DISADVANTAGE

— Lack of or perceived lack of equal services in all locations

— Costs one and one half (1.5) more person-years than total centralization

REGIONAL AGENCY OR SERVICE FROM ANOTHER DEPARTMENT OR AGENCY

ADVANTAGE	DISADVANTAGE
— Local access to services in all Regions where Agency available	— Lack of departmental control over its activities
— Critical mass available in each Region	— No savings in PYs so long as critical mass supports internal services
	— One additional step between Department and Central Agencies (i.e., PSC, TB and DSS)
	— Service bias by host department
	— Significant transition costs
	— DM can not delegate authority outside own organization except for Pay and Benefits

NOTES: 1.   Critical mass is currently achieved in ISTC through consolidation in four (4) locations. Automation facilitates use of remote inputs, i.e., Pay and Benefits.

2.   Constraint on delegation of staffing or classification authority outside Department would have to be overcome before this option could be accepted for other than pay and benefits.

CONTRACTING OUT
(BY OPTION)

ADVANTAGE   **DISADVANTAGE**

—   Pay only for services required   —   Availability of qualified contractors
                                                                                 in all locations?

—   Access to greater range of   —   Decision-making could not be
        expertise   contracted out per Department of
                                                                            Justice decision

                                                                    —   Lack of impartiality in
                                                                            decision-making

                                                                    —   One—year (1) notice to surplus
                                                                            employees plus up to two (2)
                                                                            years retraining for fifteen (15)
                                                                            employees

                                                                    —   No evidence of cost benefit

NOTE: The legal constraint of the DM not being able to delegate authority to
                        contract persons would have to be overcome before this option could be
                        pursued on a serious basis.

K

MANAGEMENT

REVIEW

WORKING

GROUP

RE-ENGINEERING FINAL REPORT

WORKING GROUP: MANAGEMENT REVIEW

PROCESS: EVALUATIONS AND AUDITS

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RE-ENGINEERING - FINAL REPORT

WORKING GROUP: MANAGEMENT REVIEW

PROCESS: EVALUATIONS AND AUDITS

1. Executive Summary

The Management Review working Group recommends that a new approach to audits and evaluations be taken in order to improve the overall management of the Department.

We feel that these two groups could bring their expertise together and play an important role in changing departmental culture.

The Working Group recommends an important departure from the traditional way these programs are run. Currently, these functions confirm to the Deputy Minister that pre-selected programs and activities of the Department were reviewed to determine if they were managed in compliance with legislation and policies and if they have achieved their objectives.

The new approach recommends that auditors and evaluators take on the responsibility to give the managers of the Department the necessary tools to allow them carry out control self-assessments much along the lines of what the Secretary of State has put into place. This approach would also allow the Deputy Minister to take the pulse of the organisation on an ongoing basis. He would know how the various programs and activities are managed in comparison with their pre-establish benchmarks and that remedial action is taken in order to improve overall performance.

To allow for this significant change to the operations of the Department, it is felt important to combine these two groups under one head. The decision as to who should be responsible rests with the Deputy Minister. This new unit would be asked to establish a medium-term strategy to bring about this new way of doing business.

2. The Status Quo

The current way of doing things has served the Department and the Deputy Minister quite well.

The current approach, that we have defined as the "traditional approach" gives the primary responsibility to review the management of departmental programs and

activities to the auditors/evaluators. These professionals, using a number of approaches and working cooperatively with managers, review and analyze the controls in place and the extent to which programs have met their objectives. The findings of the audits/evaluations and recommendations on the corrective measures needed are passed on to management.

The Working Group had the occasion to review the way these two units operate and, while it did not go to the extent of doing an evaluation or an audit, felt that they appeared to be doing things the right way, at the lowest cost possible and with the minimum number of personnel.

The status quo would be acceptable in that it would continue to give the Deputy Minister, at the lowest cost possible, the independent capability to ensure that management processes and controls are in place.

3.   **Rationale for Selection**

The Working Group was given the responsibility of looking at three processes: Internal Audit, Contribution Audit and Program Evaluation.

After reviewing the activities of each group it was felt that the Management Review Working Group could look at Internal Audit and Program Evaluation but that Contribution Audit, which is part of the program delivery process should be looked at by the working group responsible for the program review.

4.   **Methodology**

The Management Review Working Group has reviewed the operations of Internal Audit and Program Evaluation. As a means of comparison, it was also briefed on the way these activities are carried out in some other departments, including the operations of the Department of Communications, considered by the Auditor General and Treasury Board as a well performing organization and the Secretary of State. It consulted with officials in Treasury Board Secretariat and the Office of the Auditor General to benefit from their experience in dealing with a large number of public operations. It was also felt that it was important to see what lessons could be learned from the private sector. Finally, meetings were organized with the heads of both units. Representatives from both these units were also members of the Working Group.

5.   **Essential Outputs Required**

Internal Audit and Program Evaluation are integral parts of ISTC management. These functions produce feedback on the administration of the many departmental activities and programs and suggest remedial action where needed. They also produce information on the achievement of program objectives and provide

assurance to the Deputy Minister that essential controls are in place and that the Department is in compliance with applicable legislation and regulations.

6.   **Analysis - Re-Engineering Option**

The Management Review Working Group retained only two options:

—   the status quo, and

—   a process approach whereby, over time, managers and their staff would take a greater role in the review of their own operation and the identification of refinement of their business control objectives while assessing the adequacy of plans and controls that are in place to meet those objectives. Managers group would also be expected to recommend corrective actions within their own operation where needed.

These two units, as mentioned earlier, appeared to be performing their responsibilities in a satisfactory manner. The traditional manner in which these tasks are performed seemed, however, to have some weaknesses:

—   The present approach does not allow the Deputy Minister to have a clear picture of where the Department is at all times. A performing organization, like Communications Canada, produces, as a matter of course, an exhaustive report on a yearly basis, as part of an Increased Ministerial Authority and Accountability agreement (IMAA), that outlines to Treasury Board where all the activities and programs are vis-à-vis the objectives they have given themselves.

—   The traditional approach gives the responsibility to the professional auditors and evaluators to evaluate performance, identify problems and recommend corrective measures. Too often, managers see themselves as being subjected to these reviews as opposed to welcoming the opportunity to improve their overall performance. Evaluations for their part, are, for the most part, done to fulfil requests by the Treasury Board and take place at the very end of a process, at which time it is much too late to change the operations or modify the program in a significant manner.

Maintenance of the status quo may allow the Department to meet the minimum requirements of Central Agencies. However, given the limited resources allocated to these functions, it may not provide the Department the management tools it needs to improve significantly the departmental programs and operations.

On the other hand, if the suggestion of the Working Group is accepted and a medium term strategic framework is developed to introduce control self-assessment

wherever possible, it would result in a better managed department. The major difference is that operational managers and their staff would take full responsibility for the review of their objectives and analyze the processes in place to ensure that the objectives are met. Where the control elements are seen as lacking, the operational group will come up with solutions to reduce the perceived risk. The net benefits would not only be a better managed department but enrichment and growth within the organization itself.

7. **Considerations**

The introduction of this improved way of doing business would not result in any immediate savings in dollars and person-years. On the contrary, in the short term, there will be an increase demand on personnel and budgets to allow its full implementation. However, in the longer term, the Department is bound to make substantial gains as the overall performance of the Department is improved.

The experience of the Secretary of State is interesting. We were provided with some figures that seem promising. Their experience was that a traditional audit takes on average 135 days, if done in-house, or cost some $33,000 if done by outside consultants. On the other hand, a control self-assessment, using the services of an outside consultant, cost $10,000 and takes 10 working days on the part of the auditors. As well, the time required from the unit being assessed is much reduced (14 person days versus 41).

It should also be noted that the Working Group recognizes that, in special circumstances, there is no substitute for the traditional type of audits and that these should continue to be carried out (e.g., if fraud is suspected or if an issue needs to be looked at in depth). Given that control self-assessments have up to now been carried out only for audits, the new unit would need to assess if there are also limitations for evaluations.

8. **Conclusions/Recommendations**

The Working Group recommends that:

— ISTC should combine Audit and Evaluation in a single group with the mandate of developing a medium-term strategic framework that would

  - bring their different types of expertise together in developing and implementing the strategic framework, based on "control self-assessment", along the lines put place by the Secretary of State;

  - prepare managers to a new way of doing business

    - with information/training sessions;

- the involvement of the clients of the client of the programs/activities; and

- the inclusion of non-traditional areas for audits and evaluations.

— The early development of measurement frameworks to allow managers to monitor the progress of their program in achieving objectives.

— The full integration of the regional offices in evaluation process.

— The DM should encourage the assignment of senior level "high flyers" to positions in audit and evaluation as is done in the private sector.

  This would be an extension of the long standing practice of secondment/rotation for more junior officers.

— The Audit and Evaluation Committee should review external audits such as those done by the Auditor General and monitor the implementation of corrective actions.

— The recommendations made in the various audits and evaluations should be made more widely available to groups with similar operations.

9. **Proposed Action Plan**

The first step calls for the combining of the audit and evaluation functions under a single group.

This new unit would bring their different expertise and experience to the fore in the development and the implementation of a medium term strategic framework. Control self-assessments, similar to the model put into place by the Secretary of State, would be an important component of this framework for audits. Although this technique is less easily applied to evaluations, nevertheless, it should also identify an equivalent for this process. Measurement systems for programs, including evaluation frameworks, should be put in place at the beginning of the process to ensure a meaningful on-going assessment as opposed to the traditional evaluation report prepared at the end of the process. In order to ensure success, it will be important to identify appropriate functions or programs to test these control self-assessments before this new technique is introduced at large.

The unit would need to develop the right tools to help managers introduce this new approach. These would run the full gamut and range from the traditional seminars, that would explain the objectives being pursued to the drafting of standards and the distribution of the audits and evaluations to all those who could benefit from similar experiences.

Outside consultants play an important role given they complement departmental resources. The practice of hiring appropriate outside consultants with expertise not available in-house should continue. However, in deciding whether or not to buy this expertise, special consideration should be given to the long-term development of the Department's own expertise that could be of long-term benefit to the organisation.

An important part of the program would be the involvement of the private sector clients in the various programs/activities being reviewed as well as with the measurement frameworks. Their involvement is seen as essential if we are to have meaningful reporting and one to be consistent with the principles of TQM.

We also believe that it is essential to include non-traditional issues such as employee satisfaction in the scope of the management review functions. Suggestions for these additional issues should be sought from all managers.

The Audit and Evaluation Committee should also be responsible for reviewing the results of all the audits being carried out in the department whether they were initiated by the Department or not. Examples are the audits being carried out the Auditor General or the Public Service Commission. Responsible managers should report to the Committee on corrective action taken.

The role of the regional offices has to be well integrated in this process. They have the same right as the Headquarters' staff to rely on the professional resources available within this new combined unit.

The experience of the private sector, whereby high flyers are, as part of their development, assigned to occupy functions with responsibilities in evaluation/audit was seen by the Working Group as a worthwhile practice. We feel that senior officers could greatly benefit from this experience as they would have a broader understanding of the Department and the expectations of the central agencies. As well, the long standing practice of secondment/rotation for other levels should be continued so that professional within the unit benefit from an operational perspective on the dynamics involved in program delivery.

In order to bring about the recommended changes the following actions are seen as necessary:

1. The Deputy Minister should appoint someone to head the new unit.

2. The unit head should develop a medium-term strategic framework. This framework should also take into account the above mentioned points.

3. The unit head and a representative from the Audit and Evaluation Committee should undertake discussions with representatives from the Secretary of State to benefit from their experience in the implementation of control self-assessments for audits and develop a similar strategy for the evaluation process.

4. The unit head should identify appropriate functions and programs for the testing of these control self-assessments.

5. The Director of Personnel should devise a plan to put into place the "high flyers" program.

COMMUNICATIONS

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WORKING

GROUP

A. ELECTRONIC MAIL

B. PRODUCTION, DISTRIBUTION AND MAINTENANCE OF MANUALS

C. TRANSLATION

D. EXECUTIVE CORRESPONDENCE

RE-ENGINEERING FINAL REPORT

WORKING GROUP: COMMUNICATIONS

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A. ELECTRONIC MAIL

RE-ENGINEERING FINAL REPORT

WORKING GROUP: COMMUNICATIONS

PROCESS: ELECTRONIC MAIL

1.   Executive Summary

Use of E-mail has grown dramatically over the past five years, as the capability of the departmental computer network has expanded. More than 13,000 electronic messages are now sent over the network every month by 2,700 users of the system in ISTC. Links exist with Investment Canada, and the International Trade Sector of External Affairs and International Trade, and links are being developed with the National Research Council.

Potential for improvement lies in expanding the use of E-mail to include electronic transmittal of administrative forms such as Travel Authorities and Claims, Attendance Reports, Contracts, etc.; improving the interface between applications, using bulletin boards to eliminate irritants such as junk mail; and linking with the portfolio, the federal government, clients and suppliers, and the world.

Access can and should be provided to electronic libraries and other users in Canada and abroad via Internet. As a sponsor of the Canadian Network for the Advancement of Research, Industry and Education (CANARIE) ISTC should exercise leadership in the use of electronic messaging and related functions.

It is important for ISTC to keep up with its clients and make more effective use of electronic messaging. Two studies are under way within IMB to expand E-mail links outside the Department. However, E-mail is not mentioned specifically in the Corporate Information Plan, and there is evidence that its potential is not being accorded adequate attention. A concerted effort to improve and expand E-mail services is needed.

2.   Status

Use of E-mail started in an uncoordinated manner at ISTC five years ago, when incompatible systems were installed on a variety of Local Area Networks (LANs). Eventually, Network Courier (now known as MS Mail), was adopted as the departmental standard, and Information Management Branch (IMB) covered conversion costs. Three years ago E-mail between departmental LANs was made possible through a VAX mini computer gateway operated by IMB. Transmission of messages between LANs was slow and unreliable until an integrated corporate network was established, making possible virtually instantaneous "peer to peer"

communications (i.e., routing of messages directly rather than through a gateway). The first users were connected in December 1991 and by early in December 1992 all but the Québec region were linked. IMB is currently investigating how to link the Québec region with their different E-mail system.

Use of E-mail has increased dramatically over this period. In January, 1990 a total of 3,000 messages were sent to 4,500 recipients. By March, 1992 the number of messages had risen to 13,000 and the number of recipients to 50,000. (It is not possible to monitor the amount of traffic from April 1992 on because most LANs were using "peer to peer" at this time and individual LANs do not monitor traffic the way the VAX gateway does.) All bulletins are now distributed via E-mail. The "attachments" feature is used extensively to transfer files, despite the clumsy interface between the E-mail message and the attached file.

The ISTC E-mail system now has 2,700 users across Canada. Links have been established with Investment Canada and with External Affairs and International Trade (including EAIT posts abroad). A link is being established with the National Research Council. IMB is investigating the potential to link up with a much larger community of E-mail users via X400 communications protocol. A licence for the Department has been purchased and a pilot study will start early in December, 1992.

X400 will give the department E-mail access to millions of users of Internet, an international network linking about 7,000 networks, including CA*net in Canada. (See attached articles on Internet.)

E-mail training is provided unevenly across the department. Levels of training among users ranges from none to a half-day course given by IMB. Training is provided by LAN administrators and by IMB.

Each LAN is supported by a LAN administrator. IMB invests approximately four PYs of effort (contract staff) in providing the following E-mail related services to the Department as a whole:

—   operates the corporate network linking LANs for E-mail and other applications;

—   problem-solving, including provision of an E-mail hot line;

—   provides generic users' guide and training manual, as well as customized training on request;

—   develops and issues guidelines and suggestions for LAN administrators and users;

—   maintains knowledge about technical and other related developments;

- provides technical assessments, decides on system upgrades and administers site licence contracts;

- plans and implements system enhancements.

E-mail accounts for a trivial portion of the total resources invested in informatics within ISTC. Except for an initial outlay of $17,000 for the software and the cost of occasional upgrades, dedicated expenditures are minimal. A portion of the cost of LAN administration and the corporate network can be attributed to E-mail, as is the case with other departmental systems.

Several studies being conducted or recently completed are listed below.

- A technical study on Internet will be completed in early December and will form the basis for recommendations to the Information Management Committee.

- A technical study of bulletin board systems (BBS) has been completed by IMB. The current offerings are considered not to be user friendly, and a decision has been made to re-evaluate bulletin boards when the next versions are released.

- A pilot study on the use electronic signatures is due to begin in Finance, Personnel and Administration in early December 1992.

3. Rationale for Selection

E-mail was chosen because it was perceived as a vital mode of communication whose potential was not being fully exploited. Using electronic signature technology now available paper-based forms processing could be eliminated. For example, forms for Travel Authority and Claim, Contracts, Translation Request, Attendance, Appraisal and so on could be completed, signed, transmitted and filed in electronic form as E-mail attachments. This would save not only paper, but also a great deal of time now spent carrying hard-copy forms between floors for signature and processing. E-mail could and should also be used more extensively for communications outside ISTC. Eventually it should be possible to receive and answer Ministerial Correspondence over E-mail.

4. Methodology

Three members of the Communications Working Group formed an E-mail sub-group which:

- held weekly meetings
- prepared a work plan

— consulted Treasury Board Secretariat about its E-mail survey

— interviewed 12 E-mail users in ISTC

— prepared a preliminary report for review by the Working Group

— presented the findings at a brown bag session on October 30

— IMB was consulted extensively.

5. Essential Outputs Required

The current output of E-mail is basic communications, but its potential is much greater as indicated in Rationale for Selection above.

6. Analysis - Re-engineering Options

The Department has become dependent on E-mail, as anyone whose LAN has been down for a few hours will attest. Internal communications are faster, more extensive and more efficient than they were before electronic messaging was available throughout the Department. The mail system works generally to the satisfaction of users, but a number of minor irritants such as junk mail, the clumsy interface between E-mail and attached files, multiple key-strokes for French characters, etc., continue to frustrate them. Electronic messaging outside the Department is limited but growing.

Option 1: Laissez-faire

Leave IMB to pursue its current plans, which call for maintenance of the existing E-mail system and a modest number of improvements such as bulletin boards and links to more outside users.

Option 2: Enhance and accelerate development

Streamline the existing E-mail system while planning for its enhancement as a component of a comprehensive text management system, in consultation with users:

— Assign IMB the responsibility to act as the corporate champion for E-mail, in collaboration with LAN administrators and a user group representative of the Department and expertise in related text management functions.

— Task IMB, in collaboration with the user group, with developing short- and medium-term plans for the evolution of the system internally and with other organizations; validating these plans with users, and communicating progress and decisions regularly to the whole Department. Issues addressed

in the plan should include bilingual requirements, the interface to electronic text and records management, security and the evolution of E-mail service offerings.

— Task IMB with accelerating the establishment of links to outside users, including Internet access. The X400 pilot should be accelerated to make access to Internet E-mail available to all users as soon as possible.

— Enhance ease of use by providing a French-language character set and a transparent link to attachment files, and by eliminating other irritants identified by the user group. Task IMB with monitoring the availability of bulletin board software and making a bulletin board system available as-soon-as possible to eliminate junk mail.

— Task IMB with providing training sessions on basic and enhanced function at regularly scheduled intervals for new and existing staff.

— Task IMB, in cooperation with Forms Management, with making electronic signatures available department-wide for forms processing via E-mail.

7. Considerations

E-mail is a small part of a text management system. Developments in other parts of the system could have an effect on E-mail. For example, adoption of a Graphical User Interface (GUI) environment (e.g., Windows for Workgroups) would make new and improved E-mail software available and change the mode of operation of all user-oriented applications systems. IMB recently completed a study of GUI and is now planning to inform LAN managers of implications of such a change. The report concludes that Windows would be the best alternative for ISTC at this time. However, given the cost of implementing Windows across the Department, the report recommends that users proceed independently, based on individual need, rather than await corporate switch-over. (The report is entitled, "Migrating Towards a Graphical User Interface Environment In ISTC.")

The Department should maintain the current E-mail system until the a GUI-based operating system is adopted, provided this is within the next two years.

8. Conclusions/Recommendations

Option 2 is recommended because rapid, precise communications will become increasingly important as resources continue to be cut back and the pace of change accelerates. ISTC should show leadership, or at least keep pace with its clients and suppliers who are expanding inter-organization communications.

9. Proposed Action Plan

Assign responsibility for implementing Option 2 to IMB. Provide IMB with the resources required (expected to be at least one PY) to further enhance as well as accelerate current plans for enhancement of E-mail as part of overall text management.

CANARIE

(Canadian Network for the Advancement of
Research, Industry and Education)

CANARIE will be a data telecommunications network which will link
universities, research-performing companies, government labs, an offices, schools, etc.,
across the country. This link is intended to start operating as a speed of 1.5 million bits per
second (compared to existing CA*net at 56,00 bits per second), and migrate upwards to a
system operating at billions of bits per second.

Data transmission speeds of this magnitude allow for the rapid transfer of huge
amounts of data (e.g., the Encyclopedia Britanica in a matter of seconds). This will allow
researchers to interact more effectively; to utilise supercomputers anywhere in the world; to
interact with libraries and databases, in real time, internationally.

Computer networks of this type already exist in most parts of the world.
Although a network does exist in Canada (CA*net), Canada is one of the few research active
countries with a computer network operating in the kilobit per second range rather than
megabits per second. CANARIE will help to provide that capability.

Applying the Internet

Corporate, research, educational, governmental, and other real-world uses

DANIEL P. DERN

Despite ongoing and increasing press coverage of the Internet, remarkably few people outside the Internet community have a sense of what it is used for or whom it serves. The Internet is not an individual organization or network; it is a collective term for the many backbone, regional, and site data networks that it comprises—more than 5000 networks in 33 countries. The name also refers to the more than 500,000 connected computers and the people they serve—roughly 3 million strong.

Organizations join the Internet because it is convenient and because it is less expensive than establishing their own wide-area networks. There are economies of scale in turning to established networks as well as benefits in using existing network expertise.

At the 56-Kbps-to-multimegabit rates typical of Internet links, dial-up connectivity is not an option for most people; its cross-enterprise connectivity means that even private networks would not suffice. Emerging carrier services like ISDN, frame relay, and switched multimegabit data service may offer adequate on-demand service, but the folks on the "other ends" also need some form of connection.

The value of a network lies as much in *whom* it connects as *how* it connects them. The Internet defines a common ground for internetworking communities and establishes a community of people and organizations that want to connect.

The applications, services, archives, conversations, communities, and other resources that make up the Internet easily fill a book (see reference 1). From on-line library catalog access and collaborative intercompany program development to news services, remote control of CD players, and browsing through gigabytes of software archives, the Internet has become home and facilitator to leading-edge research and everyday business operations.

And it's growing. As Steve Cavrak of the University of Vermont (Burlington, VT) commented at a recent conference, "The most important piece of information for potential users to know is that the Internet is *gigantic* and is growing larger." (For more information on the Internet, see the text box "Feeding the Internet," July 1991 BYTE, page 184.)

Replacing the Flying Researchers

One of the driving motivations behind the development of the ARPANET, ancestor of today's Internet, was real-time access to remote resources: supercomputers, radio telescopes, weather analysis programs, and special databases, for example. The need for real-time access to remote resources is now
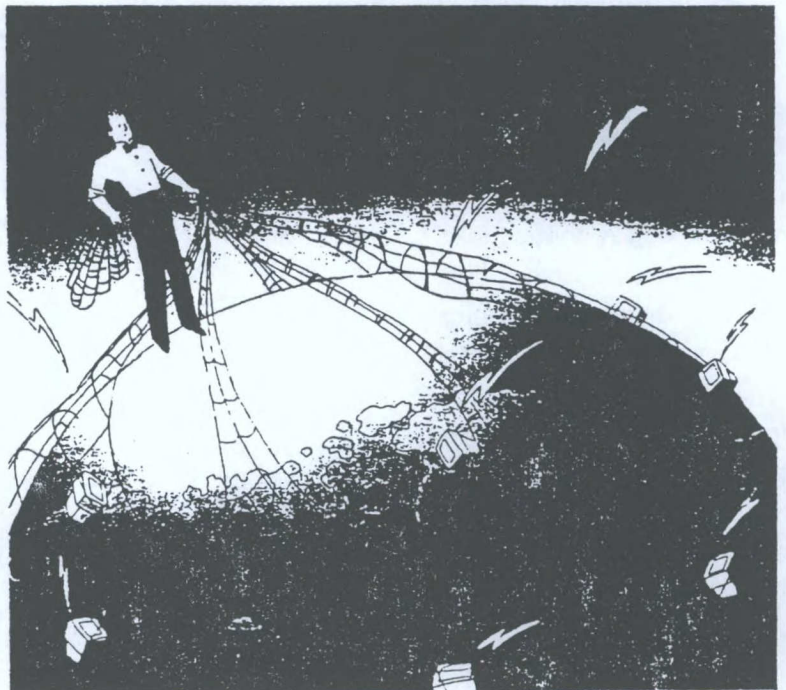
bigger than ever. A 7-billion-electron-volt Advanced Photon Source is being constructed at the Argonne National Laboratory in Argonne. Illinois (near Chicago). The APS is scheduled to start up in 1995 and will rely heavily on the Internet to support its many users.

The APS is a high-energy x-ray source, delivering a beam up to 10,000 times brighter than current devices. Each experiment (i.e., materials to be x-rayed and equipment to collect the data) is set up in the APS's data-collection ports. Initially, the APS will have 30 such ports, with up to 100 planned by the end of 1998.

According to the DS-3 Working Group Report of the Committee on Institutional Cooperation Network (Ann Arbor, MI), the APS's x-ray beam will "permit studies of materials as complex as modern alloys, events as fast as chemical reactions, and biological systems as vital as the beating human heart." (CICNet is the regional academic-consortium network for the seven-state area in the upper Midwest. The DS-3 working group was studying uses for 45-Mbps, or DS-3, network connectivity.)

APS experiments will contribute to industrial research; medicine; nuclear-waste research; biotechnology of drugs, proteins, and viruses; physics; x-ray tomography aspects of chemistry imaging; and materials science. According to the report, "For the first time, it will be possible to visualize the physical behavior of every atom in an enzyme while the enzyme catalyzes a chemical reaction." Also, "Work that previously took two years will now take a week."

In many cases, groups who are industrial competitors will be sharing data acquisition equipment to perform similar experiments, such as industrial macromolecular crystallography. But each group will perform its own tests; they won't share data.

According to the CICNet report, about 3500 scientists and engineers from national laboratories, educational institutes, and industry are interested in using the APS. As of last June, 50 requests had been received for use of the initial 30 ports by teams of 10 to 40 scientists and engineers from associations of up to 10 institutions.

These scientists and engineers don't all have to be physically present at the APS. They only need to send what they want put in the beam and the data acquisition equipment. Given the Internet's connectivity, their data can be "phoned home" to the commissioning groups. The images captured at an APS port, according to the CICNet report, will produce data rates of several gigabits per second. Data for an experiment, before postprocessing, would be about 16 gigabytes per day. The results are that researchers and scientists avoid major amounts of travel time and expense. Argonne avoids having to set up hotels for transient experimenters, and other people's travel schedules don't drive APS experiment schedules.

By the time that the APS goes on-line, the planned upgrade of the

National Science Foundation network (NSFnet) infrastructure to DS-3 and higher rates, as part of the National Research and Education Networking program, is expected to be in place. (For further information on NREN, see "Whither NREN?" and "A National Vision," July 1991 BYTE.)

Coupling Simulation Programs

Many ecologists have turned to computer modeling simulations to aid in their study of the behaviors of ecosystems. By combining models of individual components, researchers can study the behaviors of complex systems with greater accuracy. One way to do this is to combine the actual code of these models. But researchers are often in distant institutions—a less than ideal circumstance for this type of programming effort.

Another way to hook the models together is through network messaging. At the Colorado State University (CSU) Natural Resource Ecology Laboratory (Fort Collins, CO), researchers are exploring how they can use the Internet to couple their simulation programs.

One simulation program, the Steppe model, created by William Lauenroth and Deborah Coffin, simulates the community dynamics of grasslands (i.e., short-grass prairie) growth. Another program, the Century model, written by William Parton, Vernon Cole, David Schimel, and Edward T. Elliott, simulates the dynamics of organic matter and nutrients in soil.

According to Tom Kirchner (Internet address tom@chloris. nrel.colostate.edu), senior research scientist at the CSU lab, "The Century model is fairly complex in how it looks at nutrients but represents the growth of plants in a relatively simple way. The Steppe model, conversely, has a lot of detail about the growth of plants and plant community dynamics but has a relatively simplistic view of soil resources."

The network mechanisms allow the group to couple the two simulations without merging the programs. "We can run the programs on the same workstation, or on different workstations, as long as there's an adequate network connection."

At the University of Virginia's Department of Environmental Science (Charlottesville, VA), Hank Shugart Jr. and others are also working with ecological modeling-simulation programs. Some of their projects include forest development and soil water.

"We're exploring how to connect models by letting them communicate and share relevant information through network messaging, rather than by merging code," notes Tom Smith, assistant professor in Shugart's department. Using the Internet, the Century model running at CSU was coupled with a copy of the Steppe program running at the University of Virginia.

Why are these groups using the Internet? Kirchner points out, "The universities are already connected, and our department machines are already on the net. So it doesn't cost us any additional funds to use it to connect to another university's systems, and getting connectivity was easy. Also, connecting to an application across the Internet uses the same programming that connects the models within the university network or even on the same machine. Only the target-system name changes, and that can be given as a command-line argument.

"This type of connection is something you wouldn't want to do via modems. These are loosely coupled models, so the amount of data exchange is low, relative to the amount of computation. It's one of the many kinds of applications that Internet connectivity is the ideal answer for. Even if we have dozens of interacting models across the country, each party only needs to be sure it's connected to the Internet."

Having demonstrated the success of Internet-coupled ecology models, Kirchner expects that CSU's group and others will network more models. He notes, "This approach means we can

BYTE ACTION SUMMARY

The value of a network lies as much in who it connects as how. From on-line library catalog access and collaborative inter-company program development to news services, remote control of CD readers, and trolling through gigabytes of software archives, the Internet has become home and facilitator to leading-edge research and everyday business operations. And it's growing.

collaborate across distances yet do our individual programming independently. The Internet is continually connecting us to more people we want to collaborate with. It's an essential part of our research facilities, and there is no real alternative resource."

Need an Archive? Ask Archie

For many people, particularly programmers and engineers, the Internet means "info-booty": shareware and freeware source code, documents, graphics, and data sets available by file transfer downloads and from E-mail servers. Sites like UUNET and The World each have several gigabytes' worth of publicly available archives. These are but two of the hundreds of sites with archives accessible via these methods. Even admitting a fair amount of redundancy among archives, it still adds up to about 100 gigabytes, and new sites and offerings are coming on-line every day.

With so many different archives, it can be hard to figure out where (and at what network address) to access the items you want. If you don't know what you want beyond compilers or CP/M applications, it's even more overwhelming.

The "archie group" at McGill University (Montreal, Quebec, Canada) has one solution to the problem: archie (*archive* without the *v*), the Internet Archive Server Listing Service (for access, see reference 2). Archie is a central database of information about Internet-accessible archive sites, plus server programs that provide access by telnet, anonymous file transfer protocol (FTP), E-mail, and the Prospero distributed computer system.

The archie database maintains a list of hundreds of Internet-reachable sites that contain archives of software, documents, and data sets. These archives can be searched based on criteria such as string matching, site lists, site contents, and software descriptions. In addition to Unix programs, software archives include VMS, DOS, Amiga, Macintosh, and other programs.

The associated archie programs and interfaces allow you to "telnet" and perform direct database queries and searches, download lists by FTP, and send messages to an E-mail server that automatically returns site listings or the results of searches. These results can be compressed using the Unix compress utility.

The main players in the archie group have been Peter Deutsch (peterd@cc.mcgill.ca) and Alan Emtage (bajan@cs.mcgill.ca), manager and senior analyst, respectively, in the Computing Centre's Unix support group, and Bill Heelan (wheelan@cs.mcgill.ca), a systems programmer in McGill's School of Computer Science. But, like many projects in the Internet community, Emtage notes that "code, information, and advice have been provided by numerous other people at McGill and around the world."

How many archive files are available on the Internet? Emtage estimates that archie servers as of fall 1991 provide pointers to around 1 million files at 900 sites, adding up to over 70 gigabytes of information. And five to 10 new sites are added to the database each week. "This is not an estimate of the number of files on the entire Internet but just what we keep track of in our database," he points out. As of November 1991, archie tracks only Unix archive sites. However, the archie group plans to also cover non-Unix sites, beginning with DEC VAX/VMS sites.

Through archie's interactive and E-mail interfaces, its sites serve people on five continents. Numerous archie servers are running all around the world. (Rudimentary synchronization is under way with Australia, Finland, and the U.S.)

Satellite archies index only the archives in their own countries. This minimizes Internet traffic for redundant retrievals over often-congested transoceanic links. Global archies track all known archives worldwide (currently, Unix only). According to Emtage, "We soon expect new archie servers in the U.S., and source code has been distributed to sites in Japan, Brazil, Germany, England, and Sweden, who may set up their own servers."

As archie's locating service becomes more well known, the request-line volume has grown dramatically. In November 1990, the archie server at McGill received about 30 log-ins per day. As of September 1991, combined archie requests to the McGill server for files and for compressed listings of file sites averaged well over 2600 per day (an estimated 4000 worldwide). These requests come from all known countries on the Internet. Emtage reports, including the U.S.S.R., Poland, Taiwan, Singapore, Iceland, and South Africa.

Browsing Through Distant Libraries

The software and technical files found in archives appeals mostly to the engineering and programming communities. However, there's another class of information, usually in database form, that has an even wider appeal: library catalogs.

The marriage of libraries with computer networks is another fast-growing area of Internet application. Many individual cata-

There's another class of information, usually in database form, that has an even wider appeal: library catalogs.

logs are already on-line. Many libraries are networked, and many colleges, universities, and other schools and institutions are on the Internet. It's a logical next step to make their on-line catalogs reachable via the Internet and, in the long term, to deliver access to other on-line information, from CD-ROMs to digitized images.

Can't find a book in your local library? Log on, telnet over, and search through the catalogs of a few other libraries. Once you've located the book you want, your local library can probably request it through Interlibrary Loan.

The number of library catalogs accessible through the Internet is growing as quickly as the Internet itself. Marian Bremer, manager of corporate libraries for Bolt, Beranek, and Newman (Cambridge, MA), reported in July that "over 270 on-line library catalogs, 120 of them international, including libraries in Germany, Mexico, New Zealand, Australia, Israel, Switzerland, Sweden, and the U.K., are listed in HYTELNET." HYTELNET is an MS-DOS-based hypertext database of Internet resources (for access, see reference 3).

Representative library resources on the Internet include the following:

• The Research Libraries Information Network (RLIN), an on-line bibliographic database of over 40 million records, representing catalogs for over 100 special collections, archives, and research libraries. It includes not only books but also government records, maps, music scores, sound recordings, films, and photographs (for access, see reference 4).
• Over 200,000 titles emphasizing business, electrical engineer-

ing, and psychology at the University of Colorado at Colorado Springs (arlo.colorado.edu; log in as ARLO).
• Partial access to the cataloging records for the Library of Congress (telnet to dra.com).
• On-line catalogs at Boston University (library.bu.edu), URSUS at the University of Maine, Cleveland Public Library, Harvard University (hollis.harvard.edu), and many more.

The K–12 Community

Kindergarten-through-twelfth-grade groups have sprung up within Usenet (alt.k12), along with E-mail gateways between the Internet and the Free Educational Mail network of more than 150 BBSes, which serve these students and educators around the world. But Internet connectivity means more than E-mail and BBS communications. Its hallmark is real-time applications.

For the past eight years, the Interactive Communications and Simulations Project at the University of Michigan School of Education (Ann Arbor, MI) has been giving students empirical learning experiences. The students participate in interactive role-playing simulations and other activities through programs and scenarios run in ICS's Confer computer-based conferencing facilities.

The ICS effort grew out of simulations of the Arab-Israeli conflict created in the 1970s by Edgar Taylor, then a political science graduate student. In the late 1970s, says Taylor, "we ran role-playing simulations, using the computer as a means of communication but with all the students physically gathered together. By the 1980s, it became clear we could disperse the students; we saw how we could use computer-conferencing systems to facilitate this."

Over time, the ICS "curriculum" has expanded. ICS provides materials defining the roles, scenario, rules, and other essential information. "Our simulations all involve students playing 'real roles,' rather than making up their own characters," Taylor notes. In addition to the original Arab-Israeli scenario, which has 55 roles (character slots) available, there are two other role-playing simulations intended to teach political and social science:

• Writing a new U.S. Constitution, with 70 characters drawn from the past 200 years of American history. Characters include Thomas Jefferson, Jane Addams, Barry Goldwater, Clare Booth Luce, and Martin Luther King Jr.
• Environmental Decisions, which involves planning a major dam project in Africa including evaluations of its environmental impact. This simulation has 40 characters including Rachel Carson, James Watt, Henry David Thoreau, Petra Kelly, and Gamal Abdul Nasser.

There are also two other current ICS projects:

• The International Poetry Guild, enabling students to write poetry and put journals together within the conferencing system and, ultimately, publish a collection of their work electronically.
• The Earth Odyssey, where students interact with travelers who respond to queries regarding social, environmental, and other information. In semesters when no expeditions are scheduled, previous "canned" trips are rerun. (E-mail links to live expeditions via packet radio have also been contemplated.)

What began as a project within Michigan now has participants from around the world: 29 states, three Canadian provinces, and 20 countries overseas, so far. Taylor estimates that over 10,000 students from nearly 400 schools have been ICS "players."

"The Confer II conferencing system on the University of Michigan's mainframe acts as host, providing store-and-forwarding

ation of the activities," explains Clancy Wolf (clancy _j_wolf@um.cc.umich.edu), associate director at ICS. "Students must have an interactive connection to our system. Confer permits public group discussions as well as messaging and also contains previous messages, information bases created by the ICS staff, and other material."

Many schools are connecting to the ICS projects using dial-up services, SprintNet, and other commercial mechanisms. However, observes Wolf, "More school districts and states are getting connected to the Internet, and that's how they're connecting to our system and Confer." (For access, see reference 5.)

Getting Back to Business

Internet usage was once restricted to research, education, and government-agency activity only—no for-profit or commercial traffic needed apply. But as Public Data Internets offer commercial, unrestricted connectivity, their users are not bound by these limits for traffic only within and among the appropriate

Internet technology seems to have finally made the transition from obscurity to popularity.

portions of the Internet. (For example, no commercial traffic is allowed over the NSFnet backbone. The Commercial Internet Exchange established by the PDIs enables PDIs to exchange traffic without sending it over the NSFnet.) Hundreds of companies are, in fact, turning to commercial PDIs like Advanced Network and Services (Elmsford, NY), Performance Systems International (Reston, VA), and UUNET Communications Services (Falls Church, VA) to be part of the Internet.

Software Tool & Die (ST&D), a Brookline, Massachusetts-based Unix consulting firm, links to the Internet through UUNET's AlterNet and also through NEARnet (the New England Academic Research Network) and uses the company's Internet connectivity for many software development and related activities. "We've done consulting contracts, including porting a major software product, where we never met in person with the customers," observes Barry Shein, president of ST&D. "All the work was done via Internet connections, telnetting from our Unix system to our customers' systems, conversing by E-mail, transferring files, and so forth."

ST&D also runs The World (for access, see reference 6), the East Coast's answer to Portal and The Well, and one of the first of a new breed of public-access BBSes: a public-access Internet site. With a cluster of Sun Microsystems' workstations and servers running SunOS Unix, The World is one of hundreds of public-access Unix systems scattered around the world. On public-access Unix systems, anyone with a personal computer and a modem can get an account by simply paying the fee. ST&D's The World is one of the larger public-access Internet hosts, with more than 500 accounts.

What distinguishes The World (and several other public-access Unix systems) is that they are Internet sites, providing not only Usenet, E-mail, and archive services, but also a suite of

real-time applications like file transfer, remote log-in, and conferencing.

The Internet Relay Chat (IRC), for example, is a real-time "chat" system that replicates everyone's input to the others whose computers are "tuned" to the same topical "channel." During the Persian Gulf war, I "listened" briefly as dozens of people from all over the world—from Germany to Finland, Israel, and Australia—made comments and discussed events. There were occasional pauses as certain people had to don gas masks. More recently, as Hurricane Bob swept the East Coast and my apartment was without power, I logged into The World with my battery-powered portable and chatted briefly on the "hurricane" channel.

"The World itself is an Internet application," suggests Shein. "People telnet and log into us all the time to access our archives and use services like the IRC. Professional groups such as law firms are considering systems like ours as access methods to legal libraries and databases."

Outsourcing wide-area interoffice connectivity to the PDIs saves money and bandwidth for many. But the added value of the Internet is the community that you can plug into.

Only the Beginning

Developers within the Internet community have put together products and toolkits for Internet and internetworking applications. Many are available from Internet public-domain software archives; others are available from commercial vendors.

But this is only the beginning. Internet technology seems to have finally made the transition from obscurity to popularity: More services, applications, and users motivates building more networks, bandwidth, and connectivity; greater availability of networks, bandwidth, and connectivity encourages more opportunities for new services, applications, and users.

What began as a serendipitous experiment in a strange form of multiplexing is evolving into the computer-based telephone/post office/CB radio/water cooler of tomorrow. The next time you hear about the Internet, remember that you, too, could be using it—in your work, education, or community, or to explore your personal interests. ∎

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REFERENCES
1. For the Internet Resource Guide and a list of Internet service providers: NSF Network Service Center (NNSC), BBN Systems & Technologies (Cambridge, MA) or nnsc@nnsc.nsf.net.
2. For archie: Telnet to nearest archie server; for example, archie.mcgill.ca (132.206.2.3) for McGill University; archie.funet.fi for Finland; or archie.au for Australia (log in as "archie," no password). For a list of valid commands: "help."
3. For HYTELNET: WUARCHIVE.WUSTL.EDU, WSMR-SIM-TEL20.ARMY.MIL, or VAXB.ACS.UNT.EDU (via anonymous FTP).
4. For RLIN: (800) 537-7546 or bl.ric@rlg.stanford.edu (a pay-for-use service).
5. For ICS: (313) 763-6716 or ics@um.cc.umich.edu.
6. For The World: Software Tool & Die (Brookline, MA), (617) 739-0202 or info@world.std.com.

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Plugging Into the Internet

The range of options for Internet access is almost as broad as the range of Internet resources

DANIEL P. DERN

Sometimes you strike a nerve. Soon after my article "Applying the Internet" appeared (see February BYTE), I received numerous questions from BYTE readers about the Internet. The majority of these questions were identical: "How do I get access to the Internet?"

The good news is that almost anyone with a PC and modem can get Internet access in one form or another, often for as little as $10 to $20 per month. In fact, depending on the services you want, your current BBS and E-mail accounts may offer sufficient connectivity. At the high end, organizations such as Fortune 1000 corporations, schools, libraries, and other institutions are plugging into the Internet at speeds of from 56 Kbps to 1.554 Mbps (T1) and higher, at a cost of from several hundred to several thousand dollars per month.

Getting access to the Internet involves deciding what you want to do and how much you're willing to spend, selecting the appropriate service provider, and getting the appropriate hardware and software. Making these decisions and getting access may be as simple as making two phone calls, or it may involve several hours or days of research. The best choice will differ from person to person and from place to place. (For information on accessing the Internet in Europe, see the text box "Locating Internet Access in Europe" on page 151.)

The Internet is arguably the world's largest computer network, connecting thousands of sites and millions of users all around the world. Plugging into the Internet gives you real-time access to a myriad of on-line databases, library catalogs and collections, and software and document archives, as well as store-and-forward services such as Usenet News and E-mail for thousands of SIG (special-interest group) topics.

Types of Connections
Your connection to the Internet has several dimensions. The first is whether it will be a terminal-style connection to an account on a host computer on the Internet or an IP network connection between your computer and the Internet. In the latter case, your own computer is "on the Internet," which means you can have multiple sessions and transfer files directly to and from your hard disk.

A terminal connection means you are using a terminal emulation package (or a real terminal) to connect to an account on a computer that is on the Internet. You open Internet connections between the host computer and remote systems. (Further steps are required to perform specific functions, such as downloading files from the host computer to your PC.) A terminal connection can support only one session at a time—namely, the terminal emulation session.
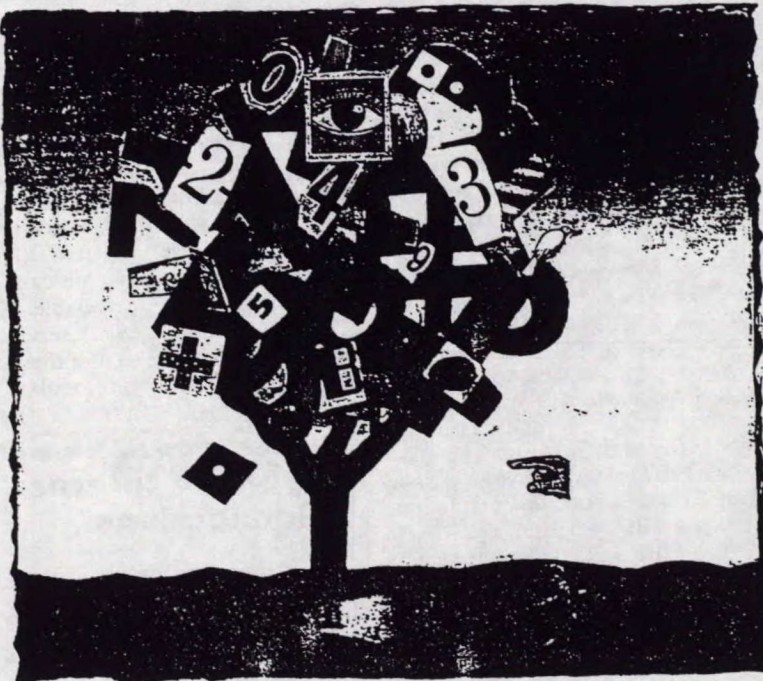
By contrast, a network connection is capable of supporting several sessions of remote log-ins, file transfers, and other activities concurrently.

Another dimension to your Internet connection is whether you need a permanent or an on-demand connection. Many systems and LANs are connected to the Internet full-time. Others establish connections to the Internet only when needed; for example, some public-access Internet hosts will dial up a network connection only when a user request requires it.

A final factor you have to determine is whether you need access to real-time applications. Being part of the Internet means you can run real-time applications, such as file transfer and remote log-in. Many computers, networks, and services provide gateways to the Internet by supporting E-mail exchange, Usenet (the global multitopic BBS structure of newsgroups that intertwines strongly with the Internet proper), and news, without supporting the real-time Internet applications. This may be just the level of Internet access you need.

Terminal Access

Getting on the Internet through a terminal connection has become quick, easy, and affordable, thanks to the advent of public-access Internet hosts—multiuser Unix systems connected to the Internet. If you already have a modem and a communications program, you're 95 percent of the way there.

Like CompuServe, Prodigy, and thousands of BBSes across the world, public-access Internet hosts offer accounts to anyone (see the text box "Internet Access Information" on page 156). You access the Internet hosts with the same computer, modem, and communications software that you use to dial up BBSes, CompuServe, and so on. Public-access Internet hosts, such as NetCom (San Francisco) and The World (Brookline, MA), provide you with dial-up access to their systems. You can use the full range of Internet services and resources (subject to access and usage restrictions, and you may need specific accounts for certain services). The biggest difference between a terminal connection and an IP-based one is that when accessing the Internet through a terminal, you are limited to one session at a time.

From your account on a public-access Internet host, you can make use of those Internet facilities that require real-time IP connectivity, such as FTP (file transfer protocol); remote log-in (Telnet), IRC (Internet Relay Chat), WAIS (Wide-Area Information Server), access to text data sets, library catalog access, and multiuser interactive games, such as MUD (Multiuser Dungeon). You will probably require at least a little knowledge of Unix; however, a number of these systems provide on-line help tutorials—you simply type help at the system prompt.

An account on a public-access Internet host costs anywhere from $1 to $4 per hour. Some systems have a minimum monthly charge: for example, The World charges $20 for the first 20 hours and then $1 for each hour after that. There may be additional charges for storing over a certain quota of files and other miscellaneous fees, but it's still a bargain. You'll also have to pay extra if dialing up the system is a toll call. Many systems have arrangements to provide slightly cheaper long-distance dial-up services.

Most of the Internet public-access Unix hosts have state-of-the-art high-speed modems and protocol suites. A 9600-bps modem is standard; you can also expect 14,400 bps with V.32bis and up to 19,200 bps with compression. (The Internet host will also provide for slower speeds—2400, 1200, or even 300 bps—if you have older equipment or noisy telephone lines.)

Network Connections

By running TCP/IP directly on your computer or LAN and establishing a network-layer connection with the Internet, your computer can interact directly as a peer with other computers and services on the Internet. TCP/IP software is included in nearly every version of Unix and every Unix-type system (e.g., SunOS, Apple A/UX, Next, IBM AIX, and DEC Ultrix).

TCP/IP software is also available in commercial or free public domain versions for nearly every popular type of computer environment. For example, DEC, IBM, Novell, and other vendors offer TCP/IP along with their proprietary network protocols for most of their computing environments. More important, TCP/IP is available for most desktop computing systems, including MS-DOS, Windows, Mac OS, and Amiga. That's right: Even your Mac PowerBook or portable Windows notebook can connect as a peer computer on the Internet.

By running TCP/IP, you can execute Telnet, FTP, IRC, and other IP applications directly from your own computer, rather than having to dial up as a terminal. Because your connection is a full IP network connection, you can have multiple sessions concurrently (e.g., two Telnet, two FTP, and one IRC, each in its own window—assuming, of course, your CPU can handle this load).

Many of the Internet service providers offer dial-up IP connections from which you can log on and transfer files across the Internet at will. Organizations offering dial-up IP connections are called public *dial-up providers*.

If you are using an IP dial-up connection, rather than directly plugging into a LAN, your computer must also support (in addition to TCP/IP) an underlying protocol for communicating over a serial line (i.e., a telephone line). Most products you buy will include either PPP (Point-to-Point Protocol) code or its predecessor, SLIP (Serial-Line IP).

If you decide to dial in as a protocol-speaking host, you will need a location where you can receive and store your incoming mail (i.e., a network address on a system that will hold messages in its queue for you). When you dial in, you use one of the TCP/IP Post Office Protocols to connect to the mail server so that you can retrieve your messages in batch format. Once you download the messages, you can read them off-line on your system. Many commercial and public domain mail readers, which can upload outgoing E-mail you've created, are also available. Most of the service providers that offer dial-up network service also offer mail queuing; if not, you'll need to find a site that will act as your mail drop. Similar arrangements, protocols, and programs are available for browsing, downloading, and posting to Usenet.

If your organization wants full-time, full-capability Internet connectivity—meaning using leased-lines to connect its LANs or backbone to the Internet—you should first check with an Internet service provider in your area. There are dozens of regional, national, and international Internet service providers.

Choosing Your Connection Mode and Provider

A number of factors need to be considered to determine the most appropriate mode

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Types of Internet Connections

- Dial-up terminal-style connections to Internet hosts.

- TCP/IP network connections between your computer and the Internet.

Locating Internet Access in Europe

MERIK VOSWINKEL

The main network in Europe that delivers full Internet to its 1500 sites is EUnet, sometimes referred to as interEUnet. Of these 1500 sites, only a few offer public access, some on a commercial basis and some as an informal service to a few people outside their organization. Some sites specialize in providing the Internet to a company LAN. These solutions are costly and often require the purchase of an expensive router and an ISDN or leased line. These connections can cost up to $10,000 or more per year. Most public access, however, is geared to a dial-up access, an X25, or ISDN connections.

To establish an Internet connection, you first have to locate a site near you, preferably in your local calling area to keep the telephone cost minimal. Often a visit to the computer store of a local university or a call to a member of the computer science faculty will tell you who is offering Internet access in your area. Many times the university will itself be a supplier and offer reasonable fees. However, universities sometimes refuse business clients and refer them to public-access sites.

Visiting a university is often a great way to get started; you get to look over the shoulders of people while they're using the Internet. Most are evangelists to the Internet cause and will gladly offer help and advice. It is also a good place to get configuration (public domain) software and learn lots of tricks from experienced users who are sitting at the same computer that you plan to use to access the network. Internet access can take weeks to master. Dialing up a Unix computer and customizing the log-in to make it work with your terminal software and modem at home can be a daunting task for most users. In Europe, most public Internet sites don't yet have customer support to lead you through the process.

A quick way to locate an Internet site that will provide you with a connection is through the Internet itself. If you know someone with E-mail access to Internet users, you can search for a site that has

the best options. Most non-Internet E-mail services can also send mail to the Internet, sometimes after adjusting the E-mail address slightly. Shopping around with E-mail can also be useful for changing your site if you want to take advantage of better types of connections. KnoWare has gathered a list of the main European sites that offer Internet access on a commercial basis. To get this list, you can send an E-mail request to creon@accucx.cc.ruu.nl.

You can get access information from the main Internet site in any European country. You simply send a message with your request for a local Internet access. The main Internet site can answer your request, or it can pass the request on to a provider. The E-mail address you use in Europe is postmaster@[countryname].eu.net. You have to fill in the country name with the English-language name of your country. All the European Community countries are represented (i.e., Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, and the U.K.), as well as others (e.g., Austria, Finland, Iceland, Norway, Sweden, Switzerland, and Yugoslavia). You should use this address only if needed, so as not to overload the European postmasters.

Another way to locate a local supplier is on the Usenet News, the conferencing area of the Internet. Main non-Internet BBSes carry these newsgroups. You should read the groups alt.internet.access.wanted, news.newusers.questions, or the older alt.bbs.internet. You can post requests here for the name of a local supplier. Commercial sites scan these groups, and they sometimes contact you if you state your mail or E-mail address.

If all else fails, you can order a list of 1500 sites from the EUUG Secretariat, Ownes Hall, Buntingford, Hertfordshire SG9 9PL, U.K., 44-763-73039, E-mail euug@nic.eu.net. The problem with this list, however, is that it does not mention if a site offers public access.

Public sites often have a better ser-

vice for novices, while universities lean more toward computer-literate users. Public sites offer more options geared to dial-up access, while universities consider their campus networks their main target.

The Internet offers many services, but its main use is for E-mail, news, and FTP (file transfer protocol), as well as to request remote log-in (Telnet). The type of access that your site offers can limit you in these options. Some services give you a terminal connection to a Unix host. Your terminal connection can be via shell access, (anonymous) UUCP feed, or BBS software. This connection offers you E-mail, news, and sometimes FTP and Telnet.

Direct connections make you a node on a service provider's LAN, so you can run all your software on your own computer. You can connect directly with SLIP (serial-line IP) or PPP (point-to-point protocol) over a modem to the Internet WAN (wide-area network) or make a direct Ethernet connection to the Unix hosts. A recent development for Macintosh computers is the capability to connect with ARA (AppleTalk Remote Access) and MacTCP to the Internet. You need public domain programs such as Eudora for E-mail, The-News or News-watcher for news, and Fetch or Xferit for FTP. You can use Telnet to log into computers over the network. Several sites are offering similar solutions for MS-DOS, Amiga, Atari, and Unix workstations. These solutions are recent developments, designed by the Internet community for use over Ethernet networks. Public-access providers extend this network to your home with SLIP, PPP, or ARA. It makes the Unix-oriented Internet much easier to use, even by novices.

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and provider for your connection to the Internet: Do you require remote log-in and file transfer? Or do you need services and applications that require real-time IP connection, such as WAIS and HYTELNET? Perhaps you require just an Internet E-mail link or Usenet News. The level of service that you need goes a long way toward determining the type of service you require.

Other considerations include the type of computer you'll be using and the types of connections your computer supports. It is much easier to get a Unix machine outfitted with a TCP/IP stack than it is to do the same with a DOS machine or an Amiga. Where you live is as important as the type of machine you'll use. If you're out in the country, telecommunications costs can make real-time IP access prohibitively expensive.

A direct IP connection is the most powerful and flexible solution, but it is also the most expensive to set up and maintain; thus, it is better for organizations than for individuals. A dial-up IP connection is best for an individual who needs the flexibility of multiple sessions. For people not at an Internet site, terminal access is often the most cost-effective solution to the Internet-access dilemma.

Indirect Connections

In addition to the direct connections listed above, there are several indirect ways for you to connect to the Internet or access its resources and community. First, you can get a dial-up terminal-type account to a Unix/Usenet BBS that is not directly on the network. Hundreds of dial-up Unix-based BBSes are all over the world and can be more accessible (and affordable) than the Internet hosts or service providers. If you primarily want E-mail, Usenet News, and archives but don't need real-time IP connection, BBSes may be good enough. In addition to providing an E-mail connection to the Internet, many BBSes include full Usenet News feeds and gigabytes of popular software archives (which are beginning to be distributed via CD-ROM). A number of other files can be retrieved via E-mail-based file transfer.

Other indirect ways for you to access the Internet are having an account with an Internet E-mail provider (i.e., an E-mail service directly on the Internet). Many of these providers offer 800-number access or an account with a commercial E-mail/BBS provider that has an E-mail gateway to the Internet, such as ATT Mail, CompuServe, and MCI Mail. Finally, you can download software from UUNET at (900) 468-7727 for 50 cents per minute (you just log in as UUCP, and you don't need a password; UUNET modem speeds are up to 19,200 bps with PEP protocol).

A Few Words About "Netiquette"

It is important to be aware that when you access the Internet, you are connecting into a large global community and to a vast network of resources. As a reminder to Internet users, Charlotte Moore of BBN Communications says, "The Internet allows you to contact thousands of systems and hundreds of thousands of users in a single act, deliberately or unintentionally, so it's important to be aware of who's paying for your use of Internet resources, and how much it costs."

More specifically, here are a few canonical tips to prevent your Internet usage from becoming disruptive. First, you should be careful how you use FTP and Telnet: You should try to use them during off-peak hours and not tie them up for too long. Second, you should use discretion: Don't send E-mail messages to a newsgroup or post anything you wouldn't be willing to see on the front page of tomorrow's newspaper. Finally, you should be sure to

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keep your password secret and report any possible security violations to your system administrator or other appropriate site personnel.

Getting More Internet Info

Even if you are an experienced Unix hand, you may be bewildered by the vast array of resources available through the Internet. One of the best places to get information is on the Internet. There are lots of "how-to" write-ups available on-line in ASCII and PostScript versions. Many sites and network service providers have their own user guide, and several general guides are available as well. Explore your system for on-line help files and programs, and ask your site contact personnel about training seminars.

Several resource books are available: Some are very basic, and some are focused on specific areas such as library catalogs, databases, and computing resources. New resources come up on the Internet almost hourly. In general, the more you make use of Internet resources, the more you'll be able to figure out how to use them and learn about new ones—and the more you'll get out of being on the Internet. ■

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Internet Access Information

B. PRODUCTION, DISTRIBUTION AND MAINTENANCE OF MANUALS

RE-ENGINEERING FINAL REPORT

WORKING GROUP: COMMUNICATIONS

PROCESS: PRODUCTION, DISTRIBUTION AND MAINTENANCE OF MANUALS

1. **Executive Summary**

The potential to automate the production, distribution and maintenance of administrative and program manuals was investigated with a view to reducing paper and rendering the contents more accessible. It was found that arrangements had already been made for the five administrative manuals to be maintained and made available for look-up in electronic form via "ACCESS ISTC." The service is being introduced incrementally between December 1, 1992 and March 31, 1993. The Core Program Policy Manual and the Guide for Program Delivery are to be made available electronically in a later release of ACCESS ISTC.

Some 20 individual programs developed their own customized manuals/client guides. Many repeat section from the two national program documents: The Core Program Policy Manual and the Guide for Program Delivery. Since the individual program manuals are normally used only by program officers and clients, they have not been stored centrally. No plans to automate them have been found. The program manuals should be consolidated with the Core Manual and the Program Delivery Guide, tagged for automated text retrieval and stored in an electronic library for access by program officers, portfolio organizations and clients. It would be most logical to do this if and when programs are consolidated into nine groups, as proposed by the Program Administration and Delivery Working Group.

To date, all the manuals being made available via the ACCESS ISTC text retrieval system are formatted electronically exactly as they are on paper. User-friendly, short-form electronic versions of the manuals could be produced to answer the most common questions. Maximum use of graphics and flowcharts and minimum use of text should be made in both short form and complete manuals.

2. **Status**

Treasury Board manuals (Financial Administration, Personnel Management) are available on diskette, but the contents are not yet tagged for electronic retrieval. The Administrative Services Branch sits on an interdepartmental committee recently convened by TBS to define standards for making the content of the manuals easily accessible via computer.

Departmental manuals number as follows:

	No. users	Pages per manual (E and F)	Total Pages
— Administrative Manual:	210	1,410	296,100
— Financial Manual:	210	275	57,750
— Human Resources Manual:	220	700	154,000
— Contracting Manual:	104	152	15,808
— Delegation of Authority Manual:	325	250	81,250
— Core Program Policy Manual:	364	200	72,800
— Guide for Program Delivery:	381	250	95,250
GRAND TOTAL:		3,237	772,958

A complete set of the seven manuals holds 3,237 pages and occupies about 19 inches of shelf space. To save huge amounts of paper and storage costs, and for ease of use, these manuals should be converted to electronic form as soon as possible. This process is under way.

The five administrative manuals are maintained and updated by the Administrative Services Branch. Access to these manuals will shortly be available via ACCESS ISTC using Megatext text retrieval software. ISTC staff are being linked to the system over the period December 1, 1992 to March 31, 1993. Meanwhile, only the most urgent updates are now being distributed on paper.

The Core Program Policy Manual and the Guide for Program Delivery are maintained and updated by Program Services Branch. They are to be made available electronically in a later release of ACCESS ISTC early in the new fiscal year. Updates are distributed only two or three times per year to limit the user's time required to replace obsolete pages, insert new chapters etc. This results in the document being out of date for several months after a new policy/procedure has been established. Also, limited resources contribute to delays in issuing updates in the current "batch" mode. Urgent updates are now communicated by memoranda with the manual update "to follow." ACCESS ISTC will facilitate updates in "real-time" mode.

Some 20 individual programs have developed their own customized manuals. Many repeat sections from the national documents. The program specific manuals should contain only: program specific policies/procedures that are more restrictive than the national guidelines; program specific deviations from the national guidelines; and policies/procedures unique to a specific program. No plans have been identified to eliminate this duplication, or to make the individual manuals accessible electronically, probably because readership of the manuals is limited to program officers and clients.

3. Rationale for Selection

Manuals were known to occupy large amounts of shelf space, contain a great deal of paper, be difficult to keep up to date in paper form, and be rarely used because they cannot be found when needed and are not written and organized for ease of comprehension. It was anticipated that it would be straightforward to store the manuals in an electronic library for easy update and access.

4. Methodology

Interviews were conducted with Administrative Services Branch and Program Services Directorate to determine the process and resources involved in updating and distributing administrative manuals, the Core Program Policy manual and the Guide for Program Delivery.

It was ascertained that a pilot project to automate distribution of and access to the administrative manuals was well advanced. A sample of users of these manuals was interviewed. Many felt the manuals would be easier to use when available for electronic look-up, but still cumbersome, and that a rewrite in more digestible form was in order.

The Working Group on Program Administration and Delivery was consulted to ascertain the number of departmental programs. Interviews were held with selected program officers to define the potential for merging individual program manuals with the Core manual and Guide.

5. Essential Outputs

Procedures and guidelines for performing administrative tasks.

6. Analysis - Re-engineering Options

Option 1: Laissez-faire

Complete arrangements to store administrative manuals, the Core Program Policy Manual and the Guide for Program Delivery in an electronic library for access using text retrieval software.

Option 2: Rethink departmental manuals

Proceed as above, enhancing the electronic versions of the complete manuals with graphics and flowcharts for ease of comprehension. Also produce short, simplified, graphic versions of the administrative manuals (quick reference guides) for electronic access. The short form contracts manual, a booklet of a few pages, could be used as an example.

Consolidate the unique portions of the individual program manuals with the Core Manual and the Guide for Program Delivery. Provide ISTC clients as well as program officers and portfolio organizations with electronic access to the consolidated manual.

7. **Considerations**

Option 2 would make particular sense if the 42 programs are consolidated into nine groups, as recommended by the Working Group on Program Administration and Delivery.

It may be worthwhile to follow a similar approach in the area of services.

8. **Conclusions/Recommendations**

Option 2 is recommended.

9. **Proposed Action Plan**

— Task Administrative Services Branch (ASB) with producing a streamlined quick reference guide to each administrative manual, to answer frequently asked questions.

— Task ASB and IMB with making the short form guides available via ACCESS ISTC.

— Task each program manager with identifying the unique portions of his/her program manual.

— Task Program Services Directorate and IMB with producing a consolidated program manual and making it accessible electronically to ISTC, portfolio organizations and clients. This would require additional resources for the Program Services Directorate.

C. TRANSLATION

RE-ENGINEERING FINAL REPORT

WORKING GROUP: COMMUNICATIONS

PROCESS: TRANSLATION

1.   Executive Summary

The Working Group investigated the potential to improve the quality and efficiency
of translation services while reducing costs and turnaround times. Cost has
become an issue since individual sectors are being charged for translation services
over a given limit for the first time this year.

From an examination of the Official Languages Act 1988 and Treasury Board and
departmental policy statements, it was inferred that both internal documents and
publications destined for the public are to be translated if they are to be read by
mixed language groups. However the wording of these documents is sufficiently
vague to allow for different interpretations of the requirement.

It was found that Treasury Board still requires translation services to be sourced
from the Secretary of State, but that this policy is under review in the light of PS
2000 recommendations, and departments may request an exemption from the
policy if they can provide a business case for it. None has so far requested an
exemption. Transport ran a pilot sanctioned by Treasury Board, but reverted to
using SoS services because the Board would not provide it with the funds to cover
the free services available from SoS.

Secretary of State translation services are free of charge up to a given limit, the
ISTC limit being $1.2 million or approximately 5.5 million words this year. ISTC
will spend about $425,000 over the limit this year, and will for the first time
distribute this cost to sectors. The new visibility of translation costs is prompting
managers to take more interest in the service and to investigate the possibility of
using other suppliers. An additional estimated $1 million is spent by ISTC each
year on text translation and adaptation services contracted from sources other than
SoS, including the Canada Communications Group (DSS). The total annual cost is
therefore about $2.6 million.

There is some dissatisfaction with the quality of SoS translations. There is a
perception that SoS hires the lowest cost freelancers, and that all its translators are
so pressed by deadlines that they spend less time than necessary on revision. SoS
quality control is considered inadequate by some clients, since it is limited to
sampling rather than checking of the entire document. The Translation Bureau
maintains that its quality control exceeds the federal standard (it accepts 6 rather
than 12 minor errors per 400 sampled words). This discrepancy between the views
of the Bureau and those of its clients is accounted for in part by the lack of

communication. The Bureau should market its services, and clients should provide it with feedback on the quality of its services.

Options considered are to continue the present practice of translating most public documents and official internal communications such as bulletins; to reduce translation volumes within the spirit of the Treasury Board policy; or to reduce volumes further than is allowed by the policy. Recommendations are proposed for improving service regardless of the option chosen. These include investigating the benefits of establishing a global ISTC supply arrangement for translation/adaptation services, in anticipation of the elimination of mandatory SoS services.

2.   <u>Status</u>

The Treasury Board Common Services Policy of July 16, 1992, consistent with the White Paper on PS 2000, states that mandatory common services will be maintained only when there is an overriding reason to do so. It undertakes to review all such services with the intention of making them optional, and allows for government organizations to submit a business case to the Treasury Board to seek exemption from using common services defined as mandatory by the Board. The Policy confirms that translation and interpretation are mandatory services provided by the Secretary of State (SoS), but notes that the SoS is reviewing the status of its services to determine how best to respond to PS 2000. (A report commissioned by the Secretary of State from Sécor is to be provided to the Treasury Board by December 11, 1992, but is still unavailable. The report is a response to the Auditor General's report of 1991 and the subsequent review by the Public Accounts Committee. One possibility is that SoS translators will become employees of client departments.)

The Treasury Board provides the SoS with an annual budget allocation to cover the translation services provided to each of its clients. The allocation, based on historic use, is translated into a "word envelope". Clients receive translation services free of charge up to the limit of the envelope, and pay 22.3 cents for each word above the limit. ISTC exceeded its envelope by $400,000 in 1991/92 and was unable to secure an increased allocation from Treasury Board to cover the shortfall. The projected shortfall this year will cost $425,000. Treasury Board is expected again to turn down the request for an increased allocation. For the first time this year the extra cost is being recovered from the sectors, based on historic use of the service. External Affairs, a department of comparable size to ISTC, has a seven million word envelope. (See attached envelope status report.) SoS cautions against comparing ISTC and its envelope size to other departments, given that translation volumes depend on the business and public profile of the organization and the number of Ministers as well as size.

The Department secures most of its translation services from the SoS Translation Bureau, in accordance with Treasury Board policy. ISTC will receive $1,225,495 worth of translation services free of charge and pay the SoS approximately an extra

$425,000 this year. A further $80,000 will be paid to SoS for simultaneous interpretation services.
(c.f. $400,000 and $70,000, respectively, in 1991/92.)

The Bureau's 12 or so translators at ISTC translate documents which are short and/or sensitive, as well as all executive correspondence. Documents exceeding 2000 words are often sent to one of a pool of freelancers. The Bureau attempts to assign texts from a given client to the same professional. Many clients are of the view that the Translation Bureau exercises too little control over the quality of freelance work, since it samples texts rather than reviewing the entire document.

Some translation and parallel drafting is carried out by bilingual desk officers, but many short texts are sent for translation even when bilingual capacity exists because people lack confidence in their writing ability in the second language. Unclear drafting in the first language complicates translation. Grammar checking software is now available in both English (e.g. Grammatik) and French (e.g., Hugo). Although far from infallible, the reliability of this type of software is increasing, and it will eventually be able to help rectify some of these problems.

Translation services associated with publications are provided by SoS, the Communications Branch publishing unit and contractors working for the publishing unit and other clients in the Department. Much of the non-SoS contract work is for reworking of translations deemed inadequate and for text adaptation. Adaptation is supposed to produce an original text in another language. This type of work is of higher quality, and costs commensurately more. However, translation and adaptation services are often provided by the same contractors.

The ISTC Publications unit employs two French and two English language editors at the IS-4 level and two French language editors at the IS-3 level. The French language editors do text adaptation, editing, translation and translation-related research work. An additional French language editor is employed on a term basis by Communications Branch to produce the French version of Précis and Public Affairs documents. Total salary costs for these individuals are $235,000 per annum.

The publishing unit, on behalf of ISTC clients, contracts out about $200,000 each year in translation and adaptation work to freelancers registered with the Canada Communications Group (DSS). It estimates that other clients in the Department (e.g., Prosperity Secretariat, Tourism, Industry Profiles) contract out a similar amount of this type of work, and that the total amount of translation, re-translation and adaptation work contracted out for publications, independent of SoS, is in the order of $1 million per annum. (This figure is being verified.)

Thus the total cost of translation and adaptation services incurred by ISTC each year is estimated at approximately $2.6 million.

The issue of whether the Department is translating more than necessary was investigated. The Official Languages Act of 1988 emphasizes the equality of the two official languages and requires communications with the public to be available in both English and French in the NCR, at head offices and where there is "significant demand" elsewhere. "Significant demand" is not defined, and the context suggests that the reference is to oral communications. Regulations were introduced in 1990 to define the term. An ISTC information circular on service to the public (June 1992) defines it as 5% of the total clientele, but again the reference appears to be to oral rather than written communications.

TB circular 1981-29 cites central agency policy and guidelines requiring that written communications be available in both official languages in all districts designated as bilingual, and when they are directed towards a mix of English and French-speaking members of the public or public servants. The four clarifying statements, also cited in the ISTC Translation Services policy, are so general that most people would construe them to cover all circumstances. However the policy also discourages automatic translation of written communications without thinking through their end use, and calls for departments to develop and promulgate policy statements defining when documents may be produced in only one official language.

There is some evidence that these conflicting messages are causing managers to err on the conservative side by having more texts translated than necessary. The Director of Translation Services maintains that this is not the case on the grounds that managers will avoid translation whenever possible.

The ISTC translation services policy implies that publications other than those of a scientific, technical or professional nature are to be made available in both official languages simultaneously. It is understood that other departments' policies are similar. No explicit legislative or Treasury Board policy requirement has been found to back up this requirement.

Some clients are dissatisfied with the quality of translations provided by SoS. The Communications Branch, for example, reports that it edits every translation received from the Translation Bureau on matters of substance, not just style, while being satisfied with the substance of translations and adaptations received from other suppliers. (The Bureau replies that most of its freelancers are registered in the DSS inventory.)

There is a perception that SoS hires the lowest cost freelancers, and that all its translators are so pressed by deadlines that they spend less time than necessary on revision. SoS quality control is considered inadequate by some clients, since it is limited to sampling rather than checking of the entire document. The Translation Bureau maintains that quality is only perceived as a problem, since its control exceeds the federal standard. (It accepts 6 rather than 12 minor errors per 400 sampled words). Furthermore, it maintains that errors are often introduced when clients edit translated text.

SoS translators operate under the constraint of constant tight deadlines and some have not established a long-term service relationship with individual clients. This shortcoming is overcome to an extent by a lexicon of ISTC terminology maintained by the Bureau. Bureau staff work in a pool without access to the corporate network, and are not listed in the ISTC telephone directory. Consequently they are invisible to their clients. More planning by clients and more marketing of services by the Translation Bureau are in order.

Poor communications between the Bureau and its clients are probably perpetuating this difference of opinion and the quality problem. Clients do not generally bring translation deficiencies to the attention of the Bureau, and neither the Bureau nor the Official Languages Directorate has conducted a client survey in more than four years. As a result of our study, the Translation Bureau has been offered an electronic mailbox (not a LAN connection) and has been added to the electronic telephone directory.

According to the Treasury Board policy, reflected in the ISTC translation services policy, text to be translated must be delivered to the Translation Bureau in the form of two paper copies and a diskette containing a WordPerfect copy, along with a completed Request for Translation form. These requirements are outdated and should be set aside in favour of electronic communications.

3.   Rationale for Selection

Quality and cost were perceived to be a problem, and the policy defining what must be translated was not clear.

4.   Methodology

All relevant legislation and policies were reviewed.

A number of Translation Bureau clients were interviewed, in particular Communications Branch. Several meetings were held with the Director of Official Languages and the Director and staff of the Bureau, to clarify policy and ascertain their understanding of client needs and concerns. The Bureau has met with Information Management Branch (IMB) to explore the possibility of being connected to the corporate network.

Quotations for translation services were secured from a sample of independent firms in the Ottawa area. They ranged from 18.5 cents to well over 20 cents per word, depending on technical difficulty.

Grammar checking software (Hugo, Grammatik) was tested to ascertain whether it was sufficiently sophisticated to help desk officers draft acceptable short texts in their second language. The potential for such use is judged to be limited for the present.

5.   Essential Outputs

Most translation at ISTC is from English to French, but translation into foreign languages such as Japanese and German accounts for an estimated 1-2% of the total. Documents are translated for the use of employees and the public.

6.   Analysis - Re-engineering Options

Option 1 — **Continue to translate most documents destined for public consumption and all official internal communications**

— Respects the spirit of the Official Languages Act and Treasury Board policy

— Maintains current translation volumes and cost, and slows down communications, especially E-mail messages.

Option 2 — **Publish most documents in one language with a synopsis in the other official language. Provide the document in the other official language only if asked. Continue to provide bilingual versions of official E-mail messages.**

— Within a strict interpretation of the Official Languages Act and Treasury Board policy

— Would allow for the continuation of the existing practice of sending unofficial E-mail messages in unilingual form.

Option 3 — **Publish most documents in one language with a synopsis in the other official language. Produce internal and E-mail communications in one language only.**

  (Offered for exemplary purposes. Would require change to Treasury Board Policy.)

— Not allowed by the Act and Treasury Board policy in designated bilingual offices (Headquarters, most regions)

— Could offend staff and members of the public

— Would cut translation volumes and costs substantially

— Would accelerate official communications

— Would reduce paper and electronic storage costs (e.g., for E-mail messages)

7. **Considerations**

The options may require adjustment in light of the recommendations of the Sécor report, which Sos is to submit to Treasury Board by December 11, 1992.

8. **Conclusions/Recommendations**

The following steps are recommended, regardless of which option is chosen, but should be reviewed in the light of the Sécor recommendations to SoS:

— Continue to use SoS translation services, but prepare to negotiate departmental standing offers with other suppliers if and when the service is no longer mandatory. Ascertain whether Treasury Board will provide exempt departments with the equivalent of the SoS word envelope budget, and, if so, prepare a business case for exemption from the mandatory SoS service.

— Task the Director of Official Languages with coordinating the preparation of an annual translation requirements forecast for the Department, to be used in negotiating an increase in the word envelope with Treasury Board, and eventually in negotiating supply arrangements.

— Revise the ISTC Translation Services policy to:

   — emphasize that texts and documents should be translated only when necessary, and clarify the necessary circumstances, using examples;

   — confirm that texts and documents may be distributed in one language as long as they are in draft form;

   — confirm that texts should not be translated until they are in relatively final form;

   — provide for electronic messaging between the Translation Bureau and the client (e.g., remove requirement for two paper copies to be provided for each translation request, and require use of electronic form for translation requests).

— Link the Translation Bureau to the corporate network for two—way document transmission. (Legal Services, whose employees belong to Justice, are on the LAN at ISTC expense. This should be a precedent to link the Translation Bureau to a LAN. The corporate budget should cover the cost.)

— The Translation Bureau should introduce itself and market its services to ISTC clients.

— Clients should provide the Bureau with immediate feedback on perceived deficiencies in translation work.

— Assign at least one of the 12 in-house SoS translators to each sector, to encourage continuity of service and provide the translator with the opportunity to develop a better understanding of client needs.

— Provide access to grammar checking software on all LANs as soon as it is reliable and Windows is in wider use in the Department. This will help bilingual staff draft short (less than 500 word) texts in both languages, as required by TB and ISTC policy. In the medium term, negotiate to provide desk officers with access to the automated tools used by SoS, such as the Termium electronic terminology bank, to which access is available on a subscription basis.

9. Proposed Action Plan

— Task IMB with connecting the Translation Bureau to the corporate network.

— Task Official Languages with clarifying and updating the ISTC translation services policy and proposing that the Treasury Board do likewise.

— Task Official Languages with producing an annual forecast of translation and adaptation requirements and planning for the eventuality that SoS translation services will cease being mandatory.

10. References

— Official Languages Act, annotated version, Treasury Board Secretariat, July 1992

— Common Services Policy, Treasury Board Manual, Information and Administrative Management, Part II, Chapter 1, July 16, 1992

— TB Circular 1981-29, Section C, Use of translation services

— ISTC Volume II - Human Resources, Chapter: Official Languages, Directive 63-1 -- Translation Services

— Official Languages Regulations on Service to the Public, ISTC Human Resources Branch, June 1992

				A	B	C=A+B	D	E	F=D+E	G	H G/C	I	SI G - C I G C
						ENVELOPPE							
CODAGE			1992 - 1993	ENVELOPPE ORIGINALE	ADJUST.	ENVELOPPE	REPORT AU	DEMANDE	DEMANDE	PRODUCTION	% ENV. UTIL		DÉPASS.
LAF	SIO	CLIENT	DIR.NAT.	PRÉVISION	1992-1993	COUP. BUD.	RÉVISÉE	01 - 04 - 02	92 - 93	TOTALE	A JOUR	UTIL. >100%	D'ENV.
5	314	Agence de promotion économique du Canada Atl.	MCTN	1,425,000	999,500	(12,483)	987,017	15,229	567,033	582,262	483,936	49%	
5	316	Commission des plaintes du public contre la GRC	SG	200,000	185,000		185,000	33,965	69,426	103,411	94,155	51%	
1	318	Diversification de l'économie de l'Ouest canadien	IST	500,000	470,000	(5,870)	464,130	12,147	191,922	204,069	164,240	39%	
6	319	Service canadien des forêts	ENV	0	2,640,000	(540,000)	2,100,000	124,133	1,053,141	1,177,274	885,907	42%	
5	324	Centre canadien de gestion	CIP	700,000	566,000	(7,069)	558,931	57,997	284,943	342,940	317,144	57%	
6	326	Commission d'examen des marchés publics	T & C	0	140,000		140,000	0	0	0	0	0%	
6	329	Commission du droit d'auteur	T & C	20,000	10,000		10,000	0	0	0	0	0%	
1	330	Industrie, Science et Technologie	IST	6,563,700	5,565,000	(69,505)	5,495,495	403,510	3,649,561	4,053,071	3,704,403	67%	
5	332	Agence spatiale canadienne	P.&D /MTL.	1,000,000	500,000	(6,245)	493,755	14,959	434,675	449,634	431,645	87%	
1	336	Revenue Canada - Impôt	IMPOT	9,500,000	8,500,000	(2,500,000)	6,000,000	250,325	2,640,082	2,890,407	2,683,681	45%	
1	337	Secrétariat canadien du libre - échange	AE	166,000	120,000		120,000	1,425	67,738	69,163	69,163	58%	
5	338	Protection civile Canada	DND	375,000	280,000		280,000	4,135	74,973	79,108	75,891	27%	
5	339	Bureau d'Info.des consom. sur la TPS	T & C	0	45,000		45,000	0	0	0	0	0%	
1	343	Commissions d'enquête	C.P.		3,100,000	0	3,100,000	104,344	2,829,653	2,933,997	2,527,318	82%	
1	344	Finances/CT/CGC	F/CT	7,840,700	6,330,000	265,904	6,595,904	109,203	3,562,352	3,731,555	3,571,964	54%	
		TOTAL		268,249,210	236,650,000	(4,744,997)	231,905,003	24,209,671	123,249,527	147,459,198	123,996,884	53%		472,437

0 – une organisation non-assujettie à la Loi (LAF)

1 – une organisation assujettie à la Loi et énumérée à l'annexe 1

2 – une organisation assujettie à la Loi et énumérée à l'annexe 2

3 – une organisation assujettie à la Loi et énumérée à l'annexe 3, Partie 1

4 – une organisation assujettie à la Loi et énumérée à l'annexe 3, Partie 2

5 – une organisation assujettie à la Loi et 'désig'

6 – une organisation assujettie à la Loi n'est énumérée dans aucune annexe

7 – une organisation exempte à la Loi

			A	B	C=A+B	D	E	F=D+E	G	H=G/C	I	Si G>C I G C DÉPASS. D'ENV.
CODAGE LAF SIO CLIENT		DIR.NAT.	ENVELOPPE 1992-1993 PRÉVISION	ORIGINALE 1992-1993	ADJUST. COUP. BUD.	ENVELOPPE RÉVISÉE	REPORT AU 01-04-92	DEMANDE 92-93	DEMANDE TOTALE	PRODUCTION A JOUR	% ENV. UTIL.	UTIL. >100%	
1 075 Transports (Ministère des)	TRANS	12.500.000	11.600.000	(144.879)	11.455.121	1.740.194	5.384.060	7.124.254	5.007.895	44%		
1 079 Affaires des anciens combattants (Min. des)	I-P.-É.	0	1.980.000	(24.729)	1.955.271	135.672	1.106.377	1.242.049	1.019.016	52%		
094 Conseil des Premiers min. des Prov. maritimes		0	0		0	0	0	0	0			
6 099 Tribunal canadien du commerce extérieur	F/CT	0	475.000		475.000	6.009	184.576	190.585	190.585	40%		
3 109 Commission canadienne du lait	AGR	40.000	39.000		39.000	0	19.872	19.872	17.937	46%		
6 113 Conseil canadien de la magistrature	CS/CF	0	200.000		200.000	0	151.060	151.060	151.060	76%		
143 Banque fédérale de développement		0	0		0	0	144.438	144.438	143.758			143.75
2 147 Conseil de recherches médicales	S & BE	200.000	150.000		150.000	84.035	76.873	160.908	149.277	100%		
5 151 Conseil nat. de commercial. des prod. du terme	AGR	80.000	50.000		50.000	0	21.203	21.203	19.864	40%		
6 161 Premier ministre (Cabinet du)	CP	80.000	80.000		80.000	0	14.535	14.535	14.535	18%		
5 184 Conseil canadien des relations du travail	CFP	550.000	450.000		450.000	25.151	204.402	229.553	213.775	48%		
5 185 Secrétariat des conférences intergouv. canadien.	CP	1.225.900	1.100.000	(13.739)	1.086.261	55.653	607.775	663.428	634.233	58%		
5 194 Investissement Canada	IST	500.000	475.000	(5.933)	469.067	75.557	72.769	148.326	125.130	27%		
6 200 Condition féminine Canada	SEC	2.225.000	1.150.000		1.150.000	119.329	415.886	535.215	379.476	33%		
5 201 Commission canadienne des droits de la personne	SEC	1.100.000	800.000		800.000	26.380	484.895	511.275	451.264	56%		
6 205 Situation de la femme (Conseil consultatif de la)	SEC	60.000	50.000		50.000	1.951	37.569	39.520	36.246	72%		
5 206 Relations fédérales-provinciales (Bureau des)	CP	600.000	300.000		300.000	1.938	302.024	303.962	284.884	95%		
5 208 Administration du pipe-line du Nord	CP	5.000	5.000		5.000	0	0	0	0	0%		
2 213 Conseil de recherches en sciences humaines	COMM	195.000	150.000		150.000	32.598	198.437	231.035	200.117	133%	X	50.11
1 214 Multiculturalisme et Citoyenneté	SEC	1.520.000	1.400.000	(17.485)	1.382.515	85.451	581.689	667.140	565.941	41%		
5 217 Commissaire à la magistrature fédérale	CS/CF	350.000	340.000	(4.246)	335.754	15.777	141.601	157.378	154.647	46%		
1 227 Pêches et des Océans (Ministère des)	P & O	5.600.000	4.500.000	(56.203)	4.443.797	373.931	2.420.764	2.794.695	2.409.192	54%		
6 240 Commission canadienne des grains	WINN	80.000	70.000		70.000	6.780	12.261	19.041	17.683	25%		
2 241 Centre can. d'hygiène et de sécurité au travail	TO	200.000	180.000		180.000	22.954	82.629	105.583	87.854	49%		
6 249 Condition physique et sport amateur	S & BE	VOIR #047					0	0				
2 266 Conseil du rech. en sciences nat. et en génie	EMR	150.000	140.000		140.000	16.764	48.708	65.472	51.367	44%		
1 268 Approvisionnements et Services (Ministère des)	MAS	6.350.000	5.000.000	(62.448)	4.937.552	518.997	2.851.900	3.370.897	2.752.285	56%		
5 270 Comm. à l'Ind. & protec. de la vie privée du Canada	SEC	150.000	150.000		150.000	0	61.806	61.806	46.351	31%		
2 279 Bureau de la sécurité des transports du Canada	TRANS	1.500.000	1.100.000	(13.739)	1.086.261	49.894	712.523	762.417	552.520	51%		
5 281 Service canadien du renseignement de sécurité	SCRS	3.300.500	3.000.000	(37.469)	2.962.531	282.834	1.618.790	1.901.624	1.728.106	58%		
5 282 Office de transport du grain	WINN	55.000	40.000		40.000	0	2.039	2.039	2.039	5%		
5 283 Comité de surv. des act. de renseign. de sécurité	CP		140.000		140.000	0	92.947	92.947	92.947	66%		
5 303 Tribunal de l'Aviation civile	TRANS	120.000	120.000		120.000	0	69.848	69.848	69.848	58%		
6 304 Tribunal de la concurrence	T & C	140.000	130.000		130.000	73.707	44.862	118.569	115.061	89%		
5 305 Comité externe d'examen de la GRC	SG	500.000	300.000		300.000	0	70.343	70.343	70.343	23%		
1 307 Service de l'environnement atmosphérique	ENV	24.065.000	16.000.000		16.000.000	93.396	9.815.650	9.909.046	9.804.994	61%		
6 308 Off Canada T.-Neuve des hydrocarbures extracôtiers	HFX	25.000	25.000		25.000	0	10.618	10.618	10.618	42%		
6 309 Con. de contrôle des rens. rel. aux matières danger.	T & C	90.000	70.000		70.000	0	14.815	14.815	14.815	21%		
5 310 Conseil d'examen du prix des médicaments	T & C	55.000	50.000		50.000	0	37.368	37.368	33.794	68%		
6 311 Troisième Âge (Ministre d'État)	S & BE	160.000	80.000		80.000	9.702	52.836	62.538	62.538	78%		
5 312 Office national des transports	TRANS	900.000	690.000	110.000	800.000	175.291	317.391	492.682	482.052	60%		
6 313 Comm. de l'immigration et du statut de réfugié	E & I	4.431.250	3.000.000		3.000.000	2.120.392	1.440.515	3.560.907	2.443.176	81%		

CODAGE LAF	SIO	CLIENT	DIR.NAT.	1992-1993 PREVISION	A ENVELOPPE ORIGINALE 1992-1993	B ADJUST. COUP. BUD.	C=A+B ENVELOPPE RÉVISÉE	D REPORT AU 01-04-92	E DEMANDE 92-93	F=D+E DEMANDE TOTALE	G PRODUCTION A JOUR	H=G/C % ENV. UTIL	I UTIL >100%	Si G>C I+G-C DÉPASS. D'ENV.
1	001	Agriculture	AGR	8,000,000	7,535,000	(94,109)	7,440,891	476,833	3,557,712	4,034,545	3,789,922	51%		
2	002	Comm. de contrôle de l'énergie atomique	EMR	275,000	200,000	75,000	275,000	1,181	41,174	42,355	42,355	15%		
5	003	Vérificateur général	IST	1,200,000	1,100,000	(13,739)	1,086,261	50,041	757,351	807,392	762,045	70%		
5	005	Agence can. de développement international	AE	2,400,000	1,890,000	(23,605)	1,866,395	87,284	1,167,559	1,254,843	1,241,802	67%		
5	009	Conseil de la radiodiffusion et des télé. can.	SEC	1,250,000	1,200,000		1,200,000	6,388	716,411	722,799	686,181	57%		
5	010	Service correctionnel du Canada	SG	7,400,000	6,300,000	(78,684)	6,221,316	464,046	3,695,083	4,159,129	3,472,960	56%		
5	012	Directeur général des élections (Bureau du)	SEC	590,000	400,000		400,000	112,636	306,755	419,391	389,413	97%		
5	013	Commissariat aux langues officielles	SEC	971,000	790,000	(9,867)	780,133	22,977	220,827	243,804	208,176	27%		
1	014	Communications (Ministère des)	COMM	5,000,000	4,600,000	(57,452)	4,542,548	215,472	2,845,946	3,061,418	2,651,098	58%		
1	017	Consommation et des Corporations (Min. de la)	T & COMM	800,000	5,660,000	(70,691)	5,589,309	386,404	3,207,646	3,594,050	3,167,430	57%		
1	022	Énergie, des mines et des ressources (Min de l')	EMR	5,400,000	4,900,000	(61,199)	4,838,801	581,317	2,376,049	2,957,446	2,614,631	54%		
1	023	Environnement (Min. de l')	ENV	13,350,000	10,000,000	(75,132)	9,924,868	920,636	4,931,675	5,852,311	4,730,713	48%		
1	024	Affaires extérieures (Min. des)	AE	8,000,000	7,000,000	(187,427)	6,812,573	592,974	3,592,717	4,185,691	3,020,162	50%		
6	026	Cour fédérale du Canada	CS/CF	3,950,000	3,000,000		3,000,000	194,250	1,225,246	1,419,496	1,316,311	44%		
5	029	Gouverneur général	SEC	250,000	240,000		240,000	4,844	148,632	153,476	153,476	61%		
1	032	Affaires indiennes et du Nord can. (Min. des)	AI	6,000,000	3,000,000	(37,469)	2,962,531	119,027	1,773,329	1,892,356	1,687,695	57%		
5	035	Bureau du surintendant des inst. financières	F/CT	590,000	415,000	(5,183)	409,817	2,841	228,914	231,755	194,876	48%		
6	036	Commission mixte internationale (Section can.)	AE	200,000	200,000		200,000	51,535	51,765	103,300	73,300	37%		
1	037	Justice (Ministère de la)	JUST	5,000,000	4,700,000	(58,701)	4,641,299	749,706	2,439,291	3,188,997	2,829,162	61%		
1	038	Travail (Ministère du)	T & COMM	2,875,000	2,550,000	(31,848)	2,518,152	153,027	949,556	1,102,583	949,417	38%		
1	040	Emploi et Immigration Canada (Comm. et min.)	E & I	12,410,000	9,500,000	(18,651)	9,481,349	343,816	5,022,982	5,366,798	4,470,515	47%		
3	043	Commission de la Capitale nationale	TP	471,500	450,000	(5,620)	444,380	57,172	295,761	352,933	266,746	60%		
1	044	Défense nationale (QG et Command. du Min de la)	DND	30,160,000	30,160,000	(904,800)	29,255,200	6,829,614	12,030,896	18,860,510	13,129,105	49%		
5	045	Office national de l'énergie	WINN	1,000,000	950,000		950,000	80,802	634,877	715,679	669,032	71%		
5	046	Office national du film	MTL	600,000	450,000		450,000	71,345	359,193	430,538	353,414	79%		
1	047	Santé nat. et du Bien-Être social (Min. de la)	S & BE	12,645,000	9,940,000	(124,146)	9,815,854	815,114	5,146,328	5,961,472	5,169,258	53%		
5	048	Bibliothèque nationale du Canada	COMM	750,000	600,000	(7,494)	592,506	31,500	315,359	346,859	328,126	55%		
5	050	Comm. nationale des libérations conditionnelles	SG	1,590,790	1,000,000	(12,490)	987,510	45,657	506,014	551,671	501,924	51%		
2	051	Conseil national de recherches du Canada	EMR	1,200,000	1,100,000	(13,739)	1,086,261	68,073	852,392	921,265	800,012	74%		
1	052	Revenu Canada – Douanes et Accise	D & A	6,650,000	6,300,000	400,000	6,700,000	421,392	3,859,970	4,281,362	3,522,087	53%		
5	056	Conseil privé (Bureau du)	CP	1,700,000	1,600,000		1,600,000	740,073	496,898	1,236,971	890,540	56%		
5	057	Archives nationales du Canada	COMM	1,300,000	1,110,000	50,000	1,160,000	56,153	719,094	775,247	747,450	61%		
5	058	Commission de la fonction publique	CFP	3,700,500	3,300,500	(41,222)	3,259,278	526,718	1,782,116	2,308,834	2,074,599	64%		
5	059	Comm. des rel. de travail dans la Fonc publ	CFP	1,300,000	1,000,000		1,000,000	120,877	517,579	638,456	511,729	51%		
1	060	Travaux publics (Min. des)	TP	4,600,000	4,000,000	(49,958)	3,950,042	459,234	3,263,405	3,722,639	2,456,617	62%		
5	063	Gendarmerie royale du Canada	SG	195,000	20,000		20,000	0	409,904	409,904	291,014	1459%	X	271,014
	066	Conseil des sciences du Canada		0	0		0	0	7,518	7,518	7,518			7,518
1	067	Secrétariat d'État (Ministère du)	SEC	3,250,380	2,300,000	(28,726)	2,271,274	167,351	1,092,962	1,260,313	1,004,087	44%		
1	069	Solliciteur général (Ministère du)	SG	1,800,000	1,700,000	(21,232)	1,678,768	111,356	743,445	854,801	744,187	44%		
5	070	Statistique Canada	STAT	8,000,000	7,260,000	(90,675)	7,169,325	464,669	3,984,889	4,449,558	3,822,734	53%		
6	072	Cour suprême du Canada	CS/CF	1,300,000	1,200,000		1,200,000	79,349	755,117	834,466	752,125	63%		
6	074	Cour canadienne de l'impôt	CS/CF	3,000,000	2,000,000		2,000,000	175,326	855,954	1,031,280	975,792	49%		

D. EXECUTIVE CORRESPONDENCE

RE-ENGINEERING FINAL REPORT

WORKING GROUP: COMMUNICATIONS

PROCESS: EXECUTIVE CORRESPONDENCE

1.   **Executive Summary**

Executive correspondence is the dockets processed by the Executive
Correspondence and Records Centre (ECRC) in the Office of the Corporate
Secretary (OCS). This includes all letters signed by the three Ministers, the Deputy
Minister and the Associate Deputy Minister, and all memoranda to Ministers, the
Deputy Minister and the Associate Deputy Minister. A total of 7,500 dockets was
processed in 1991/92, down from previous years for unknown reasons. The
volume may rise again as the election approaches.

Executive correspondence must consistently meet rigorous standards of content
and form. Much time and effort is required to achieve an acceptable product. All
three Minister's offices profess to be satisfied with the service the receive,
including reports such as content analyses which are provided by the ECRC.
Potential for reforming the processing of ministerial correspondence may be
constrained somewhat by requirements of the Ministers' offices, such as multiple
paper copies of signed memoranda. The Ministers' offices have access to the
ECRC Omnidex correspondence logging and tracking system.

The ECRC has been streamlining correspondence processing and enhancing and
expanding its services to the Department. Transmission of dockets via E-mail,
introduced starting in January 1992, has spared time, money and irritation and is
regarded by certain other departments as a model to emulate. Most letters and
memoranda are now printed and copied by ECRC once they are in final form, rather
than in the sectors. (CGSI and ITRO still operate in manual mode and are scheduled
to transmit electronically soon.) ECRC is prepared to introduce other innovations,
such as integrating its Omnidex logging, tracking and archiving system with sector
systems to eliminate substantial duplication of clerical work. These innovations will
require additional resources in the ECRC.

With a view to providing better service to the public (i.e., faster turnaround) and
cutting costs, the possibility of delegating responsibility for answering a portion of
ministerial correspondence to departmental officials was investigated. This
approach has been followed in EIC and CCA, but was not welcomed by the
Ministers' offices. It has been retained as an option in this report along with
another recommendation on delegation.

Other options focus on eliminating paperwork, enhancing and expanding ECRC
services and integrating logging and tracking systems. They involve standardizing
and streamlining the production, approval, logging and tracking process by
reallocating tasks according to expertise and making more use of the potential of

integrated automation systems. It is anticipated that substantial time can be saved by providing the ECRC with two to six more PYs and providing it with adequate printer capacity. Adopting all of the options is recommended.

2.   Status

The ECRC has a staff of two correspondence officers and one clerk to process Minister Wilson's correspondence, three officers to process the correspondence of the other two Ministers, and one clerk. Three correspondence officers and one clerk serve the offices of the Deputy Minister and the Associate Deputy Minister. The clerks and officers are at the CR-4 ($26,657-$29,150), CR-5 ($30,356-$33,092) and AS-2 ($34,687-$38,829) levels.

Each uses the custom-designed Omnidex correspondence logging, tracking and archiving system, which is in the process of being enhanced. Unclassified correspondence is received from all sectors but CGSI and ITRO via E-mail, while classified texts are delivered on diskette because the E-mail system is not secure. Two HP IIID laser printers are used to print acknowledgements and final texts. The Ministers' offices have access to the Omnidex system, and two of the three offices use it to log and track correspondence internally.

The ECRC processed about 7,500 ministerial and deputy ministerial letters and memoranda in 1991/92, including campaign letters but excluding acknowledgements, which are prepared by the ECRC. (There are about 10 letter campaigns per year, each involving up to hundreds of letters.) Minister Wilson accounted for 60% of this volume. (See Appendices A and D.)

If each docket required an average of one full working day (7.5 hours) to research, draft, format, approve and process, the total amount of effort consumed by these tasks last year would have been 33 PYs (7,500 days divided by 230 working days in a year). Assuming an average salary of $55,000 per person-year (CO-2 level) and no benefits, the cost of the labour would have been $1.82 million. The estimate of one day per docket is considered to be conservative, particularly given revision rates.

The ECRC keeps a record of the revision rates for sectors which transmit executive correspondence to it electronically. Revision rates were expected to rise temporarily in the period immediately following the introduction of E-mail transmission of dockets, but they have remained high -- up to 100% for some sectors. The cause is mainly errors of form and improper language usage. An Executive Correspondence Checklist (Appendix B) has been produced by the ECRC and distributed throughout the Department to help reduce the number of errors of form, but it has so far had little impact. Grammar checking software could help drafters polish their texts.

Omnidex is used to generate weekly BF reports which are delivered to ADMs' offices on paper. This task consumes an estimated .5 PY, and would be eliminated

if an integrated correspondence logging and tracking system were in place. So also would a substantial amount of clerical work in the offices of ADMs, DGs and Directors. Information Management Branch (IMB) prepared an estimate of the cost of introducing such an integrated system before the departmental peer-to-peer network was established, and found it too costly. The cost should be revisited now that the LANs are compatible.

To provide better service to the public (i.e., faster turnaround) and cut costs, the possibility of delegating responsibility for answering a portion of ministerial correspondence to departmental officials was investigated. Employment and Immigration Canada (EIC) and Consumer and Corporate Affairs (CCA) follow this practice. Minister Wilson's office rejected the idea and Minister Winegard's office suggested that he would want to check the replies, thereby offsetting the advantage of delegation. Minister Hockin's office was willing to consider the possibility.

The executive correspondence management process is summarized below. Details of the process followed within selected sectors and branches will be found in Appendix D.

—   Departmental correspondence is delivered to the ECRC, while political mail goes directly to the Ministers' offices for reply.

—   Incoming letters are read and logged by three correspondence clerks (analysts) in the ECRC. The electronic record includes a docket number, tombstone data and a synopsis of the content. This process takes an estimated average of 5-10 minutes per docket.

—   The ECRC prepares an acknowledgement for letters to the Ministers in the following cases:

    Minister Wilson: general public/industry/mayors

    Minister Hockin: general public/industry/federal MPs/provincial governments/mayors

    Minister Winegard: general public/industry

—   The docket is sent to the sector for reply. Tombstone data are recorded again in the sector logging and tracking system, which is incompatible with Omnidex. A sector docket number is assigned. This process takes an estimated 5 - 10 minutes per docket. The docket may be logged at multiple points en route to the desk officer for reply.

—   The desk officer prepares the reply by hand or computer. The ECRC has just introduced electronic templates (forms) for letters and memoranda, in an attempt to reduce revision rates. If the template is not used, a final formatted draft is prepared by the secretary.

— The text is checked for form in the Director General's office, and sometimes in the office of the ADM.

— The reply is approved by the Director, and in most cases also by the Director-General, even if the subject is routine. ADMs generally review sensitive correspondence, and at least one reviews all correspondence. In the Science and Technology Sector Directors may have the final signoff on all routine correspondence.

— The text travels between offices electronically, except when it is classified, originates in CGSI and or most branches of ITRO, or is part of a campaign. Replies to campaign letters are generally pre-approved by the ECRC and the Minister's office, but the letters are printed in the sector because the ECRC has insufficient printer capacity.

— The docket is logged at each stage on sector systems. It is logged again on the Omnidex system upon arrival back in the ECRC.

— The reply is reviewed, and revised if necessary. Printed replies are returned to the sector for correction if they contain mistakes. Electronic replies are sent back to the sector for changes to content. Otherwise they are revised to correct any errors of form, then printed by the ECRC on letterhead. Envelopes are printed for letters. The ECRC spends 15 minutes more per docket (250 days per year, or 1.08 PY) to process the replies received electronically than those submitted on paper, since the replies must be retrieved from E-mail, saved in a shared directory, printed and photocopied. The volume of printing and photocopying has risen, since the Deputy Minister requires three originals of memoranda to Ministers, and up to 15 copies of these memos are produced. (See Appendix C - list of copies required.)

The ECRC has been able to cover the extra time with existing staff only because correspondence volumes have been relatively low, especially during the referendum period it; it should be noted though that the largest sectors, CGSI and ITRO, are not yet transmitting correspondence electronically.

— Memoranda from ADMs to the Deputy Minister and the Associate Deputy Minister are not revised by the ECRC. Those from ADMs to a Minister are vetted by the ECRC to ensure that proper consultation has taken place and that the DM's signature is not in fact required.

— Since only two printers are available to the seven ECRC officers, they contend for printer time and waste letterhead and other stationery by overlapping print jobs.

— Letters are checked again in the Ministers' offices. The ECRC makes any required changes, or in the case of CGSI and ITRO, sends the docket back to the originator for revision.

3.   Rationale for Selection

This process is a time-consuming irritant and one which was thought to hold potential for further efficiencies through the reallocation of tasks and automation.

4.   Methodology

Interviews were held with the three Ministers' offices, the Chief of the ECRC, secretarial and clerical staff of the FPA, ITRO, Policy and S&T Sectors and of the Chemicals and Bio-industries and Consumer Products Branches, as well as others. The Chief of the ECRC consulted Consumer and Corporate Affairs and Employment and Immigration officials about executive correspondence management practices in those departments.

5.   Essential Outputs

High-quality letters and memoranda

6.   Analysis - Re-engineering Options

Regardless of the options chosen, CGSI and ITRO are scheduled to start sending executive correspondence via E-mail soon. Depending on the overall level of correspondence, it may be necessary to provide ECRC with additional resources to handle this increase in workload.

Option 1 would reduce the ECRC workload somewhat, but the other options entail a significant expansion of the unit's function and would require new resources. It should be possible to shift at least some of these resources from other areas of the Department. Alternatively, or perhaps additionally, junior officers entering the Department could be assigned to the ECRC for a short period, as is done in DFO. The assignment would provide exposure to Ministers and the executive, and an invaluable overview of the Department, while familiarizing the person with departmental practices and procedures.

ECRC officers and clerks should each be provided with a multi-tray HP LaserJet 4 printer at about $3,600 per unit to make up for present deficiencies and handle an increased printing load.

Under any scenario, the ECRC needs more sustained and attentive service from IMB. This would be particularly true for option 4.

Option 1 — Eliminate acknowledgements of ministerial letters, formal briefing notes, formal requests for extension of deadlines and paper copies of final texts

—   Improved turnaround times resulting from recent and proposed innovations could make it worth revisiting with Ministers' offices the need for acknowledgement letters now prepared by the ECRC.

—   Substituting E-mail messages for formal briefing notes addressed to the Deputy Minister and the Associate Deputy Minister would save time on the formatting of all unclassified dockets. It would be more difficult to persuade Ministers to accept this type of presentation, but it may be possible to do so in the medium to long term.

—   E-mail messages from Directors should suffice to request an extension of a docket deadline.

—   Most of the paper copies produced by the ECRC are of signed memoranda to Ministers, for the information of Ministers' staff. If electronic signatures are introduced it may be possible to convince Ministers' staff to eliminate the paper copies.

Savings: estimated 1+ PY

Option 2:   Enhance delegation

—   ECRC could bring to the attention of Ministers' staff the CCA and EIC practice of delegating to departmental officials the responsibility for answering a portion of the letters addressed to Ministers, with a view to negotiating the same arrangement. This practice improves service to the public by allowing officials to answer correspondence quickly and by informal means such as a phone call or fax. This option was discussed with each of the Minister's offices. Only one office was willing to consider it further at that point.

—   Final signoff of replies to routine executive correspondence could be delegated to Directors throughout the Department, in the interest of empowering staff, saving executive time and reducing cycle time substantially.

Savings: estimated .5 PY

Option 3:   Enhance the range of services provided by ECRC

In line with best practices in other departments, ECRC could be provided with the resources needed to enable it to:

— answer routine correspondence such as requests for information directly;

— produce all ministerial letters, adding the inside address, salutation, standard first and last paragraphs, signature block, copies and format to content paragraphs provided by the sectors;

— produce replies to campaign correspondence in the same manner, using standard paragraphs pre-approved by the Minister's office;

Making ECRC responsible for the production of ministerial correspondence using sector-supplied content paragraphs would divide the work according to expertise. It should reduce the revision rate on executive correspondence dramatically (probably to less than 10%), with attendant time savings for both sectors and ECRC. Much of the irritation associated with executive correspondence would be eliminated.

Savings exclusive of ECRC: .75+ PY

This option would require that ECRC be provided with an estimated **extra 3 PYs** and **seven multiple tray HP Laserjet 4 printers at about $3,600 each.**

Option 4 — Standardize and integrate all logging and tracking systems

An integrated system would eliminate tedious and time-consuming duplication of clerical work in the sectors, enable any authorized user to ascertain the precise status and location of a docket at any time, eliminate the need for ECRC to produce and distribute BF and other reports for the information of sectors, and permit better statistics and reports to be generated.

Time savings are estimated at .5 PY on reports and 1.1 PY+ on logging (15 minutes per docket in the sector x 7500 dockets per annum). Savings on tracking and expediting have not been estimated.

An earlier IMB study of the cost of system design, development and implementation would have to be updated to account for the fact that all LANs in the Department are now compatible.

Savings: estimated 1.6+ PYs
Investment required: not quantified

7. Conclusions/Recommendations

Action should be taken on all of the above options.

8. Considerations

It may be difficult to convince Ministers and their staff to adopt all the innovations which involve them, but it is considered worth the attempt.

9. Proposed Action Plan

— IMB to update the cost estimate for integrating the logging and tracking systems, in collaboration with the ECRC.

— ECRC and sectors to proceed with approved innovations.

10. Appendices

A   Executive Correspondence Volume By Year

B   Executive Correspondence Checklist

C   Copy Requirements

D   Background Data

E   Articles on laser printers:

— "Next Generation Lasers," *PC World*, December 1992

— "Mainstream Lasers -- Getting Better All the Time," *PC Magazine*, November 24, 1992

APPENDIX A: EXECUTIVE CORRESPONDENCE VOLUME BY YEAR

DEPARTMENTAL REPLY
FISCAL BREAKDOWN
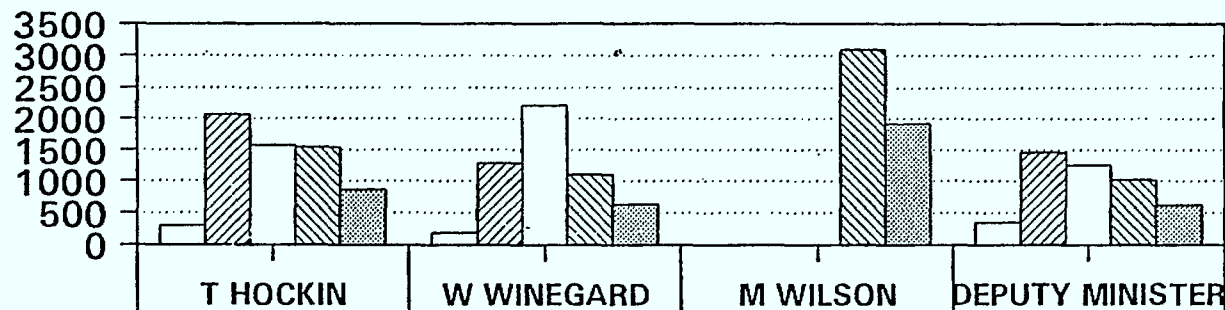
	T HOCKIN	W WINEGARD	M WILSON	DEPUTY MINISTER
JAN/89-MAR/89	302	187		351
APR/89-MAR/90	2061	1286		1459
APR/90-MAR/91	1567	2216		1259
APR/91-MAR/92	1542	1106	3091	1028
APR/92-NOV/92	868	631	1921	622

Legend: JAN/89-MAR/89 APR/89-MAR/90 APR/90-MAR/91 APR/91-MAR/92 APR/92-NOV/92

APPENDIX B: EXECUTIVE CORRESPONDENCE CHECKLIST

EXECUTIVE CORRESPONDENCE CHECKLIST

✓

● *Did you use the appropriate ministerial letterhead and envelope?* ● ● ●

● *Is the address block correct?* ● ● ●

● *Are Cabinet Ministers and Members of Parliament addressed in the salutation as per guidelines:* ● ● ●

My dear Colleague: Cabinet Ministers
Dear (first name):   Ministers Wilson & Hockin - Conservative M.P.s
*   Minister Winegard   - All M.P.s*

● *Are your left and right margins set at 1.5" and all paragraphs indented 10 spaces?* ● ● ●

● *Have you checked opening paragraph against the incoming letter:* ● ● ●

- Is the reference date of the incoming correct
- Was the letter only copied to the Minister: "Thank you for providing me with a copy of your letter of ...... to ......
- Was the letter forwarded from the PM or another Minister: "The Right Honourable Brian Mulroney/The Honourable Michael H. Wilson has asked me to reply to ..."

● *Is the signature block correct?* ● ● ●

Yours sincerely, (6 to 8 carriage returns) - Michael H. Wilson/William C. Winegard/
Tom Hockin

● *If enclosures are mentioned in letter, is the word Enclosures indicated on the letter and are they included?* ● ● ●

● *If required, did you indicate appropriate carbon copies (c.c.'s) and include the enclosure(s) with the correct sized envelope(s)?* ● ● ●

● *Have you done an overall review for those common irritants:* ● ● ●

- Is there consistency in capitalization, i.e. the federal government
- Did you spell out the meaning of acronyms, i.e. ISTC
- Did you ensure that names of people and places (cities, provinces) and date/month are not separated
- Did you leave two (2) spaces after a period ● ● ●

● *And lastly, have you used your SPELLCHECK?* ● ● ●

THANK YOU FOR YOUR CONTRIBUTION   *(français au verso)*

APPENDIX C: COPY REQUIREMENTS

COPY REQUIREMENT - NOMBRE DE COPIES REQUISES

MEMORANDA TO MINISTERS/NOTES DE SERVICE AUX MINISTRES

Memoranda to Minister Wilson for **DM signature/**
Notes de service au Ministre Wilson pour la **signature du SM**

    - 3 originals + 15 copies (8 Wilson)

Memoranda to Ministers Hockin or Winegard **DM signature/**
Notes de service soit au Ministre Hockin ou au Ministre Winegard
pour la **signature du SM**

    - 3 originals + 10 copies (1 Wilson)

Memoranda to Minister Wilson **signed by Responsibility Centre/**
Notes de service au Ministre Wilson **signées par un Centre de
Responsabilité**

    - 1 original + 14 copies (8 Wilson)

Memoranda to Ministers Hockin or Winegard **signed by Responsibility
Centre/**Notes de service soit au Ministre Hockin ou au
Ministre Winegard **signées par un Centre de responsabilité**

    - 1 original + 8 copies (1 Wilson)

MEMORANDA TO DM FOR APPROVAL/
NOTES DE SERVICE AU SM POUR DECISION

    - original + 3 copies

MEMORANDA TO DM FOR INFORMATION/
NOTES DE SERVICE AU SM POUR INFORMATION

    - original + 2 copies

DOCKETS FOR MINISTERS AND DEPUTY MINISTER/
PROJETS DE REPONSE POUR LES MINISTRES OU POUR LE SM

    - original + 2 copies

APPENDIX D: BACKGROUND DATA

REVISION RATES ON EXECUTIVE CORRESPONDENCE

TRANSMITTED ELECTRONICALLY

PERIOD	GROUP A	GROUP B	GROUP C	GROUP D	GROUP E
April 1992	(N=48) 83%	(N=31) 68%	(N=5) 100%	N/A	N/A
May 1992	(N=67) 63%	(N=14) 86%	(N=13) 62%	(N=9) 44%	N/A
June 1992	(N=39) 79%	(N=31) 84%	(N=17) 94%	(N=14) 64%	(N=19) 63%
July 1992	(N=36) 86%	(N=27) 70%	(N=23) 70%	(N=30) 43%	(N=34) 71%
August 1992	(N=63) 68%	(N=28) 82%	(N=6) 100%	(N=8) 100%	(N=93) 92%
September 1992	(N=47) 62%	(N=17) 59%	(N=15) 60%	(N=9) 100%	(N=29) 52%
October 1992	(N-33) 79%	(N=39) 92%	(N-13) 77%	(N=9) 66%	(N=99) 41%
November 1992	(N=17) 94%	(N=13) 92%	(N=8) 100%	(N=13) 81%	(N=150) 22%

N = the number of documents (dockets) received

NOTE: The sectors reflected in the above statistics are, in random order:
FPA, Tourism, Science & Technology, Aboriginal Economic Programs and
Chemicals and Bio-Industries Branch

N. Lafrance, Chief, Executive Correspondence & Records Centre
cember 3, 1992

APPENDIX E: ARTICLES ON LASER PRINTERS

1. "NEXT GENERATION LASERS," *PC WORLD*, DECEMBER 1992

Next-Generation Lasers

All of a sudden 600 dpi

is the new standard.

In this review, HP's

LaserJet 4 defines the

playing field as a new

of high-res laser

printers promise speed,

high capacity, and

typeset-quality output.

By
Daniel
Miles
Kehoe

It's almost three years since Hewlett-Packard set the standard for print quality with the introduction of the LaserJet III, a 300-dot-per-inch (dpi) printer with Resolution Enhancement technology. Now HP does it again with the introduction of the LaserJet 4 and 4M printers, declaring 600 dpi the new standard for print quality.

Should you care? Yes, according to a panel of users convened to compare the print quality of the HP and other tested printers. 600-dpi quality is noticeably better than 300-dpi output—especially for graphics and halftones.

For this article, *PC World* looked in particular at the two new HP LaserJet 4s.

Other 600-dpi printers we included are the NewGen Systems TurboPS/660, the IBM LaserPrinter 10P/Lexmark, and the Xante Accel-a-Writer 8000. We added the new Compaq Pagemarqs because of their improved 800-by-400-dpi resolution. We also looked at two LED-array printers from Kyocera and Okidata; they print documents at a 300 by 1200 resolution.

Despite printing about the same number of dots per square inch, the printers here run the price gamut, from the $1699 Okidata OL810 LED printer to the fast, network-primed $5499 Compaq Page-

marq 20. As our tests show, equivalent resolution doesn't translate into comparable output quality. In "Not to be Missed," we also take a look at newly announced 600-dpi printers from Calcomp, Dataproducts, and QMS that just missed our testing deadline. Our conclusion: While the HP LaserJet 4 offers real 600-dpi quality for the fewest bucks, many of the other printers offer distinguishing features.
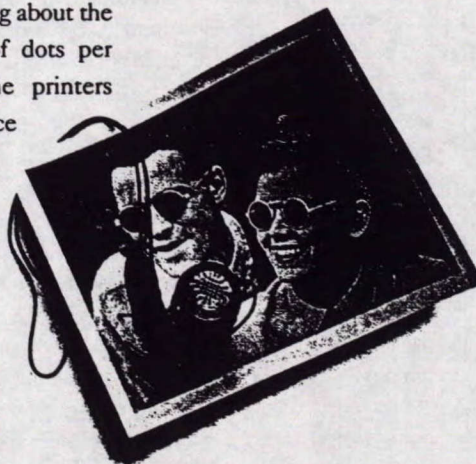
The PC World Test Center subjected these laser printers to a battery of speed and compatibility tests. We then assembled a panel of judges—both experienced laser printer users and graphic artists—to cast a discerning eye on the resulting output. In the overall evaluation, print quality was of prime importance, followed by performance and price. We also rated paper-handling features, font and emulation options, quality of design and construction, and manufacturers' service-and-support policies.

Looking Sharp

Standard office laser printers currently use a 300-dpi engine. Most improve output by using clever technological tricks, crowding some extra dots in to improve overall resolution. In this review, the New-Gen has effectively uprated its 400-dpi engine to 600 dpi using an advanced controller board, while the Xante's basic 300-dpi engine is dramatically enhanced to reach 600-dpi output.

The Okidata and the Kyocera place dots using LED arrays rather than a laser beam, and they can place additional dots vertically on the page between the regular 300-dpi positions while the paper drum is advancing. The result is accurate placement and sizing of four times as many rows of dots as the printer engine alone could manage. In contrast, the Compaq uses an 800-by-400-dpi engine.

True 600-dpi printers, which make up the remainder of our printers, are designed to place 600 dots per inch accurately on the page. The HPs add resolution enhancement to improve on that, while the Lexmark sticks with straight 600-dpi output.

Enhanced-resolution 300-dpi printers are generally less expensive but don't deliver the overall print quality of true 600-dpi printers. Our tests bear this out, with the HP printers coming out on top. The Lexmark doesn't do as well, perhaps because it lacks resolution enhancement at 600 dpi. The Xante finished just behind the HP, thanks to advanced enhancement technology that Xante claims

> Enhanced-resolution 300-dpi printers are generally less expensive but don't deliver the overall print quality of true 600-dpi printers. Our tests bear this out, with the HP printers coming out on top.

gives its printer a resolution equivalent to a true 600-dpi printer's.

You won't see as many differences on text output between resolution-enhanced and true higher-resolution printers. Scanned images and graphics in general look remarkably better when printed at 600 dpi, but only if they were originally created at high resolution.

Looking at Performance

Print speeds vary widely from printer to printer and from job to job. A printer never runs faster than its rated engine speed; more often, it slows as the processor maps fonts and rasterizes images. Faster processors, like the AMD 29000 in the Compaq or the Weitek 8220 in the NewGen, can let a printer continue to run at its rated engine speed even when printing complex graphics. Pick a fast 15- or 20-page-per-minute (ppm) printer for network use—here, the Compaq printers—or an 8-ppm printer for use by one to three people.

The interface between computer and printer can limit printer performance, as can application software drivers. A direct ethernet or token ring network connection transfers data to the printer more

⏻ Best Buys

The Hewlett-Packard LaserJet 4 is clearly setting a new standard in price and output quality. When the LaserJet III came out it was an immediate best-seller, but the increase in output quality over a LaserJet II was not as great as that of a LaserJet 4 over a LaserJet III.

The Compaq Pagemarq 20 breaks new ground in several ways. It's beautifully designed to fulfill the needs of network laser printer users: The quality of output is good, the performance excellent, and the price, while steep for a desktop, very good for a network laser printer.

Hewlett-Packard LaserJet 4

Compaq Pagemarq 20

quickly than a parallel connection to a print server. Most manufacturers support direct interfaces to Novell NetWare—*Microsoft LAN Manager,* TCP/IP, or Apple EtherTalk may be options. Only New-Gen Systems offers a direct interface that recognizes all common network protocols.

The Price Is Right

High-resolution printers were once high-priced printers. Not so more. While *PC World* was unable to survey street prices of several of the newest printers, it's likely that the Best Buy HP LaserJet 4 will sell for the same street price as the LaserJet III it replaces—about $1700. Expect to pay at least twice that for a network printer such as the Compaq Pagemarq 20. Factor in the cost of consumables, such as toner and paper, over the life of the printer and watch the price change—the NewGen Systems TurboPS/660 will become the most expensive printer, and the Kyocera Ecosys a-Si the cheapest. Other options, such as a direct network connection or extra paper trays, may require an additional outlay. With the exception of the Okidata OL810 and the Kyocera, the printers we examined have enough RAM to produce a full page of 600-dpi graphics.

Gauging Service and Support

The manufacturers of the reviewed printers back their products with one-year warranties—some with on-site service, some with service through a dealer. Check your dealer's policies if you won't be getting on-site service. Compaq provides free on-site service for its Pagemarq printers, which is a great plus. Engine duty cycle ratings will help you gauge the likelihood of future service needs. Page-per-month ratings indicate how much you can expect to print while still enjoying trouble-free operation. Network printer users will need this figure to be much higher.

Design and Construction

Among printers, ease of use is the hallmark of good design. You should look for understandable and easily visible front-panel con-

trols, printer utility software, automatic port switching, and integrated toner-drum cartridges that aren't complicated to change. Other construction pluses are a small footprint, low weight, the absence of small plastic parts that might break easily, and simple setup procedures. The Compaq, the Lexmark, and the HPs stood out in design and construction. The Compaq also introduced several novel features, including motorized paper trays and a fax-modem option, and had excellent ease of use. The Kyocera stood out for its reduction of running costs through the use of new technology and design.

Emulation sensing, or automatic language switching, proved to be a problem with all but one of the reviewed printers. Emulation sensing—the capability to switch a printer between PostScript and PCL modes—is essential with a network, especially when a mix of software is used or when users are accustomed to reaching for the <Print Screen> key. Only the Compaq Pagemarq 20 could always switch accurately between PostScript and PCL modes with our test suite of common applications in a network environment.

Font/Graphics Options

These days it's easy to add scalable typefaces to *Windows*, either in TrueType format or PostScript Type 1 format (with the addition of *Adobe Type Manager*). All the printers reviewed contain scalable typefaces. You'll experience faster printing if you choose the typefaces resident in the printer.

The HP LaserJet 4 contains a type rasterizer for both Intellifont and TrueType typefaces. This makes it a good match for *Windows* users who have a TrueType typeface library, because TrueType fonts will print faster as a result.

To speed access to typefaces, the NewGen Systems TurboPS/660 can support its own hard drive for storing commonly accessed PostScript typefaces; the Xante Accel-a-Writer 8000 contains its own flash ROM for user-stored typefaces and a hard disk port; and Compaq offers an internal hard disk and a unique programmable font card for the Pagemarq printers. Any of these solutions lets you adopt a standard typeface for convenient and regular use.

Printers with PCL 5 or PostScript Level 2 (all but the Lexmark, the NewGen, and the Xante) are able to receive graphics data from the computer in compressed format, which speeds printing compared with PostScript Level 1 or PCL 4.

The Paper Trail

Envelopes have long been the bane of laser printers' existence. A few manufacturers, such as Lexmark, have devoted considerable attention to accommodating envelopes, but we recommend testing a printer with your own office envelopes before making a purchase.

Many printers accommodate legal-size sheets and other odd sizes through a multipurpose tray, but it's inconvenient to keep switching paper and trays. Look for a printer that holds more than one size at once. The Kyocera, NewGen, Okidata, and Xante come with only one tray, but you can add more to the Kyocera and Okidata.

Among the reviewed printers, only the Compaq Pagemarqs include 11-by-17-inch printing standard, a welcome feature for those

⚙ Best Output

These two printers produce excellent output on both text and graphics. Our panel of judges rated them noticeably higher than the other printers in this review, and they scored particularly well on graphics. Both take advantage of resolution enhancement to improve the images they produce. Both also dramatically improve print quality for halftone and photographic images. The Xante's output quality is especially noteworthy because of its basic 300-dpi engine. Xante intends to bring out a new model, the Accel-a-Writer 8100, that uses the same technology as the 8000, has a true 600-dpi print engine for a claimed resolution of up to 900 dpi, and costs $3995.

Hewlett-Packard LaserJet 4

Xante Accel-a-Writer 8000

who print posters, presentations, and spreadsheets as well as large engineering drawings.

Network use demands maximal paper capacity, and even a single user will experience greater productivity when paper refills are few and far between. A 250-sheet tray is adequate. Consider purchasing optional paper trays both for increased paper capacity and for the luxury of mixing letterhead and second sheets for office correspondence. Check that the printer driver for your software supports a choice of paper trays.

The bottom line? The HP LaserJet 4 emerged as a Best Buy, with a combination of price, print quality, and ease-of-use benefits. It sets 600 dpi as the new base standard for desktop laser printing, supplanting the best-selling HP LaserJet III at a lower price level but with improved features and print quality. HP is doing a remarkable job of pushing the price/performance boundaries for printers, and its track record in innovation is hard for other manufacturers to match. Nevertheless, some of them have. A Best Buy also goes to the Compaq Pagemarq 20, which sets new standards for network printers in paper handling, network connections, and performance.

The Okidata still stands out on price—you should be able to buy it for around $1000 on the street. Once other manufacturers react to HP's aggressive strategy, however, it will face some competition. The Kyocera sets some new standards for durability and operating cost that should eventually find their way into other laser printers.
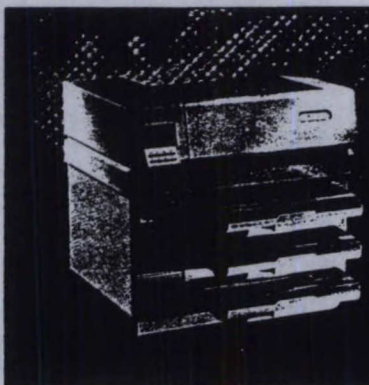
Our advice: 600 dpi is the next generation for desktop laser printing—remember that when you go shopping.

Daniel Miles Kehoe regularly writes about laser printers for PC World. *He is a contributing editor for* NeXTworld *magazine.*

For more information about all products in this article, circle reader service no. 905.

> HP is doing a remarkable job of pushing the price/performance boundaries for printers, and its track record in innovation is hard for other manufacturers to match. Nevertheless, some of them have.

VITAL STATISTICS

List price: Pagemarq 20 $5499, 15 $3999

PROS: Very fast, durable, large paper capacity, fax option

CONS: High cost, large size

Contact:
800/345-1518

Reader service no. 757

Compaq Pagemarq 20, Compaq Pagemarq 15

It's an uneven contest between the high-capacity, heavy-duty Compaq Pagemarq 20 and the other printers reviewed here. Aside from the $5499 price tag, the other printers come up short—in features and in performance.

The Pagemarq 20 is a network printer, with 20-ppm spe 50,000-page-per-month duty cycle, and a 1500-sheet paper capacity right out of the box. It offers a direct network interface as an option—$599 for ethernet, $799 for token ring—to accommodate the busiest office networks. Emulation sensing handles both Post-Script Level 2 and PCL 5 print jobs without a misstep—an essential feature in a network environment where users send both types. In our tests, the Pagemarq was the only printer that could do this. Moreover, benchmarks showed it to be by far the fastest printer on both text and graphics, especially for long documents, where its 20-ppm engine outdistanced all competitors.

The fact that it's a workhorse doesn't mean the output's ugly: Our judges scored the Pagemarq 20 among the top three printers for overall output quality. The Pagemarq 20's Fuji Xerox engine is capable of 400 dpi in the vertical axis and can be driven to 800 dpi along the horizontal axis in its PostScript mode (PCL 5 output is limited to 300 dpi).

The Pagemarq 20 has unusual motorized trays that are slightly larger than 11 by 17 inches. The three trays can each accommodate two side-by-side stacks of 250 sheets of 8½-by-11-inch paper, for a total of 1500 sheets. As one stack empties, the second stack slides

Looking Sharp: 600-DPI Output Is a Clear Winner

Compaq

The Compaq text is crisp and clear with little spotting or blurring, but you can see pixels on the curves within characters. Graphics output is good, but 800 by 400 dpi isn't as good as 600 by 600 dpi, although it's far superior to enhanced 300 dpi.

Hewlett-Packard

The HP LaserJet 4 prints text superbly. There is nothing to find fault with. Graphics show off the HP's output superiority clearly. It produced the best graphic output of any printer here.

IBM/Lexmark

The IBM LaserPrinter 10P/ Lexmark has clear, crisp text and good blacks. There is a small stairstep on diagonals and curves. Graphics output is decent, showing the benefit of 600 dpi, even without further resolution enhancement.

Kyocera

The Kyocera has the worst text, with breaks on diagonals and curves within characters. The characters look broken. While superior to 300 dpi, the graphics quality isn't as good as that of the other printers, except the similar Okidata.

NewGen

The NewGen has very strong blacks—a design goal of the printer—and excellent, clear text, although some of the character serifs are faint. This graphic output is a perfect example of the problem our output quality panel had with the NewGen. While resolution is good, the output is too dark to pass muster.

Okidata

The Okidata has noticeable steps on diagonals and curves, and individual characters seem to have different weights on different horizontal or vertical strokes. Like the Kyocera, the Okidata's 300-by-1200-dpi output can't match real 600-dpi output. In addition, we had a slight banding problem on our halftone output.

Xante

The Xante has good blacks and clear, crisp text. Some of the characters appear to have slightly inconsistent weights. Graphics output is very good, especially in lighter areas. Xante claims to have quality equivalent to 850 dpi, but that doesn't hold up under careful scouting.
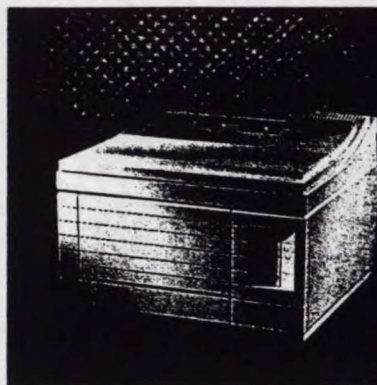
into place. Interestingly, this is the first of a new breed of printer that accommodates 11-by-17-inch pages as a standard feature. No one will complain that this printer can't do the job, even if that job is a huge spreadsheet or poster.

The Pagemarq 20 has the best ease-of-use features among all the reviewed printers. A control panel springs out with a touch, reveal-ing a two-line, 32-character display and a help button that prints a map of the control panel's menus. Direct network connections are limited to Novell and AppleTalk—sup-port for TCP/IP, *LAN Manager*, and Apple EtherTalk protocols may come next year.

The Pagemarq 15, the 20's little cousin, matches it step-by-step, with three exceptions: Engine speed is only 15 ppm, standard paper capacity is only 750 sheets, and the price is only $3999. The Compaq Pagemarqs are the first printers we've seen that accommodate the range of real office needs—net-work speed for text and graphics, large format output, and integrat-ed faxing—at a realistic price.

Hewlett-Packard's $2199 8-ppm LaserJet 4 and the $2999 LaserJet 4M, a PostScript printer, are the standard-bearers of a new generation of laser printers.
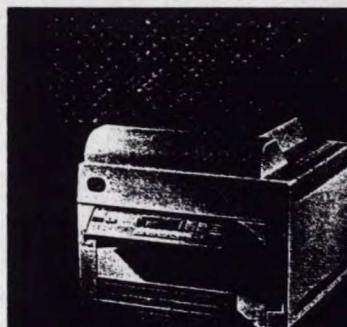
stretching. A tiny indicator bar shows how much paper remains. The control panel is a bright vacuum-fluorescent display. New PC utility software offers a tour of the printer's features plus PC-based control of the printer's functions. There's only one slot for a font car-tridge, but with 35 scalable Adobe typefaces on the LaserJet 4M and a choice of 35 scalable Intellifont typefaces plus 10 scalable TrueType faces on the LaserJet 4, who cares?

Both printers take up less space than the LaserJet III, partly because no paper trays hang off the front. The printers' cartridge and laser scanning modules are mounted on the engine's frame, rather than on a clamshell door, providing greater stability for the laser. The standard 250-sheet letter-size tray is now underneath the printer (an optional 500-sheet tray can be stacked below). A multi-purpose 100-sheet tray unfolds at a touch from the front of the printer. With maximum paper capacity limited to 850 sheets, these printers are not intended for heavy network use, although it's pos-sible to share the LaserJet 4 and LaserJet 4M in small work groups—though the LaserJet 4's and 4M's emulation sensing failed our most rigorous tests.

The LaserJet 4 earns a Best Buy for extraordinary print quality at a bargain price. The LaserJet 4M deserves accolades for print qual-ity, but at $2999, it's no bargain. If you don't need an AppleTalk port, you can buy the LaserJet 4 and add PostScript for $495 (list)—our recommendation for the best PC-ready PostScript value.

VITAL STATISTICS

List price: LaserJet 4 $2199, 4M $2999
PROS: Top print quality, excellent value
CONS: Average speed
Contact:
800/752-0900
Reader service no.758

Hewlett-Packard LaserJet 4, Hewlett-Packard LaserJet 4M

Hewlett-Packard's $2199 8-ppm LaserJet 4 and the $2999 LaserJet 4M, a PostScript printer, are the standard-bearers of a new generation of laser printers. Other manufacturers have staked out 600-dpi turf, but HP and Canon (manufacturer of the P-270 engine) have gone all out to design these 600-dpi printers from the ground up. Canon's optical engineering, combined with improved toner and HP's Resolution Enhancement technology, lays claim to a new standard in print quality. *PC World*'s judges agree: The new Laser-Jets produce the best output of the printers reviewed.

The PC World Test Center's benchmarks give the LaserJet 4 medium speed when it comes to graphics-intensive pages. In Post-Script mode, its cousin, the PostScript-based LaserJet 4M, runs slightly slower on the first pages out and faster on subsequent pages, neatly bracketing the printer's PCL 5 performance. The dif-ferences between the printers are that the 4M includes PostScript Level 2, comes with more base memory (6MB rather than 2MB), and has an AppleTalk interface.

Ease of use has been raised to a new level. There's still a conve-nient integrated toner cartridge, but its capacity has increased to 6000 pages. A power switch is now up front—easy to reach without

VITAL STATISTICS

List price: $3795
PROS: Careful attention to ease of use
CONS: Average print quality, slow
Contact:
800/358-5835
Reader service no. 760

IBM LaserPrinter 10P/Lexmark

Over the last three years, Lexmark has introduced half a dozen printers built on the same basic chassis. The nomenclature has been confusing, but the features of its newest, the $3795 IBM La-serPrinter 10P/Lexmark (or Model 4029-042), stand out. It's a Post-Script printer, and one of the first to deliver 600-dpi quality.

Lexmark has worked hard to assure ease of use. The printer un-packs quickly, with a high-capacity toner cartridge already installed. An improved control panel displays large, bright, scrollable mes-sages. There are 39 built-in Adobe Type 1 typefaces with match-ing screen fonts available for *Windows*. A 250-sheet output tray sig-nals when it's full, and an input paper tray automatically senses the

2. "MAINSTREAM LASERS -- GETTING BETTER ALL THE TIME"
PC MAGAZINE, NOVEMBER 24, 1992

MAINSTREAM LASERS

Getting Better All The Time

Higher resolutions, improved halftones, greater support for HP PCL 5 and Adobe PostScript Level 2, more RISC processors . . . If you buy a laser this year, you'll get more for your money than ever before.

by Mary Kathleen Flynn

You're probably not too surprised to hear that desktop lasers got cheaper over the past year. What PC hardware didn't? The big news is that personal lasers got better.

In lots of ways. Higher resolutions, enhanced halftones, and wider support for HP PCL 5 and Adobe PostScript Level 2 make the output quality of today's lasers superior. RISC processors, improved parallel ports, and built-in Windows functions add speed. And SCSI ports, automatic port and emulation switching, and network options make many of these 34 mainstream lasers—those with engines rated at 10 pages per minute or less—easier to use in workgroups.

RESOLUTION BOOSTERS

When it comes to print quality, the sexiest—and most touted—improvements have come from increased resolu-tions. For true resolutions higher than 300 dots per inch, you have more choices today than ever before. Of the 34 products represented in this roundup, the following provide resolutions that go beyond the standard 300 dpi: Hewlett-Packard's brand-new HP LaserJet 4 ($2,199) and HP LaserJet 4M ($2,999); LaserMaster's Unity 1000 ($6,995), Unity 1200xl ($9,995), and WinPrinter 800 ($1,595); Lexmark International's IBM LaserPrinter 6P ($2,295) and LaserPrinter 10P ($3,795); most of NewGen Systems' TurboPS series printers; and Xante's Accel-a-Writer 8000 ($3,295). And the HP printers' enhanced PCL 5 language breaks new ground by providing 600-dpi text *and* graphics in that mode, not just in PostScript.

As you can tell from this list, however, 600-dpi printers still are not commonplace. But more high-resolution choices are on the way. Two that missed our

deadline but should be available by now are the DataProducts LZR 965 ($2,995), a 9-ppm, 600-dpi PostScript printer, and the 8-ppm QMS 860 Print System ($4,595), a B-size (11 by 17 inches), 600-dpi PostScript Level 2 printer.

Soon, 600-dpi printing should be as inexpensive as 300-dpi printing. Intel's new 82961KD printer coprocessor, which works with its i960 RISC processor, uses hardware banding and compression to reduce memory requirements significantly. And memory, according to Intel, is the most expensive component of high-resolution printing. The first printer to use the new chip, capable of resolutions up to 1,200 dpi, is Calcomp's CCL 600, which should be available this quarter. Based

on Canon's new 600-dpi, B-size BX engine, the CCL 600 is an 8-ppm, 600-dpi PostScript printer.

At $3,995, the CCL 600, like the $4,595 QMS 860, will be competitive with the lower prices we're starting to see for B-size lasers. Prices for some of these printers fell to as low as $6,000 earlier in the year, and most recently, to about $4,000 or less. Of the printers reviewed here, only the LaserMaster Unity 1200xl ($9,995) provides ledger-size printing. (See the Shared Lasers section for reviews of network B-size printers.)

ENHANCED IMAGES

But increasing the resolution is only one way printer vendors have improved out-

put this year. Several companies have developed technologies that enhance halftones (or shades of gray, also known as *gray scales*), which has led those vendors to boast of increased *perceived* resolutions—beyond even the true 600-dpi (or higher) output that some of them offer. These include Acer (in its Acer Laser IIIG, not reviewed here because it was being upgraded at test time), Apple Computer, Destiny Technology (the controller maker), LaserMaster, NewGen, Okidata, Samsung Electronics America (in its forthcoming ImageResolution Kit, $995), and Xante. (See the sidebar "Hi-Res? No, Better Halftones.")

And crisper text and line art is practically a given today. Since HP introduced its Resolution Enhancement Technology (RET) in the HP LaserJet III two years ago, many printer vendors have delivered similar technologies to improve the quality of text and line art. In this roundup, all but the Apple Personal LaserWriter NTR ($2,199), Epson ActionLaser II ($999), HP LaserJet IIP Plus ($1,249), Panasonic KXP-4410 ($1,095), Samsung Finalé 8000 ($1,995), and Texas Instruments' TI microLaser Turbo ($1,749), as well as the NewGen TurboPS/300p ($1,995) and Turbo PS/630En ($3,995), used RET-like approaches. The New-Gens can be equipped with the capability via their IET Level 1 options, and the Finalé can gain it (and true 600-dpi resolution) with its ImageResolution Kit that should be available this quarter.

Other output-quality improvements include wider support for PCL 5 and

HIGHLIGHTS

Mainstream Lasers

MORE VALUE for the dollar is the promise of today's personal laser printers. Prices have come down by as much as 9 percent, while features have multiplied. Resolutions of 600 dpi or better, crisper text and line art, and improved halftones are only some of the enhancements today's laser printers now incorporate.

GREATER SUPPORT for HP PCL 5 and Adobe PostScript—not to mention Adobe PostScript Level 2—is characteristic of many of today's lasers. That, together with the improvements in actual or perceived resolution, translates into higher-quality output.

SPEED IMPROVEMENTS come by way of faster parallel ports, built-in Windows functions, dual-page processing, and more RISC processors.

THIS YEAR bidirectional communications came to the parallel port. Hewlett-Packard includes the feature in its

LaserJet 4 and 4M, while other companies have proposed an alternative specification.

THE 10-PPM Fujitsu Print Partner 10 wins hands-down in the PCL-mode Text Speed race, while the 10-ppm IBM LaserPrinter 10P takes top honors in the PostScript-mode Text Speed category. The Samsung Finalé 8000, with a score of 3.6 gppm, was the fastest performer on our PCL-mode Graphics Speed test.

- **Fujitsu Print Partner 10**
- **HP LaserJet 4**
- **HP LaserJet 4M**
- **Kyocera Ecosys a-Si FS-1500A**
- **IBM LaserPrinter 10P**
- **NEC Silentwriter Model 95**

Cheaper. Faster. Better. That's the verdict on this year's crop of 34 mainstream laser printers (those with engines rated at 10 pages per minute or less). In this group you'll find printers that are best suited for personal use, as well as systems that can perform comforta-

bly in a small- to medium-size workgroup environment. You'll find some features that enhance speed and others that boost output quality. And you'll see some innovative designs in the form of PostScript fax options, PCMCIA slots, and photoconductors that last the life of the printer. This year, six mainstream lasers earn our Editors' Choice award: the Fujitsu Print Partner 10, the HP LaserJet 4 and HP LaserJet 4M, the Kyocera Ecosys a-Si FS-1500A, the IBM LaserPrinter 10P, and the NEC Silentwriter Model 95.

HP 4 SERIES

HP takes a few evolutionary steps forward with its two 8-ppm printers, the $2,199 LaserJet 4 and $2,999 LaserJet 4M. New in this year's LaserJets are an enhanced version of PCL 5 that allows 600-dot-per-inch graphics and text printing, the first implementation of the Canon P-270 engine, a 20-MHz Intel 80960 RISC processor, a fast parallel port (156 kilobytes per second continuous transfer rate) that can also handle bidirectional communications, a second paper tray as standard, and 35 built-in Intellifonts plus 10 built-in TrueType fonts. With both printers, you get output with higher apparent resolution than all other 600-dpi models we've seen.

The LaserJet 4M adds true Adobe PostScript Level 2 and an AppleTalk interface as standard equipment. You can upgrade the LaserJet 4 to PostScript Level 2 with a $499 SIMM.

Of course, you still get RET, HP's Resolution Enhancement Technology that has been standard on its laser printers since the LaserJet III. And in at least one way, HP's new models play catchup to some competitors: They now feature the ability to switch automatically between emulations.

The LaserJet 4 packs in all these features for about $200 less than the now-discontinued 300-dpi HP LaserJet III. And the 4M costs less than the combined price of the LaserJet III and HP's PostScript upgrade cartridge. The single disappointment on these models is the lack of a provision to add an internal hard disk for font storage.

The latest LaserJets run faster than ever. On our PCL-mode Text Speed test, both units managed 7.9 ppm—faster than all but one of the 8-ppm printers reviewed here. The LaserJet 4M kept up the pace on our PostScript-mode Text Speed test, besting its 8-ppm competition. Whether you plan to use these as personal printers or on a small- to medium-size network (HP offers its JetDirect network interface cards in Ethernet and Token-Ring versions), their performance shouldn't disappoint you.

10-PPM WINNERS

Last year, features such as excellent 300- and 600-dpi output, good speed, and a plethora of paper-handling options won the IBM LaserPrinter 10 an Editors' Choice. This year, Lexmark's IBM LaserPrinter 10P boasts the same wide

range of features, adds a faster parallel port, and incorporates Adobe PostScript in its standard configuration. And it's quite a successful implementation: In PostScript mode, the LaserPrinter 10P boasted the fastest Text Speed output of all the printers, pushing through 8.8 ppm on our tests. Its PostScript-mode Graphics Speed scores were a bit less fantastic, though still well within the expected range. And while it wasn't the fastest performer on our PCL-mode tests, it was no slouch, either.

With its true 600-dpi resolution and PQET resolution enhancement technology, the LaserPrinter 10P provides top-quality output, second only to the HP LaserJet 4's and the LaserMaster high-res offerings. If you're interested in this model for workgroup jobs, you'll appreciate options like the IBM 4033 LAN Connection interfaces that take advantage of the printer's fast parallel port, and features such as automatic shutdown when the output bin is full. The unit also offers automatic emulation switching via a TSR—a less elegant solution than some, but equally effective.

If it's a fast PCL text printer you're after, put the $1,995 Fujitsu Print Partner 10 on your list. With a score of 10.1 ppm on our Text Speed test, the Fujitsu printer (which includes an AMD 29000 RISC processor) ran circles around its competition. Its Graphics Speed score, at 3.1 graphics pages per minute, was extremely close to that of the 3.6-gppm leading-edge performance of the Samsung Finalé 8000. Fujitsu doesn't offer the same level of networking options that Lexmark and HP do, but it does provide automatic emulation switching (albeit through software) that will enhance its usefulness for networks. Fujitsu's resolution enhancement technology provides for good 300-dpi output, and its easy-to-use control panel ensures you'll be up and running quickly.

If low per-page costs, an extensive range of fonts and font options, duplex printing (via an option not available at press time), a complete selection of network interfaces, good PCL performance, and environmental awareness

peal to you, check out the 10-ppm ₙyocera Ecosys a-Si FS-1500A ($2,395). Its list price is a little higher than most of its competitors, but the unit boasts a drum that should last the life of the printer: You replace toner powder rather than toner cartridges. This ensures low operating costs of about 8 cents per page, compared with about 3 cents for most competitors.

A PERSONAL CHOICE

If you're looking for a low-cost, high-quality personal printer, look no further than the NEC Silentwriter Model 95. A 6-ppm unit, the NEC costs $1,749, includes both PCL 5 and Adobe PostScript Level 2, and produces good-quality, 300-dpi output with the help of its edge enhancement technology. It also stands out for having been the first printer to market with a PostScript fax option ($599).

Its PCL-mode Text Speed score matched its 6-ppm engine speed; in PostScript mode, its 5.8-ppm Text Speed score outranked its 6-ppm com-'itors. If your workgroup needs are t enough for a 6-ppm system to ₙandle, you'll also appreciate the NEC's standard AppleTalk and optional Ethernet interfaces.

HONORABLE MENTION

One printer that deserves special mention here is the 8-ppm LaserMaster Unity 1000 ($6,995). While the price is prohibitive for many users, those who need typeset-quality, camera-ready output will be intrigued. With a top resolution of 1,000 by 1,000 dpi, achieved in part through LaserMaster's TurboRes enhancement technology, this system's output is superior. Even scrutinized under a magnifying glass, jagged edges and other distractions are invisible. Its output quality is matched only by the company's B-size Unity 1200xl ($9,995), but better all-around speed, operation, and performance (although it was unable to pass our PCL Torture Test) earn the Unity 1000 honorable mention over ₙore expensive sibling.

PostScript Level 2. Last year, only two desktop lasers had PCL 5 support; this year, 18 support PCL 5 either in their standard configurations or as an option. For information on software that will let you add PCL 5 capabilities to older printers, see the sidebar "Moving On Up to PCL 5."

PostScript continues to gain acceptance. InfoCorp, the market research house based in Santa Clara, California, expects 17 percent of all 7- to 14-ppm lasers sold this year to include PostScript (up from 15 percent last year). In this review, 19 of the 34 printers provide Post-Script as a standard feature; another 13 offer it as an option. While only one printer in last year's annual printer issue supported PostScript Level 2, six support it now.

SPEED-UPS

This year's lasers are more efficient at processing information, which is why you'll see speed improvements over past years, even within the same pages-per-minute category. Of course, since our tests have changed this year, you should be careful about making across-the-board comparisons between these printers and past reviews, especially when it comes to the Graphics Speed test. The new Text Speed test, however, is almost identical to the old version.

Almost half the systems we saw this year use a RISC processor. Because RISC processors use fewer instructions to accomplish tasks, jobs are completed more quickly. This is especially helpful in calculation-intensive applications, like printing a complicated graphics page. Although other factors come into play, the effectiveness of a controller's RISC processor is reflected in part by our new Graphics Speed and Windows applications tests.

Some vendors, most notably Xante, have implemented dual-page processing to help speed performance. In Xante's Accel-a-Writer 8000, this allows a second page to be created in memory while the first is printing. (For information on add-in boards that accelerate printing, see the sidebar "Faster Windows Printing with WinJet and PrintSprint.")

Perhaps the most exciting news on speed is that the new HP LaserJet 4 and LaserJet 4M are faster than their prede-

cessors. Where the older LaserJets produced roughly 7.5 ppm on our Text Speed test in PCL mode, the new pair scored very close to their 8-ppm rated speed, and the 4M managed the same on our Post-Script-mode Text Speed test. HP attributes the improved performance to several features: the Intel RISC processor, a graphics-optimized version of PCL 5, integrated PostScript Level 2, and faster printer drivers.

Also new in HP's printers is a speedier parallel port. According to HP, the new port transfers data continuously at up to 156 kilobytes per second (KBps)—about ten times as fast as standard printer parallel port. Other printers in this review that sport faster parallel ports are the Lexmark units (with a continuous transfer rate of 70 KBps) and the Brother models, which move data at continuous transfer rates up to 38 KBps for the Brother HL-10V and 55 KBps for the HL-4Ve. (Our Text Speed and Graphics Speed tests won't show the effect of a faster parallel port because these tests do not use the printers' drivers. Nor will you see it on our Windows applications tests; these tests do not isolate data transfer times, where a faster parallel port will have its greatest impact.)

HP's new parallel port also provides bidirectional communications. The printer can send status messages to users' screens when it needs servicing, more paper, or more toner. While no software applications take advantage of this yet, HP's bundled Explorer utility is a start: It allows users' PCs to act as remote printer control panels. The Network Printer Alliance—which includes Adaptec, Destiny, Intel, Lexmark, and others—has proposed an alternative spec for bidirectional communications (Trends, *PC Magazine,* June 16, 1992).

PERFORMANCE TEST RESULTS

Among the attempts to improve Microsoft Windows 3.1 printing speed are HP's decision to include 10 TrueType fonts on the LaserJet 4 and 4M, and the Samsung and Apple designs that build TrueType font rasterizers into ROM on their models. LaserMaster's WinPrinter 800 is essentially a dumb printer with some smart software: a driver that makes direct calls to Windows' Graphics Device Interface (GDI), and the WinPrint Manager, which

The 10-ppm Fujitsu Print Partner 10 won the Text Speed race in PCL mode, even exceeding its rated engine speed. The 10-ppm Epson EPL-8000 stood out as the second-fastest PCL Text Speed performer. The Okidata OL810 LED Page Printer surpasses this year's 8-ppm-rated competition on the PCL-mode Text Speed test, followed closely by the HP LaserJet 4 and 4M. No other printer could exceed the PostScript Text Speed performance of the IBM Laser-Printer 10P.

On the Graphics Speed test, the Samsung Finalé 8000 took top honors in PCL mode, while the LaserMaster Unity 1000 and NewGen TurboPS/880 outdid the competition in PostScript mode.

GRAPHICS SPEED (PCL)

Graphics pages per minute	0	1	2	3	
Apple LaserWriter IIf					0.2
Apple LaserWriter IIg					0.2
Apple Personal LaserWriter NTR					0.7
Brother HL-4Ve					1.8
Brother HL-10V					2.9
C. Itoh ProWriter Desktop Laser Printer CI-8					2.7
C. Itoh ProWriter Desktop Laser Printer CI-8E					3.0
Epson ActionLaser II					1.5
Epson EPL-8000					2.1
Fujitsu Print Partner 10					3.1
HP LaserJet 4					2.4
HP LaserJet 4M					2.5
HP LaserJet IIP Plus					1.8
Kyocera Ecosys a-Si Printer FS-1500A					2.2
LaserMaster Unity 1000					2.3
LaserMaster Unity 1200xl					2.1
LaserMaster WinPrinter 800	N/A				
IBM LaserPrinter 6P					1.8
IBM LaserPrinter 10P					2.4
Mannesmann Tally MT908					2.8
NEC Silentwriter Model 95					1.9
NewGen TurboPS/300p					0.7
NewGen TurboPS/400p					0.7
NewGen TurboPS/630En					1.2
NewGen TurboPS/660					1.2
NewGen TurboPS/840e					1.3
NewGen TurboPS/880					1.1
Okidata OL810 LED Page Printer					2.9
Panasonic KX-P4410					1.4
Panasonic KX-P4430					1.4
Samsung Finalé 8000					3.6
TI microLaser Turbo					1.8
Toshiba PageLaser GX200					3.0
Xante Accel-a-Writer 8000					2.1
	WORST			BEST	

N/A—Not applicable: The printer could not perform this test.

TEXT SPEED (PCL)

Pages per minute	0	3	6	9	
Apple LaserWriter IIf					7.1
Apple LaserWriter IIg					7.1
Apple Personal LaserWriter NTR					3.9
Brother HL-4Ve					4.0
Brother HL-10V					9.0
C. Itoh ProWriter Desktop Laser Printer CI-8					7.4
C. Itoh ProWriter Desktop Laser Printer CI-8E					7.5
Epson ActionLaser II					6.0
Epson EPL-8000					9.9
Fujitsu Print Partner 10					10.1
HP LaserJet 4					7.9
HP LaserJet 4M					7.9
HP LaserJet IIP Plus					4.0
Kyocera Ecosys a-Si Printer FS-1500A					9.3
LaserMaster Unity 1000					7.0
LaserMaster Unity 1200xl					4.4
LaserMaster WinPrinter 800	N/A				
IBM LaserPrinter 6P					5.8
IBM LaserPrinter 10P					9.1
Mannesmann Tally MT908					7.6
NEC Silentwriter Model 95					6.0
NewGen TurboPS/300p					3.8
NewGen TurboPS/400p					3.9
NewGen TurboPS/630En					7.3
NewGen TurboPS/660					7.1
NewGen TurboPS/840e					7.2
NewGen TurboPS/880					7.2
Okidata OL810 LED Page Printer					8.0
Panasonic KX-P4410					4.5
Panasonic KX-P4430					4.7
Samsung Finalé 8000					7.5
TI microLaser Turbo					8.3
Toshiba PageLaser GX200					7.6
Xante Accel-a-Writer 8000					7.7
	WORST			BEST	

N/A—Not applicable: The printer could not perform this test

WORD FOR WINDOWS (PCL)

Minutes	0	3	6	9	12	Min:sec
Apple LaserWriter IIf						2:13
Apple LaserWriter IIg						2:12
Apple Personal LaserWriter NTR						2:51
Brother HL-4Ve						2:49
Brother HL-10V						1:34
C. Itoh ProWriter Desktop Laser Printer CI-8						1:44
C. Itoh ProWriter Desktop Laser Printer CI-8E						1:30
Epson ActionLaser II						1:51
Epson EPL-8000						1:18
Fujitsu Print Partner 10						1:07
HP LaserJet 4						1:31
HP LaserJet 4M						1:29
HP LaserJet IIP Plus						3:00
Kyocera Ecosys a-Si Printer FS-1500A						1:25
LaserMaster Unity 1000						1:38
LaserMaster Unity 1200xl						2:33
LaserMaster WinPrinter 800						3:13
IBM LaserPrinter 6P						2:21
IBM LaserPrinter 10P						1:21
Mannesmann Tally MT908						1:29
NEC Silentwriter Model 95						1:55
NewGen TurboPS/300p						14:29
NewGen TurboPS/400p						11:59
NewGen TurboPS/630En						7:47
NewGen TurboPS/660						8:07
NewGen TurboPS/840e						7:35
NewGen TurboPS/880						8:35
Okidata OL810 LED Page Printer						1:19
Panasonic KX-P4410						2:31
Panasonic KX-P4430						2:28
Samsung Finalé 8000						1:29
TI microLaser Turbo						1:25
Toshiba PageLaser GX200						1:30
Xante Accel-a-Writer 8000						1:30
	BEST			WORST		

CONTINUES

CORELDRAW (PCL)

Direct Print Print from File

Minutes	Min:sec
Apple LaserWriter IIf	2:00 / N/A
Apple LaserWriter IIg	2:00 / N/A
Apple Personal LaserWriter NTR	1:34 / 1:21
Brother HL-4Ve	1:10 / 0:49
Brother HL-10V	0:53 / 0:31
C. Itoh ProWriter Desktop Laser Printer CI-8	0:48 / 0:24
C. Itoh ProWriter Desktop Laser Printer CI-8E	0:47 / 0:23
Epson ActionLaser II	1:03 / 0:40
Epson EPL-8000	0:56 / 0:36
Fujitsu Print Partner 10	0:46 / 0:25
HP LaserJet 4	0:49 / 0:23
HP LaserJet 4M	0:47 / 0:25
HP LaserJet IIP Plus	0:55 / 0:35
Kyocera Ecosys a-Si Printer FS-1500A	1:02 / 0:38
LaserMaster Unity 1000	0:46 / 0:25
LaserMaster Unity 1200xl	0:48 / 0:32
...er WinPrinter 800	1:05 / 0:58
IBM LaserPrinter 6P	0:53 / 0:33
IBM LaserPrinter 10P	0:43 / 0:30
Mannesmann Tally MT908	0:46 / 0:24
NEC Silentwriter Model 95	0:58 / 0:35
NewGen TurboPS/300p	N/A / N/A
NewGen TurboPS/400p	1:41 / 1:23
NewGen TurboPS/630En	N/A / N/A
NewGen TurboPS/660	N/A / N/A
NewGen TurboPS/840e	1:12 / 0:48
NewGen TurboPS/880	1:10 / 0:56
Okidata OL810 LED Page Printer	0:46 / 0:20
Panasonic KX-P4410	1:16 / 0:53
Panasonic KX-P4430	1:12 / 0:49
Samsung Finalé 8000	0:42 / 0:20
TI microLaser Turbo	0:57 / 0:34
Toshiba PageLaser GX200	0:46 / 0:22
...l-a-Writer 8000	0:46 / 0:29

BEST ——— WORST

N/A—Not applicable: The printer could not perform this test.

TEXT SPEED (PostScript)

Pages per minute	
Apple LaserWriter IIf	7.1
Apple LaserWriter IIg	7.4
Apple Personal LaserWriter NTR	4.0
C. Itoh ProWriter Desktop Laser Printer CI-8	7.4
C. Itoh ProWriter Desktop Laser Printer CI-8E	6.4
Epson ActionLaser II	5.5
Epson EPL-8000	7.4
Fujitsu Print Partner 10	8.3
HP LaserJet 4M	7.9
LaserMaster Unity 1000	7.5
LaserMaster Unity 1200xl	6.2
LaserMaster WinPrinter 800	N/A
IBM LaserPrinter 6P	5.5
IBM LaserPrinter 10P	8.8
Mannesmann Tally MT908	7.6
NEC Silentwriter Model 95	5.8
NewGen TurboPS/300p	3.8
NewGen TurboPS/400p	3.8
NewGen TurboPS/630En	7.6
NewGen TurboPS/660	7.5
NewGen TurboPS/840e	7.6
NewGen TurboPS/880	7.3
Samsung Finale[[acute accent on e]]8000	7.4
TI microLaser Turbo	8.4
Toshiba PageLaser GX200	6.6
Xante Accel-a-Writer 8000	7.5

WORST ——— BEST

N/A—Not applicable: The printer could not complete this test.

GRAPHICS SPEED (PostScript)

Graphics pages per minute	
Apple LaserWriter IIf	N/A
Apple LaserWriter IIg	N/A
Apple Personal LaserWriter NTR	0.5
C. Itoh ProWriter Desktop Laser Printer CI-8	0.7
C. Itoh ProWriter Desktop Laser Printer CI-8E	0.3
Epson ActionLaser II	0.4
Epson EPL-8000	0.5
Fujitsu Print Partner 10	0.8
HP LaserJet 4M	0.8
LaserMaster Unity 1000	1.1
LaserMaster Unity 1200xl	0.9
LaserMaster WinPrinter 800	N/A
IBM LaserPrinter 6P	0.4
IBM LaserPrinter 10P	0.7
Mannesmann Tally MT908	0.7
NEC Silentwriter Model 95	0.4
NewGen TurboPS/300p	0.7
NewGen TurboPS/400p	0.7
NewGen TurboPS/630En	0.9
NewGen TurboPS/660	0.9
NewGen TurboPS/840e	0.9
NewGen TurboPS/880	1.1
Samsung Finale[[acute accent on e]]8000	0.7
TI microLaser Turbo	0.8
Toshiba PageLaser GX200	0.4
Xante Accel-a-Writer 8000	0.9

WORST ——— BEST

N/A—Not applicable: The printer could not complete this test.

ENDS

WORD FOR WINDOWS (PostScript)

Minutes		Min:sec
Apple LaserWriter IIf		1:52
Apple LaserWriter IIg		1:51
Apple Personal LaserWriter NTR		2:45
C. Itoh ProWriter Desktop Laser Printer CI-8		1:45
C. Itoh ProWriter Desktop Laser Printer CI-8E		3:28
Epson ActionLaser II		2:36
Epson EPL-8000		2:09
Fujitsu Print Partner 10		1:40
HP LaserJet 4M		1:39
LaserMaster Unity 1000		1:31
LaserMaster Unity 1200xl		1:42
LaserMaster WinPrinter 800		5:03
IBM LaserPrinter 6P		2:47
IBM LaserPrinter 10P		1:38
Mannesmann Tally MT908		1:45
NEC Silentwriter Model 95		2:37
NewGen TurboPS/300p		3:27
NewGen TurboPS/400p		3:09
NewGen TurboPS/630En		1:55
NewGen TurboPS/660		2:27
NewGen TurboPS/840e		1:36
NewGen TurboPS/880		1:45
Samsung Finale[[acute accent on e]]8000		1:37
TI microLaser Turbo		1:35
Toshiba PageLaser GX200		3:47
Xante Accel-a-Writer 8000		1:46

BEST   WORST

We tested all the printers but the Apple LaserWriter IIf and IIg using the parallel port. These printers have only a serial port, and we tested their performance over that port at 9,600 bps.

The LaserMaster WinPrinter 800 was unable to complete our Text and Graphics Speed tests, which are DOS-based, because it is specifically designed for Windows operation.

We performed each test in PCL mode and again in PostScript mode, for those printers that support it.

The **Text Speed** test measures the printer's speed in sending and printing ten copies of a two-page business letter with 1-inch margins in 10-cpi type.

The **Graphics Speed** test measures the printer's speed in sending and printing two copies of a graphics image created using CorelDRAW and Microsoft Windows 3.1.

The **Word for Windows** test records the time required to print a ten-page business report that uses multiple fonts and type styles. We conducted this test with the Microsoft Windows driver recommended by each printer manufacturer.

The **CorelDRAW** test measures the time required to print a CorelDRAW graphics file. We run the test in two different ways: first as a direct print from within the application (Direct Print) and then as a print of a pregenerated file external to the application (Print from File). It uses the same graphics file as the Graphics Speed test does. We conducted this test with the Microsoft Windows driver recommended by each printer manufacturer.

CORELDRAW WINDOWS (PostScript)

■ Direct Print   ■ Print from File

Minutes		Min:sec
Apple LaserWriter IIf	N/A	13:26
Apple LaserWriter IIg	N/A	13:26
Apple Personal LaserWriter NTR		1:44 / 1:51
C. Itoh ProWriter Desktop Laser Printer CI-8		1:36 / 1:30
C. Itoh ProWriter Desktop Laser Printer CI-8E		3:21 / 3:18
Epson ActionLaser II		2:37 / 2:32
Epson EPL-8000		2:02 / 2:04
Fujitsu Print Partner 10		1:17 / 1:14
HP LaserJet 4M		0:46 / 1:09
LaserMaster Unity 1000		1:08 / 1:03
LaserMaster Unity 1200xl		0:56 / 1:01
LaserMaster WinPrinter 800		2:06 / 3:27
IBM LaserPrinter 6P		2:20 / 2:15
IBM LaserPrinter 10P		1:16 / 1:21
Mannesmann Tally MT908		1:29 / 1:23
NEC Silentwriter Model 95		2:32 / 2:28
NewGen TurboPS/300p		1:20 / 1:13
NewGen TurboPS/400p		1:22 / 1:26
NewGen TurboPS/630En		0:58 / 1:29
NewGen TurboPS/660		1:04 / 1:09
NewGen TurboPS/840e		1:00 / 1:03
NewGen TurboPS/880		0:59 / 0:54
Samsung Finale[[acute accent on e]]8000		1:24 / 1:20
TI microLaser Turbo		1:19 / 1:15
Toshiba PageLaser GX200		2:47 / 2:44
Xante Accel-a-Writer 8000		1:12 / 1:08

BEST   WORST

N/A—Not applicable. The printer could not complete this test.

M

INFORMATION

MANAGEMENT

WORKING

GROUP

RE-ENGINEERING FINAL REPORT

WORKING GROUP: INFORMATION MANAGEMENT

PROCESS: INFORMATION MANAGEMENT

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B. Deacon
Chairman
Steering Committee
Re-Engineering Secretariat

Co-Chairs
Information Management Working Group

FROM
DE

| SECURITY · CLASSIFICATION · DE SÉCURITÉ |
| OUR FILE · N / RÉFÉRENCE |
| YOUR FILE · V / RÉFÉRENCE |
| DATE November 30, 1992 |

SUBJECT
OBJET Final Report - Information Management

Attached for your action is the final report from our group with
respect to opportunities to "re-engineer" the information
management activities within this department to optimize value
received for resources devoted to the area. This includes
activities and expenditures both within the responsible
functional area as well as across operational areas of the
department.

This report represents a followup to our interim report as
submitted earlier in the fall. We have not repeated any of the
recommendations from that report, as we believe that these have
been or soon will be dealt with. We have discussed this report
with the functional head, as well as with the Comptroller as the
third party who will be impacted the most. Concerns have been
expressed from these parties with respect to certain issues - we
believe that we have clarified the report to cover their
concerns. We are prepared to further explain issues in the event
that additional questions are raised.

Unfortunately, we have had neither the time nor the resources to
complete the in depth development of implementation plans as
requested - we believe that this work should best be left to the
functional head. We would of course be prepared to critique
proposals.- We trust that all is in good order.

Yves Moisan   Howard Dudley

cc   Steve Mills   Paul Beaulieu   Robert Allison
     Pat Raby   Gail Nezan   John Mitchell
     Deb Hogg   Larry Hudon-   Guy Lebrun
     Alfred Lyon   Peter Cook   Fruji Bull

GC177 (7/90) C10001

RE-ENGINEERING FINAL REPORT

WORKING GROUP: INFORMATION MANAGEMENT

PROCESS: INFORMATION MANAGEMENT

INTRODUCTION

The ADM Steering Committee gave this Working Group the mandate to examine management issues surrounding information technology and systems (informatics) and the more specific issue of business statistics. Our efforts have been focused on macro issues rather than small-scale operational items; we believe that the optimization of operational activities remains a responsibility of every line manager as well as the functional authorities responsible for a variety of information management areas.

In our interim report in July (attached as Appendix A), we noted the need for the department to focus on a number of issues, including:

—   acceptance of the need for a corporate standards program, covering hardware in generic terms, software, and data standards;

—   elimination of the IMB "police" role in the approval of new initiatives (PIPs);

—   elimination of IMB signoffs for the acquisition of hardware and software.

This final report deals with issues which were highlighted at that time as being worthy of additional review.

A review of the overall field of information management was not part of our mandate as decided by ADMs last August.

For a detailed listing of participants, plus a brief explanation of the process used to arrive at our conclusions, please refer to Appendix B.

EXECUTIVE SUMMARY

Information management activities within the department have developed along two fronts: the specific development of systems to serve a particular need or program (e.g., RAMS, PRISM, AEPIS, etc.) and the development and widescale implementation of office automation activities (e.g., electronic mail, electronic forms, word processing, etc.). To date, we have achieved a significant degree of computer literacy and automation, but we do not believe that expenditures have

been optimized. We believe that more cooperation and mutual support, plus strong management involvement, are now needed to maximize the effectiveness of resource expenditures.

The Working Group believes that significant effectiveness and efficiency gains are possible through closer integration of information management activities. While the recommendations in this report are limited to the task assigned, the Group believes that their acceptance will help facilitate a better integration of those activities. The recommendations will not preclude any future orientation the department may wish to take on the management of information technology and information holdings.

If the department is to achieve long-term gains, the Working Group believes that the roles and functions of the different stakeholders have to be re-thought with a view to (1) minimizing the cost of acquiring, using and sharing technology resources; (2) avoiding unnecessary duplication; and (3) ensuring that the process is client-driven, internally and externally.

In our interim report in July, we stressed inter alia **the need to move the Information Management Branch (IMB) from a technically oriented control branch to a service branch**. We also said **there must be a greater involvement by management in information technology**. To quote a statement made by Andrew Boynton et al in their article, *WHOSE RESPONSIBILITY IS IT MANAGEMENT*, in the Summer 1992 issue of Sloan Management Review:

> "Carefully aligning IT decision-making responsibilities among IT and line managers is a crucial step toward successful exploitation of IT resources. An important aspect...is that the alignment of IT management responsibilities seldom, if ever, results in a purely centralized or decentralized architecture. What arises most often is a shared apportionment of responsibilities amongst corporate IS, divisional IS, and line managers that reflects the organization's unique characteristics."

Together, the service branch concept and greater management involvement in information technology are a starting point for building viable mechanisms for making difficult resource decisions in the future. Because of the importance the Working Group attaches to them, they are central to all recommendations which follow.

1.   Greater Management Involvement

We feel strongly that increased management involvement is critical in the review of existing systems and in the approval of new ones. Specifically, management attention is needed in establishing priorities and in preparing business plans and budgets relating to expenditures on corporate systems. We say this because systems have demonstrated a tendency to take on a life of their own. They are not

subject to serious scrutiny to determine their usefulness, priority or cost in fulfilling our mandate.

To compound this situation, we now face a heavy demand for new applications. Pressures in this area will mount as we shift additional resources to data gathering, analysis and intelligence. Given current budgetary constraints, management must ensure that expenditures on corporate systems are in line with departmental priorities, and that the necessary resources for them are part of the normal trade-offs when resources are being allocated.

2. A Service-oriented Branch

We believe that IMB should become a service-oriented unit to support management in information management activities. To do this, IMB must focus on development of a framework or structure to assist the department in making the best use of existing technology. As a centre of expertise, IMB would provide responsibility centres (RCs) with guidance, advice, and assistance as necessary. For example, a client RC with an information technology requirement could approach IMB for advice and assistance in developing a solution.

The IMB would also have the right of first proposal to provide the service, with the RC manager free to accept the proposal or to shop around elsewhere for the service. In short, the primary role of IMB should be to provide support to managers who face critical decisions on information management issues. A secondary role would be the provision of necessary technical support.

Indeed, IMB has already moved in that direction. The next step is to reinforce that role and make it better understood throughout the department. This will require a **cultural change** not only in IMB, but also in other responsibility centres which often proceed with initiatives from a narrow perspective and, to some degree, in isolation of similar activities undertaken by their neighbours. In other words, **IMB would be the central repository of knowledge about systems in ISTC but not necessarily the "controller" or "manager" of those systems.** Significant portions of this knowledge could be resident in other organizations as long as it is linked to the IMB resident centre.

Although we did not conduct a detailed accounting of ISTC informatics expenditures, both direct and indirect, we estimate that some $25 million are spent annually on direct informatics activities across the department. Greater detail on these expenditures can be found in the following sections as well as in Appendix C. Opportunities for savings exist in each of these areas, although some initial investments may be needed. As well, some of the savings depend on changes in infrastructure and will take time to achieve.

FOREWORD

Information Management as we know it has developed in ISTC from a variety of backgrounds. There was the migration from mainframe type applications to off-site Facilities Management contracts; and the simultaneous development of a variety of Personal Computer based systems in response to specific requirements. The departmentally owned "mini-computers" accordingly became focal points for communications activities.

This technological change took place concurrently with the development of significant skills in various areas of the department. These pockets then developed approaches to information management appropriate to their area of need and the level of resources available to them.

The management infrastructure during this period took a variety of formats (DACMI, IMC and IMAC, Sector Informatics Committees, etc.) to steer information management activities. It is our view that, far too often, these mechanisms did not succeed, or at the very least did not optimize their success, because the roles of participants were not always understood and the participants may not have been appropriate for the challenge. Another shortcoming was that the process was not sufficiently management driven.

ISTC has now reached a stage where it is wholly dependent on these systems for everyday activities. Furthermore, the department is well advanced compared to other federal organizations in the area of automation, distributed processing, and general knowledge. What is striking about it is that we reached the current level of development even though the road was often strewn with conflicting views on how to respond to our needs.

At this point, we do not believe there would be any merit in examining those conflicts. The important point is that the various approaches have converged and that we now enjoy a high level of informatics maturity throughout the department.

We do believe, however, that the time has come to implement a variety of management measures to optimize future investments in informatics. We must ensure that ISTC has the proper operating environment to take advantage of emerging opportunities and to remain in the forefront of technology applications. To quote Ian Clark in a November 14, 1992 statement on Strategic Directions of Information Technology:

> "Information technology today is considered a strategic investment. Efficiency, productivity, and economy remain important, but the capacity to assist departments in accomplishing their mission, improving their ways and administering their programs and raising the quality of their services are equally important."

In conclusion, we would also state that there is a need for a greater level of cooperation among all parties than has, too often, been the case. Our

recommendations clearly place IMB in the position of having to "sell their services" to user managers. But, given client reluctance to consider the idea with an open mind, IMB questions the likelihood of success. The Working Group concludes that ISTC has no choice; there are no other viable options. What we face, then, is a major management challenge for line managers and IMB. The past cannot be allowed to cloud our future.

RESOURCES DEVOTED TO INFORMATICS

During the last four or five years, the department has spent some $18M to $20M of its non-salary O&M budget annually on informatics. In the current year, 1992-93, some 100 person years in ISTC are devoted to informatics functions; about half of these PYs are in IMB. Assuming an average employee salary of $50,000 a year, the department is spending another $5M on informatics. The total cost, therefore, is between $23M and $25M or approximately 10% to 12% of our total salary and non-salary O&M. Put another way, the cost will represent about 18% of our non-salary O&M reference level for 1993-94. It does not include significant time and effort by staff across the department in feeding systems and massaging data.

For purposes of this exercise, O&M expenditures can be divided into the following categories: (a) more than $5M for hardware, software and supplies acquisitions (this could be largely controlled by normal management decisions on acquisitions); (b) about $3M for equipment rental and communications costs; (c) less than $3M for LAN management (technical and user support); and (d) some $8M for systems development, plus the maintenance and enhancement of corporate and local systems. The first two categories are not a re-engineering issue per se.

With respect to the 100 PYs, they can be broken down as follows: about 30 are devoted to LAN management (of which about 12 are in the regions), some 60 are involved with systems development, maintenance and enhancement, and the remaining 10 are devoted to other activities such as telecommunications, management, etc. For a breakdown of these figures, please refer to Appendix C.

Most of the resources, then, are spent at headquarters. There are some distortions in the data since AEP informatics expenditures in regional offices are rolled up at the headquarters. Based on the 1992-93 Information Management Plan, it is estimated that the regional offices and Fednor together will devote less than 20 PYs and less than $1M of O&M to informatics this year. This represents only 7-8% of all departmental expenditures. Most of the expenditures in the regions and Fednor are for hardware and software acquisitions and for LAN operations (by and large the regions use their own people to support their informatics systems rather than using consultants). For purposes of this exercise, we have assumed that regional involvement and expenditures are for maintenance and in response to headquarters activities rather than new activities for their own offices. This is not meant to suggest that the regions do not have an important role to play in ISTC informatics activities; rather we believe that efforts focused on maximizing efficiency in

corporate areas will be more productive and have a positive impact across all areas of the department.

Therefore, the Working Group spent most of its time examining the situation at head office. Although no real cost savings initiatives are proposed for the regions, it will be critical for them to participate with head office in determining the appropriate systems and compatible technologies so that communications links and information sharing systems are maintained and strengthened.

The Working Group felt it should concentrate its activities (in addition to business statistics) in three broad areas:

—   LAN management;

—   Systems development and maintenance; and,

—   Management structure and planning processes.

In addition, jointly with the Finance Working Group, we have responded to the direction of the Steering Committee to review the functioning of the RAMS system. Our joint analysis is included in the Finance Working Group report.

LAN MANAGEMENT

The recent development of LANs in ISTC followed a very decentralized path and without the benefit of a common approach to the introduction of technology. Consequently, organizations, depending on size and degree of technology utilization, introduced their LANs relatively independently and at a speed and a quality which varied greatly from group to group. The net result was a series of independent, locally managed systems. The implementation cost included unnecessary overhead, duplication, and large expenditures to develop a common architecture and business applications. We ended up with a significant number of staff (and wealthier consultants) as we developed solutions to a variety of comparable needs independently. Happily, we have come a long way during the past year or so. Systems are now much more compatible and the technology is standardized, allowing us to improve communications and information sharing. Yet, still more can be done to improve efficiency and reduce development and operational costs.

For managers, **technical support** and **users support** are key elements for effective management of our informatics systems. Technical support is required for proper functioning of the systems, and user support is needed for local and departmental applications. While some sectors may argue that their requirements are different or unique (distinct society argument!!), we would argue that the LANs provide essentially the same services: communications across the department, plus a

number of standard applications. They all require maintenance and operational attention that is materially identical, and the hardware is increasingly compatible.

What we believe to be important from a branch or local perspective are the services required to operate a LAN, the resources they are willing to spend on such services and a degree of stability among the personnel providing the LAN services. But the existing approach is counterproductive, resembling in many ways the compartmentalized approach ISTC took in the beginning as technology moved into the workplace at a rapid pace. It is a costly way of doing business.

Therefore, we recommend that:

—   **LAN support be coordinated and obtained through a central common service in IMB. Each sector would define its requirements, as at present, and negotiate sourcing with IMB. If IMB's cost and recommended services are considered to be unacceptable, then the sector can decide to use whatever alternative is judged appropriate, following due process;**

—   **IMB should be encouraged to develop the "action" team concept to minimize cost by redeploying resources to meet surge needs when trouble occurs in a LAN or when new applications are introduced;**

—   **Departmental employees should be encouraged to make greater use of support provided by manufacturers; and,**

—   **As a corollary, managers should be encouraged to redirect their human resources, especially among support staff, to meet needs in this area. This could offer additional savings, while also offering job enrichment for support staff and career development opportunities.**

The benefits of this approach are clear: potential economies of scale from larger contracts, reduced in-house contract administration costs, and more efficient resource utilization. To succeed, however, managers and IMB will have to respect each other's concerns and work in mutually supportive ways. Until this acceptance becomes an integral element of our corporate culture, senior management intervention may be necessary.

Based on the ITRO and CGSI experience, it is estimated that savings of about 15% could be generated by managing the LAN system on a common service basis rather than on a local basis. In 1992-93, it is estimated that the department will spend less than $3M (mostly in Ottawa) and use some 30 PYs (18 at the head office). If the 15% could be applied to activities in Ottawa, that would mean savings of 2 to 3 PYs and some $400,000. In addition, a common service approach would provide other **unquantifiable** benefits: improved response to surge requirements in a specific sector, better redeployment of resources when trouble occurs or new applications are introduced, and easier transition of services and staff across LANs.

SYSTEM DEVELOPMENT, MAINTENANCE AND ENHANCEMENT

The department maintains some 150 systems, of which approximately 100 could be considered as corporate systems; that is, systems used by more than one responsibility centre. Each system has a custodian, and all major corporate systems have an Office of Primary Interest (OPI), a manager assigned specific operational responsibilities for operating the system on behalf of the department (e.g., the OPI for RAMS is within the Comptroller's Office). Altogether, the development and maintenance of these systems cost some $8M and consume approximately 60 PYs.

There may be some additional resources devoted to systems development and enhancement over and above those mentioned above. However, contrary to popular belief, our discussions with employees and managers lead us to believe that few resources are now devoted to these activities by the CO or AS community, other than in operational usage roles. This was clearly not the case a few years ago when each sector had a number of resources partially or fully devoted to developmental and enhancement work. Others argue that "unreported" CS-type work continue in some areas, but we were unable to document this claim.

The principles which apply to our recommendations for LAN management apply here as well. The Working Group believes that all OPIs should canvass their users regularly, and concentrate their activities on their major objective: to ensure that the systems meet the requirements of the clients and users. This does not imply that each OPI should establish its own permanent team to support its activities. Rather, we strongly recommend that the acquisition and deployment of these services should be carried out in conjunction with a centre of expertise within IMB. This **does not preclude** the physical location of the informatics support staff within the OPI, but **it requires** that all such people be considered as part of the overall corporate team.

At present, a number of units in ISTC provide maintenance services and enhancement of corporate systems (IMB, Comptroller's Office, etc.) as well as support for both corporate and local systems. There are, of course, recognized benefits of having people dedicated "permanently" to a system -- no learning curves, better experience, greater commitment, etc. However, the drawback is that it is costly -- multiple contracts and their associated management and administrative costs, lack of flexibility, etc. It is the opinion of the Working Group that these units could be coordinated through a common service centre that services corporate and local systems on a department wide basis.

As the final element of its panoply of services, the service organization (IMB) should also establish a centre of expertise for systems development. This would include the retention in a single location of an inventory of the tools necessary for systems development, as well as common management approaches which have proven effective in the operation of systems. Specifically, it would provide advice and assistance to managers, develop required systems development standards, serve as project manager for systems development projects, etc.

Given the above, the Working Group believes that the following recommendations should be pursued for long term effectiveness and efficiency:

—　**The department should establish a focal point for the acquisition of systems development expertise, plus a systems maintenance and enhancement coordination centre in IMB to support corporate and local systems as managed by a variety of OPIs;**

—　**Each OPI should be empowered after due process to acquire services elsewhere if IMB is unable to provide a quality and price competitive service;**

—　**To the greatest extent possible, the department should buy off-the-shelf products to meet its business requirements;**

—　**Compatibility with systems operated in other departments should be pursued more aggressively;**

—　**To meet client requirements, each OPI should develop an appropriate mechanism to obtain the views of the community of users.**

Here again, this recommendation will only prove effective if there exists a climate of respect and appreciation for the roles and concerns of other involved parties. We expect that this will present a challenge to IMB, as they have to "prove" that they can add value to transactions; similarly, it will call on the management skills of line organizations to obtain the best possible service at least cost. The absence of collegial action will result in duplication, lost access to existing systems and skills, and it will place an additional burden on users.

By co-ordinating these informatics service activities through a single operating unit (IMB), what overall savings could the department expect in terms of PYs and O&M? This is a difficult question to answer. The areas of savings and other benefits are fairly specific: fewer contracts, less time devoted by managers in managing their technology, greater flexibility in allocating resources, etc. According to outside private sector sources and, to a certain degree, our own experience in developing common services, it is estimated that savings up to 20% could potentially be achieved.

However, some of these potential gains have already been realized by actions undertaken by the department during the recent past. Therefore, if we have to venture a number we would guess on the low side -- about 10 to 15% per cent. This would mean a potential savings of 6 to 9 PYs and $0.8M to $1.2M. Whatever the magnitude of potential savings, they could be made available for priority areas. As a significant portion of these costs are locked in multi-year contracts, it will take time to optimize the effectiveness of this approach. It is important to note that an initial portion of the savings might be required as an investment to achieve these savings.

MANAGEMENT STRUCTURE AND PLANNING PROCESS

The Corporate Information Plan (CIP) which was approved by DMC last spring referred, inter alia, to the need to examine the committee structure related to informatics issues with a view to strengthening the role of these committees. In our interim report we also stressed the importance of getting the management team more involved in the decision-making process and priority setting activities. Only in this way will we ensure that appropriate trade-offs are made between conflicting priorities. Furthermore, <u>in times of stable or declining budgets, a decision to spend in one area means less money available for other areas</u>. Therefore, we need to find ways to free up money (e.g., shutting down systems, curtailing enhancements) if we wish to fund new priority areas; for example, as a knowledge-based department we need new applications for our staffs.

The Working Group holds the view that systems need to be reviewed in terms of their usefulness and cost so that money can be freed up for new priorities. Such a review, however, should not be left entirely to the people who act as the OPI for them. The responsibility must be a collective one, involving all interested parties, so that the review is perceived as being transparent, responsive to client needs, and as part of a priority setting exercise.

The Working Group, however, is not recommending any new mechanisms to deal with systems reviews because existing structures or committees can be asked to handle them. The real challenge is link the system reviews with the business planning process in each responsibility centre while establishing departmental expenditures priorities for corporate systems, as well as the strengthening of the role played by senior management.

We believe that with a revamped Information Management Advisory Committee (IMAC) and Information Management Committee (IMC) the objective is within reach. But this requires a number of changes in the way these committees function. The Working Group, therefore, makes the following recommendations:

—   **Two permanent information management committees, based on the existing Information Management Committee (IMC) and the Information Management Advisory Committee (IMAC), should be charged with the "management" of information management activities within the department. IMC would constitute the decision-making body on behalf of departmental management; while IMAC would be the department's business managers carrying out reviews on behalf of management and making recommendations to IMC;**

—   **IMC, made up of ADMs, should review the recommendations of IMAC for final priority setting and budget allocations;**

—   **The top priority of IMAC, composed of business managers typically at the Director General level, should be to review the main corporate systems with a view to assessing their continued usefulness (including the availability of alternative systems outside the department), value for money, and ways and**

means to improve their efficiency and freeing up money for re-allocation to new applications; and make appropriate recommendations to IMC;

—   IMAC should be chaired by a representative of the users' group, and IMB should provide the secretariat function;

—   IMAC should be the vehicle by which all proposals for new systems development (local or corporate) are examined;

—   All corporate standards (developed by IMB in cooperation with the users community) should be approved by IMAC;

—   The IMAC chairperson is de facto secretary to IMC;

—   To ensure that recommendations by IMAC and decisions by IMC become an integral part of the business planning process, the priorities should be communicated in time for business planning purposes;

—   IMAC should be authorized to strike sub-committees as necessary to carry out its management role. Current examples would include the IMTCG, and the Text Management Implementation Committee.

For greater detail on the roles, membership, and configuration of these committees, please refer to Appendix D.

We do not anticipate that the above recommendations will result in short-term direct reductions of expenditure levels. However, we believe that the long-term savings (cost avoidance) will be very significant. We cannot continue to pay for applications developed in isolation, or cope with autonomous decisions that have long-term implications for others. Simply put, failure to proceed with the proposed approach will result in continued excessive spending of scarce resources to the detriment of all elements of the department.

BUSINESS STATISTICS

The department spends a considerable amount of its resources (O&M and PYs) on the acquisition, storage and analysis of statistics. It is estimated that we spend approximately $3M a year for statistical intelligence; of this the Department spends about $2M annually on the acquisition of statistics from Statistic Canada alone. In addition, more than 50 people (some $3M Salary O&M) are involved either full time or much of their time in the acquisition, storage, analysis or presentation of statistics.

ISTC has set itself the mission of helping Canadian industry become more internationally competitive, accomplishing this in part by becoming an information-oriented organization and providing industry with timely data and market

intelligence. While the Department invested heavily in computer hardware and software, four serious gaps hamper ISTC from effectively carrying out this part of its mandate.

First, within the Industry Sector Branches and the Regional Offices, the gathering of information and statistics is fragmented and isolated, causing disproportionate resource allocations when analyses of new problems arise. Several of the branches and Regional Offices have limited resources to resolve ongoing statistical and analytical problems.

Second, there is a lack of coordination to ensure that fundamental source data is acquired and stored without duplication and that it can be shared with all parts of the Department.

Third, officers and other staff must be trained in the use of statistics, information retrieval and new analytical and software tools. The development of analytical skills is essential to undertake the strategic, policy oriented analysis required in the future.

Fourth, there is little effective liaison with the key suppliers of source data at either the management or working levels. Development of strong linkages is critical for the Department's relationship with Statistics Canada, and is essential to our efforts to access other intelligence sources.

Adding to the urgency, ISTC is embarking on a complex exercise to carry out strategic analyses of priority industries. It is work that will go substantially beyond the more descriptive profiles completed to date. The Sector Strategic Framework exercise will provide an opportunity to build suitable data systems, develop human expertise, and change management perspectives and Departmental culture. As obvious examples of the Department's ability to carry out its mandate, this effort will be vital to the credibility of the Department.

Therefore, we make the following recommendations:

—   **A high-level "Departmental Statistical Coordinator" position should be established to: improve formal linkages with Statistics Canada; develop awareness programs within the department on how to use statistics and where to obtain the needed data; and to chair a formal advisory group;**

—   **A formal Statistical Advisory Committee should be established under the chairmanship of the coordinator;**

—   **A Users' Committee of analysts and statistical users should be established with representatives from all areas of the Department;**

—   **A small statistical support group should be established to service the Industry Sector Branches and Regional Offices;**

—	**Training of officers and managers in statistical and analytical areas should be accelerated;**

—	**ISTC should examine its linkages with Statistic Canada and actively seek to improve them through mechanisms such as interchange/assignments; and,**

—	**Staff should have access to statistical information through their PCs.**

For more details regarding the above recommendations, please see the separate report attached as Appendix E.

In terms of resource impacts, we expect that potential savings on statistics could be in the order of 10% (might be in the form of lowered expenditure levels within RCs, or increased levels of additional services for the same amount, that is, internal reallocation through re-engineering). However, more importantly, we would expect very significant improvements in the quality of output and productivity from the user community.

CONCLUSION

It is the overall belief of our Working Group that opportunities exist for significant savings in the technological operations of the department. We have indicated potential savings of perhaps 10 or 12 PYs, plus approximately $1.4 million in the areas of LAN management and system operations and some 5 PYs and $300,000 in business statistics. We believe that even greater savings can be achieved with full in depth review of the existing major systems, including a determination of continuing need, and opportunities for scaling back the level of detail and operations of such systems. Perhaps more importantly, we believe that serious management involvement can achieve significant levels of resource conservation (cost avoidance) by ensuring that information management operations and decisions are visible, with costs fully revealed, and the real core needs of all stakeholders identified and considered by corporate management.

To reiterate, we believe that the key to optimizing success, translated as optimal expenditure of limited resources, can only be achieved when departmental senior management becomes fully involved in corporate information management.

Re-engineering of ISTC's Business Processes

Interim Report - Information Management

Preliminary Report - Information Management Module

The Working Group originally identified <u>seven</u> areas of concerns:

- **Approval Process**
- **Corporate Standards**
- **Technical Support**
- **Telecommunications**
- **Systems (PRISM, RAMS...)**
- **Departmental Business Statistics Base**
- **Departmental Information Management Structure**

In view of the limited amount of time members of the different sub-committees could devote to this exercise before the end of July, the Working Group has decided to focus its efforts on the first three areas identified above. **(See Annex "A" for specific recommendations).** It should also be noted that the Working Group spent most of its time on **information technology** management issues.

Furthermore, in such a complex and wide-ranging issue as information management, the Group felt it was essential at the outset to establish a number of operating principles which would provide a **framework** to guide us through the overall exercise. The Working Group believes that the following prerequisites are required to achieve long-term benefits.

- The Information Management Branch should become a **service oriented Branch rather than a "control" Branch.** Many processes now in place lead to unnecessary control/sign-off/ review, etc. by IMB. Consequently, the need to redefine roles and responsibilities. A number of preliminary recommendations are related to eliminating these unnecessary controls (in line with our **empowerment** objectives/let the managers manage).

- Through the different structures already in place (IMAC, IMC, etc.), **management has to pay much more attention** than it had previously to the priorities to be pursued in informatics (and its associated costs which compete with other requirements)

- In any development of corporate systems, the Department should never lose sight of its **core information requirements** (absolutely needed to meet departmental

objectives) and the information that it would be **"nice to have"** (with today's technology, if this information is required it could be made available outside of the main corporate systems). Development of corporate systems which try to respond to everyone's requirements lead invariably to "monsters" which are costly to maintain, cumbersome, not user-friendly, etc. (e.g. PRISM).

- To the extent possible, the Department should procure existing **off-the-shelf** systems rather than developing its own **and work with other key Departments** with a view to avoiding duplication of undertakings and proliferation of different (custom designed) systems.

- The Working Group is of the opinion that we need to improve the integration of the planning process and the budgetary exercise with the informatics functional plan. This issue has already been communicated to the other Working Group dealing with planning. This should help responding to the **Employee Opinion Survey** related to the relevance of the planning process.

- To avoid wasting human and financial resources as well as duplication of endeavours, every effort should be made to adopt **common data identifiers** which will permit easy inter-changeability of information.

- Management of information must be "everybody's business" (not just the Information Management Branch) for ISTC to effectively fulfill its mandate. Information management functions need examination and realignment, where appropriate, to obtain maximum corporate value from a given function being situated in a particular location in the organization to realize the greatest gains from re-engineering.

The Working Group also recognized that the information management issue has a number of interrelationships with other working groups; therefore, we may need to reconcile some of our recommendations with other proposals.

It should also be noted that most of the recommendations deal with the **elimination of irritants** and the development of an appropriate **framework** rather than with the identification of resources which could be redistributed from indirect to direct client support. The overall resources implications in the attached recommendations are quite limited (approximately **0.5 million/year and few P/Ys**). However, the Group believes that with the acceptance of the basic principles and the detailed analysis of the other processes mentioned above, **there is room for much greater resources implications as well as a significant reduction in the level of frustration.**

Finally, like many other Working Groups, the Group believes that it will be difficult to complete the work without devoting appropriate resources to the analysis of the issues, especially those which tend to be complex such as departmental systems and departmental business statistics base. **A good deal of detailed information is required to assess these issues properly;** both of these issues have also implications with the work of

other groups (finance/ program administration/library services, etc.) and have potentially significant long-term benefits.

Yves Moisan
Howard Dudley

Attachments

Re-engineering of ISTC'S Business Processes

Interim Report - Information Management Working Group

Business Process: Approval Process for Project Initiation - Proposal (PIP)

1.   **Progress to Date:**

The current approval process has been reviewed with a focus on administrative procedures, resource requirements and timeliness; irritants have been identified; and roles and authorities of bodies responsible for PIP approvals have been reviewed.

2.   **Work Remaining:**

NIL

3.   **Special Considerations/Barriers:**

In support of PS 2000, empowerment to lowest level should be considered.

4.   **Evaluation:**

-    Some savings in the Use of PY resources (estimated to be equivalent to approximately **to one P/Y**) can be achieved by empowering RCs to proceed unilaterally with the implementation of PIPs. However, this would eliminate a significant **irritant.**

-    The time to approve a PIP can take on average from one to three months.

5.   **Options:**

-    Continue current process status quo.

-    Disregard the PIP process entirely.

-    Empower RCs originating PIPs to proceed on their own with implementation and to inform personnel of the PIP via IMAC.

6. <u>**Decision**</u>

It is recommended that the third option be approved (i.e., empower RCs originating PIPs to proceed on their own with implementation and to inform departmental personnel of the PIP via IMAC.'

Re-engineering of ISTC's Business Processes

Interim Report - Information Management Working Group

Business Process: Approval of Service Contracts

1.   **Progress to Date:**

The current process was reviewed; however, after discussion with the Administrative Services Working Group, it was determined that this issue did not belong to our Working Group.

2.   **Decision:**

The Group recommends that **sign-offs** for Service Contracts **be limited** to those parties responsible for managing the contract (i.e. exclusive of IMB for in-house consultation and the Security Directorate for security clearances). This recommendation is given as an input to the Working Group on Administrative Services.

Resources implications have not been identified, but the proposal would eliminate irritants.

Re-engineering of ISTC's Business Processes

Interim Report - Information Management on Working Group

Business Process: Approval Process-Software/Hardware Acquisitions

1.   **Progress to Date:**

The process has been reviewed and fact-finding activity has taken place with selected members of the Information Management Branch (IMB) and other individuals in the course of developing recommendations.

2.   **Work Remaining:**

-    **Streamlining** of contracting aspect of this issue needs examination by Administrative Services Working Group.

-    Determination of potential savings from **eliminating possible duplication** of testing of hardware by Supply and Services Canada and ISTC and from **shifting** more responsibility for testing to suppliers.

-    Further examination of issue of technology development **research/advice activity that does not relate to priorities** approved through the IMAC/IMTCG structure.

-    Specify resources implications of recommendations 1 and 2

3.   **Special Considerations/Barriers:**

Special polices concerning informatics procurement must be followed (e.g. the Merit Partnership Policy).

4.   **Evaluation:**

The principal conclusion drawn from the assessment of the current process of software/hardware acquisition is that too many process points (organizations/individuals) are involved resulting in unnecessary steps and delays. Approval by a responsibility centre manager should be sufficient (in all but the most exceptional acquisitions which have "national system" implications - for example: network servers or database servers) to enter into direct transactions with suppliers. **The proposal would eliminate irritants.**

It was also noted that IMB research and recommendations with respect to information technology developments are often not visible or timely enough to aid

in acquisition decisions and that research priorities do not seem to be derived from consultation with a broad user base.

5. **Recommendations:**

1. Simplify the approvals process and provide responsibility centre managers with **full authority** to make hardware and software purchases directly from suppliers (except for restrictions relating to special policies and procurement with "national systems" implications as mentioned above).

2. Increase value of technology development research/ advice conducted in IMB and other ISTC units by facilitating communication of evaluation results (e.g. using an electronic bulletin board) and ensure priorities are developed and approved within the IMAC/IMTCG structure.

6. **Decisions Required:**

Steering Committee concurrence with recommendations.

Re-engineering of ISTC's Business Processes

Interim Report - Information Management Working Group

Business Process: Corporate Standards

1. **Progress to Date:**

   Reviewed existing material, interviewed selected participants, analyzed current process, identified issues (irritants and problems), and formulated options.

2. **Work Remaining:**

   - Specify likely resource requirements and implications.

   - Identify urgent work needed in priority standard areas.

3. **Special Considerations/Barriers:**

   - Lack of understanding/acceptance in department of need, nature and importance of departmental standards in information management.

   - Need for new mandates and processes to be established, understood, accepted and implemented in department.

   - Urgency to start needed work on most pressing standard areas.

4. **Evaluation:**

   - Payoff: transparent process and understood responsibilities, user involvement and departmental ownership, systematic management, proactive approach, acceptance of needed standards, better standards, meeting central agency requirements.

5. **Options:**

   1. Status Quo

   2. Eliminate standards (unnecessary, overcontrol, burdensome)

3.   Improve standards process by mandating IMAC (Information Management Advisory Committee) to be departmental body governing standards:

- authorize development, approve standards, ensure implementation regimes with support/maintenance, communicate information, and oversee standards process;

- ensure technical input, advice and participation of IMTCG (Information Management Technical Coordinating Group) on standards;

- develop complete, detailed description of standards process in terms of activities and responsibilities, and undertake urgent work in most pressing areas.

6.   <u>**Decisions Required**</u>:

Approval of Option 3

Re-engineering of ISTC's Business Processes

Interim Report - Working Group on Information Management

Business Process: LAN Support

1. **Progress to Date:**

   Reviewed existing material, analyzed current process, identified issues (irritants and problems), and formulated options.

   (Just: Initial Identification of LAN Support Issue)

2. **Work Remaining:**

   - Additional analysis required of current LAN support contracting.

   - Specify likely resource requirements and implications.

3. **Special Considerations/Barriers:**

   - Additional staff and time required to investigate properly.

4. **Evaluation:**

   - Duplication and inefficiencies with potential savings of estimated **$ 250 - 500K** under possible master lan contract, depending on outcome of analysis.
   - Additional savings possible if standards applied.

5. **Options:**

   1. Retain the status quo (no investigation of this possibility).

   2. Investigate the possibility and implications of:

      - consolidation of LAN administration functions in headquarters under one umbrella contract.

      - a minimum threshold standard for LAN support based on size and complexity.

- greater use of technical support provided by manufacturers of hardware & software as opposed to contracting consultants. (ie: Novell)

- formal training for LAN administrators (ie: WAN, procurement, security, standards).

6. <u>**Decisions Required**</u>:

Concurrence with Option 2.

Re-engineering of ISTC's Business Processes

Interim Report - Information Management Working Group

Business Process: Technical Support

1.   **Progress to Date:**

Reviewed existing material, interviewed selected participants, analyzed current process, identified issues (irritants and problems), and formulated options.

2.   **Work Remaining:**

-      Examine specific areas, in further detail

-      Specify likely resource requirements and implications.

3.   **Special Considerations/Barriers:**

-      Determination must be made of what corporate technical support is required and whether that support is currently being provided to all resp. centres. in the most cost effective way.

-      Use should be made of the User Services Survey conducted in the Fall of 1991, in the formulation of future recommendations/options by this working group.

-      This is a very broad issue which must be staffed accordinly. Additional members will be added to the working group.

4.   **Evaluation:**

-      Potential for savings in areas of technical support where complimentary vendor support can be obtained.

-      Responsibility for various areas of tech support are currently very vague.

5.   Recommendations:

1.   Use should be made of technical support provided by manufacturers of hardware & software as opposed to contracting consultants. (ie: *Novell, WordPerfect*).

2.   Develop a corporate culture to allow recognition and understanding of RC technical capabilities (ie: show and tell, etc.) and develop mentoring systems to make use of specific capabilities.

6.   Decisions Required:

Steering Committee concurrence with recommendations.

MEMBERSHIP LIST

WORKING GROUP - INFORMATION MANAGEMENT

Yves Moisan	CGSI	Co-Chairs	Howard Dudley	FP&A
Steve Mills	NB		Deb Hogg	Sask.
Paul Beaulieu	FP&A		Larry Hudon	CGSI
Robert Allison	FP&A		Guy Lebrun	ITRO
Pat Raby	Science		Peter Cook	Policy
Gail Nezan	FP&A		Alfred Lyon	Policy
John Mitchell	Re-Eng.			

METHODOLOGY

1. Review of activities with IMB, plus information management activities carried out across the department.

2. Evaluation of areas worthy of focus, likely candidates for Re-engineering review.

3. Individual study of selected areas to determine issues and opportunities, followed by group presentation and determination of options to be pursued.

4. Development of options, including status quo, for each selected area.

5. Group selection of recommended approach - not always unanimous.

6. Discussion of recommendations with interested parties, and fine tuning as appropriate.

7. Drafting of report, group review.

8. Discussion with functional head, plus other key parties to be effected.

9. Finalization of report.

APPENDIX "C"

O&M EXPENDITURES

ACQUISITIONS * (software, hardware & supplies)	$5,000,000
RENTALS & COMMUNICATIONS	$3,000,000
LAN MANAGEMENT (technical & user support)	$3,000,000
SYSTEMS DEVELOPMENT (includes maintenance & enhancement and Facilities Management Contract)	$8,000,000
TOTAL	**$19,000,000**

* Does not include subscription costs of approx. $ .5M

PERSON YEARS DEVOTED TO INFORMATION MANAGEMENT

ACTIVITY	PY 'S
LAN MANAGEMENT	30
SYSTEMS DEVELOPMENT MAINTENENCE & ENHANCEMENT	60
OTHER ACTIVITIES (telecommunications, mgmt. etc)	10
TOTAL	**100**

LAN RESOURCES*

RC	Person Years	O&M
CGSI/ITRO	6	$1,454,000
FPA	3.5	$395,000
COMMUNICATIONS	1	$32,000
LEGAL SERVICES	0.5	$16,000
OPERATIONS AUDIT	0.25	$5,000
TOURISM	2	$135,000
AEP	1	$15,000
CORP. SEC.	1	$200,000
SCIENCE	2	$172,500
POLICY	1	$223,000
	18.25	$2,648,500
REGIONS	12	$100,000
TOTAL	**30.25**	**$2,748,500**

* LAN Management, LAN Suppot & User Support

INFORMATION COMMITTEE (IMC)

It is our belief that this committee should be charged with being the decision making body with respect to information management issues in the broadest sense. We believe that there is a requirement, which will increase, to make decisions on where funds will be directed, existing systems which will have to be dropped or reduced in scope due to inadequate funding, and a variety of related tradeoffs.

Role

- Decision making body

- Responsible for Informatics and Information Management issues

- To manage ISTC information management, including:

- establish departmental information management priorities

- resource information management issues as appropriate

- annually review all business plans information management activities

- establish "Office of Primary Interest" accountability and authority for all corporate systems

Membership (recommended)
- two regional EXD's
- Sector ADM's

Chair

- Associate Deputy Minister, or

- rotationally selected by members from amongst themselves

Secretary

- Chair, Information Management Advisory Committee, or

- as appointed by Chair

Meetings
- at the call of the Chair

INFORMATION MANAGEMENT ADVISORY COMMITTEE (IMAC)

We believe that this committee can fill the necessary link between information systems and the business applications which they serve. Such a committee, knowledgeable in all areas of the department's activities, can provide the knowledgeable evaluation of new proposals and existing systems to advise IMC on priorities, investment decisions, and tradeoffs that will be required.

Role

- working management review of information management issues in a business context

- support IMC, including the effective recommending authority to IMC

- forum for exchange of ideas, recommending priorities for information management issues within ISTC

- review information management proposals from across department on behalf of IMC

- Approval Authority for technical corporate issues eg standards, corporate contracts, etc.

- receive presentations from across the department on new or modified Information Management initiatives, and evaluate for the purpose of recommending action plans to IMC

- review the CIP and direct implementation and changes as appropriate

- annual review of OPI reports on existing systems to determine ongoing requirements, appropriateness of activities, and relative priority

- challenge role vis-à-vis efficient utilization of resources in LAN management and system maintenance and development criterion.

Membership (recommended)

- RC Managers delegates

- must represent Sectoral AND departmental issues

- represent business activities of ISTC

- nominees from each Sector, plus minimum two from regions

Chair

- as selected from membership
- sits on IMC as the Secretary to provide continuum between the two bodies

Secretariat

- provided by IMB, with DG IMB as Secretary
- technical support as required

Meetings

- quarterly

- and at the call of the chair

INFORMATION MANAGEMENT TECHNICAL COORDINATION GROUP (IMTCG)

Role

- common forum for information exchange, issue evaluation, and needs analyses for all technical informatics issues, hardware and software

- responsible for the evaluation of new hardware and software

- recommendations to IMAC on adoption of standards for software, hardware, and data

- recommendation to IMAC on departmental stance re technical issues

Membership

- departmental staff directly responsible for the operation and management of computer systems, LAN's, and communication networks.

- Contracted staff with comparable responsibilities also eligible to attend as interested observers

Chair

- Information Management Branch, as the departmental locus of specialized knowledge and skills in these areas

Secretariat

- Information Management Branch

Meetings

- quarterly to review ISTC issues re software, hardware, and system performance

- as required to review specific issues of concern to ISTC

OFFICE OF PRIMARY INTEREST (OPI)

The OPI is defined as the Manager(s) assigned specific
operational responsibility for any corporate information system
by IMC. This function will typically be the manager of the area
actually operating the system on behalf of the department,
although it may include shared accountability where appropriate.

Specific responsibilities include:

- resourcing ongoing operations;

- ensuring all stakeholders are regularly canvassed to
  ensure that the system meets their requirements;

- submitting annual reports on the system to IMAC. These
  reports must include current status, developmental
  issues, operating cost data for ALL parties, and
  annual reviews of continuing needs for the system;

- ensuring that system development requirements are in
  accordance with departmental priorities,;

- maintaining continual needs analyses on the system, as
  well as implications for users, input points, and other
  stakeholders, to ensure maximum efficiency of
  resources in the operations and maintenance of the
  system.

REPORT ON

BUSINESS STATISTICS AND QUANTITATIVE ANALYSIS IN ISTC

EXECUTIVE SUMMARY

The Key Issues

- ISTC has set itself the mission of helping Canadian industry become more internationally competitive, accomplishing this in part by becoming an information oriented organization and providing industry with timely data and market intelligence. While the Department invested heavily in computer hardware and software, four serious gaps hamper ISTC from effectively carrying out this part of its mandate.

- Within the Industry Sector Branches and the Regional Offices, the gathering of information and statistics is fragmented and isolated, causing a disproportionate resource allocation when analysis of new problems arises. Several have limited resources to resolve ongoing statistical and analytical problems.

- There is a lack of coordination to ensure that fundamental source data is acquired and stored without duplication and that it can be shared with all parts of the Department.

- Officers and other staff must be trained in the use of statistics, information retrieval and new analytical and software tools. The development of analytical skills is essential to undertake the strategic, policy oriented analysis required in the future.

- There is little effective liaison with the key suppliers of source data at either the management or working levels. Development of strong linkages is critical for the Department's relationship with Statistics Canada, and is essential to our efforts to access other intelligence sources .

New Directions - Sector Strategic Frameworks (SSF)

- Adding to the urgency, ISTC is embarking on a complex exercise to carry out strategic analyses of priority industries that are intended to go substantially beyond the more descriptive profiles completed to date. The SSF exercise will provide an opportunity to build suitable data systems, develop human expertise, and change management perspectives and Departmental culture. As obvious examples of the Department's ability to carry out its mandate, this effort will be vital to the credibility of the Department.

Conclusions and Recommendations

- A strategy to manage the issues hinges on taking advantage of existing departmental strengths and building on them. This can be accomplished through:

- establishment of a high level central coordinator,
- formation of active users' and advisory committees,
- formation of a statistical support group for ISBs & ROs,
- appropriate training of officers and managers,
- improvement of linkages with data sources, and
- implementation of statistical systems on the desktop.

Over time, the Department would become a far more efficient and capable analyst and would be able to identify its business data requirements in a systematic, focused manner.

CURRENT RESOURCE ALLOCATIONS

Human Resources

- More than 50 people are involved either full time or much of their time in the acquisition, storage, analysis or presentation of business statistics and other intelligence. This includes about 35 to 40 in the two Industry Sector ADMs, (including seven in the Regional Offices), about ten in the Policy area, and five in the rest of the Department. Many more officers, support personnel and managers are directly involved when requirements for large scale quantitative analysis of firms and industries arise, such as in the preparation of 128 industry sector profiles.

- At an assumed salary and overhead of $60,000 per person involved, the cost to the organisation for the human resources is about $3 million annually.

Financial Resources

- ISTC spends approximately $3 million per year for statistical intelligence. Of this, the Department spends $2 million annually for the acquisition of statistics from Statistics Canada. Costs of purchasing data from organizations such as DRI, SRI, OECD, or the U.N., are significant and estimated to run well into six figures annually. In addition, fewer statistics will be provided free-of-charge by provinces, associations and companies in the future.

- There are other situations where it is difficult to gauge the cost of statistics. Consultants often purchase data as part of a larger contract, add a mark-up, and then resell to ISTC. Often, the Department contributes to other organisations which in turn purchase special data tabulations for joint use. In either case, the practice is expensive because the electronic data bases are usually non-compatible or duplicated elsewhere and corporate

know-how is not enhanced. Statistics Canada personnel reported
several instances that together resulted in additional costs of
hundreds of thousands of dollars to the Department.

- In 1991\92, Departmental purchases of data and\or special
tabulations from Statistics Canada include the following:

ORGANIZATION	AMOUNT ($000)
ITRO	310
CGSI	40
POLICY	760
TOURISM	735
SCIENCE	60
ALL OTHERS (inc. reg. offices)	130
GRAND TOTAL 1991\92	**2,035**

- Limited savings may be available because most items are
carried out for ISTC in response to Departmental
responsibilities. Statistics Canada provides special surveys for
SME business statistics, for international and domestic travel,
and for textile production. Individually, these are large cost
items and ISTC should examine the feasibility of continuing each
survey.

- There are a number of identified cases across the
Department of duplication in purchased statistics, simply due to
a lack of knowledge and coordination. Although each is
relatively small, this type of cost will escalate as more
Branches seek new sources of information.

CURRENT AND EMERGING ISSUES

General

- Within the Industry Sector Branches, for the most part,
the gathering of information and statistics is fragmented and
isolated, causing a disproportionate resource allocation when the
need to analyse new problems arises. Several have limited
resources to resolve ongoing statistical and analytical problems.

- The Regional Offices have varied capability and
experience in the development and provision of business
intelligence, largely gleaned in isolation. In addition, they
often are isolated from Departmental resources, have unique
requirements for disaggregated regional statistics and are unable
to take advantage of economies of scale. As the Regional Offices
are often the first line contact with companies, it is essential
that they have the skills, data and support systems to allow them
to provide quality information products.

- Management in many Branches and the majority of officers
have not recognized the availability of information technologies

that would empower each of them with basic, current industry and macroeconomic data on the desk-top. Consequently, there are few requests to include this information in briefings and other short term projects. In the past, the cost of obtaining the information was perceived as too expensive in comparison to its value. This is about to change.

- In the remaining ADM Sectors, there does not appear to be a major problem in systematically gathering information and using it appropriately. Here the emphasis should be on cost reduction, shareability and accessibility.

Analytical Skills Lost and Gained

- Policy Sector and the Industry Sector Branches (ISBs) historically emphasized in-house analytical skills, mixed with data and consultant knowledge purchased outside the Department, whereas the other ADM Sectors tended to purchase the required skills and data outside. Over several years, the ISB policy/statistical groups that maintained an intelligence base and analyzed sectoral issues were steadily de-emphasised or dropped. Then, Government policies to reduce federal employment resulted in a loss of knowledgeable and experienced staff through retirement that was especially critical. At about the same time, the Statistical Group in the Policy Sector was disbanded. As in-house analytical skills deteriorated, financial resources to source outside the Department initially compensated for their loss. Now the task is to effectively rebuild a knowledge and skill base in a period of severe fiscal restraint.

- Several Sectors recognized the need for additional expertise and re-established their capability to gather, analyse and disseminate relevant information. As a result, centres of expertise developed independently in each of the ADM Sectors, lacking coordination and with minimal exchange of data, expertise and knowledge. In many cases, they replicated work done elsewhere and purchased nearly identical data. Some ISBs need to invest more resources in statistical information and analytical skills, but these investments will have to be combined in order to be justified in today's financial climate.

Within ISTC, there is little formal analysis or feedback connecting sectoral micro level to macro level information. Forecasts and analysis recently purchased from Informetrica are a start in this area, but feedback mechanisms between the industry sector branches and Informetrica need to be improved.

The Industry Profile Exercise

- During the first series of Industry Sector Profiles in 1988\89, meeting the basic statistical requirements was clearly the most serious single problem and many authors could not do quantitative analysis on their own. The second series of industry sector profiles contain the same statistical requirements and largely the same authors are experiencing the

same problems. To complete the statistical and analytical
elements, the Department paid two consultants approximately
$150,000 and used economists and statisticians from the ISB
Coordinating Group as well.

- The problems are complex, serious and need sustained
attention by the Industry Sector Branches. Resolution of the
problems can be achieved over time if strong linkages are forged
with Statistics Canada personnel at the working level, many of
whom are eager to participate in the process. Problems include:

- profiles often do not match SIC Categories,
- poor statistics on service and emerging sectors such
    as informatics, environmental industries,
- limited expertise available in the Department,
- lack of a focal point in ISTC results in 128 authors
    dealing with 25 Statistics Canada personnel,
- non-comparability of data series,
- misunderstanding of conceptual approach,
- special tabulations to sub-divide data,
- misunderstanding of basic statistics and economics,
- upgrading of data over time, and
- lack of analytical skills.

- It is clear that any help provided to Industry Sector
Branches must be self-directed. Statistics provided as an add-on
will not contribute to a solid analysis, since the author must be
able to interweave his understanding of the numbers and their
analysis into the development of the storyline. Consequently,
the Department should focus on training of analytical and
statistical techniques and the development of strategic thinking.

THE SEARCH FOR SOLUTIONS

Corporate Approaches

- During the formation of the Re-engineering Task Force,
the Business Statistics Working Group was established as an
element within the Information Management Working Group. Members
were recruited from each of the ADM Sectors and most are actively
involved in quantitative analysis in their regular positions.

- At the same time, the ITRO\CGSI LAN Steering Committee
started to review the changing nature of the business statistical
systems available to the Department. As many members were the
same, it was agreed that the Re-engineering Working Group would
focus on organizational changes, training requirements and
linkages with data suppliers, while the other committee examined
specific systems necessary to do the job. Their report should be
available by mid-January and the two reports are complementary.

- Several reports on Business Intelligence were prepared in
the Department in the past few years that reached essentially the
same conclusions as the Working Group. More recent studies

included an historical review of the Industry Sector Branches and an examination of the problems encountered in the preparation of Industry Sector Profiles.

Improvements to Departmental Capabilities

- Materials Branch and Information Technologies Industries Branch are providing access to a wide range of data, on the desk-top, by all officers and managers in an easy-to-use package. At the moment, reliable and comprehensive source data on trade, economic (industry and economy-wide) indicators and company-based financial information are available. By doing so, these Branches are providing basic tools and source data required for in-depth analysis and, by doing so, are fostering an environment capable of strategically oriented thinking.

-The Services to Business Branch employs its specific skills in working with trade and economic statistics. The market intelligence service has evolved into a highly computerized operation (MIDAS) providing access to several databases, which are blended together to form comprehensive Market Intelligence reports for the business community. These reports reflect standard presentations developed over time and are available on-line to statistical research officers. Recently, a pilot project was initiated to allow sector branch officers direct access to MIDAS.

- Several other Branches, including Automotive, Urban and Rail Branch, Consumer Products Branch and Food Products Branch are using computerised trade and other quantitative data bases to carry out their analytical functions. In addition, a knowledgeable statistical consultant is proposing a standard set of reports on trade and economic data that would be of immediate value to line officers and managers.

- Special Projects Branch (SPB) has the required analytical and information gathering skills and does much of the highly complex research and analysis in the Industry Sector Branches. However, training of Industry Sector Branch personnel in research methodologies does not generally occur during a project, nor is it feasible, since SPB personnel normally face tight deadlines. Nevertheless, SPB needs to make its research methodologies and data source checklist generally available. It will be necessary to provide on-going guidance in their use.

- Policy Sector has demonstrated analytical competence in a number of areas, including industrial economic analysis, science and technology economic analysis and small business statistics.

- The Departmental Library is a major source of statistics and business intelligence. It has eight online database systems that are essentially text and cost about $35,000 annually, and five CD-ROM products which cost $20,000 annually. Two of the CD-ROM databases have a strong numerical component. For hard text, the Library provides the full subscriptions to Statistics Canada

as well as OECD and UN trade statistics and general American statistics.   The cost is $30,000 annually.

- In response to the Corporate Information Plan (CIP), the ITRO\CGSI LAN Steering Committee is reviewing all alternatives for business statistics and, by mid-January, will present a proposal to senior management. Implementation could begin in FY 1993\1994, or earlier if funds are available.

- However, implementation of these systems across a number of branches must be linked to the introduction of statistical support, appropriate training and enhanced linkages to Statistics Canada and other data suppliers. Quality analysts cannot be generated overnight simply through accessibility to statistics and analytical techniques.

New Directions - Sector Strategic Frameworks (SSF)

- ISTC is embarking on a complex exercise to carry out strategic analyses of priority industries that are intended to go substantially beyond the more descriptive profiles completed to date. On the one hand there will be fewer SSFs, thereby requiring fewer and more analytical authors to be involved. On the other hand, there is a much higher level of analysis required on a greater number of issues. As obvious examples of the Department's abilities, this effort will be vital to the credibility of the Department.

- Although the gathering of information and statistics represents only 10% to 20% of any one SSF, the number being done and the similarity of material needed will provide an opportunity to build appropriate data systems and develop human expertise in the Department. It can and will be done more effectively and economically than in the past.

COOPERATION WITH KEY SOURCES OF DATA

- Statistics Canada recently won international recognition as the best statistical agency in the world. However, ISTC has been unable to use effectively the information from this source. On the other hand, Statistics Canada finds that its lack of industry, technology and product information hampers its ability to carry out its mandate in the business statistics area. At the moment, both Departments hold the expertise, lacking in the other, that is crucial to the meaningful analysis of microeconomic and industrial trends and issues.

- In addition, ISTC has failed to provide Statistics Canada with the critical feedback needed to keep the industrial and commodity information current and meaningful to this Department. ITI and Materials Branches, in cooperation with Statistics Canada, are providing constructive feedback on surveys and on improved data acquisition through the use of CD-ROM and modified software programs. This effort needs to be expanded.

- Data acquisition is about to become much more expensive. Statistics Canada has decided that there will be a two tiered pricing system. Users who purchase data for their own exclusive use will pay one price and those who re-distribute the data (usually the case within ISTC), will pay three times more.

- As a result, rationalization of the Department's acquisition and storage of common data is necessary. The data should be available on the desk-top using generic, user-friendly software platforms developed and maintained by the data suppliers. Statistics Canada personnel are calling for improved communication, coordination and liaison with ISTC to meet these requirements. It and other major data suppliers are willing to modify, improve and expand their data systems to meet the Department's needs. The Department's negotiating stance can be enhanced by pooling our knowledge and by providing a central focal point at the Sector and Corporate levels in ISTC.

- Statistics Canada hires about 50 university graduates each year who are introduced to the agency through a two year job rotation program. ISTC should consider making 5 to 10 quality assignments available within the Department each year, as a means of fostering increased knowledge and understanding between the two Departments and providing linkages across the Wilson portfolios. Short assignments of ISTC employees to Statistics Canada should be encouraged as well.

- Many other important intelligence sources need to be accessed in an efficient and timely fashion, including: Informetrica, Dun and Bradstreet, OECD, UN trade statistics, the Financial Post and Data Resources Inc.

THE NEED FOR TRAINING

- Implementing systems and concepts without an appropriate level of training is a waste of time, resources and enthusiasm. Conversely, training is not effective unless it is made available concurrently with the introduction of simple desktop systems or when many officers are preparing industry sector profiles.

- Following his Executive Interchange with the Department, Mr Mike McCracken of Informetrica recommended five training modules, each of two days duration, along the following lines:

- statistical and informational sources
- use of analytical tools
- techniques for display and communication
- fundamental economic concepts
- basics of econometric modelling

- A module for the training of managers is extremely important to understand the ramifications and shortcomings of material presented by officers and to demand the preparation of

relevant quantitative analysis.   Such a course should be mandatory.

- Informetrica estimates the one-time development costs for the five modules at $60,000 and training costs for officers and managers at $40,000 annually.

- Commerce Officers responding to The Training Needs Analysis (carried out recently in the Department) identified many of the same skills as important to their jobs and in which they needed training.   In response, Human Resources Branch is developing several courses by the end of this fiscal year.   One module concentrates on research and information sources, and other modules under development in competitive analysis would be useful.   However, there is a need to integrate the different modules into a cohesive set of courses and to accelerate their development and availability to analysts.

- Since Statistics Canada already has a three week in-house course on statistical analysis, the Department should encourage analysts to take part in this course, in order to improve skill levels and to forge increased linkages between the two departments.

CONCLUSIONS AND RECOMMENDATIONS

- A strategy to manage the identified issues hinges on taking advantage of existing departmental strengths and building on them. This can be accomplished through:

- establishment of a high level central coordinator,
- participation of active users' and advisory committees,
- formation of a statistical support group for ISBs & ROs,
- appropriate training of officers and managers,
- improvement of linkages with data sources, and
- implementation of statistical systems on the desktop.

Over time, the Department would become a far more efficient and capable analyst and would be able to identify its data requirements in a systematic, focused manner.

A.   ESTABLISHMENT OF A DEPARTMENTAL STATISTICAL COORDINATOR

1.   It is recommended that a high level Departmental Statistical Coordinator be established.

- The Coordinator would carry out a number of roles, including improving <u>formal linkages to Statistics Canada</u>, developing awareness programs such as information bulletins within the Department on how to use statistics and where to obtain the needed data, accelerating the introduction of pragmatic training, disseminating best-practice usage, and chairing the recommended formal Advisory Group. As a coordinator, the ability to get things done would hinge on supporting and encouraging responsibility centres to meet their local priorities and needs.

- From a corporate viewpoint, the Coordinator would develop a <u>comprehensive strategic plan</u> of activities and resources required in the Department, and develop and implement clear, consistent guidelines for departmental practices for the management of statistics and data. He\she would also define responsibility and <u>accountability relationships</u> for managing statistical information.

To minimize duplication, the Coordinator would recommend and <u>negotiate the necessary corporate licencing agreements</u> to acquire fundamental source databases and store them in a clearly defined responsibility centre. He\she would ensure accessibility by all LANs and eliminate the need for multiple maintenance. The supplier must maintain the integrity and timeliness of the data and continually update the functionality and ease-of-use of the software.

- The Coordinator would <u>scan the statistical and analytical environment</u> inside and outside the Department for methodologies, techniques, and technologies that would contribute to improved productivity and performance. He\she would champion the piloting of <u>improvements and disseminate knowledge</u> of successful strategies.

- There is a need to empower the Departmental Statistical Coordinator with the responsibility for acquiring fundamental source data, coordinating information flows and promoting better research and analysis methodologies. This **empowerment must come from the highest level possible** in the organization.

2. It is recommended that a formal Statistical Advisory Committee be established and meet regularly under the chairmanship of the Coordinator.

- This should be a formal advisory committee, with members at the management level from the key statistical and analytical units in each ADM Sector, including a representative from the Regional Offices, to advise on the strategic direction and emphasis for the Department. The intention of the Re-engineering Working Group is to ensure that <u>management and policy matters of common concern</u> are addressed and that the appropriate linkages are established across the ADM Sectors. The Advisory Committee

could be independent or a sub-committee of an existing committee with broader information responsibilities.

   3. **It is recommended that a Users' Committee of analysts and statistical users be established with representatives from all areas of the Department.**

   - The Coordinator would chair a Users' Committee, which should be informal and <u>composed of actual users, regardless of level in the organization</u>, and should seek out active representation from the Regional Offices and from low-use Branches. The main purpose would be to ensure dissemination of information and awareness of applications across the Department.

   - In the last several months, meetings of the Re-engineering Working Group and the ITRO\CGSI LAN Steering Committee provided an open forum for new techniques and expert knowledge. Continuation of this enthusiasm, motivation and individual creativity is critical to ISTC. The Committee should develop its own terms of reference to ensure member commitment and relevance to the Department.

B.   ESTABLISH AN ISB and RO STATISTICAL SUPPORT GROUP

   4. **It is recommended that a Statistical Support Group (SSG) be established to service the Industry Sector Branches and Regional Offices (5 PYs).**

   - The SSG would examine the data requirements of the Sector Strategic Frameworks in the context of the problems identified in the previous industry sector profiles and the recommendations of the ITRO\CGSI LAN Steering Committee. It would <u>develop an action plan</u> to implement the required changes and improve the statistical capabilities of the ISBs.

   - In the same fashion, the SSG would <u>integrate the needs of regional operations </u>into the action plan and actively involve them in future data acquisition and system updates.

   - It would serve as the<u> focal point</u> within the Sector and Regional Offices for quantitative matters and would advocate and develop strong linkages at the working level with Statistics Canada.

   - In conjunction with users, the SSG would carry out <u>acquisition, storage, coordination and liaison activities</u> on behalf of the ISBs. Following completion of the LAN Steering Committee analysis, the SSG would focus on implementation of recommendations and efficient collection of data.It would meet quality control objectives in the collection and storage of accurate, timely and reliable statistics.

- It would serve as a resource centre, clearing house and walk-in or phone-in centre for statistical and analytical activities. This would include a service role in directing officers to sources of data and appropriate analytical techniques, and in explaining weaknesses and strengths. The resource centre would provide a central location for subscriptions to external data bases and for data base catalogues. The SSG would record the location of purchased and developed data within the Sector Branches, and contribute to a Departmental information circular.

- A proactive role would include obtaining common data for the Branches, storing it appropriately and making it accessible to officers, preferably on the desk-top. It would consult the Departmental Statistical Coordinator and coordinate purchases from Statistics Canada and other data sources.

- Benefits include concentration of common tasks at a Sector level, while at the same time meeting local needs and encouraging the development of analytical and strategic capabilities at the branch level.

- The establishment of a SSG would improve the ability of the Industry Sector Branches to link their company and industry expertise to discussions of Macroeconomic issues within the Department. However, an analytical role is not envisaged.

- One or two Statistics Canada representatives, recruited through a one or two year inter-departmental DAP, should be active members, in order to provide statistical expertise and a gateway to that Agency's business and economic statistics.

C. A CENTRAL STATISTICAL and INFORMATION GROUP

5. **The main alternative combines the above functions into one organization, a Central Statistical and Information Group (10 People).**

- The Central Statistical and Information Group (CSIG) would combine the functions of the Departmental Coordinator and the Statistical Support Group, but would have overall control of, and responsibility for, the Department's data acquisition and use. The CIRG would be responsible for major quantitative analysis tasks identified by branches and senior management.

- The CSIG would have a wide diversity of technical, statistical, economic and analytical skills and be able to focus the necessary expertise to solve statistical and analytical problems.

- The CSIG would need to **report to the highest level possible in the Department** for effectiveness in carrying out corporate priorities.

- However, it would limit the responsibility of each Sector for its own intelligence and statistical products. In addition, it would be too remote and have difficulty responding to the substantial local problems in the industry sector branches and the regional offices.

D. IMPLEMENT A FOCUSED TRAINING PROGRAM

6. It is recommended that training of officers and managers in quantitative analysis and information retrieval techniques be accelerated.

- In cooperation with Human Resources Branch, the Departmental Statistical Coordinator would contribute to the determination of the curriculum and level of training required for officers and managers. It is crucial that managers understand statistics and quantitative analysis.

- The Department should encourage officers to take the three week course on statistical analysis provided by Statistics Canada. The Department should examine courses at Carleton University or University of Ottawa for more sophisticated users in the Department.

- Special Projects Branch should make its research methodologies and data source checklist generally available. Continuing guidance in their use will be necessary from the SSG.

E. IMPROVE LINKAGES WITH STATISTICS CANADA

7. It is recommended that ISTC re-examine the linkages with Statistics Canada and actively seek to improve them across a broad spectrum of activities.

- As a high priority, the Departmental Coordinator should liaise with Statistics Canada to explore how to enhance and strengthen the relationship, including partnerships in analytical projects, exchange of personnel through the DAP Program and joint training courses.

- ISTC should recruit two mid-level employees from Statistics Canada, one each for the Departmental Statistical Coordinator and for the SSG, as obtaining relevant data, determining the content of special surveys and improving the Department\Industry Sector Branch\Statistics Canada relationship are urgent issues. They would immediately contribute to the determination of the statistical and managerial skills required to successfully execute the assigned duties.

- ISTC should consider making five to ten quality assignments available within the Department each year for Statistics Canada employees, as a means of fostering increased knowledge and understanding between the two Departments. ISTC should consider short cross assignments to Statistics Canada for Departmental employees.

F. IMPLEMENTATION PHASE

8. It is recommended that final proposals for the establishment and responsibilities of the Departmental Statistical Coordinator and the Stastical Support Group be completed in February, 1993 for implementation at the beginning of the new fiscal year.

- Formation of a Departmental Statistical Coordinator and Sector Support Group could be accomplished by reallocating existing resources in the Department. The DAP program would be used to recruit Departmental and Statistics Canada employees for a one or two year term. The Re-engineering Working Group, supplemented as required, should be responsible for the planning task.

9. It is recommended that the ITRO\CGSI LAN Steering Committee continue its review of business and statistical systems available in the Department and present recommendations to senior management in January, 1993.

- This review is well advanced and implementation of recommended statistical systems and data bases should begin in FY 1993\1994, or earlier if funds are available.

DELEGATION

OF

AUTHORITY

WORKING

GROUP

RE-ENGINEERING FINAL REPORT

WORKING GROUP: DELEGATION OF AUTHORITY

PROCESS: MANAGEMENT AND ADMINISTRATION

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RE-ENGINEERING FINAL REPORT

WORKING GROUP: DELEGATION OF AUTHORITY

PROCESS: MANAGEMENT AND ADMINISTRATION

1.   **Executive Summary**

As a result of decisions taken by the ADM Committee, the Working Group on Delegation of Authority has continued to investigate the delegation process within ISTC. In general, the Working Group has concluded that the issue of the levels of delegation is not a serious problem but rather the process that has "grown-up" to implement many departmental administrative policies has led to irritants.

The scope of the Working Group's review <u>did not include</u> departmental programs, however, our sense is that many of the same issues identified here impact on program areas as well. (Note: A separate sub-committee was established, in conjunction with the Services Working Group, to develop an implementation plan for a pilot project to delegate signing authority to CO-2/CO-3 positions delivering AMTAP or ACI.)

While the subject matter of this Working Group did not lead itself to deriving specific person year and operating cost savings, we concluded that the options presented in this report will assist in setting the stage for ISTC to effectively exercise its delegations.

2.   **The Status Quo**

The current operational environment is changing rapidly and will be impacted upon further by the introduction on April 1, 1993 of Operating Budgets, and at a later date (depending on Parliamentary approval and subsequent proclamation) by Bill C-26 (Public Service Reform).

The Comptroller's Branch has a project team in place that is working toward an implementation of operating budgets on April 1, 1993. Based on their work with over 28 focus groups and some 250 staff, it appears that most areas within ISTC are generally satisfied with current delegations. However, continued efforts will be needed to keep staff informed of new and existing delegations. The area of budgets and resource management policy has been identified by the Comptroller's Branch as requiring further development and articulation. This Working Group supports this endeavour.

3. Rationale for Selection

The Delegation of Authorities study area provides the context within which ISTC managers carry out their responsibilities.

4. Methodology

The Working Group relied heavily on the representations made by various staff groups. Generally, these staff groups are in the process of addressing several of our options/recommendations. We do not intend to interfere or confuse our efforts with the ongoing efforts and priorities of these groups. Rather, our options/recommendations focus on gaps or areas where it is believed a greater concentration of effort is required.

The Working Group also received a number of unsolicited re-engineering suggestions from individual ISTC staff. Selected interviews were also held with ISTC staff to get a sense of "delegation issues".

Finally, all options/recommendations have been provided to the functional head for comment.

5. Essential Outputs Required

The Delegation of Authority business process is the basic cornerstone from which the effective management of ISTC flows. The Working Group is of the opinion that generally the levels of administrative (as distinct from program) delegations are adequate in ISTC. In fact, a recent study by the Comptroller's Branch indicates that ISTC ranks in the top ten federal departments in terms of delegating to the lowest possible level in the organization.

However, the Working Group realized that a solid "foundation" is not, by itself, all that is required. The soon-to-be created Corporate Development Group on Empowerment will need to address such issues as trust, risk taking and management philosophy in building upon the existing delegation regime as ISTC moves forward to an empowered organization.

6. Analysis - Re-engineering Option(s)

Note: Departmental accounting records do not track utilization of resources in support of this Business Process.

The Working Group wishes to reiterate the need to address the options set out in our Interim Report together with the overview issues set out in the transmittal memorandum for that Report. Appendices A and B contain these items.

In terms of follow-on action, the Working Group is submitting the following options for consideration:

(a) **Empowerment**

We strongly support the creation of the Empowerment Committee within the Corporate Development Framework. With increased emphasis on "results" versus "process" management, this Committee will be key in moving ISTC further along in its organization development.

Lead Action by: Empowerment Committee

(b) **Statement on Delegation**

The Working Group believes that a "Statement on Delegation" should be issued to all ISTC staff. Such a statement would communicate senior management expectations for the exercise of delegations. This statement should encompass an affirmation of management values and responsibilities as they relate to delegation for reasons that it would: (i) send the correct message throughout ISTC that senior management is not abdicating its responsibilities and; (ii) reaffirm the Department's commitment to a supportive and participative style of management and to encouraging innovation through empowerment and delegation of authority. Issues of trust and risk taking should be key elements in such a statement.

The preparation of this statement could be a "first item of business" for the Empowerment Committee.

Lead Action by: Empowerment Committee

(c) **Monitoring Use of Delegations**

The Working Group views the exercise of delegated authorities as an important management responsibility. "The 'Statement on Delegation' should stress accountability and provide for a means to allow the organization to recognize an employee's contribution. The emphasis should be on the positive aspects of an employee's performance, however, if delegations are abused, the imposition of sanctions should be considered. (This option will need to be co-ordinated with (b) above.)

Lead Action by: Empowerment Committee

(d) **Comprehensive Review of Existing Policies and Directives**

With the increased reduction in central agency directives, the Working Group has identified a need to continually review ISTC's internal policies and directives to ensure that we have not "replicated an internal Treasury Board".

The Working Group believes that the Operations Audit Branch and the Program Evaluation Directorate, where appropriate, should broaden the scope of normal reviews such that cases of non-compliance with directives are not only identified, but the possible risks/consequences of non-compliance are assessed.

Lead Action by: Operations Audit Branch
Other: Program Evaluation

(e)   **Impact Analysis of New Policies and Procedures**

The Working Group supports the following recommendation contained in the PS 2000 Action Plan, under the Consultative Section:

> *Evaluate the possibility of introducing a system similar to the Impact Paper-Assessment Note System whereby new policies and procedures from central agencies are evaluated concerning their implications for ISTC. This information would then be communicated to appropriate responsibility centres as soon as possible.*

It is the Group's view that with increased pressures to delegate as much as possible to the lowest level in the organization, a danger exists in merely increasing "administrative delegations" without due regard for workload increases, specialized training needed, etc. Furthermore, in certain cases administrative delegation can actually undermine empowerment and client service.

Therefore, before new policies and procedures from central agencies are implemented within ISTC, senior management must be presented with (and accept) an assessment of the likely incremental workload. Internally generated policies should be guided by this same procedure.

The Working Group did not attempt to "cost" the incremental workload and corresponding benefits that the recommendation could entail. Accordingly, before this recommendation is universally adopted, the ADM, FP&A may wish to "pilot" this approach in order to ascertain the costs/benefits.

Lead Action by: Assistant Deputy Minister, Finance, Personnel and Administration

(Note: ADM, FP&A completed an initial review in July 1991.)

(f)   **Consistency of Delegations**

The Working Group reviewed several suggestions and situations within ISTC where individuals at the same reporting level (from the Deputy Minister) were exercising different levels of delegation.

The Working Group believes that ADMs should be given the option to assign delegations on the basis of the number of organizational levels from the Deputy Minister. This recommendation should follow from acceptance of item b) and c) above.

Lead Action by: **Assistant Deputy Minister, Finance Personnel and Administration (Issuance of Policy Statement)**

Other: Empowerment Committee

(g)   Operating Budgets

The Working Group received a presentation on emerging issues arising from the work of the Comptroller's Branch in connection with Operating Budgets. The delegation-related issues centre primarily around resource management and budget issues. The resolution of these issues will require work beyond the scope of this Working Group.

7.   Considerations

The options/recommendations submitted in this report will support several other corporate improvement processes. For example, the Empowerment Committee will be able to draw upon our conclusions and the Incentives and Rewards Committee could build upon the concept of monitoring the use of delegations.

8.   Conclusions/Recommendations

In conclusion, the Working Group wishes to re-iterate a guiding principle included in the Interim Report; namely. **"Shouldn't We Be Able To...?"**

If all ISTC staff are challenged to routinely pose this question when faced with "administrative roadblocks," the organization will benefit and the working environment will benefit. The end result has to be better service to our clients - both internal and external to the Department.

9.   Proposed Action Plan

The options/recommendations contained in this report are Category A and therefore ADMs/line managers should be assigned responsibility for implementation.

Industry, Science and Technology Canada   **Industrie, Sciences et Technologie Canada**

July 29, 1992

MEMORANDUM TO: Steering Committee on
the Re-engineering of ISTC's
Business Processes

FROM: Co-chairpersons
Working Group on
Delegation of Authority

SUBJECT: INTERIM REPORT - DELEGATION OF
AUTHORITY

On behalf of the Working Group on Delegation of Authority, we are pleased to submit the attached Interim Report. The Working Group wishes to thank the functional specialists who have made presentations to the Group.

There are a number of issues that do not fall directly within the scope of this Working Group. These are set out below.

1)   **Public Sector Reform (Bill C-26)**

The impact of the implementation of Bill C-26, is still unclear. This area will require further study as to its effect on personnel-related issues and exercise of delegated authorities.

2)   **Information Technology**

The Working Group has submitted a number of "housekeeping" recommendations which, if adopted, will reduce irritants that were identified during our review.

Additionally, the Working Group wishes to signal a concern that arose regarding the "technical" capacity of all functional areas to participate in the areas of electronic forms, electronic signatures, electronic specimen signature cards and electronic manuals.

Canada

Information provided to the Working Group suggested that fully functioning LANs are not in place in all key functional areas. This hampers full participation in, and adoption of, a number of emerging information technology initiatives.

The Working Group believes that this issue needs to be addressed if the Department is to fully exploit the power of information technology to improve communications.

3) **Sharing Best Practices**

The Working Group observed that the Administrative Services Branch has initiated several management improvement projects that have a direct impact on Delegation of Authority. Electronic signatures and electronic specimen signature cards are the two major examples; the simplified electronic delegation "chart" which has been adapted for use on the Contracting System provides another example.

The Working Group was struck by the lack of knowledge of these management improvement projects (some are pilots) throughout the Department. Consideration should be given to exposing these projects to a wider audience.
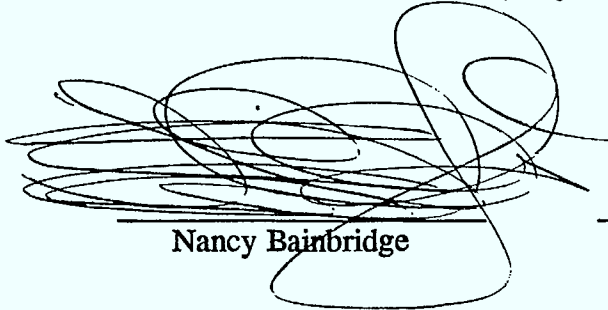
4) **General**

The Working Group has not attempted to "cost" the savings of the proposed recommendations in the attached Interim Report. Generally, the recommendations address irritants in the "system" as well as suggesting some acceleration of planned activities or projects.

Savings may accrue, nevertheless, as we begin to reduce hard copy manuals (distribution, storage and update savings) and use less paper as we move to electronic notification of acting situations.

As the Department adopts the re-engineering recommendations, the Working Group believes it will be necessary to issue a caution that a careful analysis will be required (perhaps to be prepared by the Steering Committee Secretariat) to guard against the mere shifting of workloads from one area to another without obtaining any "real" net savings.

Nancy Bainbridge   Owen Taylor

Attachment

c.c.   Delegation of Authority Working Group

Re-engineering of ISTC's Business Processes

Interim Report - Delegation of Authority Working Group

Business Process: Delegation of Authority

Preface

The Delegation of Authority Working Group is one of eleven groups established to review ISTC's business processes. Throughout its deliberations, the Working Group has challenged itself to constantly consider the following question:

"Shouldn't we be able to...?"

The development of this interim report has been guided by this challenge.

<u>Re-engineering of ISTC's Business Processes</u>

<u>Interim Report - Delegation of Authority Working Group</u>

<u>Business Process: Management and Administration</u>

1.   <u>Progress to Date</u>:

The Working Group on Delegation of Authority has held six meetings and has been briefed by thirteen functional specialists in the broad area of administrative delegations. To date, the Group has conducted an initial review of the areas within the agreed-upon Scope, namely; finance, personnel and administration.

2.   <u>Work Remaining</u>:

Areas to be studied further by the Working Group are as follows:

-   Within Headquarters and, Headquarters versus Regional levels of authority - Are there differences? Why?

-   Delegation of authority - How well understood?

-   Clear lines of authority - Are there any disconnects?

-   Public Service Reform (Bill C-26) - Impact on Personnel delegations?

-   Legal Framework - How do we proceed if enhancements/modifications are identified?

3.   <u>Special Considerations/Barriers</u>:

The options suggested below may entail certain investments, or acceleration in implementation plans, in order to have the desired impact. **The Working Group is of the opinion that acceptance of these options may require a re-ordering of priorities and in some cases additional resources.**

4.   <u>Evaluation</u>:

The following options are all "doable" in a technical sense. The pay-offs are subtle and have more to do with reducing irritants, improving productivity and service and generally contributing to improved management practices.

5.   <u>Options:</u>

In the **short term**, the Working Group on Delegation of Authority recommends that:

1.   The Delegation of Authority Manual should receive the highest priority for establishment/set up on the departmental electronic manuals system. Technical issues, such as the location of computer files on local LANs, versus a central location, will need to be addressed.

   Lead Action by: Administrative Services Branch
   Consult with: Information Management Branch

2.   Additional guidelines should be issued and/or training - information sessions should be held to communicate to staff the applicability of the policy regarding Information Collection Proposals.

   Lead Action by: Access to Information and Privacy Office

3.   The continued need for IMB to "sign off" on small value, standard items which do not impact on the operation and maintenance of corporate systems should be justified. The role of IMB in EDP purchases should be clearly communicated.

   Lead Action by: Information Management Branch
   Consult with: Administrative Services Branch re: Materiel Management Policy

4.   A specific module regarding Delegation of Authority should be included in the orientation process for new employees. Refresher courses for managers should also be considered.

   Lead Action by: Human Resources Branch
   Consult with: Comptroller's Branch

5.   a)   The momentum established under PS 2000 should be continued and the functional custodians of delegation authorities (e.g. Finance, Personnel) should establish and publish a timetable for the review of authorities. This review should include a canvass of all users.

   Lead Action by: Comptroller's Branch and Human Resources Branch
   Consult with: Functional Groups

   b)   The issuance of amendments, especially finance-related, should be reviewed. Currently, the Comptroller's Bulletins provide a timely communication of new delegations, supplemented at a later date with an update to the Delegation Manual. The Working Group believes this

practice should be reviewed to determine if a "one-step amendment" process can be adopted.

Lead Action by: Comptroller's Branch

6.   The Comptroller should issue a policy statement as to the appropriate use of E-mail to indicate an acting situation.   Current practices differ and the continuing need to furnish a "hard copy" signed by the delegating official is not a consistent departmental approach.

Lead Action by: Comptroller's Branch

In the long term, departmental senior management may wish to consider the role that the Shared Management Agenda(SMA) concept will have in ISTC. The SMA may provide one avenue to open dialogue with Central Agencies regarding future enhancements of delegations, as identified and deemed appropriate.

Lead Action by: To be determined

6.   **Decisions Required:**

Acceptance of Options identified above, and assignment of appropriate resources and tasks to Responsibility Centres as indicated.

Re-engineering of ISTC's Business Processes

Interim Report - Delegation of Authority Working Group

Business Process: Functional Specialists

NAME	AREA
Brian Cook	Security
Frank Arecchi	Contracts
Cliff Pierce	HRB Delegation Project
Richard Guttormson	EDP
David Connors (CSE)	Electronic Signatures
John Carter	Finance
Sylvie Dufresne	Personnel
Jan Mayes	Personnel
Adèle Copti-Fahmy	Personnel
Doug Lingard	Finance (RAMS)
Pierre Trottier	ATIP
Rita McHugh	Manuals
Jean Laughlin	Signing Authorities

INTERIM REPORT - REVIEWED BY

NAME	AREA
Mike Eustace	Administrative Services
Pierre Trottier	ATIP
Fruji Bull	Information Management Branch
Bob Joubert	Human Resources Branch
George Willis	Finance

O

CORPORATE

PLANNING

WORKING

GROUP

RE-ENGINEERING FINAL REPORT

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<u>**RE-ENGINEERING FINAL REPORT**</u>

<u>**WORKING GROUP: CORPORATE PLANNING**</u>

<u>**PROCESS: CORPORATE PLANNING**</u>

1. <u>**Executive Summary**</u>

The Working Group on Corporate Planning began its deliberations with a range of concerns about the complexity and credibility of the planning process. Many of those concerns have been addressed by the streamlining of the process that has since taken place.

This report offers a number of recommendations aimed at making sure that the revised process lives up to its promise in terms of simplicity, effectiveness and usefulness. These recommendations call for:

— simple straightforward planning procedures at the Sector/Regional Office level to match those in the Deputy Minister's planning instructions;

— further strengthening of the Strategic Direction paper and adjustment of the paper's timing so that it meshes more closely with the resource acquisition and allocation processes;

— clarification of the situation regarding the Department's Operational Planning Framework;

— a review of priorities and directions during the year;

— recognition that Department-wide functional planning (i.e., for communications, human resources, information management and international activities) is still required in the revised corporate planning process, and that functional heads are responsible for getting the planning done.

2. <u>**The Status Quo**</u>

ISTC's corporate planning process has been evolving from year to year. In other words, "the status quo" has been something of a moving target.

The Re-engineering starting point was the process as it was envisaged for this fall. The details are shown in the attached "wiring diagram" (Figure 1).

Of particular note are the following:

— the Strategic Direction paper identifies major issues and priorities for the Department for the planning year;

— the Deputy Minister's "call letter" asks ADMs and REXDs to prepare (to specified format requirements): Sector/Regional Plans; Statements of Concurrence with the Deputy Minister; "Functional Annexes", identifying strategic issues in human resources, information management, and communications; details of sector activities for inclusion in the International Trade Business Plan;

— detailed inputs are requested separately for functional planning and reporting purposes (e.g., training and development; official languages);

— Departmental Management Committee (DMC) reviews draft Sector/Regional Plans and Functional Annexes in February.

— priorities in the Strategic Direction paper and Sector/Regional Plans are summarized in the "Corporate Plan", published early in the new fiscal year.

3.   Rationale for Selection

Corporate planning was selected because:

— it has been labour- and paper-intensive, and the source of considerable irritation throughout the organization;

— last year's employee opinion survey suggested that staff had difficulty seeing themselves and their work in the Department's strategies and plans;

— the linkages between the planning process and resource acquisition and allocation were seen to be weak.

4.   Methodology

The Working Group was composed of representatives from across the Department with substantial experience in implementing the corporate planning process. This experience covered several planning perspectives: Sector Branches, Regional Offices, functional planning, resource management, and overall design and coordination of the process.

The Group had intensive discussions on perceived problems with the existing corporate planning process. These deliberations were helped by presentations on: a new approach to priority setting/business planning in CGSI Sector; observations about planning by Operations Audit Branch arising from several audits of Regional Offices and

Headquarters units; and planning processes in other departments, as described by consultants working for the Office of the Comptroller General. The Group also had an opportunity to discuss an early draft of this year's Strategic Direction paper with the principal author.

The Group also heard a proposal from the ADM Policy as to how the corporate planning process might be streamlined. This reflected, in part, observations by the new Deputy Minister that the existing process should be re-structured for greater simplicity and effectiveness.

5. <u>Analysis</u>

1. <u>Issues and Concerns</u>

The Working Group's starting point was a strongly held set of perceptions that:

— the planning process has apparently tried to serve both strategic and shorter-term resource-utilization objectives at the same time; thus, the purpose of the process has not always been clear;

— a longer-term strategic outlook is needed to guide the planning process;

— concrete and measurable strategic objectives are needed, and performance should be assessed against these objectives;

— the whole planning process should be more explicitly linked with the resource acquisition and allocation process;

— there are too many (sometimes overlapping) elements in the process, and some of them are too convoluted and contorted.

2. <u>The New Process</u>

A new corporate planning process is being implemented for 1993-94.

The key steps in the new process (as shown in the attached Figure 2) are as follows:

— The Strategic Direction paper still provides the strategic context and identifies broad priorities.

— The Deputy Minister's call letter asks ADMs and REXDs to prepare "management agreements" (replacing "statements of concurrence"), for finalization between January and March; as guidance, the call letter identifies the Deputy's key priorities, and reiterates the main messages of the Strategic Direction paper.

— In March, a summary document indicating the key directions and objectives for the planning year will be approved by the Deputy Minister. This will replace the former "Corporate Plan."

The key to the process is the management agreement with the Deputy. These agreements are meant to concisely describe the priorities of individual ADMs/REXDs for the coming year, and outline the results they are committed to deliver.

The new process does away with formal requests from the Deputy for "Sector/Regional Plans." The assumption is that management agreements will reflect the detailed business planning that would normally go into these other documents.

As well, the Deputy's call letter no longer explicitly asks for information for functional planning purposes (i.e. communications, human resources, information management, and international trade). It is assumed that this planning will continue, but that the functional heads will be directly responsible for getting it done.

This new process addresses many of the Working Group's concerns (indeed, the ideas in the Group's interim report contributed significantly to the design of the process). The new process appears much simpler than the "status quo." Far fewer documents are required; there are few specifications as to format; and there are generally far fewer hoops to jump through in terms of meeting centrally coordinated requirements. ADMs and REXDs are left to do their own business planning, in their own ways. It is assumed that they will do whatever is necessary to define, support and deliver on their management agreements with the Deputy. It is also assumed that they will do all of the consultations necessary to ensure complementarity across the Department and that they will provide the required information to functional planners.

6. **Recommendations**

The Working Group offers the following recommendations aimed at making sure the new process really turns out to be as promising as it seems.

(a) **Business Planning by Sectors and Regions**

Corporate planning demands "from the centre" have now been drastically reduced and simplified. However, this **does not automatically** translate into simplification and planning efficiencies in Sectors and Regional Offices.

The new approach will be a truly new approach only if there is a "trickle-down" of the simplifications. Little will be gained if ADMs and REXDs simply replace the former centrally specified requirements and documentation with equally onerous local or decentralized requirements.

Recommendation 1: To the extent possible, ADMs and REXDs should mirror within their own organizations the simplification that has been adopted at the corporate level. The goal should be -- at all levels -- to clearly identify priorities, define expected results, and assign responsibility for delivery -- without complex procedures and paperwork.

(b) The Strategic Direction Paper: Content

The Strategic Direction paper now assumes a greater importance. The whole planning process now revolves around management agreements with the Deputy Minister. These agreements, in turn, are guided by the Strategic Direction paper.

This implies the following:

— The Strategic Direction paper has generally been aimed, first and foremost, at the Minister. If the document is meant to be the primary guide to departmental **planning**, its content and style may need to be adjusted.

— The Deputy's call letter no longer asks for, or provides guidance on, **strategic** functional issues (i.e., on human resources, information management and communications). There is thus a danger that strategic functional issues may get lost unless they are addressed more fully than they have previously been in the Strategic Direction paper.

— As mentioned above, the employee opinion survey suggested that many staff do not see themselves in ISTC strategies and plans. The Strategic Direction paper should recognize this, and should refer to ongoing and core activities.

The paper's time horizon is another concern. Working Group members felt that the Department needs a more clearly articulated longer-term (say 5-to 10-year) vision as a planning framework. The impression is that we do not seem to have concrete corporate objectives that last much longer than a year.

This is not to suggest that an absolutely precise road-map can be drawn. Clearly, the strategic "front-end" of our planning process has to reflect the reality of continuous and often rapid change -- political, organizational, and economic -- which we face in delivering on our mandate.

On the other hand, ISTC's mission is concerned with structural and attitudinal issues that are, in fact, long-term in nature. The Group thus feels that the Department's most strategic of planning documents should have a degree of "core constancy", that it should try to articulate our changing priorities in the context of a more lasting vision. We need to make clear what our longer-term objectives are, as the context for shorter-term (i.e., annual) shifts in priorities, activities and organizational options.

The Working Group feels that this year's Strategic Direction paper has come some distance in this regard. It is written in a way that suggests some continuity with last year's paper. In particular, it reiterates the Department's broad competitiveness

objectives as context for a set of medium-term priorities that, in turn, respond to the Government's key policy thrusts.

Finally, the Working Group notes that the Strategic Direction paper is an obvious vehicle to bring about closer integration within the Minister's portfolio. Indeed, senior officials of EAITC and Investment Canada are already consulted during preparation of the Strategic Direction paper. It is the Group's view that this process should be built upon so that the strategic planning documents of the three agencies are -- and are seen to be -- mutually complementary and supportive.

In this latter regard, future Strategic Direction documents might usefully summarize the broad strategic thrusts that guide the international trade business plan, which is a particularly successful portfolio integration initiative, both strategically and operationally.

Recommendation 2: The scope of the Strategic Direction paper should be such that it includes strategic functional considerations, and references core activities carried out by Departmental staff.

Recommendation 3: The Strategic Direction paper should be written for a multi-year time-frame, with annual updates to reflect changes in direction, priorities, and environment.

Recommendation 4: The Strategic Direction paper should be considered as a vehicle to bring about closer integration within the Minister's portfolio. It should be prepared so as to be visibly linked to strategic planning exercises in other portfolio agencies, and it should reference some of the strategic concerns driving the portfolio-led international trade business plan.

Recommendation 5: The Strategic Direction paper should be written with the Department as a primary audience, and Departmental planning as a key objective. If this is not to be the case, an annual "bridging document" should be prepared to translate the paper into planning objectives.

(c)   The Strategic Direction Paper: Timing and Resource Acquisition

Currently, the timing of the Strategic Direction paper meshes with the Department's resource **allocation** process. The paper appears in the fall (November this year), prior to the setting of reference levels. It thus provides the strategic context for detailed business planning, and for the negotiations and trade-offs involved in setting final responsibility centre budgets.

However, the Strategic Direction paper does not mesh as well with the resource **acquisition** process. More precisely, the resource acquisition process does not have the timely benefit of a longer-term strategic document to assist the Comptroller's Branch in making ISTC's resource claims to Treasury Board.

Although the broad thrusts of the Strategic Direction paper are known by late summer, the document is not completed until **after** the October deadline for the MYOP submission. Moreover, the paper is too late to influence the policy submissions to Cabinet that precede and set the framework for the MYOP.

Consideration should thus be given to further advancing preparation of the Strategic Direction paper, perhaps aiming for completion by August or even earlier.

There are further timing considerations. For a more securely-based and likely-to-be-successful approach to Treasury Board, MYOP-time should see the Comptroller's Branch in possession of a Departmental strategic document that looks not just at the approaching fiscal year, but at the one following that.

Recommendation 6: The Strategic Direction paper should be completed by the end of August, and should have an "18-month view within a 12-month cycle." In other words, the paper should be completed in advance of the MYOP, and preferably in time to guide the Cabinet submissions that precede the MYOP, and it should offer a perspective that extends one year beyond the impending budget-year. (Implementation of Recommendation 3 above will help to facilitate this).

(d)   Operational Planning Framework[1]

The Working Group feels that ISTC's corporate planning would benefit through greater clarity, consistency and certainty in the resource acquisition and allocation process. A key objective would be to increase central agency (particularly Treasury Board) confidence in our planning processes.

Implementation of Recommendation 6, above, would be one such improvement. Current efforts to improve the Department's Main Estimates Part III presentation will also contribute.

One issue where greater clarity would be helpful concerns the Operational Planning Framework. Although it has an approved activity structure, ISTC does not have an approved OPF. Some Working Group members feel that this situation does not help our abilities to access resources.

Efforts to develop an OPF have been on-again, off-again. The current organizational uncertainty within the public service further dampens any tendency to proceed aggressively. This uncertainty extends beyond the Department, in terms of whether

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[1]An Operational Planning Framework (OPF) is a Treasury Board-approved description of a "program" in terms of discrete planning elements that reflect the internal structures for managing the program and for planning of resources (all of ISTC's activities are organized under one "program"). The OPF identifies program objectives and sub-objectives, provides results statements for each planning element, and links objectives, results and resource requirements. The OPF serves as a basis for Treasury Board analysis and approval of resources.

central agencies will continue to attach the same importance to departments having an approved OPF.

Development of an OPF takes a year to 18 months of consultation and negotiation. It may thus already be too late to have a new OPF in place for 1994-95, even within an organizationally stable environment. However, the Working Group feels that the issue should be addressed, one way or another, once the organizational dust has settled, and an assessment should be made as to whether the work involved would generate a commensurate return.

Recommendation 7: The Department should decide whether to develop and seek approval for a new Operational Planning Framework. Such a decision should probably await the outcome of current government re-organizational initiatives. However, if a decision is taken to proceed, the effort should be given sufficient priority to produce an approved OPF for fiscal year 1995-96.

(e)   Monitoring, accountability and course correction

Accountability is intrinsic to the credibility of the planning process. The Working Group's general sense is that, over the years, a lot of effort and paper has gone into developing priorities, objectives and plans, but that these have more or less been "thrown on the shelf" once they have been developed. Accountability for delivering on the plans -- or for modifying them to deal with changing circumstances -- has not always been seen to be part of the process.

The recent streamlining will improve on this situation, if the ADM/REXD management agreements with the Deputy are sufficiently results-oriented, and if the signatories clearly "have their feet held to the fire" for delivery. Further credibility, in the eyes of Departmental staff, would be achieved if there were a visible assessment during the year as to whether priorities and work directions need adjusting.

Recommendation 8: Consideration should be given to establishing a priorities and course-correction review point during the planning cycle. In the newly streamlined planning process, this might take the form of Deputy Minister discussions with ADMs and REXDs (preferably at the time of the mid-term resources review) concerning progress in implementing their respective management agreements.

(f)   Functional Plans

In the revised planning process, the Deputy Minister's call letter no longer has explicit instructions on functional planning (i.e., on human resources, information management, communications and the international trade business plan). While this eliminates a lot of paperwork, the Working Group has two lingering concerns.

(i)   The first, and far more fundamental, worry is that functional planning may now seem to be less important, because its directions and details are not explicitly

addressed in the Deputy's call letter. The Working Group is firmly convinced that there should be no diminution in the importance of functional planning, and that Department-wide planning is critical in the functional areas cited. (This conviction has already been registered in Recommendation 2 above, on widening the scope of the Strategic Direction paper.)

What the Working Group would like to emphasize is that the new process does -- **and should be recognized as doing** -- to functional planning exactly what it does with respect to Sector/Regional business planning. The process no longer involves centrally-directed planning procedures, documents and formats beyond management agreements with the Deputy. Modalities and details are now left to ADMS and REXDs, **and to functional heads**. In other words, the management agreements of the functional heads (i.e.. the ADM for FPA; the DG of Communications; the ADM Policy (for the international trade business plan)) should focus on the key functional planning priorities, and these agreements should represent the culmination of whatever coordination and negotiations are required between functional heads and the other senior executives in the Department.

(ii)   The second Working Group concern derives from the first. Formerly, the Deputy's planning call letter signalled that there would be later separate requests for much more detailed functional information (e.g. on official languages, training and development, equity initiatives, information technology investments and plans, and publications and other communications needs). Again, the letter no longer does this.

The need continues: the requested information is basic raw material for functional planning purposes. The Working Group, again, would hope that responsibility centres continue to treat the requests seriously (indeed, in this year's call letter, the Deputy Minister explicitly indicates his assumption that functional managers will be provided with whatever information they need for reporting and planning purposes).

The Working Group does suggest that efforts be made, where possible, to combine and otherwise coordinate these various requests in order to minimize paper-burden and irritant potential.

Recommendation 9: ADMs, REXDs and functional heads should clearly recognize that requirements for Department-wide functional planning (e.g., for communications, human resources, information management, international trade business plan activities) **have not disappeared with the streamlining of the corporate planning process**, and that functional heads have the responsibility, as part of their own management agreements, to carry out this functional planning.

Recommendation 10: Where possible, functional managers should combine and coordinate their requests for detailed planning information, and also signal their needs for such information well in advance, in order to minimize paper flow, confusion and irritation on the part of responsibility centre managers.

7. Resource Implications of Recommendations

The Working Group cannot quantify resource implications of streamlining the planning process and implementing the above recommendations.

There is no question that the new process requires less effort from Policy Sector, in terms of developing the Deputy's call letter, and coordinating returns from Sectors and Regions. Similarly, there is a much reduced requirement throughout the Department to provide documentation to "the centre".

On the other hand, there is now a new onus on ADMS/REXDs to clarify their priorities and consult with other ADMs/REXDs to ensure complementarity of management agreements. Consultations on functional planning have been similarly decentralized. In the end, how all of this is done will likely vary widely throughout the Department. In the extreme, if managers opt for complicated and paper-ridden processes of their own, the process could even become more resource-intensive than before.

Similarly, the resource impacts of specific recommendations are unclear. For example, some savings could accrue in the preparing the Strategic Direction paper, if it is turned into a longer-term document with annual revisions. On the other hand, if the paper's focus is expanded to address strategic functional concerns, the authors will be faced with a new set of consultations.

Other Non-financial Benefits

The real advantage of the new process is in the removal of irritants. The previous process had its strengths, but it required a great deal of paperwork and coordination to make sure that the paperwork was done on time and to the right format. And there was a widespread feeling that, in the end, the Department really did not pay much attention to the results.

Corporate planning has now been made much simpler. Centralized direction, often resented or at best put up with, has been replaced with ADM/REXD and, presumably, trickle-down empowerment. The result should be a substantial gain in planning efficiency and credibility within the Department. Implementation of the recommendations for better linkages of strategic planning elements with the resource acquisition process should lead to an increased confidence level in central agencies.

8. Action Plan

ISTC's corporate planning process for 1993-94 has been significantly streamlined, in ways that address many of the Working Group's initial concerns. Accordingly, the Group does not see a need to develop an explicit action plan to re-engineer the planning process.

The recommendations presented here are intended to ensure that the new planning process lives up to its potential. For the most part, they address specific elements of the process, and how those elements should be implemented. If accepted, they should be formally communicated, by the Deputy Minister and the Re-engineering ADM Steering Committee, to those responsible for the respective elements.

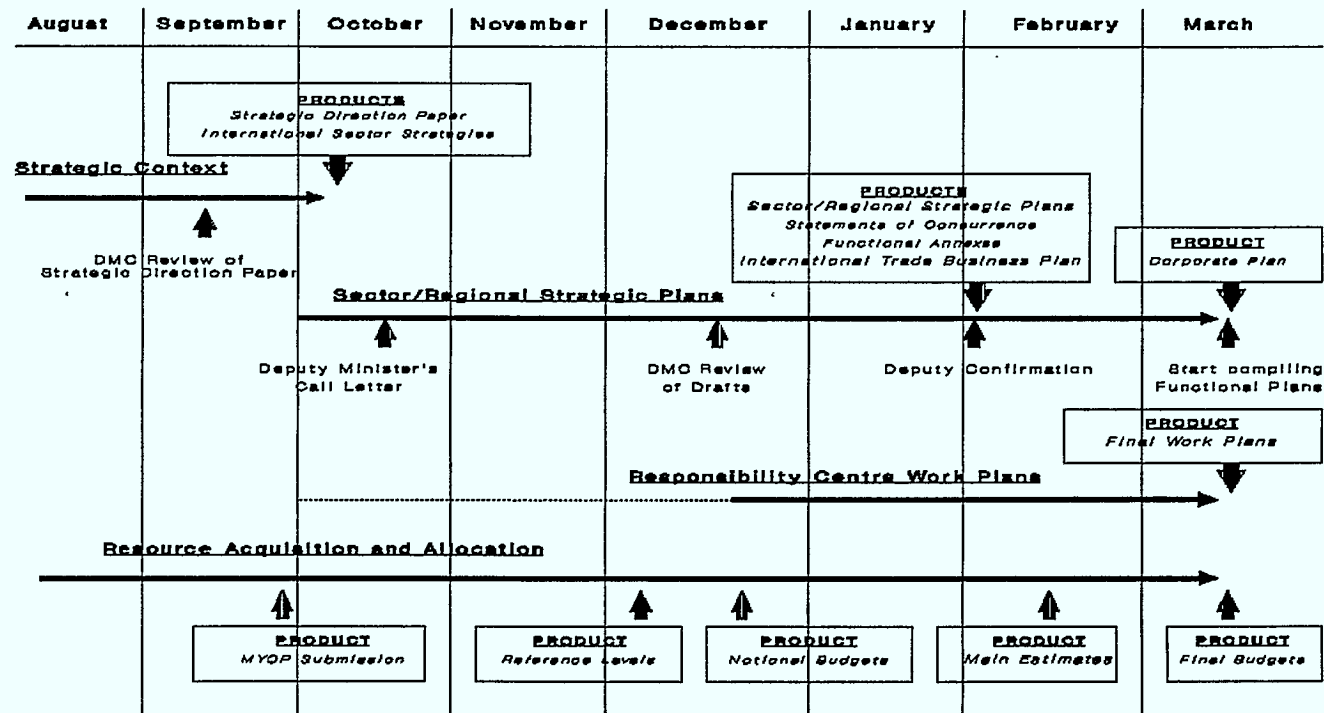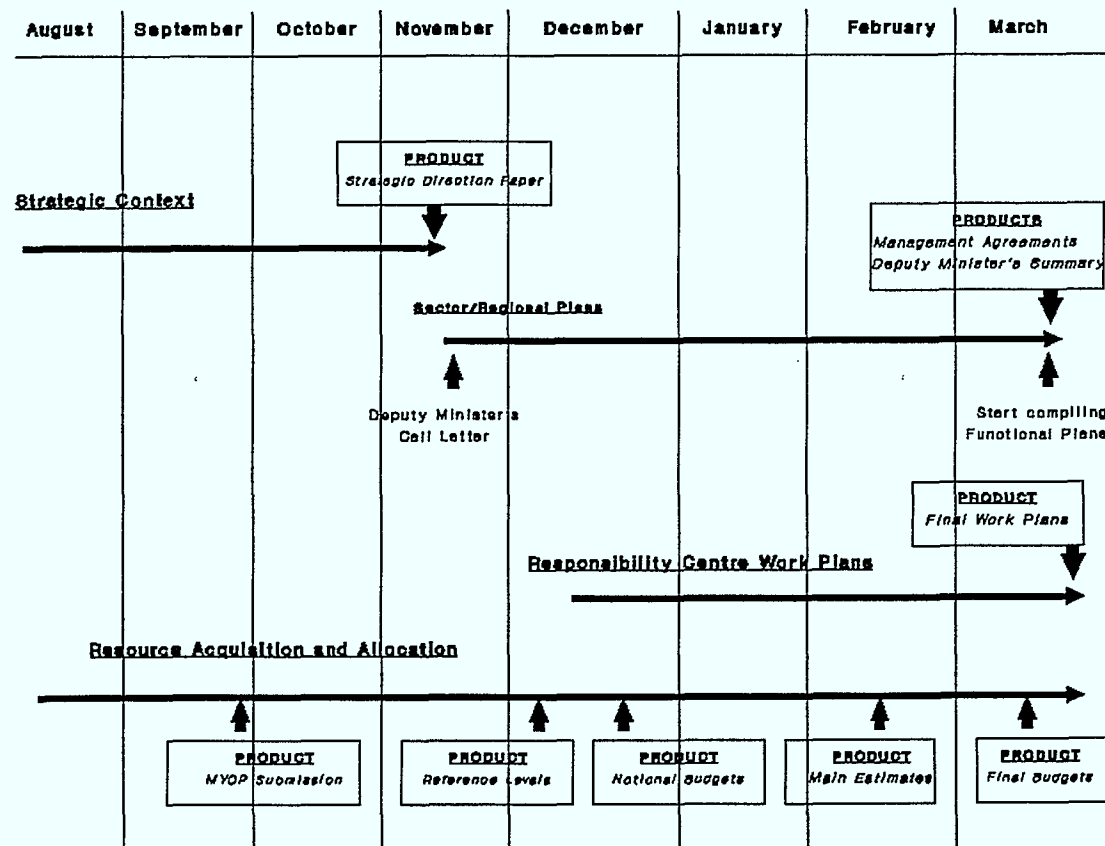# FIGURE 1: ISTC Corporate Planning Process: 1993-94 (As originally proposed)

August	September	October	November	December	January	February	March

PRODUCTS
Strategic Direction Paper
International Sector Strategies

Strategic Context

DMC Review of Strategic Direction Paper

PRODUCTS
Sector/Regional Strategic Plans
Statements of Concurrence
Functional Annexes
International Trade Business Plan

PRODUCT
Corporate Plan

Sector/Regional Strategic Plans

Deputy Minister's Call Letter

DMC Review of Drafts

Deputy Confirmation

Start compiling Functional Plans

PRODUCT
Final Work Plans

Responsibility Centre Work Plans

Resource Acquisition and Allocation

| **PRODUCT** *MYOP Submission* | **PRODUCT** *Reference Levels* | **PRODUCT** *Notional Budgets* | **PRODUCT** *Main Estimates* | **PRODUCT** *Final Budgets* |

FIGURE 2: ISTC Corporate Planning Process: 1993-94 (Revised process)

SELECTED

ISSUES

●

WORKING

GROUP

●

A. AUDIO/VISUAL COMMUNICATION FUNCTION

B. LIBRARY

C. MAIL MANAGEMENT

RE-ENGINEERING FINAL REPORT

WORKING GROUP: SELECTED ISSUES

PROCESS:

A. AUDIO/VISUAL COMMUNICATIONS

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A. AUDIO/VISUAL COMMUNICATION FUNCTION

RE-ENGINEERING FINAL REPORT

WORKING GROUP: SELECTED ISSUES

PROCESS: AUDIO/VISUAL COMMUNICATION FUNCTION

1. **Executive Summary**

The A/V communication function supports a diverse range of high-quality, multi-media services directed at both internal and external clients. In its deliberations, the Working Group singled out a core function which it broadly defined as **Audio-Visual quality assurance**. Supporting functions include; the provision of expert advice and liaison, the production/acquisition of A/V products, the management of ISTC's A/V holdings, and, the supplier of A/V equipment.

It was recognized that the role of communications is evolving. Apart from the need to be more strategic, innovative and cost-sensitive, the A/V function itself is increasingly becoming more technology driven, merging from a multi-media perspective and highly equipment intensive. These pressures coincide with the realization that the funds available for A/V facilities and internal services are at an all-time low and that there is real concern as to whether a full-service A/V function can continue as a realistic proposition. This report presents a number of basic options and specific recommendations which address this dilemma in relation to the functions mentioned above.

2. **Background**

— **Introduction**

The A/V Services group supports the mandate and communication activities of the Department by providing a wide range of high-quality, multi-media services.

It states as its objectives the following:

- Providing advice and quality control relating to photographic, video, exhibitry, advertising and electronic imaging,

- Providing A/V technical and equipment support,

- Managing ISTC's visual data resources (its "Videotheque" contains 315 videos and the "Phototheque" is a national collection of over 150,000 slide images), and,

- As an internal service, the group also administers the Communication Branch's LAN.

The Audio/Visual Services Group consists of nine indeterminate employees (one of which is dedicated to administering the LAN), one contract and one agency resource. Its current year budget (excluding LAN expenses) totals approximately $ 128,000. Further detail regarding deployment of resources is presented in Appendix A.

3. Rationale for Selection

In view of the fact that the A/V communication function has not been the subject of a functional audit or review over the past few years, the ADM Steering Committee requested that it be included as a candidate for re-engineering.

4. Methodology

A working group comprised of a cross-section of headquarters and regional representatives was formed in mid-July (Appendix B). The working group began by defining the core and auxiliary functions. Each auxiliary function was then examined to identify options which would support the core function and enhance overall cost-effectiveness.

As a means of assessing alternative-practice the Working Group conducted a survey of nineteen OGD A/V operations - the results of which are presented in Appendix C. In addition, and in order to validate the options identified, the Working Group held extensive discussions with both internal and OGD specialists (Appendix D). The results of this exercise were then discussed with individual ISTC contacts and, more generally, with Departmental employees at a "Brown Bag" session.

5. Analysis

— Essential Outputs

The Working Group spent a considerable amount of time grappling with the diversity of A/V communication services. Apart from the activities carried out, it was recognized that the function supports a full range of mediums including; 35mm photography, videos, computer-generated graphics/electronic imaging, exhibitry, conferences and advertising.

In its effort to establish an activity framework the group identified core and auxiliary functions. The core function has been broadly defined as being; the provision of Audio/Visual quality assurance. Above all else, this core function demands a strong service orientation together with advanced technological expertise. Four key auxiliary functions were also identified as

supporting the core function namely; <u>the provision of expert advice and liaison,</u> <u>production/acquisition of A/V products,</u> <u>management of ISTC's A/V holdings,</u> and, <u>supplier of A/V equipment</u>. Options or specific recommendations associated with each of these auxiliary functions will be presented in the section which follows.

It should be noted that this report does <u>not</u> deal with the Communication Branch LAN administration function performed by the A/V Services group.

— **Analysis**

The role of communications in Government is evolving with increased emphasis being placed on the need to be more strategic, innovative and cost-effective in marketing departmental missions, policies and services. Apart from these challenges, it is essential to recognize that the A/V function itself is becoming increasingly technology driven, merging from a multi-media perspective, and highly equipment intensive. These pressures coincide with the fact that the resources available for A/V facilities and internal services are at an all-time low. In ISTC's case, the A/V Services budget was reduced by some 46 % last year and there is real concern as to whether the funds exist to continue to support a <u>full-service</u> A/V facility.

It must be realized that ISTC is one of the few remaining departments which has managed to maintain the capacity to provide a reasonably complete range of internal A/V services as well as a extensive photo library. Others include NHW, EMR, CEIC, and Revenue Canada's Customs and Excise training centre at Rigaud, and, as a special case, DND. DSS's central Government photo library was shut down by Treasury Board in 1989. MOT disbanded its A/V unit a number of years ago and EAITC did likewise following its downsizing exercise last year. Other departments are currently exploring options. Agriculture Canada has very recently decided to operate as a satellite out of DSS's Canada Communications Group. Finally, it should be mentioned that Investment Canada has been using ISTC's A/V services since 1985.

What this underscores is the need to consider rather fundamental options to arrive at a realistic and cost-effective mix of future A/V services.

6. **Expert Advice and Liaison**

— **General Description and Considerations**

The provision of expert A/V advice and internal liaison is regarded by the Working Group as absolutely essential given the importance of communication activities to ISTC. This auxiliary function is the one which

most directly supports the quality assurance role - the raison-d'être for any A/V communications group.

The maintenance of an in-house capability to centrally provide internal A/V expertise and liaison is taken to include:

- Expert advice on all aspects of A/V technology, equipment and suppliers of A/V products,

- Professional advice on A/V production, including alternative mediums, formats, messages and audiences,

- Liaison with internal clients for A/V productions, including acting as the contracting intermediary for work undertaken by the private sector, and,

- Liaison with AMG, DSS's Canada Communications Group and the "Agency of Record" for ISTC advertising, including placement and monitoring.

Without question, ISTC's A/V Services Group excels in these areas.

— **Recommendations and Implications**

(1)   It is recommended that <u>quality assurance</u> be adopted as the A/V communication core function and that the <u>provision of expert advice and internal liaison</u> be accepted as an indispensable service.

(2)   Our survey has clearly indicated that, in departments such as EAITC which have completely disbanded their A/V units, the lack of central expertise and internal liaison has created a considerable void. In retrospect EAITC recognizes that in disbanding the unit entirely it may be compromising the <u>quality</u> and cohesion of it's communication initiatives.

7.   **Production and Acquisition of A/V Products**

— **General Description and Considerations**

At present, all production work for A/V communication products for <u>non-internal</u> use is done under contract by private firms. ISTC still maintains an in-house capability to produce internal videos, off-air recording, photographs, presentation material (eg; slides and overheads), and, to a lesser extent, to support departmental conferences and exhibits. The decision as to retaining an in-house capability essentially centres on the premium attached to accessibility of assured service, the nature of demand and the costs of alternative solutions.

— **Recommendations and Implications**

(1) **It is recommended that, in the short term, the <u>electronic imaging</u> operation <u>focus</u> exclusively on meeting ministerial and senior management's needs and that the option for complete <u>contracting-out</u> be considered as a future contingency.**

The production of high-quality 35mm slides and overhead transparencies for presentations and speaker support material involves the use of specialized computer graphics software and outdated photographic technology. The latter should immediately be abandoned as obsolete.

Last year, 304 assignments were handled of which 12 % were done under contract to private firms. While statistics are not available, the bulk of this work tends to be done for presentations made internally within the Department mostly to various committees including DMC. However, with the availability of personal computers and user-friendly graphics software throughout the Department most employees have now developed the basic capacity to produce their own presentation material. Were a decision taken by Senior Management to set the example by <u>discouraging specialized presentations for internal purposes</u>, the demand for centralized and contracted electronic imaging could be greatly reduced. This is <u>not</u> to suggest that there is no requirement for the more costly and sophisticated presentation material. The Ministers and Senior Management do require the best products available for external presentations made to Central Agencies, OGDs, client groups, etc. At this point for example it is known that the Deputy's Office accounts for about 7 % of total demand - half of which is met externally under contract with private suppliers.

While it is recommended that an internal capability be retained to meet this more limited need, the demand may prove to be insufficient. In such an event, full contracting out should be considered.

In any event it is further suggested that, in the interim, the electronic imaging resource be more directly linked to the desk-top publishing activities within the Communication Branch.

Acceptance of the above recommendation and action on the part of Senior Management could result in immediate resource savings of approximately 1 Person-Year.

(2) **It is recommended that an <u>A/V demonstration and training module</u> be established in collaboration with the Information Management Branch's <u>Walk-In Centre.</u>**

With the convergence of A/V and informatics technologies the need for an integrated approach has become considerably more evident than in the past. While many employees have developed basic computer graphics skills as mentioned previously, the use of electronic imaging in the communication world of tomorrow will become much more routine. Accordingly, this recommendation suggests the establishment of a module within the Walk-In Centre to demonstrate and support self-learning on the use of various graphics software and related equipment such as PC viewers. Training already exists in the Walk-In Centre on a few graphic software packages but this must be extended to transfer to employees the considerable expertise contained in the A/V unit.

Acceptance of this recommendation would directly reinforce ISTC's "continuous learning" initiative, improve productivity and strengthen the future communication skills of departmental employees.

8. Management of ISTC's A/V Holdings

— General Description and Considerations

A/V holdings will be defined in this section as including ISTC's Videotheque and Phototheque. In both instances, the collections provide material for promoting various aspects of ISTC's mandate.

The Videotheque is a collection of approximately 315 video titles that are distributed by the Department. Last year, some 809 requests resulted in close to 3,500 video loans. The collection includes internal videos of historic interest such as past ISTC Executive Conferences, thematic videos covering major sectors as well as competitiveness subjects such as entrepreneurship, technology, etc., and thirdly, company/product promotional videos solicited from client firms. Users of the service currently number approximately 1,500 - the majority of which are OGDs. Orders are placed using a binder style catalogue which is about to be replaced with a recently developed on-line computer system. Roughly 2 Person-Years are devoted to the Videotheque. The Phototheque is a vast collection of some 150,000 high-quality 35-mm colour slides and 2,500 black and white images - approximately half of which are tourism related. The collection results from work done for the Department over the years by professional photographers and is of the highest quality. For example, about $87,000 in lab work was processed in fiscal 1991/92.

The material is used internally for ISTC publications, exhibits and advertising. Non-commercial use outside of the Department is encouraged where it supports themes which broadly promote Canada or various aspects such as science and technology which relate to ISTC's mandate. Moreover, private use of the images which are copyrighted and model protected must be

credited to ISTC. About one-quarter of the material is active and last year there were approximately 750 users including OGDs and private firms. Under a partial user-pay policy, direct costs associated with duplication of slides are recovered.

At present the slides are stored in a dozen cabinets and must be viewed for selection in the A/V unit in Ottawa. One person has begun to computerize the <u>catalogue</u> of the holdings to facilitate user selection and plans are under way to market the Phototheque more aggressively and pursue full cost-recovery. From a longer-term user access perspective, the images would need to be digitized for computer viewing and usage.

— **Recommendations and Implications**

(1)   **It is recommended that one of two <u>options</u> be considered to guide the <u>future evolution</u> of the <u>Videotheque</u>.**

<u>Option 1</u> - to have the Business Services Branch <u>assess the viability</u> of developing the Videotheque as a <u>major corporate</u> promotional <u>service</u>.

Under this option, the Videotheque would focus exclusively on company promotional videos. At present, our collection, which numbers some 150, covers a very small percentage of the Department's client base and the likelihood of expansion may be problematic given the high cost of professional video production (a minimum of $50,000 per production). Moreover, and given the nature of these videos, they are quickly outdated. Only about one-third of the videos in the collection were produced within the last year. There is, therefore, a question as to whether ISTC should continue to invest in the Videotheque as a corporate product - hence the call for a viability test.

A comprehensive survey would be conducted to determine the likely extent of <u>future possible coverage</u> of our client base. The costs of distribution together with alternative delivery mechanisms would be assessed and the issue of user fees examined. Most importantly, existing criteria would be applied by the Business Services Branch to test the viability of the Videotheque becoming a <u>national ISTC promotional service</u>.

The key point in this regard is to recognize that this service could complement, or possibly compete with, the Department's Business Opportunities Sourcing System (BOSS) which is essentially a fully developed product with a similar purpose.

Acceptance of this option presents no <u>immediate</u> resource implications and should the Videotheque <u>not</u> prove viable as a national ISTC product, <u>option 2</u> should be considered.

<u>Option 2</u> - **to archive the historic ISTC videos in the corporate Library, deliver the thematic videos <u>primarily </u>through the Regional Office "Business Services Centres" as well as through the Sector Branches, and , to collapse the private promotional video collection.**

The 60 internal videos have some historic value and are of interest primarily to ISTC employees. These videos should be made available centrally through the main Library. The 105 largely thematic videos produced by Federal/Provincial/Municipal departments should also be placed in the Library and those of "national public interest" could also be made available to the National Film Board for broad public distribution at no cost to ISTC. Most importantly, the line organizations whose job it is to directly serve our clientele should be the delivery point for this category of videos. In point of fact, much of this material was originally funded by the line organizations often for conferences or major initiatives on particular thematic subjects.

The 150 private promotional videos would be collapsed under this option. Perhaps the effort should be focused on the acquisition and distribution of thematic video titles of broader interest including promotional material produced by the various industry associations and research institutes.

Acceptance of this recommendation would result in a resource saving of at least one Person-Year and relatively minor O&M savings.

(2)   **It is recommended that one of three broad <u>options</u> be selected to guide the <u>future development and distribution</u> of the <u>Phototheque</u>.**

<u>Option 1</u> - to transfer the Phototheque under license to a private firm.

There is no question that ISTC's slide collection is a most valuable resource and one that will be needed in the future. However given the direction technology is taking this resource will be of limited value in a matter of a few years unless we recognize the emerging marriage of the computer and motion/slide imaging. This means the development of a computerized image bank requiring digitization of much of the collection - a process which in itself could dictate an investment of up to $ 200,000. Secondly, and apart from meeting our own internal needs, is the question of whether the Department should be in the business of competing for private sector demand in competition with existing suppliers.

This option suggests putting the management of the Phototheque out to tender to private firms such as BGM or Masterfile Image Bank Ltd. The following arrangements could be negotiated. At the licensee's expense, the more current and popular slides (probably up to two-thirds of the collection) would be digitized and integrated into their image bank. In return, the selected firm would be given licensing rights to commercialize the collection with ISTC and portfolio departments receiving <u>free and unlimited</u> access to the collection. ISTC would continue to transfer new material to the collection and retain ownership of this resource. Hence, unlike cost-recovery where user fees may ultimately revert to the Consolidated Revenue Fund, this approach assures the Department of a direct benefit. Moreover, all ongoing maintenance and distribution expenses would be assumed by the licensee. Finally, there is assurance that the Phototheque would be aggressively marketed as well as the opportunity to strengthen growth in the electronic imaging sector.

Acceptance of this option would result in a saving (or redeployment to the quality assurance function) of 1 Person-Year and eliminate the need for investing up to $200,000 in catalogue automation and slide digitization.

Option 2 - to operate the Phototheque as a <u>cost-recovery</u> unit within Communications Branch.

In line with the Government's desire to reduce the deficit the Department initiated a review to explore the potential for cost-recovery. The Phototheque was identified as a prime candidate given that there was an existing product, an established client base, a partial user-pay policy, and a sizable market likely exists.

While recognizing the extreme difficulty of determining the overhead component, an estimate of roughly $350,000 was established as the total cost of operating the Phototheque for the fiscal period 1993/94. Based on an estimated annual usage of 23,500 slides, a unit charge of slightly less than $15 would be required to "break-even."

Users of this service represent a relatively small market requiring specialized images of Canada that are not otherwise available and accordingly price elasticity tends to apply to unique images.

It was recognized by the Cost-Recovery Working Group that yet unspecified start-up costs would be required. Accordingly, the group recommended a five-year break-in period. After an initial start-up period, the unit would operate at little or no cost to the Department. Ongoing enhancements to the collection, such as digitization, would be paid for out of "revenues" generated during the start-up period.

At the same time, the collection would be retained on the premises for convenient access by ISTC staff. It should be noted that the collection is a by-product of the day-to-day operations of the Department and that the images are held for secondary usage by OGDs and external users. As such, this option can be viewed as a direct evolution of the Phototheque and as a possible model for other cost-recovery initiatives.

As with other cost-recovery initiatives, related factors that must be addressed include the need for; a business plan and market analysis/strategy, an administrative process to handle user-fees, and, authority to operate on a cost-recovery basis.

Option 3 - to establish a central Government image bank in collaboration with the Canada Communications Group and OGDs.

As mentioned earlier, DSS's photo library was shut down four years ago. A small portion of its collection (about 10 %) was absorbed by EMR which have also taken on EAITC's 10,000 slides for a combined collection of 22,000. Even using a private distributor and duplication firm, EMR recognizes that the continuing expansion of their collection is fast becoming an issue and are unlikely to assume responsibility for additional OGD collections. Others, including Agriculture Canada and possibly DND, are presently exploring or acting on devolution options including operating as satellites out of the Canada Communication Group (CCG) facility. Clearly, there is considerable interest on the part of a number of departments to explore this, and other, cooperative arrangements.

This option suggests the possibility of negotiating an agreement among interested departments to cost-share a common, inter-departmentally operated facility presumably centred in CCG and operating as a Special Operating Agency under full cost-recovery. ISTC would obviously be a major participant in such an undertaking.

Acceptance of this option could result in administration economies which at this point are difficult to ascertain. In addition, ISTC would, under this arrangement, retain direct control over the Phototheque and its distribution. Clearly, however, this option would not alleviate the investment required to make the collection "computer-ready" as discussed previously.

9. <u>**Supplier of A/V Equipment**</u>

— **General Description and Considerations**

A/V equipment is centrally maintained for loan to ISTC users. The equipment includes overhead projectors, 35-mm slide projectors, screens, TVs, VCRs, and a PC viewer - an inventory of which appears as Appendix E.

Last year, 1,826 requests resulted in 3,850 items being loaned primarily for use in departmental boardrooms. The current procedure requires that, upon reserving the equipment, the user assumes responsibility for its transport to and from the boardroom. Equipment needed for departmental functions outside of our building is rented on behalf of the responsibility centres.

As funds allow, ISTC equipment is replaced and upgraded to keep pace with emerging technologies. The current year budget for equipment replacement and maintenance is $28,000.

— **Recommendations and Implications**

(1) It is recommended that all <u>large and medium-sized common boardrooms</u> be <u>permanently set up</u> with appropriate <u>A/V equipment</u>.

The practice of shuffling equipment back and forth to boardrooms is unnecessary and costly. Based on last year's utilization rates, as much as 125 person-days of secretarial or officer time is consumed through this practice not to mention the potential for equipment damage. In addition, the vast majority of cases are last-minute requests which can be problematic in terms of equipment availability and set-up time.

As indicated in Appendix F, four large and seven medium-sized common boardrooms (which accommodate at least 24 and 16 people, respectively) can be reserved through Facilities Management. Given the existing inventory, there is sufficient equipment to properly set up all 11 boardrooms as <u>multi-media centres</u> with at least one of the larger rooms also having a PC viewer. Precedence already exists with most ADM boardrooms being permanently equipped in this manner.

Two minor considerations would need to be addressed, namely equipment security and maintenance. The boardrooms are presently lockable and are actually secured during silent hours. If additional security is deemed necessary the practice of using lockable cabinets can be considered as is done in some Regional Offices. The maintenance issue is essentially a question of where to locate responsibility - be it the A/V Services Group or the Facilities

Management Directorate which presently services the boardrooms. While the latter may be more simple, whatever responsibility centre is chosen will need to have a technical resource person on hand to provide maintenance and deal with emergency problems. A final consideration is whether to permanently install conference phones in these boardrooms to make them fully functional.

Acceptance of the above recommendation would result in a saving of 1/2 Person-Year of staff time and eliminate the time involved by the A/V Services officer in taking reservations and following up on equipment returns. It should also be appreciated that the requirement to transport equipment is a source of annoyance to many of the secretaries who are often called upon to carry out this task.

10.   Decisions Required

Apart from decisions on the specific recommendations and options presented in the previous section, it is suggested that responsibility for implementation and any subsequent action/decisions be directly assigned to the functional head and coordinated, as appropriate, with other responsibility centres.

November 30, 1992

LIST OF APPENDICES

1992/93 DEPLOYMENT OF RESOURCES*

Photographic (inc: Phototheque)	1.00 PY	$ 30,850
Videos (inc: Videotheque)	3.50	$ 34,317
Electronic Imaging	2.00	15,800
Exhibits	0.25	2,000
Advertising	0.25	-
Equipment/Mtce	0.50	28,000
A/V Services Mgt**	0.50	16,785
SUB-TOTAL	8.00 PY	$127,752
Com Br LAN Mgt	1.00	78,147
TOTAL	9.00 PY	$205,900

*Source: Peter Martin presentation (July 14, 1992)

**Inc: Gen Mgt, Brochure, Focus Day, DSS charges, and Walkie Talkies.

WORKING GROUP MEMBERSHIP

Arecchi, Frank	FPA
Chartrand, Robert*	ITRO
Laan, Jaak (Alt)	Com Branch
O'Grady, Tom	Nfld RO
Martin, Peter	A/V Comm
Penney, Tom	Tourism
Tremblay, Nancy	Secretariat
Welbourne, Gillian	Com Branch

* Chairperson

MEETINGS WITH A/V SPECIALISTS

July 15	Peter Martin	ISTC A/V Manager
August 12	Richard Robesco	Canada Communications Group (DSS)
	Roland Rainville	National Film Board
August 19	Jim York	ISTC Former A/V Manager
October 7	Diane Lorenzato	EMR
	Robert Thompson	EAITC

AUDIO/VISUAL SERVICES SURVEY

Agriculture

Auditor General's Office

Canada Communication's Group (DSS)

Canada Deposit Insurance Corporation

Communications

Customs and Excise

Employnent and Immigration

Energy, Mines and Resources

Environment

External Affairs and International Trade

Health and Welfare

Investment Canada

National Defence

National Film Board

National Gallery of Canada

Secretary of State

Statistics Canada

Transport Canada

Treasury Board/Finance/Comptroller General

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Agriculture Canada
Communications Branch
Sir John Carling Bldg.
930 Carling Avenue
Ottawa, Ontario
K1A 0C5

Contact, Phone and Fax Number:

L.V. Payne (Larry)
A-V Head
Phone: 995-8963
Fax: 995-2161

Budget: Dollars and Person-Years

Photo - 2PY (b/w develop, enlarge) $10K, Head - 1PY
A-V - 2PY (manager, technical & radio show, training, video) $40K
plus approximately $200K salaries and miscellaneous. Employees do more than one
specialty duty.

Capacity, Rationale for Having A/V and Services Provided

Faster, cheaper in-house with knowledge of agriculture operations but this is changing. A-
V unit had budget cuts last year.

Cost Recovery of Services Provided?

Undergoing a review till September and probable cost recovery under single operating
budgets next year. Total cost-recovery except salaries. Paid by client (used to have even
for site shoots but no more) to extent that often cheaper to contract out. Charge-back
costs to client.

Percentage Done In-House Versus Contracting-out; Used to Have?

20% contract-out now but expect eventually almost all projects will go outside.

Who are their clients? Do Work for Other Departments?

Mostly Agriculture branches and research stations. Do not do work for other departments
now but have been discussions that Agriculture unit would become satellite of CCG and
service other government departments and agencies from Agriculture studio and facilities.

Investigate Service Options or What Others Doing?

Undergoing a service/cost review with report due in September 1992. Have participated in joint productions with other depts like HWC in the past - co-productions of a mutually.

A/V Demand: Focus on PR or Training?

Radio news items; videos on research projects/findings.

Plans for the Future

Possible Agriculture facility may become satellite studio of Canada Communications Group and do contract work for other departments.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Office of the Auditor General
Professional & Administrative Services Branch
Comptrollers Group, 240 Sparks St.
Ottawa, Ontario
K1A 0G6

Contact, Phone and Fax Number:

Dave Devey   A/V Supervisor
A/V Technician   Robert McElhone
Phone: 995-3766
Fax: 952-2245

Budget: Dollars and Person-Years

2 PY - Supervisor & AV technician
acquisition - $50,000

Capacity, Rationale for Having A/V and Services Provided

Number of transactions last year (1991) - 1100

Cost Recovery of Services Provided?

Yes, to certain extent. Work on hours; tag on time not on dollars.

Percentage Done In-House Versus Contracting-out; Used to Have?

Very little contracted out - audits are confidential until released.

Who are their clients? Do Work for Other Departments?

All clients are internal audit branches.

Investigate Service Options or What Others Doing?

No formal inquiry or survey. Much material computer-generated.

A/V Demand: Focus on PR or Training?

Operations focus - audit findings, etc.

Plans for the Future

Continue status quo.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Canada Communications Group (DSS)
45 Sacré-Coeur Blvd.
Hull, Quebec
K1A 0S7

Contact, Phone and Fax Number:

R. Robesco
Assistant Director, Film & Video Services
Professional Services
440 Coventry Road, Ottawa
FON: 993-1193

Budget: Dollars and Person-Years

25 PY and $25 million in 1000 transactions (complex) per annum in co-production contracts and distribution licences.

8 PY and $10 in 14,000 annual transactions dealing with photo and image requirements.

Capacity, Rationale for Having A/V and Services Provided

Part of Canada Communication Group (previously part of DSS) created to be intermediary between department clients and service suppliers. Approximately 1000 major transactions and 15,000 minor transactions each year.

Cost Recovery of Services Provided?

Entirely on cost recovery for number of years.

Percentage Done In-House Versus Contracting-out; Used to Have?

No in-house fabrication. Raison d'être to provide service to government departments (including ISTC) from private contractors.

Who are their clients? Do Work for Other Departments?

Their mandate as a Special Operating Agency of government is to broker services between private sector suppliers and departmental clients. All work done on behalf of government clients.

Investigate Service Options or What Others Doing?

Always on look-out for more revenue-generating services!

A/V Demand: Focus on PR or Training?

Whole scope of what clients need - personnel, scientific, public relations - everything except paid advertising.

Plans for the Future

To generate greater business volumes at high service levels.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Canada Deposit Insurance Corporation
50 O'Connor Street, Suite 1707
Ottawa, Ontario
K1P 5W5

Contact, Phone and Fax Number:

Caroline Fields
Communications
FON: 947-0287
FAX:

Budget: Dollars and Person-Years

Capacity, Rationale for Having A/V and Services Provided

Cost Recovery of Services Provided?

Percentage Done In-House Versus Contracting-out; Used to Have?

Have no A-V section. Have always had slides, graphics, etc. done externally as required.

Who are their clients? Do Work for Other Departments?

Investigate Service Options or What Others Doing?

A/V Demand: Focus on PR or Training?

Plans for the Future

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Dept. of Communications
Administrative & Technical Services
Journal Tower North, 300 Slater St.
Ottawa, Ontario
K1A 0C8

Contact, Phone and Fax Number:

Louise Cassavant
Manager, Creative A-V Services
FON: 998-2849

Budget: Dollars and Person-Years

8 PY - 3 graphic designs, 2 photos, 2 techs.
G&S $100,000
CAP $56,000 $156,000

Capacity, Rationale for Having A/V and Services Provided

Technical nature of work requires in-house control and more efficient to have own staff responsible.

Cost Recovery of Services Provided?

No

Percentage Done In-House Versus Contracting-out; Used to Have?

Very low percentage, almost all done in-house.

Who are their clients? Do Work for Other Departments?

DOC Technical scientist and CRC Research scientists.

Investigate Service Options or What Others Doing?

No

A/V Demand: Focus on PR or Training?

Photography of scientific topics (research, communications) for presentations and graphic design for information purposes.

Plans for the Future

Continuation of service

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Customs and Excise
HR Branch
Training & Development CAE College
Rigaud, Quebec

Contact, Phone and Fax Number:

Daniel Dubé
Chief, A-V Services
Phone: (514) 451-6711
Fax: (514) 451-0144

Budget: Dollars and Person-Years

4 PY $350,000

Capacity, Rationale for Having A/V and Services Provided

Training needs
Departmental Communications & Marketing Strategy

Cost Recovery of Services Provided?

$200,000

Percentage Done In-House Versus Contracting-out; Used to Have?

100% in-house

Who are their clients? Do Work for Other Departments?

Departmental Directions	70%
Other departments	30%

Investigate Service Options or What Others Doing?

Too expensive

A/V Demand: Focus on PR or Training?

Training	50%
Information	50%

Plans for the Future

Increase the visibility of our service through the department.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Employment & Immigration Canada
Public Affairs, Phase IV, Place du Portage
140 Promenade du Portage
Hull, Quebec
K1A 0S9

Contact, Phone and Fax Number:

Pierre Lepage
Head, A-V and Exhibits
FON: 994-6006
FAX: 994-6703

Budget: Dollars and Person-Years

6 PY
$130K (including exhibits but excluding news monitoring)

Capacity, Rationale for Having A/V and Services Provided

Quick response internally; also have greater knowledge of organization structure, contacts, needs, etc.

Cost Recovery of Services Provided?

Yes - charge costs back to requesting unit.

Percentage Done In-House Versus Contracting-out; Used to Have?

Contract-out very large productions through CCG but prefer to keep as much as possible in-house.

Who are their clients? Do Work for Other Departments?

Will help out if requested - recently did some work for DVA.

Investigate Service Options or What Others Doing?

Aware of capabilities of other units but no official survey.

A/V Demand: Focus on PR or Training?

Support commission needs.

Plans for the Future

Continuation of status quo resourcing constrained.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Energy, Mines & Resources
Creative Services Division
Corporate Policy & Communications Sector
580 Booth Street
Ottawa, Ontario
K1A 0E4

Contact, Phone and Fax Number:

D. Lorenzato (Diane)
Chief, Advertising, A-V and Exhibits
FON: 992-5198
FAX: 992-0792

Budget: Dollars and Person-Years

2 PY - work half time on advertising and half time on A-V
Operations - $200,000
Production - $400,000

Capacity, Rationale for Having A/V and Services Provided

Photo library - 22,000 slides plus work on dup/editing.

Cost Recovery of Services Provided?

Costs charged back to requesting EMR branch or branch transfers monies to A-V account to pay cost of work requested.

Percentage Done In-House Versus Contracting-out; Used to Have?

100% contracted out to private sector and staff act as brokers to manage contracts.

Who are their clients? Do Work for Other Departments?

All clients are internal branches.

Do not do work for other departments. Other departments often use photo library (a video show slide available) but they are billed directly by laboratory for costs involved; A-V unit is not involved in invoicing.

Investigate Service Options or What Others Doing?

No formal survey; find out what's happening when talking to colleagues in other departments and to A-V production houses.

A/V Demand: Focus on PR or Training?

Focus on photo library, training, marketing, information and duplication.

Plans for the Future

Communications function for the whole department is under review but A-V is not scheduled to be looked at specifically. For now, business as usual.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Environment Canada
Communications
Terrasses de la Chaudière
10 Wellington St.
Hull, Quebec
K1A 0H3

Contact, Phone and Fax Number:

C. Bastien
Director
Promotion, Production & Special Events
FON: 997-6821
FAX: 953-2769

Budget: Dollars and Person-Years

1 PY for advertising, A-V and exhibits, approx. $30K to 50K

Capacity, Rationale for Having A/V and Services Provided

Decentralized among 4 HQ groups and 6 regions each of which have some A-V
responsibilities attached to a communications officer position.

Cost Recovery of Services Provided?

Since decentralized among directorates and regions each requesting unit pays costs of
their A-V needs.

Percentage Done In-House Versus Contracting-out; Used to Have?

100% contracted out. Technically, still have A-V expertise (within communications officer
positions)

Who are their clients? Do Work for Other Departments?

Parks & Wildlife directorates maintain a slide library which other departments use and are
charged the cost of slide duplication. Videos used in National Parks.

Investigate Service Options or What Others Doing?

Rent equipment if new special technical piece or in high-use periods. Use mostly VCR tapes and boardroom (main) equipped to present and generate computer graphics images.

A/V Demand: Focus on PR or Training?

Information on: environment, parks, wildlife, air quality.

Plans for the Future

Status quo

AUDIO VISUAL SERVICES SURVEY

Department and Location:

External Affairs & Intern. Trade Cda.
125 Sussex Drive
Ottawa, Ontario
K1A

Contact, Phone and Fax Number:

Bob Thompson
Publishing Advisor
996-1947

Budget: Dollars and Person-Years

Branches pay cost of their A-V requirements.

Capacity, Rationale for Having A/V and Services Provided

More cost-effective to have done for dept., not in dept.
A-V part of communications job.

Cost Recovery of Services Provided?

Bureau and missions pay own costs.

Percentage Done In-House Versus Contracting-out; Used to Have?

Eliminated in 1991 after downsizing in 1990.
Contract out to combination of private sector and other government departments like
Environment and National Film Board. They provide slides and videos.

Who are their clients? Do Work for Other Departments?

Branches in External Affairs and foreign missions request illustrations and part of
Communications job is to provide them.

Investigate Service Options or What Others Doing?

No

A/V Demand: Focus on PR or Training?

Mostly public relations with small personnel orientation film.

Plans for the Future

Same procedures to continue.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Health & Welfare Canada
Communications Branch
Jeanne Mance Building, T.P.
Ottawa, Ontario
K1A 0K9

Contact, Phone and Fax Number:

Glenn Robb
Chief, A-V Services
FON: 957-2969
FAX:

Budget: Dollars and Person-Years

5 PY - one chief, one A-V technician, one exhibits technician and two photo techs.
One salary $; branches pay for requests.

Capacity, Rationale for Having A/V and Services Provided

Monitor news programs C33 off-air recorders; have TV studio for Minister, DM, ADM broadcasts on video to employees in HQ and regions plus handle any confidential material in-house.

Cost Recovery of Services Provided?

Seven (7) branches of HWC pay for services they request. Other departments can order and pay for photos/slides.

Percentage Done In-House Versus Contracting-out; Used to Have?

80% contracted-out through standing offers, CCG or tender for contracts.

Who are their clients? Do Work for Other Departments?

Internal branches of HWC; only do departmental work. Maintain photo and slide libraries which other departments can consult and order illustration from on cost recovery basis.

Investigate Service Options or What Others Doing?

Aware DND have "huge" operation. Consider their (HWC) A-V unit second in size/type of work to DND unit.

A/V Demand: Focus on PR or Training?

- Employee communications
- News coverage analysis
- Miscellaneous presentations

Plans for the Future

Probably tighter budgets so unit growth in PYs not possible.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Investment Canada
240 Sparks St.
Ottawa, Ontario
K1A

Contact, Phone and Fax Number:

Bernard Cossais
Production Co-ordinator
995-6219

Budget: Dollars and Person-Years

M. Cossais has all the volume figures, etc.

Capacity, Rationale for Having A/V and Services Provided

Cost Recovery of Services Provided?

Percentage Done In-House Versus Contracting-out; Used to Have?

Send to ISTC! Have been doing so since approx. 1995.

Who are their clients? Do Work for Other Departments?

Investigate Service Options or What Others Doing?

A/V Demand: Focus on PR or Training?

Plans for the Future

AUDIO VISUAL SERVICES SURVEY

Department and Location:

National Defence Headquarters
Policy and Communications
101 Colonel By Drive
Ottawa, Ontario
K1A 0K2

Contact, Phone and Fax Number:

W.R. Aikman (Lt. Col)
Director, Public Affairs Production
Phone: 996-6670

Bob Foster
Head of A/V Section
Phone: 998-5233

Budget: Dollars and Person-Years

6 NHQ PYs
6 Private Sector Producers/Project Managers - contracted
5 Full time CCG project personnel - contracted

Capacity, Rationale for Having A/V and Services Provided

Training, recruiting, equipment services, communications/public affairs

Cost Recovery of Services Provided?

Applied only to duplication and services provided to civilian production companies.

Percentage Done In-House Versus Contracting-out; Used to Have?

90% - contracted out (mostly through CCG)
10% - in-house due to military nature of project

Who are their clients? Do Work for Other Departments?

Have no external clients per se, but do provide some services to outside agencies

Investigate Service Options or What Others Doing?

Present mix of internal production and production through the CCG meets our present and projected needs.

A/V Demand: Focus on PR or Training?

The Canadian Forces is the largest training organization in Government and must use modern educational techniques in keeping with the capabilities and expectations of today's audiences.

Plans for the Future

Amalgamate A/V personnel and resources into one section, co-location of that section with CCG and move toward increased use of multi-media.

AUDIO VISUAL SERVICES SURVEY

Department and Location:

National Film Board
150 Kent Street
Ottawa
K1A 0M9

Contact, Phone and Fax Number:

Film & Video Library: 996-4861
Albert O'hayon, Head 995-5620
Roland Rainville, ISTC contact 996-4775

Budget: Dollars and Person-Years

5 PYs plus 2 temps. = 7 PYs
Budget - talk to National Manager

Capacity, Rationale for Having A/V and Services Provided

Holdings - 60,000 titles; 16,000 16mm prints; 25,000 VHS prints; 300 3/4 prints. Two officers look after dept. holdings (mostly 16mm but new material is VHS).

Cost Recovery of Services Provided?

User fees since 1988:
Video - $2.00/day plus tax
Films - $5.00/day plus tax

Percentage Done In-House Versus Contracting-out; Used to Have?

NFB production labs for slides and film strips in Montreal (main), plus Halifax, Toronto, Winnipeg, Edmonton and Vancouver.

Who are their clients? Do Work for Other Departments?

Rentals since mid-1950s; VHS library since 1986.

Investigate Service Options or What Others Doing?

Officers responsible for different groups of depts. ISTC's contact is Roland Rainville 996-4775.

A/V Demand: Focus on PR or Training?

All types of visuals affecting Canada.

Plans for the Future

Digitize slides? "National Library" of all government slide holdings?

<SEE ATTACHED HFB PART III, 1992-93>

AUDIO VISUAL SERVICES SURVEY

Department and Location:

National Gallery of Canada
Communications & Marketing
380 Sussex Drive
Ottawa, Ontario
K1N 9N4

Contact, Phone and Fax Number:

Daniel Richards (Roberts)
Chief, A-V Services
FON: 993-6455
FAX:

Budget: Dollars and Person-Years

4 PY - Chief, Secretary, 2 A-V technicians
Do not want to give out budget information.

Capacity, Rationale for Having A/V and Services Provided

Work 10-hour days during the week and often overtime on weekends. Very high technical quality required.

Cost Recovery of Services Provided?

No

Percentage Done In-House Versus Contracting-out; Used to Have?

Rare to contract out; only 1%. Difficult to get reliable, well-trained people so do work in-house.

Who are their clients? Do Work for Other Departments?

Support the collection.
Rarely have time to do work for other departments

Investigate Service Options or What Others Doing?

No

A/V Demand: Focus on PR or Training?

Information, marketing of Gallery holdings

Plans for the Future

Status quo

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Secretary of State
Communications Branch
Terrasses de la Chaudière
15 Eddy Street
Hull, Quebec
K1A 0M5

Contact, Phone and Fax Number:

André Caron
Chief, A-V
FON: 994-5600
FAX:

Budget: Dollars and Person-Years

Split Multiculturalism & Citizenship in April 1992 and serve both (common service) Audio Electronic Services J.P. Dulude for interpreters 1 person (now in multiculturalism but previously Secretary of State, no staff, no budget.

Capacity, Rationale for Having A/V and Services Provided

Cost Recovery of Services Provided?

Percentage Done In-House Versus Contracting-out; Used to Have?

100% contracted-out. Each organizational unit does own contracting with no central control. Costs borne by contracting unit.

Who are their clients? Do Work for Other Departments?

Investigate Service Options or What Others Doing?

A/V Demand: Focus on PR or Training?

Plans for the Future

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Statistics Canada
R.H. Coats Bldg.
Tunney's Pasture
Ottawa, Ontario
K1A 0T6

Contact, Phone and Fax Number:

Grant Neiman
Comm. 951-1092
Mike McCollugh 951-1214
FON: 951-1092

Budget: Dollars and Person-Years

O PY - portion of PY exhibition & special events
1/2 PY - slides overheads (computer generated) done as part of other tasks in communications.

Capacity, Rationale for Having A/V and Services Provided

1 A-V in last 8 years for $12K. No plans for any others.

Cost Recovery of Services Provided?

Yes, charged back to branches.

Percentage Done In-House Versus Contracting-out; Used to Have?

Almost all contracted - little money, however, to do much.

Who are their clients? Do Work for Other Departments?

Statistics Canada components

Investigate Service Options or What Others Doing?

No

A/V Demand: Focus on PR or Training?

Statistical presentations

Plans for the Future

Nil

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Transport Canada, Public Affairs
Place de Ville, Tower C
330 Sparks St.
Ottawa, Ontario
K1A 0N5

Contact, Phone and Fax Number:

990-6861 Ken Phillips replaces
M. Moraitis, Chief Multi-Media
FON: 990-6862
FAX:

Budget: Dollars and Person-Years

1 PY - manager to coordinate contracts through CCG. All HQ and Regions work through Public Affairs in Ottawa. Some products of A-V production capacity (i.e. coast guard rescue specialists procedures in B.C.).

Capacity, Rationale for Having A/V and Services Provided

Decision made seven years ago to contract out for A-V and resources re-deployed elsewhere.

Cost Recovery of Services Provided?

Budget comes from the operating group requesting the A-V and no vetting of the request by Public Affairs - give it a "senate look" only!

Percentage Done In-House Versus Contracting-out; Used to Have?

All contracted out since 14 PY unit closed in 1985. Photo library not maintained due to lack of resources but local collections exist in air and marine and Public Affairs directs people there. Archives does not want collection. Problems of cataloguing, age, ownership, etc.

Who are their clients? Do Work for Other Departments?

Clients are: air, land, marine components of Transport Canada. PSC has done some work for them (Actually free because PSC has not figured out how to charge for work done!) but this is contrary to government policy.

Investigate Service Options or What Others Doing?

Would like to have a small in-house capability but not possible with resources squeeze. Transport Canada is aware of HWC studio work and DND operations.

A/V Demand: Focus on PR or Training?

Specialists' training/information in aviation and marine; Cornwall and East Coast Colleges; public marketing.

Plans for the Future

More of the same

AUDIO VISUAL SERVICES SURVEY

Department and Location:

Treasury Board/Comptroller General
Administration

Contact, Phone and Fax Number:

A.M. Muller, Head
Graphics and Forms Management
FON: 996-4553

Budget: Dollars and Person-Years

20 PY
Does not have budget figures handy; would prefer written request for dollar figures.

Capacity, Rationale for Having A/V and Services Provided

Combined service for TBS/OCG/Finance

Cost Recovery of Services Provided?

Charge by the complexity of the job.
All work charged back to branch budgets.

Percentage Done In-House Versus Contracting-out; Used to Have?

No contracting-out; all work done in-house due to requirement for fast turnaround and confidentiality.

Who are their clients? Do Work for Other Departments?

Do only work for TBS/OCG/Finance.

Investigate Service Options or What Others Doing?

No

A/V Demand: Focus on PR or Training?

Work in support of budget figures, policy developments, ministerial presentations.

Plans for the Future

Continuation

INVENTORY OF A/V EQUIPMENT

EQUIPMENT	COUNT
TV/VCRs	
- TVs with built-in VCRs	6
- TVs and VCRs	6 and 9
Projectors	
- Overhead	13
- 35-mm Slide	4
- Film	6
Screens	7
PC Viewers	1

SOURCE: DAMIS Report Oct 23, 1992

IDENTIFICATION OF COMMON BOARDROOMS

SIZE	LOCATION	COMMENTS
Large*	300A	
"	401D	
"	516D	
"	505D	Not yet available
Medium**	3E lobby	
"	3W "	
"	5E "	
"	7E "	
"	7W "	
"	9E "	
"	11E "	Extension of Exec Complex
Small***	302A	
"	303A	
"	517D	
"	518D	
"	601D	
"	707D	
"	850D	

*   Accommodates at least 24 people
**   Accommodates at least 16 people
*** Accommodates at least 8 people

NOTE: All boardrooms presently equipped with a screen/white board/flip chart panel.

SOURCE: Lise Cyr - Facilities Management Directorate

RE-ENGINEERING FINAL REPORT

WORKING GROUP: SELECTED ISSUES

PROCESS: LIBRARY FUNCTION

1.   **Executive Summary**

The Working Group began this study with the premise that knowledge is becoming ISTC's "stock-in-trade" and that skilful management of information will be the over-riding determinant of success in the future. Research on the practices of leading knowledge-based organizations points to the need to view the library function within a larger information management context. While the Working Group feels that a more comprehensive and integrated review of all "information delivery" processes is still required to realize full integrational benefits, it did adopt an information management approach in examining the Library function.

Viewed from this perspective, the library is seen more as a corporate information service centre with a role directly linked to serving the Department's informational needs.

Moreover, the core function associated with this role has been defined in terms of acting as a **central gateway** to provide departmental users with efficient access to a wealth of relevant information.

In this respect, the objective is one of enhancing the quality, accuracy and timeliness of the Department's knowledge-based activities - and ultimately, ISTC's end products and services.

Despite the importance of this role and the quality of its current services, the potential contribution of the library is far from being realized for various reasons. One major concern is that the services it can provide in helping officers tap into a broad base of relevant information in a targeted and intelligent manner is not widely understood within the Department. This service will become increasingly important as our work shifts to a micro-economic plane dictating a higher degree of strategic analysis.

This report contains a dozen key recommendations which are intended to help realize the Library's potential, contribute to extending the wealth of relevant information available, and facilitating efficient user access. In the final analysis, the recommendations should contribute substantially to furthering the cost-effectiveness of this key corporate resource.

2. Background

— ### Introduction

As described in the FPA Sector Business Plan, the Library supports ISTC's competitiveness priorities through responsive services and resources. The focus is on the identification, acquisition and dissemination of information on international markets, factors affecting scientific and technological capabilities, human resources and labour force issues, financing, as well as. forces affecting business competitiveness and climate.

Other specialized centres within the Department include the Tourism Reference and Documentation Centre, the highly specialized Legal library and the relatively small Regional Office libraries in Montreal and Winnipeg.

Comprised of 11 person-years and a non-salary budget of $515,000, ISTC's central Library contains a collection of 35,000 titles including books, technical, statistical and government reports, directories, CD-ROMs as well as an extensive collection of over 1,000 periodicals. ISTC's librarians can access over 400 national and international databases covering a broad range of subject areas. Moreover, the Library is involved in an extensive resource-sharing network with other government departmental (OGD) libraries.

As a measure of activity, the Library responds to some 6,500 enquiries and 1,500 database searches each year. Including inter-library loans, approximately 7,500 documents are borrowed by ISTC staff annually and close to 13,000 periodicals will be circulated within the Department this year.

These services and resources are intended to increase the quality, accuracy and timeliness of ISTC's knowledge-based activities.

3. Rationale for Selection

ISTC's Library has undergone a continuous process of improvement over the past few years. An upgraded automated library system (possibly Sydney Plus) is to be implemented next year and a major effort is under way to provide Departmental employees with desktop access to the Library' catalogue. In addition to these efforts the Library has adopted a strong service orientation and is highly valued by its clientele. This was acknowledged by an Exemplary Contribution Award which was recently bestowed on the library staff.

While appreciating the above, the Library had not been the subject of a functional audit or comprehensive review over the past several years. Accordingly, the ADM Steering Committee requested that the library function be included as a candidate for re-engineering.

4. Methodology

A working group comprised of a cross-section of headquarters and regional representatives was formed in mid-July (Appendix A). The working group began by defining the core and auxiliary functions for the library. Each auxiliary function was then examined to identify options which would support the core function and enhance overall cost-effectiveness.

As a means of assessing alternative-practices, the Working Group conducted a survey of ten other Libraries - the results of which are presented in Appendix B. In addition, and in order to validate the options identified, the Working Group held extensive discussions with both internal specialists and several of the OGD Librarians (Annex C). The results of this exercise were then discussed with select individuals and, more generally, with Departmental employees at a "Brown Bag" session.

5. Analysis

— Essential Outputs

The Working Group began with the premise that knowledge is fast becoming ISTC's "stock-in-trade" and that information management will become a key determinant of success in the future. Despite this, it was concluded that there still existed within ISTC the need to look beyond the outdated and more traditional notion of the library as the repository of printed material. <u>Research on the practices of leading knowledge-based organizations points to the need to view the library function within a larger information management context</u> (Article appears as Appendix D).

Viewed in this manner, the library becomes more of a "corporate information centre" with a higher-valued role directly linked to serving the department's information sourcing needs. Against this backdrop, the <u>core</u> <u>function</u> of ISTC's library has been defined as being: to act as a **central gateway** providing departmental users with <u>efficient access</u> to a wealth of <u>relevant information.</u> Above all else, this core function implies a direct service orientation in relation to its internal clientele together with advanced library science capabilities in the form of skills and technology.

Three key auxiliary functions have been identified as supporting the above core function, namely: <u>information scanning, research and acquisition;</u> <u>cataloguing and storage;</u> and, <u>information channelling, packaging</u> and <u>distribution.</u>

The cost-effectiveness of activities associated with the library can be evaluated in relation to the extent to which they contribute to the performance criteria contained in the above definition of core function vis-a-vis:

- wealth of relevant information or the extent to which the activity contributes to enhancing or reducing the cost of providing information that is complete, useful, current and accurate; and,

- efficient access or the extent to which the activity contributes to enhancing or reducing the cost of accessing information in a selective, direct, prompt and user-friendly manner.

These evaluation criteria will be used in assessing the options which have been identified.

— **Analysis**

The ultimate objective of the re-engineering exercise is one of enhancing the overall cost-effectiveness of the library function. In view of its critical role and the measures that have already been put into play to streamline the library's operations the majority of the options which follow tend to address the effectiveness side of the equation and are presented under three broad headings.

6. Realizing the Potential

— **General Description and Considerations**

For ISTC, the statement that knowledge is a fundamental determinant of success should not be just a pious truism, it must become a basic operating principle. Because this universe of knowledge is so vast, and because the Department's interests are so diverse, tapping into relevant information in a targeted and intelligent manner presents a considerable challenge. Herein lies the role of the library and the important contribution it can make as a **central information gateway.** The library can be a powerful source of comprehensive information required to assess our policy environment and to help users respond with high-quality business services and advice. In particular the information scanning and research expertise resident in our corporate library can be invaluable to understanding and analysing scientific, technological, economic and commercial issues and developments.

In the final analysis, most knowledge-based organizations view their libraries as information centres directly supporting and extending the activities of employees charged with the responsibility of developing and delivering departmental outputs. Unfortunately, this key role is not fully understood throughout ISTC. Moreover, major users tend to be confined to the Policy and Science Sectors. Obviously, the potential of the corporate library is far from being realized and, given the importance of its role, this issue begs to be addressed.

A second role-related issue concerns the contribution the library could be making to the "self-learning" initiative within ISTC. As pointed out by the Best Practices Working Group on Continuous Learning, "the challenge of being a knowledge organization is the singular need to renew and upgrade our knowledge in order to be relevant to our clients and partners". The role of the library in facilitating continuous learning must be acknowledged and acted upon.

— **Recommendations and Implications**

(1) **It is recommended that the role of the library be redefined in terms of the core function as previously described and that the library be renamed as ISTC's corporate Information Service Centre.**

Redefining the library's information delivery role and descriptor as a gateway within a broader information delivery context is regarded as the first step in enabling it to contribute more effectively to knowledge-based activity throughout ISTC. Moreover, the core function provides a clear focus for defining and monitoring the performance of the library. This recommendation is consistent with best-practices in leading knowledge-based organizations and is emerging within government - as for example in Investment Canada.

(2) **It is recommended that a new approach to promoting this Information Service Centre be adopted involving an information services network.**

As mentioned previously, and despite past attempts to promote the library, the services are not being used to their full potential. A different approach to promotion is recommended in which experienced users within each Sector and Regional Office Business Service Centre (BSC) would be organized into an active information services network.

As in OGDs (eg; OAG, Sec State, FIN/TBS/OCG) this network would operate collectively as an advisory panel to the Information Services Centre in, for example, setting priorities to focus the acquisition of information products. In addition, and with respect to promotion, the members of the network would act as quasi-agents advocating awareness and use of the Information Service Centre within their respective Sectors or Regions. As well, and given their experience, they would assist in transferring basic usage skills to facilitate greater utilization of the Centre. Experience has indicated that the use of on-site catalysts to promote and stimulate usage, as for example with the earlier introduction of personal computers, can be highly effective.

The role of the network is more fully described in Appendix D.

(3)   It is recommended that the planned   "continuous learning centre" be
co-located with the Information Service Centre and that it include a
module on library sciences.

Users of the "continuous learning centre" will need to have access to
relevant material currently held in the library. As well the librarians
are in a unique position to assist in setting up the centre. For these
reasons, the planned centre can be viewed as a satellite operation
with co-location presenting the most practical and cost-effective
approach.

Perhaps even more important is the need to establish within the
continuous learning centre a training module to teach users basic
library research skills. This would include areas such as catalogue
access and basic search routines, the use of on-line information
systems and CD-ROM data bases as well as how to obtain
information not accessible through the Department's Library.

From a broader perspective, such a program would be of direct
benefit by enabling employees to develop basic self-learning skills.
More specifically, it would also assist users in making better use of
the library's vast resources and free up the librarians to increasingly
concentrate on more sophisticated searches.

Looking beyond this more immediate recommendation, it is suggested
that ISTC consider the opportunity of leading the way in establishing
a fully-integrated, single-window "continuous learning and
development centre" for its employees. This would expand on the
above recommendation to incorporate a number of existing and
planned components such as the Women's Information Centre and
the soon-to-be-established Career Centre each of which supports
various aspects of employee learning and development. A
cooperative approach such as this would better serve our employees
while at the same time providing opportunity to realize synergy and
definite economies.

The question of floor space would need to be addressed if an
integrated centre were to be established and co-located with the
Library. One, and perhaps only a partial answer, would entail an
aggressive culling of the library holdings. A major review of the book
collection was completed in early 1991 when the MOSST holdings
were integrated and the periodical collection is reviewed annually.

7. Wealth of Relevant Information

— **General Description and Considerations**

The current library has a long-standing collection dating back to the Department of Industry and including the former Ministry of State for Science and Technology collection. The scope of the resulting collection is extensive covering such subject areas as science policy, technological innovation, industrial competitiveness and productivity, as well as, economic and trade statistics. While vast, the value of an information collection is considerably diminished if the holdings are not kept current and if the collection is not extended to cover emerging areas of interest to its users. Unfortunately, the cost of attempting to achieve this has been accelerating - particularly as the acquisition trend is increasingly moving towards the more expensive CD-ROM and on-line products. Moreover, the information explosion makes it virtually impossible to physically decentralize much more than specialized information to individual responsibility centres.

The recommendations which follow attempt to deal with these dilemmas and, at the same time, recognize current budget realities:

— **Recommendations and Implications**

(1) **It is recommended that, in order to realize a degree of synergy, a move be made to more closely link ISTC's Information Service Centre with that of Investment Canada and EAITC.**

ISTC's need to gain access to an even broader base of international trade and investment information will continue to mount in the future.

Moreover, and consistent with the Minister's direction, the three organizations will increasingly be involved in joint activities demanding a higher degree of information sharing.

Two initiatives to improve linkage are suggested:

The first would simply involve following Investment Canada's recent move to formally announce the opening of the respective libraries to employees of all three departments. This could be a joint announcement which would also describe the respective collections and services available.

The second, and more significant initiative, would entail a move towards linking the library catalogues and coordinating activities to a closer extent. Under an inter-departmental MOU (which could be expanded in the future to include other organizations such as NRC), the libraries could arrange to automate access to each other's

catalogue of information collections. From an ISTC perspective, this would initiate a direct means of augmenting a strategically important information area - international trade and investment.

Once implemented, these initiatives would present a unique opportunity to demonstrate leadership in advancing the Minister's portfolio interests. At the same time they could lead to further opportunities to rationalize respective collections, economize on specialized acquisitions and cost-sharing possibilities.

(2)   It is recommended that the <u>role of the Tourism library</u> be <u>reviewed</u> and that <u>certain functions</u> and related resources be <u>transferred to</u> the <u>Information Service Centre</u>.

The Tourism Reference and Documentation Centre (TRDC) located on the fourth floor is essentially a research library with a collection of some 7,000 documents including research papers, statistical reports, journals, conference proceedings, speeches, and bibliographies as well as reference material such as atlases, directories and trade papers.

The entire budget of $ 45,000 is used for acquisitions of which approximately two-thirds is spent on periodicals. The Centre operates with a complement of 3 Person-Years providing the usual library search, loans and reference services.

While the TRDC operates primarily to serve the needs of Tourism Canada staff, approximately 65 % of the annual 3,700 inquiries originate from external clients. Last year, slightly over 300 enquiries were received from each of the following groups; consultants, academia, OGDs; and, provincial and foreign governments. Some 568 enquiries were received from the tourism industry. In fact, the centre is the sole repository of tourism information in Canada and distributes its own Tourism Research Publications. Within ISTC the TRDC is the resource centre that provides the knowledge base for much of the work of Tourism Canada staff in the research and marketing programs.

The TRDC recently eliminated the routing of the 200 or so periodicals which it orders <u>directly</u> from publishers. As well, use is made of the now outdated MINISIS library management system which uses a <u>different</u> cataloguing <u>standard</u> and is considered less user-friendly than Sydney. Finally, the Tourism Sector relies on ISTC's main library for in-depth research and access to other databases.

This recommendation suggests that now is an optimal time to review the future role of the TDRC. It would appear that a number of issues

could be addressed. For example, what are the needs of external clients and are there alternative delivery options? Can the publications distribution function be performed differently - possibly under a cost-recovery regime? Assuming the continuing need for an in-house centre, should the Department not adopt a single standard for its library management and cataloguing systems?

The second part of the recommendation suggests the transfer of certain functions which directly support Tourism employees. In particular, the acquisition and circulation of periodicals should immediately be transferred to achieve economies and enhance the services available to Tourism staff. Similarly, the inter-library loans function should also be considered.

NOTE:
In the absence of a comprehensive and integrated review of departmental information processes a number of issues remain outstanding. One such issue concerns responsibility for coordinating the acquisition, sharing and distribution of information across the Department.

The following three recommendations reflect the need to <u>begin</u> to address the overall problem and could be viewed as an interim solution <u>to rationalize and share the Department's information holdings</u> (eg; published material as well as CD-ROM and on-line bibliographic, textual and statistical databases).

Assuming that these recommendations are accepted, the Information Service Centre and Network should be <u>challenged to collectively attain an overall 5 to 10% targeted reduction in departmental information expenditures</u>. Looking across all departmental information acquisitions, and considering the potential for reduced duplication, cost-sharing, additional corporate discounts and more focused purchases, such a target would readily translate into substantial savings.

(3)   **It is recommended that <u>Sectoral/Regional</u> information holdings of corporate interest be <u>selectively</u> <u>catalogued</u> by the Information Services Centre.**

Information sharing must become an integral part of ISTC's corporate culture.

Significant opportunities are being lost to share information more effectively among users intra-departmentally. Moreover, due to a

lack of understanding as to what information is being held the tendency towards duplication is unavoidable.

This recommendation represents <u>a first step towards integrated sharing</u>. Accordingly, it is entirely consistent with, and should be carried out under close collaboration with ISTC's Management of Government Information Holdings (MGIH) initiative (in itself also a pointer system).

Members of the information services network would, on an on-going basis, routinely search for significant holdings within their respective areas that could be of interest to other ISTC users. The resulting holdings (major studies, databases, etc.) would be centrally catalogued in Sydney but continue to be held by the respective responsibility centres. This would immediately extend the wealth of information available to employees and promote the much needed sharing culture.

(4) **It is recommended that the Information Service Centre and Network be identified as a central, informal <u>clearing-house for the acquisition of</u> CD-ROM and on-line <u>databases</u>.**

As mentioned previously, the trend in new acquisitions is towards bibliographic, textual <u>and</u> statistical databases which are becoming increasingly expensive.

ISTC is a major purchaser of such products and the potential for duplication across the Department is considerable. For example, the Information Management Working Group has determined that the Department is spending close to $ 2.0 million annually on Statistics Canada databases alone apart from the significant amounts spent on OECD, SRI and other databases.

It should be noted that on-line database and CD-ROM products are processed centrally through Contracts and Professional Services.

The intent here is to simply use the <u>Information Services Network</u> as an informal means of coordinating, rationalizing and promoting the sharing of departmental database acquisitions.

As an adjunct to the previous recommendation, the establishment of a database clearing-house offers a number of advantages. It would considerably reduce duplicative purchases. As well, it would help identify opportunities for cost-sharing acquisitions of databases of corporate interest between the Information Service Centre and responsibility centres. It would also provide a forum for exploring

access options to encourage increased usage. In this respect, emerging technology will permit multiple users to access a variety of database packages simultaneously.

Finally, it would provide the opportunity for achieving certain economies in the form of corporate discounts. Apart from these savings together with the gains realized through the sharing of common data, this recommendation should in no way undermine individual responsibility centres' needs to acquire and hold specialized database products.

(5)   **It is recommended that the Information Service Centre establish an annual acquisition strategy.**

The library's current annual budget for all acquisitions now stands at $405,000. Some $325,000 are spent on books, periodicals, newspapers and CD- ROM databases. An additional $80,000 are spent accessing on-line databases.

Above these amounts, more than $65,000 in newspapers is centrally purchased on behalf of senior executives, the Ministers' offices and the Communications Branch and paid for by the responsibility centres.

In addition, the library purchases over $560,000 worth of books, reports, periodicals and intelligence services on behalf of individual responsibility centres and Regional Office material is purchased locally. Since these amounts exclude databases as covered in the previous recommendation, they account for only a fraction of the Department's total information expenditures.

While an emphasis on rationalizing and cost-sharing of the more expensive information products would be of considerable benefit, the need for a much higher degree of selectivity in future acquisitions is also becoming increasingly essential. Anticipatory acquisitions often run the risk of material purchases exceeding demand.

The proposed method of accomplishing this is through the use of the information services network operating collectively as an advisory panel. Members would be asked to identify upcoming areas of priority for their respective responsibility centres in order that major new initiatives requiring heavy purchases of information (as well as exceptional demands for reference services) can be anticipated and met.

Examples of major pieces of work requiring substantial information sourcing include the Prosperity Initiative and the Strategic Sector Framework Exercise. Armed with a consensus on corporate information priorities, the Information Services Centre would be much

better equipped to meet future demands through the development of an acquisition strategy. Such a strategy may well involve a combination of new purchases, cost-sharing within the Department or special agreements with other libraries. The end result would be an enhanced ability to meet future departmental information needs in a more economic manner.

8.   Efficient Access

—   **General Description and Considerations**

Promoting awareness of the information services currently offered and expanding the wealth of information available still leaves unanswered the need to ensure efficient access. That is, the need to make potential users aware of what information is specifically available and delivering that information in a selective, direct, prompt and user-friendly manner. The options which follow are aimed at improving the efficiency of access.

—   **Recommendations and Implications**

(1)   **It is recommended that a major priority be placed on providing employees with <u>desk-top access</u> to the Information Service Centre's catalogue.**

Remote user access to the library catalogue and collections has proven to be a major and complex undertaking. At this point the most likely solution is "Access ISTC" which, using Megatext software, would establish a service LAN as a vehicle for enabling desktop access throughout the Department.

This approach is currently being implemented and will initially include databases for ISTC's programs and services, sector profiles and the telephone directory. The installation of the library catalogue could be the next logical candidate for inclusion. If such were the case, and given maximum support, desk-top access could become a reality next year.

Another issue confronting access has been the difficulty of sharing CD-ROM databases on a LAN - partly because of the lack of standards within the CD community. However, emerging technology and protocol is on the way. For example, software products such as CD-Connection by CBIS could present a major advance in facilitating multi-user access. This technology should be considered as one possibility once the library catalogue has been installed on the corporate network.

(2)   **It is recommended that <u>electronic mail</u> be used extensively by the Information Service Centre to facilitate access.**

Opportunities exist to streamline communications and effect productivity gains by using e-mail. A user-friendly electronic form should be developed to facilitate user requests for information services. Similarly, standard responses to commonly asked questions should be prepared in electronic format. Finally, the practice of circulating some 400 copies of "Recent Additions" usually on a bi-weekly basis could be replaced with an electronic approach involving for example the ACCESS ISTC system. For those still wanting the mobility of hard copy, electronic distribution still provides the option of individual desk-top printing. While the productivity gains may be relatively minor, these applications would definitely facilitate user access and expedite service response.

(3)   **It is recommended that the <u>linkage between the Information Service Centre</u> and the Department's <u>Business Service Centres</u> be enhanced.**

The BSCs are increasingly becoming a major gateway to ISTC including its International Trade Centres. They are, to a large extent, information delivery outlets - a number of which operate mini-libraries that are used by the Regional staff in support of ISTC's clients. In view of this role it is imperative that the linkage between the BSCs and the Information Service Centre be as strong as possible and that the central librarians continue to support the evolution of this regional network. One specific example is in the area of training. It was felt that the central librarians are in a unique position to help the BSCs develop the more complete range of information research skills needed to best serve their clientele.

The whole issue of library services to ISTC's regional employees should be addressed in the context of a more complete review of information delivery.

9.   <u>Decisions Required</u>

Apart from decisions on the specific recommendations presented in the previous section, it is suggested that responsibility for implementation and any subsequent action/decisions be directly assigned to the functional head and coordinated, as appropriate, through the advisory panel referenced herein.

November 30, 1992

B. LIBRARY FUNCTION

LIST OF APPENDICES

APPENDIX A: WORKING GROUP MEMBERSHIP

APPENDIX B: LIBRARY SERVICES SURVEY

APPENDIX C: LIBRARIANS INTERVIEWED

APPENDIX D: ROLE OF INFORMATION SERVICES NETWORK

WORKING GROUP MEMBERSHIP

Alex, Mary	Policy
Chartrand, Robert*	ITRO
Dudley, Howard	FPA
Fleming, Chris	IMB
Helcl, Alex	ONT RO
Kralik, Jane	Library
McHugh, Rita	FPA
Mitchell, John	CGSI
Murphy, Maryanne (Alt)	Policy
Segall, Risë	Library
Tremblay, Nancy	Secretariat

*Chairperson

LIBRARY SERVICES SURVEY

Agriculture

Communications

Health and Welfare

Indian Affairs and Northern Development

Investment Canada

Office of the Auditor General

Revenue Canada, Customs and Excise

Secretary of State

Treasury Board/Finance/Comptroller General

Tourism Reference and Documentation Centre

LIBRARY SERVICES SURVEY

Department and Location:

<u>Agriculture Canada</u>

Contact, Phone and Fax Number:

Victor Desroches (613) 995-7829

Budget: Dollars and Person-Years

P/Ys: 79 - includes 35 P/Ys in Central Library and 28 P/Ys in regional libraries across the country.

O&M: $1.2 million (73% is spent on library collection)

Mission Statement:

Yes

Primary - most valued services?

Document delivery services (photocopying and loans)

Reference/research services

Circulation of periodicals (shared cost)

Primary Client Groups?

There are 11,000 employees in Department.

80% from Research Scientists

Services offered:

All traditional library services

Centralized catalogue - catalogue for regional libraries and small working collections

No centralized subscription service provided - branches do own purchasing

Advisory services

Position in the organization:

The head of the library is at the Director level (DG equivalent) who reports to the ADM, Corporate Management Branch.

Does not sit on senior management committee.

Any contracting out for services?

Subscription agents

Any cost recovery of services provided?

Shared cost for periodicals

Plans to introduce user fees next fiscal year

Has Library been subject to review recently? What have they done?

Study of Library by ARA (consultants)

Report included 61 recommendations

An extensive questionnaire was completed by clients and Library staff.

Some recommendations include:

- Marketing (visibility enhance)
- priority to replace systems
- charging to external users
- plans to negotiate service agreements with all client branches

LIBRARY SERVICES SURVEY

Department and Location:

__Department of Communications__

Contact, Phone and Fax Number:

Claire Renaud-Frigon (613)990-4937

Fax: (613) 990-7016

Budget: Dollars and Person-Years

P/Ys: 9

O&M: $229,000

(responsible for one Library at headquarters - other Libraries are completely separate)

Mission Statement:

No

Primary - most valued services?

Reference/information searching

Routing of periodicals

Primary Client Groups?

2,300 employees in Department;

Mainly internal clients, in particular policy area of department and speech writers;

External clients represent 20% of demand in terms of number (not amount of time spent)

Services offered:

Reference services

On-line searching

Inter-library loans

Circulation services

Periodicals routing

Centralized acquisition for department

Some software purchases

Manuals

CD Rom collection

Consulting services to other areas

Position in the organization

Director, Information Resource Services (is head of Library)

Reports to Director General, Administrative and Technical Services.

Does not sit on senior management committee.

Any contracting out for services?

No - except for periodical subscriptions

Any cost recovery of services provided?

Routing of periodicals (for additional copies - based on number of people using the service)

For very expensive on-line searching (i.e., $50.00 and over)

Has Library been subject to review recently? What have they done?

No

LIBRARY SERVICES SURVEY

Department and Location:

Health and Welfare Canada
Health Protection Branch

Contact, Phone and Fax Number:

Merle McConnell (613) 957-1026
Fax: (613) 941-6958

Budget: Dollars and Person-Years

There are five Libraries under Health Protection Branch

P/Ys: not provided

O&M: not provided

Mission Statement

Mission statement for Branch is to: "Facilitate and expedite health decisions in Canada."

Primary - most valued services?

On-line searching and reference services

Inter-library loans

Routing of periodicals

Centralized acquisition

Primary Client Groups?

Scientific staff doing research

Mainly internal clients

All Health Protection Branch or Health and Welfare Canada

Services offered:

Traditional library services including C.D. Rom products

Position in the organization

Reports to Director of Central Services, who reports to ADM, Health Protection Branch.

Does not sit on Departmental Executive Committee.

There is a lot of consultation with scientific staff. There are 58 Library Advisors.

Any contracting out for services?

No

Any cost recovery of services provided?

Yes - for interlibrary loans and on-line searches - charged twice a year. Directorates transfer amount based on previous year's expenditures.

Has Library been subject to review recently? What have they done?

Focus Groups in February 1992 with Anne Braden & Associates (Library consultant).

As a result of budget cutbacks:

-	cut back on photocopier services provided, and purchase of journal subscriptions;

-	also signed an agreement with CISTI to get better rates for interlibrary loans;

-	introduced cost-recovery.

LIBRARY SERVICES SURVEY

Department and Location:

Indian Affairs and Northern Development

Contact, Phone and Fax Number:

Sue Hanley   (613) 997-8204

Budget: Dollars and Person-Years

P/Ys: 12 indeterminates and 2 part-time students
O&M: $301,000

Mission Statement

To provide information on issues related to First Nations   and the North.

Primary - most valued services?

Reference and document delivery

Primary Client Groups?

Departmental employees, native groups and external   researchers

Services offered:

Reference

Computerized literature searches

Circulation

Inter-library loans.

Periodical routing

Vertical file clippings

Personal regular literature searches (scanning)

Position in the organization

Reports through the Information Resources Directorate to the ADM Finance and Professional Services

Any contracting out for services?

None

Any cost recovery of services provided?

No

Has Library been subject to review recently? What have they done?

No recent review

LIBRARY SERVICES SURVEY

Department and Location:

<u>Investment Canada</u>

Contact, Phone and Fax Number:

Lisa McPhail (613) 995-2422

Budget: Dollars and Person-Years

P/Ys: 5

O&M: $200,000 (mainly for information sources - collection and databases)

Mission Statement

Investment Canada has document of strategic intent.

Primary - most valued services?

Reference/research of on-line products - C.D. Roms

Primary Client Groups?

120 employees in Investment Canada

90% of services to internal clients

Also to other government departments

Services offered:

Traditional library services

Mainly responsible for purchasing and acquiring information materials, i.e., books, materials, on-line products

Catalogue and organize internal publications

Extensive reference and research services to clients

One dozen CD Roms available and workstations for clients

On-line data bases (90% access is from Library)

Library has own LAN and will be introducing remote access through the LAN

Bulletin Board on LAN (using E-Mail) managed by Library

Has advisory Committee - representation (one member) from each Division for subscription decisions, major purchases, promote understanding of library services, etc.)

Position in the organization

Manager of Information Centre (Library) reports to Executive Vice-President who reports to the President of Investment Canada.

The Manager sits on the Senior Management Committee for Investment Canada.

The Library is considered part of Research and Policy--not part of administrative function.

Any contracting out for services?

For support for LAN

Consultants for specific projects

Any cost recovery of services provided?

No

Some items may be charged back to branches to pay - if of interest to one area only; but still catalogued

May be exploring other opportunities for cost recovery, i.e., on-line searching

Has Library been subject to review recently? What have they done?

No recent review

LIBRARY SERVICES SURVEY

Department and Location:

Office of the Auditor General

Contact, Phone and Fax Number:

Shayla Mindell (613) 995-3766

Fax: (613) 952-5131

Budget: Dollars and Person-Years

P/Ys: 8 (.8 of a P/Y devoted to press clipping service)

O&M: $259,918 ($100,000 for purchase of new system - this year only)

Balance used mainly for purchase of publications.

Mission Statement:

"To do your job with the Office of the Auditor General, you need a wide variety of information, and our job is to provide as much of that information as we can. Information and Library Services ("the Library") will get you what you need, in the form you need it, when you need it - whether you are located at headquarters, with a client department or in a regional office."

Primary - most valued services?

Provision of information - response to requests; research

Clipping services

Primary Client Groups?

Mainly internal

Other Federal Government Libraries

Very little external clientele

Approximately 700 people (not all located at headquarters)

Services offered:

All traditional library services, i.e.,

> Purchasing, cataloguing, circulation service, interlibrary loans, reference service, routing of periodicals, on-line searching,

> **PLUS**

> > . current awareness services
> > . presentations
> > . courses offered on legislation

Position in the organization

The Manager, Library Services, reports to a Principal who reports to the Deputy Auditor General.

The Manager, Library Services, does not sit on the senior management committee.

The Manager, Library Services, is also responsible for MGIH for the Auditor General's Office.

Any contracting out for services?

On-line data bases

Any cost recovery of services provided?

No

Has Library been subjected to review recently? What have they done?

Yes - 1989 - internal audit of "Reference Services" and more recent reviews.

> These reviews reinforced the value of the services being provided by the Library (as a result received funding for purchase of automated system).

> Highlighted importance of Library staff being involved in planning stages of audits.

> Recommendations were made to make the Library more physically attractive.

LIBRARY SERVICES SURVEY

Department and Location:

Revenue Canada, Customs and Excise

Contact, Phone and Fax Number:

Diane Parsonage (613) 957-9194
Fax: (613) 954-1765

Budget: Dollars and Person-Years:

Headquarters Library: PYs: 8 (9 people)
O&M: $100,000

Mission Statement:

Yes

Primary - most valued services?

Reference services

Interlibrary loans

Primary Client Groups?

Service to entire department - 14,000 employees; however there are libraries within branches and $ and PYs belong to Branches. The headquarters library catalogues and purchases for the satellite libraries.

Department is not as research oriented -- but this is changing with the introduction of the GST.

26.4% to Excise - GST

22.9% to Customs - Branch

47.2 % to other areas in Department

3.5% to external clients

Services offered:

Reference services

Inter-library loans

On-line searching

Referral service (for information)

Acquisition services

Routing of periodicals

Orientation for employees (group or individual)

Advice/direction to other areas to set up reference centres

Lending service for videos

Administer self-learning centre

Position in the organization:

Head of the Library reports to Director, Corporate Administrative Services Directorate, who reports to ADM.

Does not sit on senior management committee.

Any contracting out for services?

FAXON/SMS for periodicals.

Any cost recovery of services provided?

No cost recovery, except service fee for periodicals is charged back to branches.

Has Library been subject to review recently? What have they done?

Automating

Improving turnaround time

No longer catalogue dictionaries to save time

Will be relocating and enlarging library to make it more user-friendly

Catalogue is now available on diskette provided to branches

One person is dedicated to marketing services - however, not a library member

LIBRARY SERVICES SURVEY

Department and Location:

Secretary of State and Multiculturalism and Citizenship Canada

Contact, Phone and Fax Number:

Réjean Héroux (613)997-3981

Fax: (613) 953-7988

Budget: Dollars and Person-Years

There is a network of libraries:

30 P/Ys distributed as follows:

Branch libraries outside of 15 Eddy Street in Hull:

2 P/Ys in Quebec City
3 P/Ys in Montréal
1 P/Y at National Defence Headquarters in Ottawa

Branches at 15 Eddy Street in Hull:

2 P/Ys Translation Services
2 P/Ys Terminology
1 P/Y Head of network
8 P/Ys Main Library

Other services at 15 Eddy Street in Hull:

9 P/Ys Technical Services (acquisitions and cataloguing)
2 P/Ys Chief Librarian and support staff

Annual operational budget: $316,000

Mission Statement:

Yes

Primary - most valued services?

.   Reference services

.   on-line services (CD Roms) database

Primary Client Groups?

.   mainly internal clients

.   total employees (both departments) 3,400

.   some external clients i.e., contractors hired by other government departments to provide translation services

Services offered:

All traditional library services

Position in the organization:

Head of Library reports to the Director, Information Resources Services Directorate, who reports to the Director General of Information Management.

Does not sit on senior management committee.

Any contracting out for services?

For retrospective cataloguing (for other branches who accumulate personal holdings and then want them catalogued);

Some client branches pay for and maintain their own small collections (these books are in Library catalogue)

Any cost recovery of services provided?

As above. Some branches pay for books for their collection; but they are included in Library catalogue, so they can be referenced by Library clients.

MOUs are signed with these branches detailing what services Library provides, charges, etc. If they want a printed catalogue this is charged back.

Has Library been subject to review recently? What have they done?

Undergoing a re-organization at this time and plans are not finalized

Introducing new automated system in mid-November - Advance GEAC

LIBRARY SERVICES SURVEY

Department and Location:

__Finance/Treasury Board/OCG__

Contact, Phone and Fax Number:

Trent Reid (613) 992-0121

Budget: Dollars and Person-Years

P/Ys: 16

O&M: $345,000

Mission Statement:

Yes

Primary - most valued services?

Reference and research services

Data base searching

Primary Client Groups?

Service 3 departments: Treasury Board, Finance, OCG which represents a total of approximately 2,000 people - base clients of between 7-800.

The Library gets a lot of external clients - they are allowed to use the facilities and library collection, however, no service is provided to them.

They receive a lot of phone enquiries.

Services offered:

All traditional library services, i.e., reference enquiries, on-line search and retrieval, inter-library loans, routing of journals, acquisition of journals and books, photocopying services (title page and abstract), on-site consultation, reading area; etc.

SDI information alerting service, current awareness

Position in the organization:

Reports to Director, Administration, who reports to ADM, Administration. Branch has 300 P/Ys.

Does not sit on senior management committee.

Any contracting out for services?

Yes, agents for periodicals.

Some branches have their own libraries - some collections are catalogued by Library and some are not, depending on the collection.

Any cost recovery of services provided?

Some cost-sharing arrangements with branches to share cost of subscriptions.

Has Library been subject to review recently? What have they done?

Administrative Branch as a whole has been subjected to reviews.

One service was eliminated - the press clipping service.

Work patterns/processes changed -- i.e., spending less on acquisitions and transferred resources to public areas -- service to clients.

Note: A/V collection part of Library.

Nature of Library has changed.

LIBRARY SERVICES SURVEY

Department and Location:

Tourism Reference and Documentation Centre

Contact, Phone Number:

George Kolk
Manager, Information Services
(954-3989)

Budget: Dollars and Person-Years

There are three positions in TRDC and two employees. (One employee is currently on a DAP assignment).

There is a budget of $45,000 which is used for acquisitions.

No money is spent on their automated system - Minisis. It is currently maintained by IMB and is resident on the HP.

He estimated that approximately 70% of the TRDC collection is composed of free material.

What services do they provide to Tourism employees?

TRDC collection is comprised of research material used by Tourism officers as the factual foundation for their work.

They also borrow material from other libraries for Tourism staff.

Hours of services?

9:00 a.m. to 4:30 p.m.

Do they have access to any online databases and if so how much do they spend?

Have access to DOBIS (National Library System).

They go through Departmental Library for other databases.

Do they have any kind of statistics on the amount of material they loan and purchase?

3,500 requests for information per year

They handle internal and external clients (External clients are federal/provincial departments concerned with Tourism, as well as consulting firms, and the academic community).

Approximately 65% of requests originate externally

TRDC sole repository of Tourism information in Canada.

Do they get many requests from other ISTC employees?

Yes - regarding requests for information for their personal vacations or if they are travelling

This represents a small number of requests

Each Regional Office has a Tourism Section and they refer requests for information to the TRDC.

Do Tourism employees use the ISTC library and for what services?

Yes - for information other than Tourism - i.e., economic etc.

Position in the organization

TRDC staff report to Manager, Information Services (George Kolk)
who reports to the Director, Research and Information Management.

Any contracting out for services?

No

Any cost recovery of services provided?

The TRDC distributes own Tourism Research Publications. They used to cost recover, however, this was abandoned with the introduction of the GST.

Has the documentation centre been subjected to review recently? What have they done?

No recent reviews, however, there will be an internal review conducted very soon (this fiscal year). Tourism management want to review the function.

LIBRARIANS INTERVIEWED

Aug 14	Rise Segall	ISTC Librarian
Sept. 4	Elizabeth Reicher	University of Ottawa
	Camrose Burden	EAITC
	Al Quaile/Blair Stannard Nicholas Ralph	Management of Government Information Holdings (MGIH)
Sept. 25	Trent Reid	Treasury Board/ Finance/OCG
	Shayla Mindell	Office of the Auditor General
Oct. 5	Merle McConnell	Health & Welfare Canada, Health Protection Branch
	Réjean Héroux	Sec. State and Multiculturalism and Citizenship Canada
	Diane Parsonage	Revenue Canada and Customs and Excise

ROLE OF INFORMATION SERVICES NETWORK

CONFIGURATION:

A network of experienced users representing their respective Sectors and Regional Office BSCs.

ROLE:

—   Operating collectively as an advisory panel;

—   To advise the Information Service Centre (ISC) on emerging priorities in their respective Responsibility Centres;

—   To contribute to the development of an annual acquisition strategy for the ISC;

—   To participate in an informal database clearinghouse to coordinate and share new database acquisitions.

—   Operating individually as members of the network:

-        To advocate awareness and the use of the ISC within their respective Responsibility Centres,

-        To assist in transferring basic library research skills to officers within their areas,

-        To routinely search for opportunities to share information holdings within their areas that could be of corporate interest,

-        To provide ongoing feedback to the ISC regarding user satisfaction and opportunities for enhancing service.

C. MAIL MANAGEMENT

RE-ENGINEERING FINAL REPORT

WORKING GROUP: SELECTED ISSUES

PROCESS: MAIL MANAGEMENT

1. **Objective**

To explore opportunities for streamlining and integrating the mail management function.

2. **Methodology**

An informal Working Group was formed to examine best-practice and to identify major opportunities for further analysis.

3. **Background**

ISTC's mail management function involves three distinct operations:

— **External Pick-up and Delivery** ($31,000 p.a.) ISTC retains a contractor and a Commissionaire to transport Departmental mail to and from Canada Post each day as well as to and from project offices operating outside of our headquarters building. In addition, the Corps of Commissionaires provide a by-hand courier service in the downtown core.

— **Central Sorting** (14 Commissionaires)
All incoming mail is centrally sorted by Commissionaires in the mail room and directed to the Records Office on each floor via a conveyor system in the East Tower and by-hand to the Records Offices on the 2nd and 8th floors in the West Tower. In addition, the Commissionaires perform a number of related mail management functions. For example, they provide a packaging service for parcels, meter all outgoing mail, handle registered mail, diplomatic mail and special deliveries, interface with private courier firms, distribute morning newspapers and provide a special service for the Ministers' registry and the DM's/ADMs' Offices.

— **Registration and Distribution** (approximately three of the 32 Records Office Person-Years)
The Records Office opens, classifies and sorts the incoming mail into separate boxes for pick-up by individual Responsibility Centres. They also route outgoing mail to the central mail room for delivery. Note that in

compliance with the Financial Administration Act, mail must be opened by two individuals to intercept monies payable to the Crown.

In exploring best-practice, the Working Group was advised to meet with Transport Canada officials who were reported to be at the leading edge of contracting out their mail management function. Transport Canada's situation is considerably more complex than ours. The Department operates out of five main buildings and must provide delivery service to over 50 other sites in the NCR. Their consolidated service contract only covers delivery (ie: excludes sorting) and is estimated at $1 1/2 million over three years. One reason for such a costly operation is that MOT delivers mail directly to each Responsibility Centre within their buildings.

4. **Analysis**

ISTC's mail management operation was found to be unique in the NCR and is highly efficient for three key reasons:

— The Department primarily operates out of <u>one</u> building.

— The building (East Tower) is equipped with a <u>conveyor system</u>.

— The Department uses a <u>"super-box"</u> approach on each floor in which each Responsibility Centre picks-up its own mail.

Opportunities for economies through integrating mail services within the building are limited given the few resources devoted to this activity, the different pick-up/drop-off locations and the need for separate security requirements.

5. **Conclusions**

The Working Group reached the conclusion that there were no major opportunities worthy of further analysis.

Q

APPENDIX Q

REPORTS FROM

ADMs/LINE MANAGERS

ON

OPTIONS FROM

INTERIM REVIEW

┌ Bruce Deacon
  Chairman, Steering Committee
  Re-engineering Project ┐

└ ┘

┌ Senior Assistant Deputy Minister
  Industry, Technology and
    Regional Operations ┐

FROM
DE

└ ┘

| SECURITY · CLASSIFICATION · DE SÉCURITÉ |
| OUR FILE · N / RÉFÉRENCE |
| YOUR FILE · V / RÉFÉRENCE |
| DATE **NOV 16 1992** |

SUBJECT
OBJET   **RE-ENGINEERING - SHORT TERM OPTIONS, SERVICES WORKING GROUP**

   I have read your memorandum of September 18, 1992 and
the options listed in the attachment to the memorandum. These
options address a large number of areas in relation to AMTAP, MAS
and the ACI Sector Campaign. A first review of the options
presented has raised a number of questions, all of which can be
dealt with easily when it is time to implement the options. It
is also evident that all identified options are directed at
improving the level of service to our customers.

   While I am in support of the principle of quick
realization of the benefits arising out of the implementation of
options contained in interim reports, there are a number of
significant factors which, in the present case, require that some
further consideration be given prior to charging OPIs with
implementing the options.

   The first such factor is the Repositioning of Regional
Offices exercise which, even if not implemented integrally, will
have far-reaching effects on the administration/delivery of
ISTC's programs including the three programs studied by the
Services Working Group. Amongst the proposals of the
Repositioning of Regional Offices are that programs and services
be consolidated in very few programs, that program and service
delivery be based on enhanced service standards and measurements,
and that AMTAP and MAS be delivered by IRAP.

   The second factor is the conclusion of the Mid-term
Review of Funded Programs, of which you have received the draft
report recently. Amongst the recommendations of the Mid-term
Review are a number which deal with the clustering of programs,
improving the level of "customer service" in the administration
and delivery of programs, improvement in delivery of programs by
regional offices, etc..

              ... 2

It thus seems most appropriate at this time to hold off directing the designated OPIs with the implementation of options identified in the Interim Report of the Re-engineering Services Working Group for a short while in order to attempt to integrate these recommendations with those arising from other exercises.

W.E.R. Little

À Bruce Deacon Chairman Re-Engineering Secretariat	SECURITY - CLASSIFICATION - DE SÉCURITÉ
	OUR FILE - N / RÉFÉRENCE
FROM **DE** Comptroller	YOUR FILE - V / RÉFÉRENCE
	DATE November 12, 1992

SUBJECT
OBJET   <u>RE-ENGINEERING FINANCE WORKING GROUPS -</u>
<u>CHEQUE REQUISITION/SHORT TERM OPTIONS SERVICES</u>

            With reference to your memorandum of September 18th,
please find attached status reports on the two above-mentioned
working groups. These status reports were prepared by
John Carter, Director, Financial Services Directorate,
Comptroller's Branch.

                                George Willis

Attachment

Gail Prince/GP

RECEIVED / REÇU

NOV 16 1992

Director General /
Directeur général
SMLOS / CHSDMT

Log #: _____

GC177 (7/90) C10001

Government
of Canada

Gouvernement
du Canada

M E M O R A N D U M
N O T E   D E   S E R V I C E

November 10, 1992

TO: George Willis
Comptroller

FROM: Director
Financial Services Directorate

SUBJECT: Status Report - Re-Engineering

ACTION REQUIRED: For your information.

The following items were assigned to Comptroller's Branch for lead action:

(1) Recommendation on cheque requisitioning - I understand that this project is to be turned back over to Re-Engineering for further work.

(2) Establish and publish a timetable for review of signing authorities. Review to include a canvass of all users. Lead is to be shared with HRB.

Status

HRB has conducted a number of surveys over the last year concerning signing authorities resulting in additional delegations. FSD has always adhered to the policy of delegating the maximum authorities allowed by the Treasury Board. Currently, with two minor exceptions that higher authority would not approve, the maximum permitted delegations are in place.

Nonetheless, we agree that an annual survey would have some value. However, based

...2

on HRB's experience, this survey should be professionally designed. This is very important because we do not wish to raise false expectations of resolving what are perceived by clients as irritants only to find out the Treasury Board will not change their mandated policies on these areas. The value of the survey might be in presenting the Treasury Board annually with a list of items for their consideration when they are revising their policies.

The costs of design of the survey and the costs of administration of it should be borne by Re-Engineering. My staff and HRB's would be pleased to assist them in the process.

I would be happy to prepare correspondence to the Re-Engineering project requesting their cooperation and funding in this matter.

(3)   One step amendment process:

Status Report

We have stopped the issuance of Comptroller's Bulletins. We have examined how to make faster amendments to the Delegation Manual, but given recent downsizing we will be hard pressed to produce amendments within the previous time frames, let alone any faster. In order to inform as many people as possible of changes, we have opted for a "quick" E-Mail message where it is essential that new information on delegations be provided as quickly as possible.

(4)   Use of E-Mail - Acting Situations

Status Report

As you know, this is both a legal and audit issue. We require a signature so that authenticity can be verified. The departmental E-Mail system does not meet the OCG standards for electronic authorization (EA). Consequently, we are working with ASB

to use the EA system they have developed
(which does appear to meet the OCG
standards). There are a number of technical
issues which must be sorted out (including
access to Doug Lingard's LAN by ASB), but I
am confident that we can start piloting an EA
system for acting situations either early in
the new year, if technical issues can be
resolved quickly, or next summer (once March
31st arrives until June my staff will be
occupied full time on Year End and Public
Accounts issues and processing).

I would be pleased to discuss the above
with you at your convenience.

John Carter

c.c. Nancy Bainbridge

SECURITY · CLASSIFICATION · DE SÉCURITÉ
OUR FILE · N / RÉFÉRENCE
FPAADM.3388
YOUR FILE · V / RÉFÉRENCE
DATE November 25, 1992

**TO
À**

Bruce Deacon
Chairman, Steering Committee
Re-engineering Project

**FROM
DE**

Odette McNeely
Administrative Assistant to the
A/ADM, Finance, Personnel
    and Administration

**SUBJECT
OBJET**   RE-ENGINEERING - SHORT TERM OPTIONS
DELEGATION OF AUTHORITY WORKING GROUP

   In reference to your memo of September 18, 1992, I have
canvassed the managers in Finance, Personnel and Administration
on the above-mentioned subject. The following comments were
received:

<u>Access to Information and Privacy</u>:

1. In regard to Appendix M, page 3, Option 2, the Access to
  Information and Privacy Office will seek to obtain from
  central agencies additional guidance which may assist
  departmental staff. Further information sessions on the
  policy dealing with information collections and public
  opinion research will be held for departmental staff.

<u>Human Resources Branch</u>:

1. Option 4: Yes, we agree that it should generally be
  addressed in the orientation process for new employees.
  However, it is the responsibility of each specialized area
  to deal with the specifics which relate to their
  responsibilities (e.g. staff relations, classification,
  finance, etc.). They should as well provide information
  about any changes on an ongoing basis. The E-mail is a very
  good tool to use for that purpose.

  It should be noted that we are dealing with communication of
  information and not training per se. Therefore, courses are
  not an appropriate means of delivery.

2. Option 5a: Delegated authorities for Human Resources were
  reviewed less than a year ago and more recently the level of
  delegated authority for approving imperative staffing

          ... 2

process was updated according to the changes introduced by central agencies (PSC & TBS). During both of these reviews, senior managers were canvassed for their input.

We would support the idea of establishing a timetable for the review of authorities (e.g. on a two-year basis), as well as, on an "as required basis" as a result of changes generated for example by central agencies.

E. Country:

1. Option 4: (should read) - A specific module regarding Delegation of Authority should be included in the orientation process for new employees and managers.

    Courses for managers should be given. None in place now.

2. Option 5a: Good.

3. Option 5b: Good.

PS 2000 Secretariat:

1. I would like to express my support for these options as actions to remove or lessen unnecessary constraints. Our framework updates have shown there has been little progress in areas to related to empowerment and these initiatives can only help improve this situation. Although delegation is different from empowerment, delegating authority does help to improve the level of trust so that further empowerment initiatives are possible.

    Since none of the "lead action" or "consultation" involves the Secretariat, no status report is required.

Administrative Services Branch:

1. Point #1: We support this proposal. A technology problem is being worked on and some administrative information flows need to be arranged.

Information Management Branch:

1. IMB is actively pursuing the removal of the requirement for "sign off on small value, standard items which do not impact on the operation and maintenance of corporate systems".

If you have any questions, I can be reached at 954-2873.

Claude McDuly

Seen by J R Joubert, November 23, 1992.

Approved By: J. Robert Joubert
                A/Assistant Deputy Minister
                Finance, Personnel and Administration

ANNEX R

INTERIM

REPORT

FEEDBACK

DOCUMENT

September 18, 1992
Le 18 septembre 1992

Your file   Votre reference

Our file   Notre reference

To./A: REXDs and DGs/DERs et DGs

From/De: Chairman, Steering Committee/
            Président, Comité directeur
            Re-engineering Project/Projet de remaniement

Subject/Objet: ADM/DM Feedback / Réactions des SMA/SM
Re-engineering Interim Report/Rapport provisoire
<u>**sur le remaniement**</u>

The ADM Committee, convened to oversee the Re-engineering of ISTC's Business Processes, has completed a review of the project's Interim Report. The directions given by the ADM Committee are listed in the attachment and segregated into the following categories:

- <u>**Category A**</u> - specific recommendations which will be passed to the applicable ADM/line manager for appropriate action. This procedure will enable the Department to realize some of the benefits of re-engineering as quickly as possible. Status reports identifying action taken on all Category A items will be solicited from ADMs/line managers and included in the final report on re-engineering;

Le Comité des SMA, convoqué pour surveiller le remaniement des processus touchant la prestation des services d'ISTC, a terminé son examen du rapport provisoire sur le projet. Les directives du Comité des SMA sont énumérées dans le document en annexe et séparées de la façon suivante:

- <u>**Catégorie A**</u> - recommandations particulières qui seront transmises au SMA/gestionnaire hiérarchique compétent pour mesure appropriée. Cette procédure permettra au Ministère de profiter le plus rapidement possible de certains bénéfices du remaniement. Les SMA/gestionnaires hiérarchiques seront invités à présenter des rapports provisoires sur les mesures prises à propos de tous les points de la catégorie A. Ces rapports seront inclus dans le rapport final sur le remaniement;

Canada

- **Category B** - business processes for which a number of options have been considered but where a preferred option has emerged. ADMs decided that future work should proceed on the preferred option only with appropriate future review points; and

- **Category C** - business processes for which no clear options have been developed. ADMs mandated Working Groups to develop a number of options to be detailed in the final report.

The DM has been provided with a status report on the project, including a briefing on the Interim Report. The feedback provided by both the DM and ADM Committee has been incorporated in the decisions listed in the attachment.

The consolidated Interim Report, which includes the individual reports of 12 Working Groups, is a lengthy document totalling over 160 pages. Also, due to the dynamic nature of re-engineering activities, some of the contents are already outdated. For these reasons, the attached list of decisions is being distributed rather than the entire report. However, anyone wishing to see

- **Catégorie B** - processus touchant la prestation des services pour lesquels un certain nombre d'options ont été prises en considération, mais qui ont donné lieu à une option préférée. Les SMA ont décidé que les travaux futurs ne devraient porter que sur l'option préférée, avec les points d'examen futurs appropriés;

- **Catégorie C** - processus touchant la prestation des services pour lesquels aucune option précise n'a été élaborée. Les SMA ont donné à des groupes de travail le mandat d'élaborer un certain nombre d'options qui seront détaillées dans le rapport final.

Le SM a reçu un rapport d'étape sur le projet incluant un exposé sur le rapport provisoire. Les renseignements en retour fournis par le SM et le Comité des SMA ont été incorporés dans les décisions énumérées dans le document en annexe.

Le Rapport provisoire global, qui comprend les rapports individuels de 12 groupes de travail, est un long document de plus de 160 pages. En outre, compte tenu du caractère dynamique des activités liées au remaniement, certaines parties de ce document sont déjà périmées. C'est pourquoi nous vous faisons parvenir la liste de décisions ci-jointe au lieu du rapport complet. Toutefois,

a copy of the consolidated Interim Report may do so by contacting the Re-engineering Secretariat at (613) 941-6210.

Either myself, or other individuals associated with the project, are available to discuss re-engineering activities with your respective management groups and/or Branch Focus Days. Also, as information of substance becomes available, periodic reports will be provided to addressees. Employees will continue to be encouraged to provide input and an emphasis will be placed on ensuring accessibility by all staff. Specifically, a message will be sent to all employees shortly which provides a general status report, introduces "brown-bag" information sessions and reinforces the project's suggestion process.

Once you have had an opportunity to review the direction from the ADMs and DM, I would appreciate receiving your comments and/or suggestions to ensure that what we are looking at is relevant and that useful input is not missed. As you may receive inquiries on re-engineering, the main project documents and dates distributed are identified below. If necessary, copies of these documents can be obtained from the Project Secretariat.

si quelqu'un souhaite consulter le rapport provisoire global, il peut le faire en s'adressant au Secrétariat du projet de remaniement, (613) 941-6210.

D'autres personnes participant à ce projet ou moi-même sommes disponibles pour discuter des activités de remaniement avec vos groupes de cadres et/ou au cours des journées de réflexion de la Direction générale. De plus, des rapports périodiques seront fournis aux personnes figurant sur la liste des destinataires, à mesure que l'on aura des informations substantielles. Les employés seront encouragés à présenter des commentaires que l'on s'efforcera de rendre accessibles à tout le personnel. Précisément, celui-ci recevra bientôt un message contenant un rapport sur la situation, une annonce des séances d'information tenues aux heures du déjeuner et une invitation à participer au processus de suggestion.

Je vous prie de me faire des suggestions et/ou des commentaires dès que vous aurez révisé les directives des SMAs et du SM, pour s'assurer que le texte est pertinent et qu'aucune information utile soit omise. Comme vous pouvez recevoir des demandes de renseignements sur le remaniement, les principaux documents sur le projet et les dates qui ont été distribués sont identifiés ci-dessous. Si nécessaire, on peut se procurer des copies de ces documents au bureau du

Secrétariat du projet au (613) 941-6210.

- Message from the DM to all staff - May 13, 1992;

- Message du SM à tout le personnel - le 13 mai 1992;

- Message from Yvon Lavallée to all staff - May 20, 1992;

- Message de Yvon Lavallée à tout le personnel - le 20 mai 1992;

- Project Plan sent to Managers and above - May 29, 1992;

- Plan de projet envoyé à tous les gestionnaires et employés de rang supérieur - le 29 mai 1992;

- Questions and Answers sent to Managers and above - May 29, 1992;

- Questions et réponses envoyés à tous les gestionnaires et employés de rang supérieur - le 29 mai 1992;

- Briefing slides distributed to Managers and above - June 17, 1992;

- Acétates d'informations générales distribués à tous les gestionnaires et employés de rang supérieur - le 17 juin 1992;

- Message from Acting DM to all staff - July 17, 1992; and

- Message du sous-ministre intérimaire à tout le personnel - le 17 juillet 1992;

- Précis Article, "Stop Paving those Cow Paths,", Summer 1992 edition.

- Article du Précis, "Ne réinventons pas la roue", édition été 1992.

The attached feedback from the ADMs and DM will shape the work plan for Phase II of re-engineering. As Working Groups complete their Final Reports, consultation will be undertaken with applicable functional heads. Subsequently, the options put forth by Working Groups will be discussed by the Steering Committee, submitted to the

Les réactions ci-jointes des SMAs et du SM vont former le plan de travail pour la phase II du remaniement. Comme les groupes de travail complètent leur rapport final, des consultations seront entreprises avec les chefs appropriés. Par la suite, les options mise en avant par les groupes de travail seront discutées par le comité

ADM Committee and ultimately decided upon by DMC. It is intended that this process will culminate with the submission of a consolidated Final Report during December, 1992.

directeur, ensuite soumises au comité des SMA et finalement déterminées par le CDM. C'est notre intention que ce processus soit culminant avec la soumission du rapport final solidifié au cours du mois de décembre 1992.

If you have any questions regarding the Re-engineering Project, please call me at (613) 954-3801 or contact Cliff Pierce at (613) 941-8480. Thank you for your continued support in this matter.

Si vous avez des questions à poser à ce sujet, vous pouvez me joindre au (613) 954-3801 ou communiquer avec Cliff Pierce, au (613) 941-8480. Je vous remercie de l'appui que vous ne cessez d'accorder à cette question.

Bruce Deacon

Attachment/pièce jointe

c.c.: ADM Committee Members - Re-engineering/
Membres du comité des SMA - Remaniement
Steering Committee Members - Re-engineering/
Membres du comité directeur - Remaniement
Headquarters Library/Bibliothèque de l'administration
centrale

CATEGORY A: Pass Items to Applicable ADM/Line Manager for Appropriate Action

Serial	Business Processes		Decisions Rendered	Comments
1.	Services		Seven short-term options are proposed by the Services Working Group which involve setting service levels, combining and condensing forms, consolidating program management, eliminating "low-no-value" forms, tasks, steps, etc., empowering service providers to update PRISM, realigning claims audit practices and revising the allocation of budget funds.	
		1.1	Short-term options to be passed to applicable ADM/line managers for appropriate action.	Re-engineering Secretariat to action.
2.	Function		The Finance Working Group proposes that moving the cheque requisition function to the purchaser of the service would present opportunities for significant reductions in paper flow and the elimination of duplicate files.	
		2.1	The Comptroller develop specific recommendations, including the possible undertaking of a pilot project, regarding transfer of the cheque requisition function to purchasers of services.	Re-engineering Secretariat to provide relevant information/ documents to the Comptroller.
3.	Delegation of Authority	3.1	Three short-term options put forth by the Delegation of Authority Working Group, dealing with training, publishing a timetable for review of authorities and revising the amendment process, to be passed to the ADM FPA for appropriate action.	Re-engineering Secretariat to provide relevant information/ documents to the ADM FPA.

Serial	Business Processes	Decisions Rendered	Comments
4.	Program Delivery/ Administration	4.1 The Program Delivery/Administration Working Group has identified, in preliminary form, the following broad options for consideration: - Option A - Special Operating Agency (SOA) with Client Focus. This would involve developing a plan to move ISTC program and service management to a model based on the Treasury Board SOA provisions. There would be a single departmental program/service group with a pronounced client focus and clear lines of responsibility and accountability; - Option B - Clarified Responsibility and Accountability Model. This option would seek the client focus and clear responsibility and accountability of Option A without operating in an SOA mode. Instead, economies of scale in delivery and administration processes would be sought for clusters of programs with similar purposes; and - Option C - "Harvest the Reviews" Model. This would involve harvesting the results of the various program reviews now under way or being completed.	

Serial	Business Processes	Decisions Rendered	Comments
4. cont'd	**Program Delivery/ Administration**	Based on the above options, the Program Delivery/Administration Working Group is to proceed with the parallel development of two models by: - combining Options A and B and considering Program Delivery/Administration within three phases: Case Work-up; Contracting; and Implementation/Monitoring. Also, emphasis should be given to differentiating more aggressively between large and small cases, contracting and simplifying terms and conditions; and - pursuing Option C ("Harvest the Reviews" Model). Approved in principle resources to engage Consulting and Audit Canada. A status report is to be submitted to the ADM Committee by end-Sept. 92.	
5.	**Services**	5.1 Services Working Group, in conjunction with the Delegation of Authority Working Group, to develop an implementation plan by end Oct. 92 for a pilot project to delegate signing authority to CO 2 and CO 3 positions delivering ACI or AMTAP.	

Serial	Business Processes	Decisions Rendered		Comments
5. cont'd	Services	5.2	The Services Working Group, in conjunction with the Services to Business Branch, to develop a proposal for an ISTC service capability as a co-ordinator to facilitate client access to services available across the Wilson Portfolio. Work should include options to facilitate arms length delivery where gains in effectiveness and efficiency can be achieved. Furthermore, consideration should be given to the optimum use of contracting out and its link to program delivery and administration proposals. A status report is to be submitted to the ADM Committee by mid-Oct. 92.	
		5.3	In view of the work being undertaken by the Information Management Working Group on Departmental Operational Systems (see Decision 21.1, below), the Services Working Group is not to undertake a review of PRISM. As appropriate, the Services Working Group should provide input to the Information Management Working Group on those aspects of PRISM highlighted during their work on diagnostic services.	

CATEGORY B: Develop Preferred Option

Serial	Business Processes	Decisions Rendered		Comments
5. cont'd	Services	5.4	Services Working Group to map out the business process for sector campaigns, including conceiving, designing and developing initiatives, and propose options to simplify the process. A status report is to be submitted to the ADM Committee by end-Sept. 92.	
6.	Travel	6.1	Finance Working Group to develop option to assign exclusive responsibility for travel to either Branch Administrative Units or Financial Services Directorate, incorporating a timetable for introduction of SMART systems into the processing of travel documents. A status report is to be presented to the ADM Committee by end Sept. 92.	
7.	Payroll	7.1	Finance Working Group to terminate review of the payroll business process.	
8.	Impact of Financial Decisions Contrary to Regulations	8.1	Finance Working Group to carry out cause-and-effect analysis and bring forward specific recommendations to address the situation.	

Serial	Business Processes	Decisions Rendered		Comments
9.	**Budget and Allotment Preparation, Allocation and Reallocation (including Mid-Term Review)**	9.1	Finance Working Group to continue with development of option to improve budget and allotment preparation, allocation and reallocation, including: - delayering of financial management; - automation of budget changes; and, - the creation and holding of reserves. Status report to the ADM Committee by end Sept. 92.	This work is to be done in conjunction with Decision 21.1 on Operational/Support Systems.
10.	**Contracting**	10.1	Administrative Services Working Group to proceed with development of a detailed work plan, outlining priority areas in the contracting process to be investigated, for review by the ADM Committee by mid-Sept. 92.	
11.	**Records Management**	11.1	By mid-Sept. 92, the Administrative Services Working Group to develop a detailed work plan for consideration by the ADM Committee focusing on: - implementing planned improvements on an interim basis; and	

Serial	Business Processes	Decisions Rendered		Comments
11. cont'd	Records Management	-	for the longer term: re-engineering the entire process through the centralization of records management, conversion of current operations to an information management/ retrieval service, transfer of the responsibility for file maintenance to users, parallel development of electronic indexing and effective archiving of files. The work plan should take cognizance of MGIH.	.
12.	Mail Management	12.1	Selected Issues Working Group to develop a detailed work plan for review by the ADM Committee focusing on the centralization of mail management, including the delivery of services on a building-wide basis with the possibility of contracting-out.	
13.	Assets and Facilities Management	13.1	In view of the workload involved in the other items being examined by the Administrative Services Working Group, review of this process is to be terminated.	

Serial	Business Processes	Decisions Rendered	Comments
14.	**Staffing**	**14.1** Personnel Working Group to develop option for streamlining the staffing process, including the introduction of electronic notifications to reduce the overall elapsed time.	
15.	**Audits and Evaluations**	**15.1** Management Review Working Group to prepare a final report on the re-engineering of audits and evaluations as outlined in the Interim Report, including the integration of audit and evaluation, redirection to a service orientation, self-audit and a recommended time frame for implementation. The final report is to be submitted to the ADM Committee by mid-Oct. 92.	
16.	**Central Versus Decentralized Common Services**	**16.1** Corporate Governance Working Group to continue to identify activities ongoing across the Department which are not currently linked to central corporate services. **16.2** Corporate Governance Working Group to determine the status of certain technological processes which could greatly facilitate re-engineering, e.g. electronic signatures.	Work will directly support the activities of other Working Groups. Work will directly support the activities of other Working Groups.

Serial	Business Processes	Decisions Rendered	Comments
17.	Production, Distribution and Maintenance of Manuals	17.1 Communications Working Group to continue development of a plan for the automation of all manuals and the elimination of redundancies wherever possible. The ADM Committee is to be updated on the status of this item by end-Sept. 92, including a recommendation as to when this item should be transferred to the applicable ADM/line manager for appropriate action.	The plan should consider whether or not the Delegation of Authority Manual should receive highest priority for automation.
18.	E Mail	18.1 Communications Working Group to develop a comprehensive proposal on how the Department can optimize the use of E Mail, including routine approvals, electronic signatures, acting appointments, etc., and incorporate an action plan for promoting usage within the Department.	
19.	Communications Products Production Approvals	19.1 In view of the recent DMC approval of the ISTC Publishing Management Process, Communication Working Group to terminate review of this item.	

Serial	Business Processes	Decisions Rendered	Comments
20.	Systems Support Services	20.1 Information Management Working Group to develop an option to establish a service-oriented systems organization linking and co-ordinating all personnel involved in the design, planning, installation and maintenance of electronic systems. Emphasis should be placed on providing high <u>quality service support</u>, developing management options to ensure a client-driven operation (including client representation) and <u>enhancing planning capability</u> to support overall systems development. The objective is greater long term efficiency and effectiveness, consistent with lower costs. A status report to be submitted to the ADM Committee by mid-Oct. 92.	
21.	Departmental Operational Systems (RAMS and PRISM)	21.1 Information Management Working Group, in co-operation with the Finance Working Group, to develop a proposal for consideration by the ADM Committee by the end of Sept. 92 identifying the work to be undertaken to develop options to maximize efficiency within the bounds of the existing systems by building on the extensive work already underway. Emphasis should be placed on reducing duplication of effort, e.g. in approvals and budget adjustments.	Work to be co-ordinated with the Services Working Group. See Decision 5.3.

Serial	Business Processes	Decisions Rendered	Comments
22.	Delegation of Authority	22.1 Delegation of Authority Working Group to continue investigating this process concentrating on how well delegations of authority are understood and whether or not the lines of authority are clear or do disconnects exist.	

CATEGORY C: Mandate Working Groups to Develop Options

Serial	Business Processes	Decisions Rendered	Comments
23.	**Regional Human Resource Services**	23.1 Personnel Working Group to continue to develop options for the provision of Human Resource Services to Regional Offices in the most cost-effective manner, including the possibility of sharing services with other Departments and/or contracting-out.	-
24.	**Classification**	24.1 In conjunction with the current review of classification currently under way in the Human Resources Branch, the Personnel Working Group to develop options to deliver classification services in the most cost-effective manner possible.	
25.	**Succession Planning**	25.1 Personnel Working Group to continue to develop options on succession planning with a status report submitted to the ADM Committee by mid-Oct. 92.	

CATEGORY C: Mandate Working Groups to Develop Options

Serial	Business Processes	Decisions Rendered	Comments
26.	Appraisals	26.1 Personnel Working Group to continue to develop a range of options, including elimination of appraisals or submission on an exception basis only and/or maintaining the status quo with modifications. A status report, including a preliminary outline of the options, is to be submitted to the ADM Committee by mid-Oct. 92.	
27.	Translation	27.1 Communications Working Group to continue to investigate and develop options which include: - the applicability of electronic translation systems and the extent to which they could be applied in ISTC to ensure effective communications and compliance with official languages policies and regulations; and, - the degree to which the Department can prioritize and streamline translation services to ensure that level and need are matched.	
28.	Ministerial Correspondence/ Briefing Notes	28.1 Communications Working Group to continue to develop options with a status report submitted to the ADM Committee by end-Sept. 92.	

CATEGORY C: Mandate Working Groups to Develop Options

Serial	Business Processes	Decisions Rendered		Comments
29.	Telecommunications	29.1	Information Management Working Group to develop options to define and move the Department towards the optimum use of integrated long-distance voice, video and data links in order to facilitate communications, reduce costly travel and enhance client services.	To be co-ordinated with the activities of the Communications and Corporate Governance Working Groups.
30.	Corporate Planning Process	30.1	Corporate Planning Working Group to continue to develop a short-term scenario which will focus on ways to streamline or introduce efficiencies into the process as it has been approved for this planning cycle.	
		30.2	The Corporate Planning Working Group to develop longer-term options to better link strategic considerations, sector planning and resource allocation, and to make the process (and resulting products) more relevant to ISTC staff and their daily work. Emphasis should be placed on building upon sector strategies.	
31.	Audio/Visual Communications	31.1	Selected Issues Working Group to develop options for the delivery of audio/visual communication services in the most cost-effective manner possible.	

CATEGORY C: Mandate Working Groups to Develop Options

Serial	Business Processes	Decisions Rendered	Comments
32.	Library Function	32.1 Selected Issues Working Group to continue to investigate this item and formulate options designed to maximize the cost-effectiveness of ISTC's library function.	
33.	Information Management	33.1 It was recognized that ISTC must develop an effective intelligence capability. This is beyond the scope of the work currently assigned to the Re-engineering Project. It is intended that this task will be undertaken as part of the Business Model Resource Review (BMRR).	
34.	Business Statistics	34.1 Information Management Working Group is to examine this item and bring forth options on the use and acquisition of Business Statistics.	
35.	Representation on Interdepartmental and other Committees	35.1 The DM requested that this be examined in order to minimize the demand on ISTC's resources. (How this will be pursued is to be determined.)	

CATÉGORIE A : À confier au SMA/Responsable hiérarchique
compétent pour suite à donner

Numéro	Processus		Décisions prises	Observations
1.	**Services**		Sept options à court terme sont proposées par le Groupe de travail sur les services; elles portent sur l'établissement des niveaux de services, le fusionnement et le raccourcissement des formules, de regroupement de la gestion des programmes, l'élimination des formules, tâches, étapes, etc., de valeur faible ou nulle, l'habilitation des prestataires de services pour leur permettre à jour le SIRAP, la refonte des pratiques de vérification des demandes et la révision de l'affectation des fonds budgétés.	
		1.1	Options à court terme à confier au SMA/Responsabilité hiérarchique compétent pour suite à donner.	Mesure à prendre par le Secrétariat du remaniement.
2.	**Fonction**		Le Groupe de travail sur les finances est d'avis que le transfert de la fonction de demande de chèques à l'acheteur du service offrirait des possibilités de réduction appréciable de la paperasserie et d'élimination des dossiers en double.	
		2.1	Que le Contrôleur élabore des recommandations précises, qui pourraient comprendre la mise en oeuvre d'un projet pilote, au sujet du transfert de la fonction de demande de chèques aux acheteurs de services.	Le Secrétariat du remaniement doit fournir les renseignements/ documents au Contrôleur.

Numéro	Processus	Décisions prises		Observations
3.	Délégation de pouvoirs	3.1	Trois options à court terme proposées par le Groupe de travail sur la délégation des pouvoirs, portant sur la formation, la publication d'un calendrier de réexamen des pouvoirs et la révision du processus de modification; à confier au SMA FGPA pour suite à donner.	Le Secrétariat du remaniement doit fournir les renseignements/ documents pertinents au SMA FGPA.

CATÉGORIE B: Élaboration d'une option privilégiée

Numéro	Processus	Décisions prises		Observations
4.	Mise en oeuvre/ administration des programmes	4.1	Le Groupe de travail sur la mise en oeuvre/administration des programmes a défini à titre provisoire les grandes options suivantes :	
		-	Option A -- Organisme de service spécial (OSS) axé sur la clientèle. Il faudrait pour cela élaborer un plan permettant à ISTC de passer d'un système de gestion des programmes et des services à un modèle fondé sur les dispositions prévues par le Conseil du Trésor à l'égard des OSS. Il y aurait un seul groupe ministériel chargé des programmes et des services, qui serait axé de façon marquée sur la clientèle et serait caractérisé par une structure de responsabilité claire;	
		-	Option B -- Clarification de la structure de responsabilité. Cette option retiendrait les deux dernières caractéristiques de l'option A (modèle axé sur la clientèle et structure de responsabilité claire) mais sans prendre la forme d'un OSS. On chercherait plutôt à réaliser des économies d'échelle dans la mise en oeuvre et l'administration des programmes en regroupant ceux qui viseraient des fins analogues;	

Numéro	Processus	Décisions prises	Observations
4. (suite)	**Mise en oeuvre/ administration des programmes**	- Option C -- Modèle fondé sur l'exploitation des réexamens. Les résultats des divers réexamens de programmes en cours ou en voie d'achèvement seraient mis à profit. En fonction des options décrites précédemment, le Groupe de travail sur la mise en oeuvre/administration des programmes doit procéder à l'élaboration parallèle de deux modèles en : - combinant les options A et B ainsi qu'en étudiant la mise en oeuvre et l'administration des programmes en trois phases : montage du dossier; établissement du contrat; et mise en oeuvre/suivi. Il faudrait également envisager de différencier davantage les petits et les gros dossiers; - poursuivant l'étude de l'option C (modèle d'exploitation des réexamens). L'affectation des ressources permettant de retenir les services de Conseils et Vérification Canada a été approuvée en principe. Un rapport d'étape doit être présenté au Comité des SMA d'ici la fin de septembre 1992.	

Numéro	Processus	Décisions prises		Observations
5.	**Services**	5.1	Le Groupe de travail sur les services, de concert avec le Groupe de travail sur la délégation de pouvoirs, doit élaborer, d'ici la fin d'octobre 1992, un plan de mise en oeuvre d'un projet pilote visant à déléguer le pouvoir de signature au niveau des postes de CO 2 et CO 3 mettant en oeuvre l'ICA et le PAIPSM.	
		5.2	Le Groupe de travail sur les services, de concert avec la Direction générale des services à l'entreprise, doit élaborer une proposition d'après laquelle ISTC se doterait d'une capacité de prestation de services lui permettant de jouer un rôle de coordination afin de faciliter l'accès de la clientèle aux services disponibles dans tout le portefeuille d'activités relevant de M. Wilson. On devrait travailler notamment sur les options permettant de faciliter une prestation indépendante lorsque cela permet de réaliser de gains d'efficacité et d'efficience. On devrait en outre envisager un recours optimal à la sous-traitance et son rattachement aux propositions portant sur la mise en oeuvre et l'administration des programmes. Un rapport d'étape doit être présenté au Comité des SMA d'ici la mi-octobre 1992.	

Numéro	Processus	Décisions prises	Observations
5. (suite)	Services	5.3 Étant donné les travaux entrepris par le Groupe de travail sur la gestion de l'information dans le domaine des systèmes opérationnels du Ministère (voir la décision 21.1 ci-après), le Groupe de travail sur les services ne doit pas se livrer à un réexamen du SIRAP. Le cas échéant, il devrait fournir des aperçus au Groupe de travail sur la gestion de l'information sur les aspects du SIRAP mis en lumière par ses travaux sur les services de diagnostic. 5.4 Le Groupe de travail sur les services doit baliser le processus touchant la prestation des services dans le cas des campagnes sectorielles, ce qui comprend la conception et l'élaboration des initiatives, et proposer des options de simplification du processus. Un rapport d'étape doit être présenté au Comité des SMA d'ici la fin de septembre 1992.	

CATÉGORIE B: Élaboration d'une option privilégiée

Numéro	Processus	Décisions prises		Observations
6.	Voyages	6.1	Le Groupe de travail sur les finances doit élaborer une option aux termes de laquelle les services administratifs des directions générales ou la Direction des services financiers auraient la responsabilité exclusive des voyages; à cette option serait incorporé un calendrier de mise en place de systèmes intelligents pour le traitement des documents de voyage. Un rapport d'étape doit être présenté au Comité des SMA d'ici la fin de septembre 1992.	
7.	Paye	7.1	Le Groupe de travail sur les finances doit mener à bien l'examen du processus de prestation des services de la paye.	
8.	Effet des décisions financières contraires aux règlements	8.1	Le Groupe de travail sur les finances doit se livrer à une analyse des causes et effets et formuler des recommandations précises afin de régler la situation.	

Numéro	Processus	Décisions prises		Observations
9.	Préparation du budget et des affectations, affectation et réaffectation (examen semestriel compris)	9.1	Le Groupe de travail sur les finances doit poursuivre l'élaboration d'une option visant à améliorer la préparation du budget et des affectations, l'affectation et la réaffectation, notamment par : - la déstratification de la gestion financière; - l'automatisation des changements budgétaires; - la création et la conservation de réserves. Un rapport d'étape devait être présenté au Comité des SMA d'ici la fin de septembre 1992.	Ce travail doit être effectué de concert avec la décision 21.1 sur les systèmes opérationnels/de soutien.
10.	Établissement des contrats	10.1	Le Groupe de travail sur les services administratifs doit procéder à l'élaboration d'un plan de travail détaillé précisant les questions à étudier en priorité dans le cadre du processus d'établissement des contrats, ce plan devant être présenté au Comité de SMA d'ici la mi-septembre 1992.	

Numéro	Processus	Décisions prises	Observations
11.	**Gestion des dossiers**	11.1 D'ici la mi-septembre 1992, le Groupe de travail sur les services administratifs doit produire à l'intention du Comité des SMA un plan de travail détaillé mettant l'accent sur : - la mise en oeuvre des améliorations prévues, à titre provisoire; et - à plus long terme : le remaniement de tout le processus par la centralisation de la gestion des dossiers, le passage des activités actuelles à un service de gestion et d'extraction de l'information, le transfert de la tenue à jour des dossiers aux utilisateurs, la mise au point parallèle d'un système d'indexage électronique et le bon archivage des dossiers. Le plan de travail devrait tenir compte de la GRDG.	
12.	**Gestion du courrier**	12.1 Le Groupe de travail sur des questions choisies doit élaborer, à l'intention du Comité des SMA, un plan de travail détaillé mettant l'accent sur la centralisation de la gestion du courrier, y compris la prestation des services à l'échelle du bâtiment avec la possibilité de sous-traiter cette fonction.	

Numéro	Processus	Décisions prises		Observations
13.	Gestion des actifs et des installations	13.1	Étant donné la charge de travail découlant des autres questions examinées par le Groupe de travail sur les services administratifs, l'examen de ce processus doit être arrêté.	
14.	Dotation en personnel	14.1	Le Groupe de travail sur le personnel doit élaborer une option permettant de rationaliser le processus de dotation, notamment en recourant aux avis électroniques afin de réduire les délais totaux.	
15.	Vérifications et évaluations	15.1	Le Groupe de travail sur l'examen de la gestion doit rédiger un rapport final sur le remaniement des vérifications et évaluations, ainsi qu'il est indiqué dans le rapport provisoire, ce qui comprend l'intégration de la vérification et de l'évaluation, la réorientation dans le sens de la prestation de services, l'autovérification et un calendrier recommandé de mise en application. Le rapport final doit être présenté au Comité des SMA d'ici la mi-octobre 1992.	
16.	Services communs centraux ou décentralisés	16.1	Le Groupe de travail sur la régie ministérielle doit continuer de définir les activités en cours dans le Ministère qui ne sont pas rattachées aux services intégrés centraux.	Les travaux viendront directement à l'appui des activités des autres groupes de travail.

CATÉGORIE B: Élaboration d'une option privilégiée

Numéro	Processus	Décisions prises		Observations
16. **(suite)**	**Services communs centraux ou décentralisés**	16.2	Le même Groupe de travail doit faire le point sur l'état d'avancement de certains procédés techniques susceptibles de faciliter considérablement le remaniement, par exemple les signatures électroniques.	Les travaux viendront directement à l'appui des activités des autres groupes de travail.
17.	**Production, diffusion et tenue à jour des manuels**	17.1	Le Groupe de travail sur les communications doit poursuivre l'élaboration d'un plan visant l'automatisation de tous les manuels et l'élimination, dans la mesure du possible, des doubles emplois. Le Comité des SMA doit être informé de l'état d'avancement de ce travail d'ici la fin septembre 1992. On doit recommander à cette occasion au Comité une date de transfert de cette question au SMA/Responsable hiérarchique compétent pour suite à donner.	On devrait déterminer dans le plan si le manuel de délégation de pouvoirs doit ou non être automatisé en priorité.
18.	**Courrier électronique**	18.1	Le Groupe de travail sur les communications doit élaborer une proposition complète sur la manière dont le Ministère peut optimiser le recours au courrier électronique, y compris les approbations courantes, les signatures électroniques et les nominations à titre intérimaire, et y incorporer un plan d'action visant à promouvoir l'utilisation du courrier électronique au Ministère.	

Numéro	Processus	Décisions prises		Observations
19.	**Produits de communications Approbation de la production**	19.1	Étant donné que le CDM a approuvé récemment le processus de gestion des publications d'ISTC, le Groupe de travail sur les communications doit achever l'examen de cette question.	
20.	**Services de soutien - Systèmes**	20.1	Le Groupe de travail sur la gestion de l'information doit élaborer une option permettant d'établir, en matière de systèmes, une organisation axée sur le service qui rattache et coordonne tout le personnel participant à la conception, à la planification, à la mise en place et à l'entretien des systèmes électroniques. Il faut mettre l'accent sur la prestation d'un <u>soutien de haute qualité</u>, l'élaboration d'options de gestion assurant des activités axées sur le client (incluant la représentation du client) et l'amélioration de la <u>capacité de planification</u> de manière à appuyer l'élaboration de systèmes, globalement. On vise une efficience et une efficacité supérieures à long terme. Un rapport d'étape doit être présenté au Comité des SMA d'ici la mi-octobre 1992.	

CATÉGORIE B: Élaboration d'une option privilégiée

Numéro	Processus	Décisions prises		Observations
21.	Systèmes opérationnels du Ministère (SGCR et SIRAP)	21.1	Le Groupe de travail sur la gestion de l'information, en coopération avec le Groupe de travail sur les finances, doit élaborer une proposition à l'intention du Comité des SMA d'ici la fin de septembre 1992. Cette proposition devra préciser les travaux à entreprendre afin d'élaborer des options permettant de maximiser l'efficience, dans le cadre des systèmes actuels, en tirant parti des importants travaux déjà en cours. L'accent doit être mis sur la réduction des dédoublements, par exemple en matière d'approbation et de rajustement des budgets.	Travail à coordonner avec le Groupe de travail sur les services. Voir la décision 5.3.
22.	Délégation de pouvoirs	22.1	Le Groupe de travail sur la délégation de pouvoirs doit continuer d'étudier ce processus en se concentrant sur la compréhension des délégations de pouvoirs et la question de savoir si la structure de pouvoirs est claire ou présente des points de rupture.	

CATÉGORIE C : Charger les groupes de travail d'élaborer des options

Numéro	Processus	Décisions prises	Observations
23.	Services des ressources humaines en région	23.1 Le Groupe de travail sur la gestion du personnel doit continuer d'élaborer des options pour la prestation de services des ressources humaines aux bureaux régionaux de la manière la plus économique, notamment, le cas échéant, en partageant des services avec d'autres ministères et (ou) en recourant à la sous-traitance.	
24.	Classification	24.1 De concert avec l'examen de la classification qui est en cours à la Direction générale des ressources humaines, le Groupe de travail sur le personnel doit élaborer des options permettant de mettre en oeuvre les services de classification de la manière la plus économique possible.	
25.	Préparation de la relève	25.1 Le Groupe de travail sur le personnel doit continuer d'élaborer des options de préparation de la relève et présenter un rapport d'étape au Comité des SMA d'ici la mi-octobre 1992.	
26.	Évaluations	26.1 Le Groupe de travail sur la gestion du personnel doit continuer d'élaborer tout un éventail d'actions, comprenant l'élimination des évaluations, une présentation uniquement en cas d'exception et (ou) le maintien du statu quo, moyennant certaines modifications. Un rapport d'étape, devant comprendre un énoncé provisoire des options, doit être présenté au Comité des SMA d'ici la mi-octobre 1992.	

Numéro	Processus	Décisions prises		Observations
27.	Traduction	27.1	Le Groupe de travail sur les communications doit continuer d'étudier et d'élaborer des options portant notamment sur: - la possibilité de mettre en oeuvre des systèmes de traduction électronique et la mesure dans laquelle ils pourraient être appliqués à ISTC afin d'assurer des communications efficaces et le respect des politiques et règlements sur les langues officielles; - la mesure dans laquelle le Ministère peut hiérarchiser et rationaliser les services de traduction afin de faire correspondre les besoins aux niveaux de service.	
28.	Correspondance ministérielle/ Notes d'information	28.1	Le Groupe de travail sur les communications doit continuer d'élaborer des options et présenter un rapport d'étape au Comité des SMA d'ici la fin septembre 1992.	-
29.	Télécommunications	29.1	Le Groupe de travail sur la gestion de l'information doit élaborer des options visant à définir l'utilisation optimale de liaisons à longue distance intégrées en matière de messages vocaux, vidéo et de données afin de faciliter les communications, de réduire les déplacements coûteux et d'améliorer les services à la clientèle, ainsi qu'à rapprocher le Ministère de cette utilisation optimale.	À coordonner avec les activités des Groupes de travail sur les communications et la régie intégrée.

CATÉGORIE C : Charger les groupes de travail d'élaborer des options

Numéro	Processus	Décisions prises		Observations
30.	Planification intégrée	30.1	Le Groupe de travail sur la planification intégrée doit continuer d'élaborer un scénario à court terme qui doit mettre l'accent sur les façons de rationaliser ou de rendre plus efficient le processus approuvé pour ce cycle de planification.	
		30.2	Le Groupe de travail sur la planification intégrée doit élaborer des options à long terme permettant de mieux intégrer les considérations stratégiques, la planification sectorielle et l'affectation des ressources, ainsi que de rendre le processus (et ses produits) plus pertinent pour le personnel d'ISTC et ses tâches quotidiennes. L'accent doit être mis sur l'élaboration de stratégies.	
31.	Communications audio-visuelles	31.1	Le Groupe de travail sur des questions choisies doit élaborer des options visant la prestation la plus économique possible de services de communications audio-visuelles.	
32.	Fonction bibliothèque	32.1	Le Groupe de travail sur des questions choisies doit continuer d'étudier ces questions et formuler des options visant à rendre la fonction bibliothèque d'ISTC la plus économique possible.	

Numéro	Processus	Décisions prises		Observations
33.	Gestion de l'information	33.1	Il a été admis qu'ISTC devait se doter d'une véritable capacité de recueil et d'analyse de renseignements. Cette tâche, qui déborde le cadre actuel du projet de remaniement, sera entreprise dans le cadre de l'examen des ressources pour un modèle de prestation des services.	
34.	Statistiques commerciales	34.1	Le Groupe de travail sur la gestion de l'information va étudier ce point et suggérer des options concernant l'utilisation et l'acquisition de statistiques commerciales.	
35.	Représentation dans les comités interministériels et autres	35.1	Le SM a demandé que cette question soit examinée afin de minimiser le recours aux ressources d'ISTC. (La manière dont on s'y prendra reste à déterminer).	

DATE DUE - DATE DE RETOUR

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