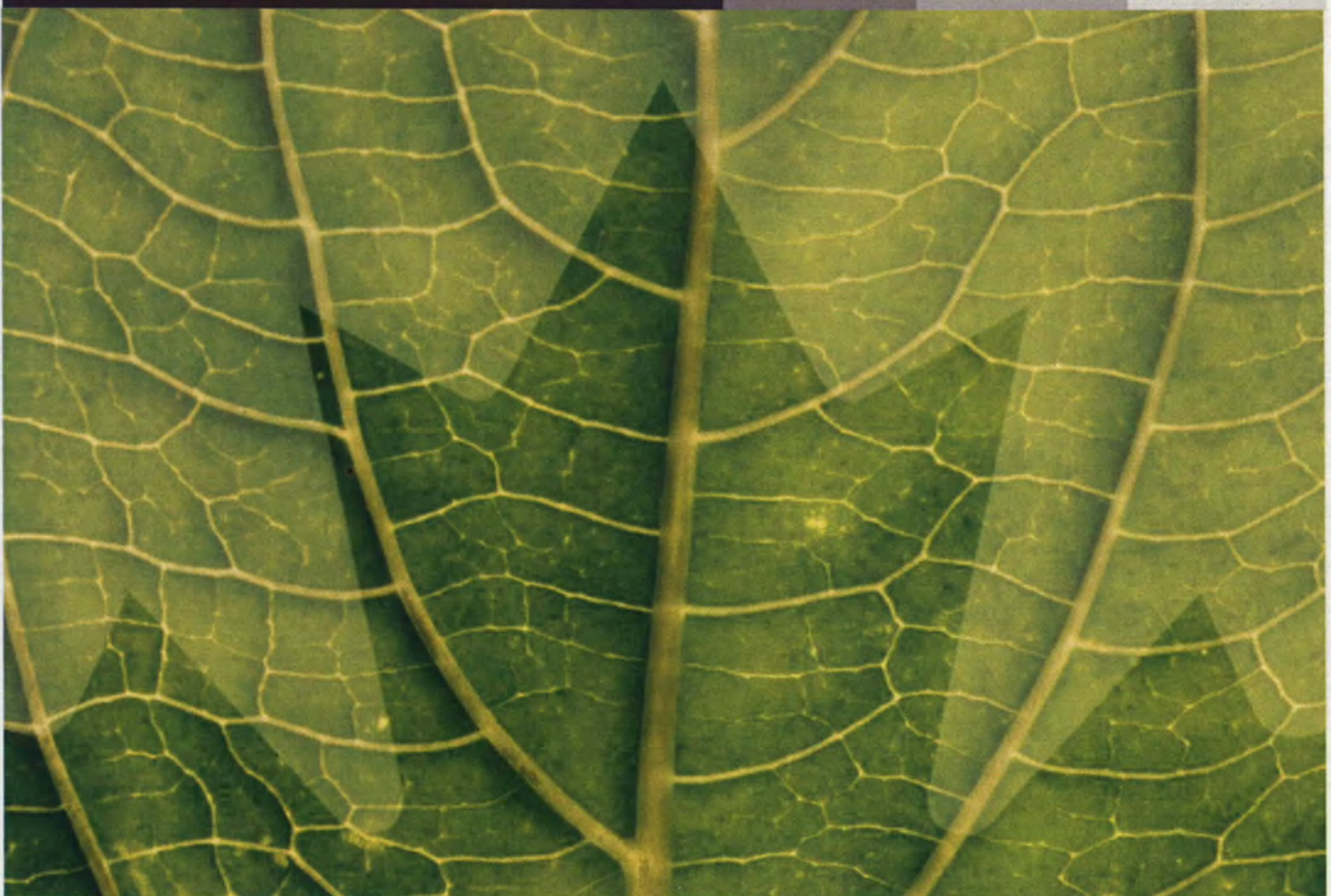




Innovation, Science and
Economic Development Canada


Innovation, Sciences et
Développement économique Canada



2016-17

ISED CORPORATE GOVERNANCE FRAMEWORK



Canada 

GOVERNANCE MODEL

Good governance ensures organizational structures, reporting relationships, and policies and procedures are in place so that relevant and timely information is used in decision making to set strategic direction, priorities and allocate resources, and to report on the achievement of results. It also ensures oversight mechanisms are in place to ensure the organization is operating in compliance with legislation, policies, and public service values and ethics.

Innovation, Science and Economic Development Canada's governance model is designed to ensure that the Department's activities and decisions are managed coherently and strategically, and that departmental officials are able to exercise their collective responsibility to ensure sound and strategic management of the Department's affairs.

Innovation, Science and Economic Development Canada (ISED) has adopted an integrated approach to governance in which departmental priorities, resources, and activities are aligned, and both individual and collective responsibilities and accountabilities are reflected. This model takes into account the requirements of the Policy on Management, Resources and Results Structures (MRRS) for the Deputy Minister to ensure "that the Department's information systems, performance measurement strategies, and reporting and governance structures are consistent with and support the Department's MRRS".

Under this model:

- Corporate governance structures and processes, including senior departmental committees and the Department's Integrated Business Planning cycle, are the means by which ISED's corporate priorities, strategies, policy instruments and processes are established.
- Sector-specific governance structures and processes can be customized to support the mandate and responsibilities of individual sectors.
- Individual roles and responsibilities are exercised through participation in corporate and sector-specific governance mechanisms, as well as individual decision making within mandated and delegated authorities.

ISED's governance model thus establishes a balance between corporate mechanisms, which ensure consistent management of the Department's affairs, and the flexibility required within sectors to effectively deliver programs and services to clients.

The Department's Governance Framework complements the management frameworks in place for other internal service functions, including finance, human resources, information, technology, and materiel. Taken together, these frameworks provide comprehensive direction on how the Department manages its operations in a manner that is consistent with government requirements.

ACCOUNTABILITIES, ROLES AND RESPONSIBILITIES OF SENIOR OFFICIALS

As part of ISED's governance model, senior departmental officials are charged with specific authorities, accountabilities and responsibilities. The following list provides an overview of the roles and responsibilities of the Department's senior officials.

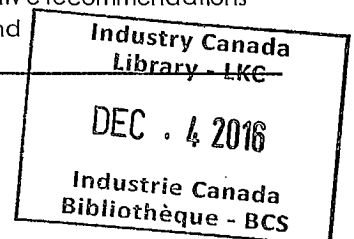
Deputy Minister and Associate Deputy Minister

The accountabilities and responsibilities of the Deputy Minister (DM) are assigned by the Minister or through Government of Canada legislative and policy instruments. The DM's main role is to support the Minister's individual and collective responsibilities. As the chief manager of the Department, the DM is responsible for the appropriate management of public funds and property, human resources, official languages, and the proper application of values and ethics as described in the Code. The DM is further responsible for assisting the Minister in managing the Industry portfolio and supporting ministerial accountability in Parliament. Deputy Ministers are accountable to the Prime Minister, Minister, Treasury Board and the Public Service Commission, as well as for addressing errors in administration.

Chief Financial Officer

The roles and responsibilities of the Chief Financial Officer (CFO) are defined in the Policy on Financial Management Governance. These responsibilities include providing support to the Deputy Minister as:

- An objective strategic advisor for business and financial management;
- The key steward with respect to relevant legislation, regulations, policies, directives and standards related to financial management;
- A senior departmental executive providing the deputy head with independent and objective recommendations on all funding initiatives and resource allocations requiring the deputy head's approval; and



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- The lead departmental executive for all aspects of financial management, program financing, financial reporting and disclosure, and for dealing with central agencies and other stakeholders concerning financial matters.

At ISED, the CFO is also the Assistant Deputy Minister of the Corporate Management Sector and is responsible for ensuring that frameworks and processes are in place for the effective management of corporate planning and governance, parliamentary reporting, risk, performance measurement, accountability, facilities, security, and human resources.

Chief Information Officer and Information Management Senior Official

The Chief Information Officer (CIO) leads the sector responsible for information management (IM) and information technology (IT) and is the Department's chief advisor on these matters. This official is accountable for the overall performance, effectiveness and efficiency of the Department's IM and IT assets, services, policies and resources. In this role, the CIO oversees IM and IT planning, and is responsible for corporate project management governance. The CIO also oversees the Departmental Project Management Office (DPMO), which is ISED's centre of expertise on project management.

Director General, Audit and Evaluation Branch

The Director General of the Audit and Evaluation Branch (DG, AEB) is the Chief Audit Executive (CAE), the Head of Evaluation and the Senior Officer for Disclosure of Wrongdoing. The DG, AEB, provides the Deputy Minister, senior officials and departmental management with the capability to perform independent and objective internal audits, evaluations and reviews that are consistent with legislation and departmental and central agency policies. The DG, AEB, responds to departmental priorities and risks, and assists departmental management to enhance the efficiency, effectiveness and performance of departmental programs and operations.

In addition, the DG, AEB is responsible for the conduct of special reviews and the disclosure of wrongdoing. Special reviews are initiated at the request of senior management and can include forensic investigations for the Deputy Minister and senior management.

Director General, Communications and Marketing Branch

The Director General, Communications and Marketing Branch (DG, CMB), is accountable to the Deputy Head for setting and delivering an internal and external communications program. In this role, the DG, CMB, is the functional authority for all communications activities, and implements strategies, systems, processes and practices to deliver on communications that support the Department's mandate and operations. This includes managing the Department's Web presence and content. The DG, CMB, is also responsible for overseeing the communications functional specialists working within the branch and elsewhere in the Department.

Senior General Counsel, Innovation, Science and Economic Development Canada Legal Services

The Senior General Counsel, Innovation, Science and Economic Development Canada Legal Services, acts as the principal legal advisor to the Department, the Deputy Minister and his executive team. This official also functions as the principal interface between Innovation, Science and Economic Development Canada and the Department of Justice. The mandate, values, vision, priorities and objectives of both departments are considered to establish the strategic direction, operational objectives and priorities of ISED's Legal Services unit.

Sector Heads

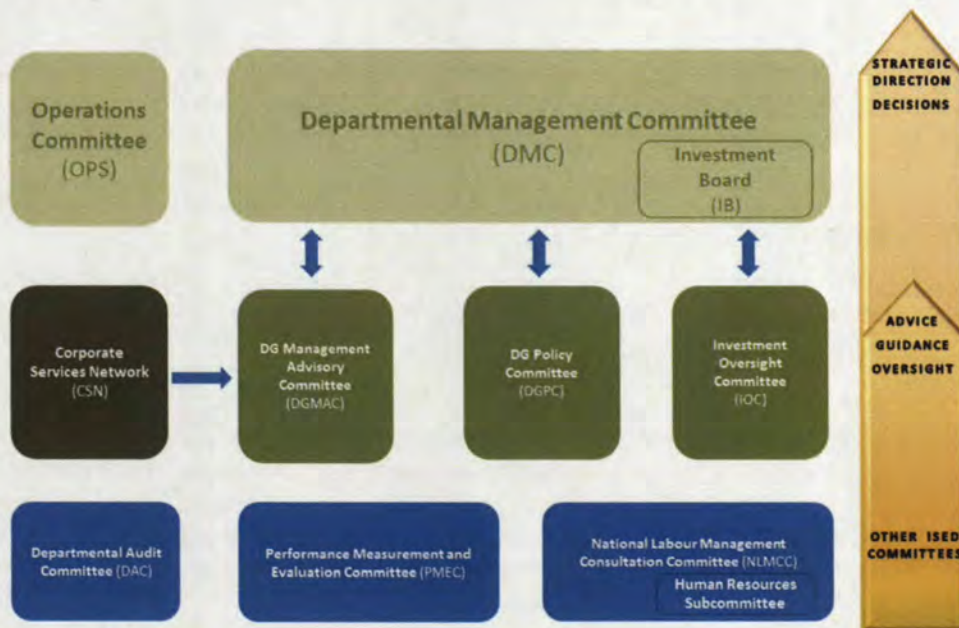
Assistant Deputy Ministers (ADMs) and their equivalents are responsible for delivering departmental objectives and ensuring value for money in the programs and services under their control. They are accountable to the Deputy Ministers for how the resources allocated to their organizations are spent and for the results achieved. In this role, Sector Heads, in consultation with their management team and the Deputy Ministers, identify program and operational priorities and determine how best to achieve these objectives in keeping with government priorities, including whole-of-government priorities, and in light of identified risks.

SENIOR GOVERNANCE COMMITTEES

Governance Structure

The role of senior governance committees is instrumental in determining the work and the actions taken by the organization. The Department's governance structure (see Figure 1) defines the relationships between committees and facilitates strategic discussions on key policy files and management issues, as well as robust oversight for all projects at key financial decision points.

Figure 1: ISED Senior Governance Committees



Annual evaluations of the structure ensure that it functions as intended, and that committees have clear mandates as well as the right membership and composition to support the Deputy Minister and other senior officials.

Overview of Senior Governance Committees

All senior governance committees have established objectives and mandates, membership, meeting frequencies and procedures for the dissemination of information which are captured in the committee's terms of reference. The terms of reference of all committees are available to employees on the [Departmental Governance Wiki Site](#).

Departmental Management Committee

Departmental Management Committee (DMC) is the senior decision-making committee responsible for internal and external operations. The committee provides direction on and endorses proposed strategies, frameworks, policy instruments, plans, activities and other initiatives that support ISED's public policies, programs, and services, as well as its internal management functions. This allows for the integration of strategic policy discussions with risk, resource and capacity considerations in such areas as human and financial resources, IT and IM capacity, and accommodation. It also ensures Director General committees can support collective decision making and make appropriate linkages between issues and initiatives of importance to the Department.

- Chair: Deputy Minister
- Meets: Weekly
- Members: All Sector Heads

Operations Committee

Operations Committee (Ops) ensures that senior officials remain well briefed on the Minister's and Department's top priorities and files for the week ahead. The committee receives regular briefings and updates on Cabinet business (e.g., Memoranda to Cabinet, Treasury Board Submissions), Ministerial briefings, key communications activities and events, priority policy files, and other items of interest.

- Chair: Deputy Minister
- Meets: Weekly
- Members: Selected Sector Heads and other departmental officials

Investment Board

As a sub-committee of Departmental Management Committee (DMC), the Investment Board (IB) is responsible for managing the Department's portfolio of projects and major acquisitions. The Board sets the Department's investment priorities, principles and criteria; makes decisions on which proposed investments should be included in the investment plan; and tracks the performance of these investments. All projects must receive approval from the Investment Board to move from Idea Generation (Stage 1) to Concept Initiation (Stage 2) to Project Planning (Stage 3). In addition, projects over \$250,000 must complete a post-project review with the Investment Board.

- Chair: Associate Deputy Minister
- Meets: Quarterly
- Members: Selected Sector Heads

Investment Oversight Committee

The Investment Oversight Committee (IOC) supports the Department's priorities and objectives by ensuring that grants and contributions proposals in excess of \$500,000 (or established thresholds), major procurement activities and projects conform to government requirements (legislation, policy) and departmental processes, as well as support departmental priorities and objectives. IOC oversees Tier 1 and Tier 2 projects during Stages 3, 4 and 5, and authorizes projects to move to the following stage in accordance with ISED's Project Management Stage-Gate Framework.

- Chair: Chief Financial Officer
- Meets: Biweekly
- Members: Selected Sector Heads

Director General Policy Committee

The Director General Policy Committee (DGPC) is responsible for informing Departmental Management Committee policy discussions and supporting sound decision-making. This includes Government, ministerial and portfolio policy priorities (e.g., Speech from the Throne, Federal Budget, mandate; Innovation Agenda; medium-term planning and transition; economic research and analysis; Memoranda to Cabinet; legislative and regulatory initiatives; and significant new programming and major changes to existing programs. The Committee provides a forum to ensure that policy initiatives benefit from adequate consultation and collaboration, and are consistent with the Department's overall policy agenda. DGPC also serves as the discussion forum for departmental exercises that feed into the Federal Budget, Speech from the Throne and transition efforts. Further, it maintains linkages to the Department's research community to ensure alignment of policy and research priorities.

- Co-Chairs: Director General, Strategic Policy Sector & Director General (rotational) identified by the Assistant Deputy Minister of Strategic Policy Sector
- Meets: Weekly
- Members: Directors General, Policy Directorates (all sectors) and others

Director General Management Advisory Committee

The Director General Management Advisory Committee (DGMAC) is responsible for reviewing and providing recommendations on corporate strategies, policies, plans and initiatives for management functions, including people management, financial management, material and asset management, information management, information technology, security, corporate risks, strategic planning, service management (including standards, fees and strategies), management culture and other significant management stewardship issues and initiatives (e.g. digital transformation). The committee also tracks the implementation of approved management strategies, policies, plans and initiatives, and reports to the Departmental Management Committee on their progress and impact.

- Chair: Director General, Corporate Management Sector
- Meets: Biweekly
- Members: Directors General (all sectors)

Corporate Services Network

The Corporate Services Network (CSN) ensures that sectors remain informed about the directions and decisions affecting corporate services in the Department. Its mandate is to share information so that sectors and branches have consistent, accurate and current information on corporate strategies, plans, issues, initiatives, investments, as well as management priorities and practices. In addition, the committee functions as a consultative body, when required.

- Chair: Director, Corporate Management Sector
- Meets: Monthly
- Members: Directors

Departmental Audit Committee

The Departmental Audit Committee (DAC) provides objective advice and recommendations to the Deputy Minister regarding the sufficiency, quality and results of assurance on the adequacy and functioning of the Department's risk management, control and governance frameworks and processes. DAC's knowledge of the Department's priorities and context, and its working relationship with departmental managers, enable it to provide appropriate advice to the Deputy Minister and contribute toward the improvement of management at ISED.

- Chair: External Appointment
- Meets: 3–4 times per year
- Members: External Appointments

Departmental Evaluation Committee

The Departmental Evaluation Committee's (DEC) primary role is to provide advice and counsel to assist the Deputy Minister in discharging his responsibilities related to the evaluation function. In this capacity, the committee reviews and recommends approval of the annual departmental evaluation plan, evaluation reports, the implementation status of management action plans in response to evaluation recommendations, and the annual departmental State of Performance Measurement report in support of evaluation.

- Chair: Associate Deputy Minister
- Meets: 2-3 times per year
- Members: Selected Executives

National Labour Management Consultation Committee

The National Labour Management Consultation Committee (NLMCC) provides a forum through which Innovation, Science and Economic Development Canada and the bargaining agents representing ISED employees work together to build a collaborative relationship and promote the value of effective labour-management consultation.

- Co-Chairs: Deputy Minister and a labour representative (as determined by the bargaining agents)
- Meets: Minimum once per year
- Members: Equal representation from management and labour

Human Resources Sub-Committee

The Human Resources (HR) Sub-Committee provides on-going support to the NLMCC by helping it to carry out work of joint interest related to workplace improvements and human resources management issues at ISED. The HR Sub-Committee reports to the NLMCC on its deliberations and findings, and provides recommendations to the NLMCC, as appropriate, on specific activities.

- Co-Chairs: Director General, CMS-HRB, and a labour representative from the NLMCC (as determined by the bargaining agents)
- Meets: Minimum 3 times per year
- Members: Equal representation from management and labour

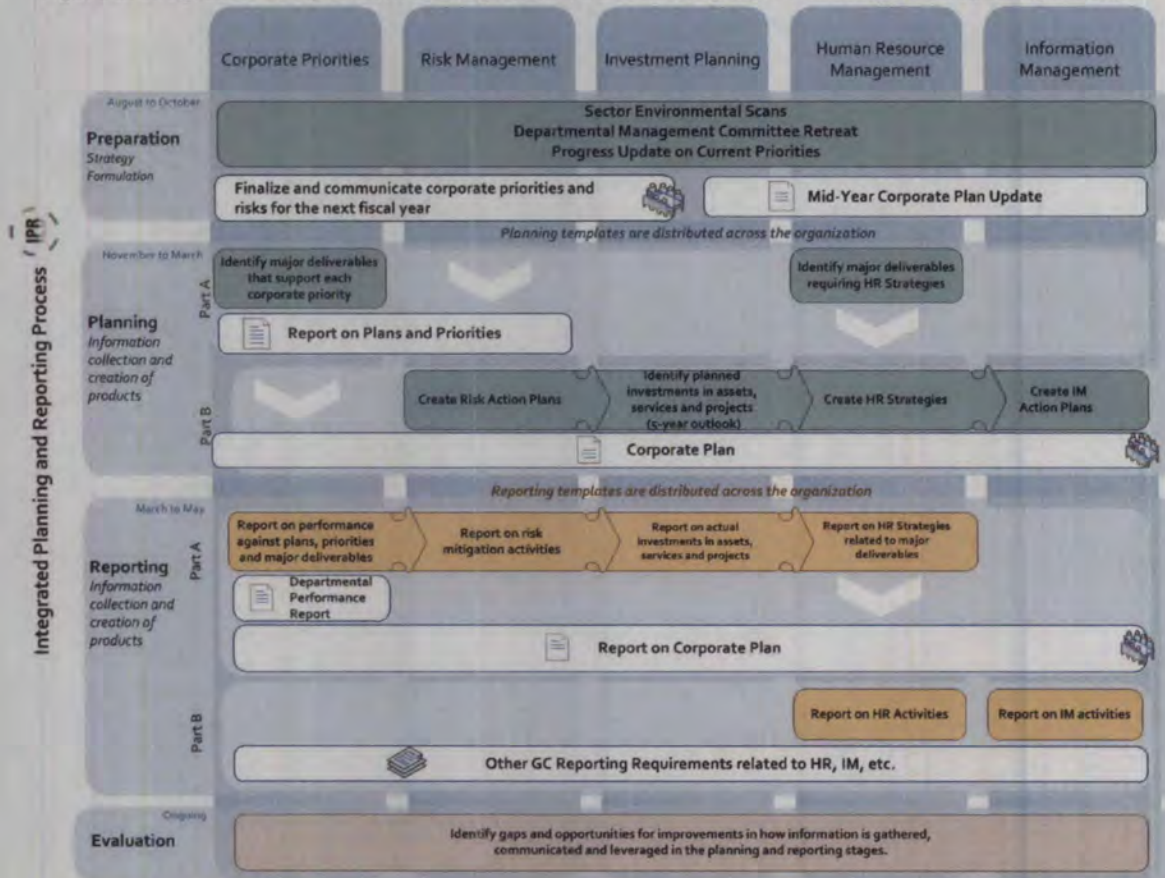
INTEGRATED BUSINESS PLANNING AND REPORTING

One of the ways in which management excellence is achieved is through effective and efficient planning, implementing plans, measuring performance and reporting on results. Integrated business planning and reporting is the interaction and coordination that occurs between sectors and branches and the enabling functions in a department. Its goal is to align and integrate the human, financial, asset and information resources required to deliver on the business of government. Integrated business planning involves both being able to maximize the efficient use of resources, and seeking sustainable solutions by flagging potential problems early in the business planning process and by developing comprehensive risk mitigation strategies.

OVERVIEW

Integrated business planning and reporting at ISED is a coordinated department-wide exercise designed to identify key priorities, challenges, risks, trends and opportunities. The process links the Department's mandate and priorities to the Strategic Outcomes found in the Program Alignment Architecture. This process also supports the execution of individual and collective accountabilities through systematic reporting on progress, performance and results. Much of the strategic, financial and operational data that informs the Department's planning and decision-making processes is gathered through this annual exercise. This includes information required for investment planning and risk management. The results of this process are reflected in ISED's Corporate Plan, as well as in the Department's Report on Plans and Priorities, Departmental Performance Report, and various other corporate documents and activities.

Figure 2: Integration of Input from Management Areas in Integrated Planning and Reporting Outputs



PROCESS

a. Preparation

In the summer, sectors scan their operating environment to identify challenges, opportunities and risk areas. Sector heads are briefed on the results of this scan in advance of the Departmental Management Committee (DMC) retreat held in the fall. At the DMC retreat, policy, management, risks, resources and investments are discussed by program and sub-program. The output of the meeting is a preliminary list of departmental priorities and risks for the upcoming fiscal year. Corporate priorities and risks are further refined at a subsequent regular meeting of DMC.

Templates for the collection of planning information are developed by the Corporate Management Sector (CMS) and refined in consultation with corporate services leads and sector planners. Formal presentations on the integrated planning and reporting approach are made to the Corporate Services Network, DG Management Advisory Committee and Departmental Management Committee, as required.

b. Phase I: Planning

Information Collection

The information collection stage takes place in two phases:

- Phase I, Part A, which takes place from October to November, is targeted at collecting information specific to key plans and milestones as they relate to departmental priorities established by DMC. This planning information is also provided in the context of the related program and sub-program activity level expected results, performance indicators and targets.
- Phase I, Part B, which takes place from November to January, focuses on the operational requirements needed to achieve the business objectives identified in Phase I, Part A. This includes any proposed projects and specific investments in assets and acquired services for the following five years as well as key HR strategies.

Product Development and Decision Making

The information collected is used by CMS to develop a variety of corporate planning products throughout the year, including the Corporate Plan, which also serves as the Department's Investment Plan, the Report on Plans and Priorities (RPP), and the IT Plan.

Sectors also use the information collected to develop their own planning products, such as business plans, human resource plans, information management/information technology (IM/IT) plans and communications plans.

c. Phase II: Reporting

Information Collection

In March, the focus is on gathering performance information against the plans and priorities outlined in the Corporate Plan and the Report on Plans and Priorities at the beginning of the fiscal year. Additionally, sectors provide information specific to performance against the indicators and targets specified in the Department's Performance Measurement Framework (PMF).

Information is also collected regarding commitments captured in the sector-level HR strategies and Information Management (IM) Action Plans, as well as information for annual reports on official languages, employment equity and diversity, etc.

Product Development

The information collected is used by CMS to develop the Departmental Performance Report and the Annual Report on the Corporate Plan. Information is also used by CMS and Sectors to fulfill various departmental and Government of Canada reporting requirements.

d. Evaluation

The integrated planning and reporting process is evaluated annually after steps 2 and 4 to identify gaps and opportunities for improvements in how information is gathered, communicated and leveraged. For this, CMS convenes the Sector Planning Working Group which enables corporate, business and functional planners to share information and feedback on integrated planning and reporting processes, tools and future directions.

INVESTMENT PLANNING

Innovation, Science and Economic Development Canada's Investment Planning Framework is designed to provide ongoing and comprehensive oversight of investments throughout their life cycle. Within this structure, committees function as the primary mechanism through which senior management exercises its collective responsibility to set priorities, manage change, and make strategic decisions about investments and resources. Oversight of the Department's investments is ensured by both the corporate governance structures established to monitor investment activities, and by the mechanisms in place at the operational level to track assets and acquired services and to manage projects.

a. Information Collection

Sectors identify investments in assets, services and projects during Phase I, Part B of the Integrated Planning and Reporting (IPR) process. Projected investments are necessarily tied to departmental priorities and major deliverables identified by senior management during Phase I, Part A of IPR, as well as Sectors' expected budget.

b. Definition of Investments in Assets, Services and Projects

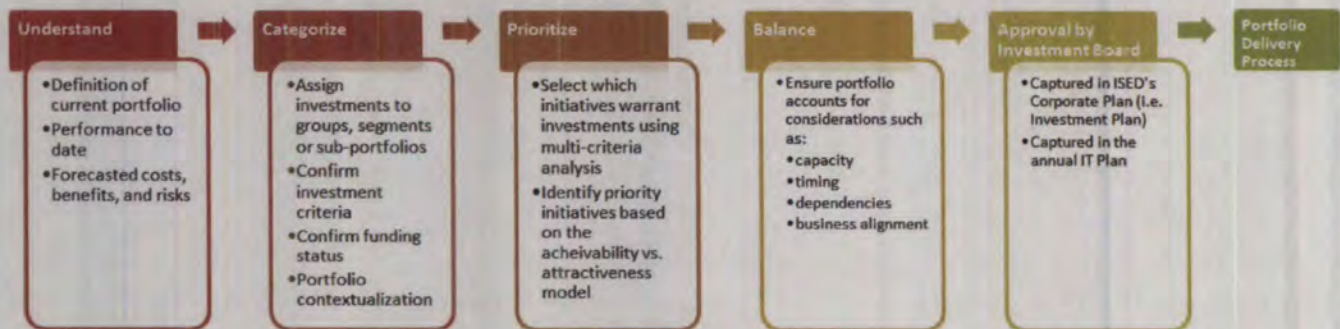
Assets and Services

Investments involving the acquisition of major goods or services are presented by program managers to the Investment Oversight Committee (IOC) to ensure that they support departmental strategic objectives and priorities. As well, the committee ensures the acquisitions are well designed and conform to government requirements (legislation, policy) and departmental processes. As appropriate, the IOC advises program managers to approve or amend major procurement activities.

Projects

An updated project portfolio management framework was developed for the 2015-16 planning cycle (see figure 3 below) to make it easier for Investment Board to discuss and approve the project investment portfolio. Notable changes to the framework regard the prioritization of investments, which is now based on projects' achievability and attractiveness. Attractiveness relates to the overall benefit of a project and considers the project's alignment with sector, departmental and Government of Canada strategies, operations and efficiencies. A project with a high Attractiveness score has a high benefit. Achievability relates to the difficulty or risk of doing the project, and considers factors such as project management expertise, complexity of the project and stakeholders, and major dependencies. A project with a high Achievability score would have fewer risks associated with completing the project successfully. The Achievability versus Attractiveness model results in a list of all projects, ordered by priority. The framework also considers the long-term viability and affordability of projects.

Figure 3: Project Portfolio Management Framework



c. Approval of the Investment Plan

Projected investments endorsed by the Investment Board and the Investment Oversight Committee regarding the acquisition of assets and services, as well as investments in projects are reflected in the Corporate Plan, which also stands as the departmental Investment Plan. The Corporate Plan is approved by the Departmental Management Committee.

d. Monitoring and Evaluation

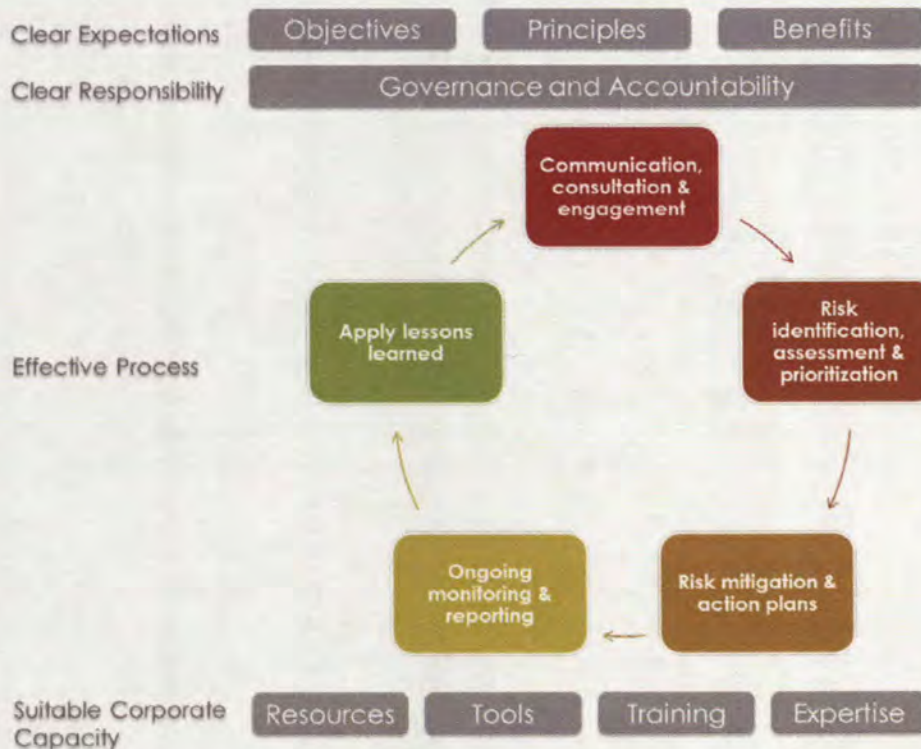


The investment portfolio is not static, and investment decisions may be revisited during the year in response to shifts in the financial and/or operating environments. As well, the regular assessment of performance against defined indicators and targets provides valuable insight into how well assets are performing, where investments are required in support of the strategic direction of the organization and how the Department can generate maximum benefit from its resources. Regular updates to committees and senior officials on the status of contracts, projects and other investments, in combination with ongoing discussions between the Deputy Minister and Sector Heads on each organization's priorities, pressures, requirements and status, allow the Department to adjust its investment plans, priorities and activities accordingly. In all cases, proposed changes to the investment portfolio are assessed in terms of their potential impact on program, financial and operational performance, as well as the Department's capacity to achieve results. Any changes in investment plans must adhere to the Department's governance procedures and requirements, including review by the Investment Board and/or Investment Oversight Committee.

INTEGRATED RISK MANAGEMENT

Integrated Risk Management (IRM) is a continuous and systematic process to understand, manage and communicate risk from an organization-wide perspective. IRM enhances operational effectiveness and strengthens departmental accountability and governance. The Department's approach to risk management provides managers and employees with an integrated method to managing risk proactively; and, to guide them in implementing a comprehensive integrated risk management regime to ensure key risks pertaining to the Department's policy, regulatory, program, investment and management activities are identified, assessed, mitigated and communicated.

Figure 4: Integrated Risk Management at ISED



The integration of risk management with the Departmental Governance Structure and the Integrated Business Planning process is highlighted below. In addition, there are other risks, such as those identified in the Departmental Security Plan, which are also managed at the corporate level. As appropriate, risks can also be identified and managed at the sector, program, and project levels. More broadly, through corporate strategies, policy instruments and processes, the Department is able to integrate risk management practices into human resources, sector operations and other corporate and business functions.

a. Risk identification, assessment & prioritization ^(IPB)

Potential corporate risks are identified by Sectors Heads during the preparation stage of IPR through environmental scans conducted ahead of the Departmental Management Committee (DMC) Retreat. A preliminary list of departmental priorities risks for the upcoming fiscal year is created following the meeting and is further refined by the Director General Management Advisory Committee (DGMAC) prior to the launch of the IPR Planning stage. In addition, the Departmental Audit Committee (DAC) reviews and provides advice on the risk management arrangements established and maintained by the Department; this information is included in the DAC Annual Report.

b. Definition risk mitigation and action plans ^(IPB)

Sector Heads are responsible for managing the risks attributed to their respective sectors. This included assessing risk tolerance and controls, as well as developing and implementing appropriate mitigation strategies and action plans. This is done through the completion of risks action plans during the planning phase of IPR.

c. Communication and monitoring of the Corporate Risk Action Plan ^(IPB)

All corporate risks, and their associated mitigation strategies and action plans, are included in the Corporate Plan. The risks are also linked to relevant programs and services, as found in the Program Alignment Architecture, and corporate priorities. Mid-year and end of year reporting is done on the mitigation strategies and action plans. As well, key risks are highlighted in the Report on Plans and Priorities and Departmental Performance Report.

PERFORMANCE AND REPORTING

Performance

The Program Alignment Architecture (PAA) is a structured inventory of all programs being delivered by the Department. The programs of the PAA are depicted according to their logical relationships to each other and the Strategic Outcome to which they contribute. The PAA also reflects how ISED allocates and manages the resources under its control to achieve intended results. The PAA is supported by a performance measurement framework (PMF) that enables the Department to collect data and to make decisions on program design, management, allocations and strategies to better achieve expected results.

Reporting

The reporting cycle for Government expenditures describes the steps leading up to the tabling of various documents and processes related to the Government's Budget and expenditure plans. Reports on Plans and Priorities and Departmental Performance Reports support the Estimates process by providing financial and non-financial information to parliamentarians, who review and make decisions on the use of public funds by the Government.

The Report on Plans and Priorities (RPP) is the expenditure plan for the Department. The report provides detailed information on Innovation, Science and Economic Development Canada's priorities by strategic outcome, program and sub-program, and planned and expected results for a three-year period.

The Departmental Performance Report (DPR) presents information on the results achieved against planned performance expectations as set out in the RPP. The DPR covers the actual performance of the Department, including results that were achieved according to plans and results that were not achieved as originally planned. DPRs are tabled in the fall by the President of the Treasury Board on behalf of the Minister. The Department's Financial Statements are published as part of the DPR process.

Quarterly Financial Reports (QFR) are prepared by management as required by section 65.1 of the Financial Administration Act. The QFR should be read in conjunction with the Main Estimates and Supplementary Estimates for a given fiscal year.

Management practices and performance of the Department as a whole are captured in the annual Treasury Board (TB) assessment under the Management Accountability Framework (MAF). This annual process focuses on the implementation of TB policies and provides a mechanism to identify best practices. There are four areas of management assessed common to all departments, and three that are department-specific. In its recent update, MAF now provides the potential to identify horizontal themes across management areas across government.

Process

A preliminary review of PAA information and an environmental scan are conducted prior to the launch of the MRRS amendment process in the spring of each year. The Corporate Management Sector (CMS) consults with sectors on the Department's approach, strategies and improvements. Shortly after Treasury Board Secretariat (TBS) launches the MRRS amendment process, CMS submits a Notification of Intent on behalf of the Department indicating broadly the changes planned for Innovation, Science and Economic Development Canada's PAA.

Consultations and discussions with sectors continue following the MRRS launch, in order to validate Innovation, Science and Economic Development Canada's PAA information. CMS seeks appropriate approvals, i.e., attestation by the Deputy Head and/or the Chief Financial Officer, if delegated, and prepares final documents for submission to TBS, which are typically due in August of each year. After the PAA submission, Innovation, Science and Economic Development Canada's PMF is subsequently updated. CMS consults with sectors to update performance measures and related information. Final PMF information is approved by senior management and submitted to TBS in October.

Innovation, Science and Economic Development Canada's PAA and PMF are used to develop the Report on Plans and Priorities and Departmental Performance Report. CMS leads the development of these reports, gathering information through the Departmental integrated business planning process and prepares the required reports according to TBS requirements. Assistant Deputy Ministers approve the information in the RPP and DPR that pertains to programs under their responsibility. The Deputy Head and the Minister sign off before the documents are submitted to TBS for tabling in Parliament.

The MAF process launches in the summer of each year. CMS consults with management area leads and coordinates the Department's submission which is due in November. In February, TBS provides a draft release of their findings and asks departments to confirm information. The results are then finalized and released to deputy ministers in April.

PROJECT MANAGEMENT

The management of projects is key to providing value for money and demonstrating sound stewardship in program delivery. A comprehensive approach to managing projects, which is integrated across the department and is appropriate for the level of project risk and complexity, enhances the likelihood of realizing project and program outcomes while limiting the risk to stakeholders and taxpayers.

At Innovation, Science and Economic Development Canada all projects are governed by the Investment Board (IB), Investment Oversight Committee (IOC) and Project Steering Committees (PSCs). These committees make senior-level decisions on the projects and the project portfolio by providing support and escalation channels, and ensuring investments are appropriate and strategically aligned. All projects follow the Department's Project Management Stage-Gate Framework.

ISED is always looking at ways to improve its project management practices, so regular changes are made to methods and processes to scale and right-size governance to projects. For instance, as of March 2015, the gating for Tier 3 projects (≤ \$250K) from Gates 3 to 5 and including the Post Project Review, were delegated from the IOC to the sectors and overseen by Sector-Head level management. This delegation is due to the low risk, complexity and cost implications of projects, and enables the Department to optimize the use of ADM level committees, such as IOC, and focus on Tier 1 and 2 projects. In July 2016, Investment Board approved a new ≤ \$500K threshold for Tier 3 projects. Sectors are still expected to complete the project management deliverables as identified in the ISED Project Management Stage-Gate Framework.

ROLES AND RESPONSIBILITIES

This section outlines many of the roles involved in managing projects, including the client support process. A RASCI chart outlining who is responsible, accountable, consulted or informed (for each deliverable in the stage-gate process) is available on the Departmental Project Management Office (DPMO) intranet site.

Executive Sponsor

The Executive Sponsor is the Senior Executive of the sector responsible for funding the project. This is usually the ADM of the sector under which the project falls. If multiple sectors are involved, multiple ADMs will be considered joint executive sponsors. In the case of TB Submission Projects, the Executive Sponsor chairs the Project Steering Committee.

Business Sponsor (also called the Project Sponsor)

The Business Sponsor represents the stakeholders who will benefit from the project deliverables/objectives. The Business Sponsor plays an important role in defining business requirements and in ensuring that the delivered product meets the needs of the business. The Business Sponsor pays for the projects costs (unless the project is a joint initiative).

The Business Sponsor:

- Is accountable for the realization of the business benefits and outcomes.
- Acts as a champion for the project in the Department.
- Reviews and approves all project deliverables.
- Provides overall project guidance and is ultimately responsible for the success of the project.
- Identifies the Project Manager.
- Reviews the project's progress.
- Identifies the stakeholders and seeks their involvement.
- Ensures buy-in and realization of the business value.
- Identifies and removes obstacles that jeopardize project success and that cannot be resolved from within the project team.
- Ensures that resources and funds committed for the project are forthcoming.

Project Manager (PM) (also called the Business Project Manager)

- Is responsible for the success of the project from initiation to closure.
- Has specific responsibility for achieving the entire defined project objectives within the costs, time and resources allocated.
- Is responsible for the day-to-day management of the project as set out in the Project Plan; e.g., detailed planning, resource planning, cost estimating, budgeting, scheduling, etc.
- Assembles the project team including subject matter experts from other directorates.
- Ensures the scope and specifications are documented and understood by the project team.
- Manages and controls scope changes while managing business owner expectations to ensure their satisfaction.

- Ensures timely completion of the project within the approved budget by comparing actual progress to a baseline plan, and identifies corrective actions.
- Engages in proactive continuous risk management to identify, analyze, plan, track, control and communicate project risks and their status to various governance and oversight committees.
- Plans, organizes and directs the work of the project team (including sub-contractors) to implement the approved Project Plan and produce quality deliverables.
- Participates in stage-gate reviews as requested.
- Presents various governance and oversight committees and/or sector-business units with the current stage accomplishments, the plan and costs for the next stage in order to proceed to the next stage.
- Communicates with the DPMO and various governance and oversight committees on the health status of the project.
- Stores all approved project documentation in the Departmental Project Portfolio Management system (DPPM), under the project collaboration tab and in the appropriate folder.

Project Coordinator

Assists the Project Manager and/or functional leads in some or all of the following:

- Develop project estimates, level of effort and costs of the project.
- Coordinate meetings for the PM.
- Complete reporting requirements for the project(s).
- Coordinate and participate in weekly project status meetings.
- File project documentation on behalf of the PM and/or Functional Lead.
- Monitor, maintain and update the project plan, risk log, issue log and other related project management documents.
- Monitor assigned work plans for the resources.
- Update the project's budget and monitor its expenses
- Perform administrative duties as required by the PM and the team.

Project Management Specialist

- Provides support to PMs in applying the departmental project management standards and ensures that the project management processes are followed.
- Reviews project materials with PMs to ensure the timely completion of project deliverables for gating decisions.
- Ensures that all project deliverables are met at each gate.
- Supports and makes recommendations to the committees making gating decisions.
- Works with project managers to ensure that best practices are employed throughout the entire project lifecycle.
- Verifies that all approved project documentation is stored in DPPM, under the project collaboration tab and in the appropriate folder.
- Maintains a repository of best case project documentation for reference.

CIO Executive Lead

- Works in partnership with Business Senior Executives to meet the technical deliverables of the project in line with Innovation, Science and Economic Development Canada and Government of Canada technical standards and directions.
- In partnership with Business Sponsor, identifies and removes obstacles that jeopardize project success and that cannot be resolved from within the project team.
- Has authority for CIO delivery components of the project and reviews and approves project gating materials specific to this authority.

CIO Technical Director

- Coordinates CIO activities to minimize conflict between projects and / or operations to ensure IT technical resource availability for delivery of the technology portion of the project.

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- Has authority to review and approve all technology related components of project gating materials.
 - Monitors the project's CIO deliverable progress, resolves escalated risks / issues in consultation with business and CIO peers.
 - Confirms funding from business client for the CIO components of the project budget.

Functional Leads (IT Project Manager / IT Lead, HR Lead, Finance Lead, other Leads)

- Is responsible for the success of their component's portion of the project.
- Is responsible for coordinating activities within their functional area.
- Is responsible for managing the day-to-day operations of their component's portion of the project.
- Is responsible for the detailed planning, resource planning, cost estimating, scheduling of their component's portion of the overall project and ensuring that this information is inclusive.
- Participates in the creation of project deliverables.
- Provides project status, plans and estimates to the PM.
- Assists the PM in ensuring the timely completion of their component's project deliverables within the approved budget.
- Works with the PM to ensure overall project success.
- Participates in risk management sessions.

Project Team Members

- Completes and tracks assigned project deliverables within the agreed time and budget as set out in the Project Plan and agreed upon with the PM.
- Identifies new risks, issues, lessons learned or change requests and notify the PM.

Enterprise Architects (EA)

- Is responsible for assessing projects/programs from various enterprise-wide perspectives.
- Based on the assessment, EA may also be responsible for assisting in the development of roadmaps, blueprints and other project deliverables to ensure alignment and to recommend a way forward that benefits the enterprise's mid-to-long-term objectives.
- Refer to Functional Leads description for additional responsibilities.

Account Managers (AM) in the Chief Information Office

- As the business strategic partner the account is the first point of entry to submit new IT projects, either as part of the annual IT Plan or off-cycle projects.
- Ensures a Technical Lead is assigned to the project.
- Responsible for initiating the kick-off meeting between the Business Project Manager and the Technical Lead.
- Ensures the timely transition of the project to the PM Specialist at the appropriate Gate.
- Acts as an escalation point if issues arise between the various teams delivering the project.

Sector Planner / Sector Project Management Office

Each sector / business unit also has a planner or sector project management office responsible for:

- Acting as the key organizational contact on IT governance matters within their Business Unit.
- Liaising between the Account Manager and their Business Unit for IT related issues.
- Coordinating new and off cycle IT projects within their Business Unit.
- Coordinating a sector response for the annual IT Planning cycle.
- Ensuring project information is accurate and up to date in the ISED IT Portfolio Tool.
- Advising their Business Unit's managers and project managers on IT governance processes and reporting requirements.
- Coordinating their Business Unit's responses for the DM monthly and quarterly reports.

PMNet

The mandate of PMNet is to sustain a departmental perspective to support the ISED Project Management and Governance Framework, and to provide advice on maturing and improving the Framework through discussion and communication. The objectives are to engage the ISED PM community in the efficient management of projects within the Governance Framework at Innovation, Science and Economic Development Canada and to serve as a forum for discussion, information sharing, and contribution to the continuous improvement of project management processes at ISED.

PROCESS

The Project Management Stage-Gate Framework is a conceptual and operational road map for moving a project from idea to completion. Five stage-gates divide the effort into distinct stages separated by management decision gates. Each stage is comprised of a process and set of deliverables, which must be met in order to ensure approval at the associated gate and to progress to the next stage (see Figure 5). This ensures that projects are formally reviewed on a regular basis, and that any issues or changes in the project are addressed prior to further investments of time and resources. Details on required deliverables and available tools and templates for each stage-gate are available on the [Departmental Project Management Office](#) intranet site.

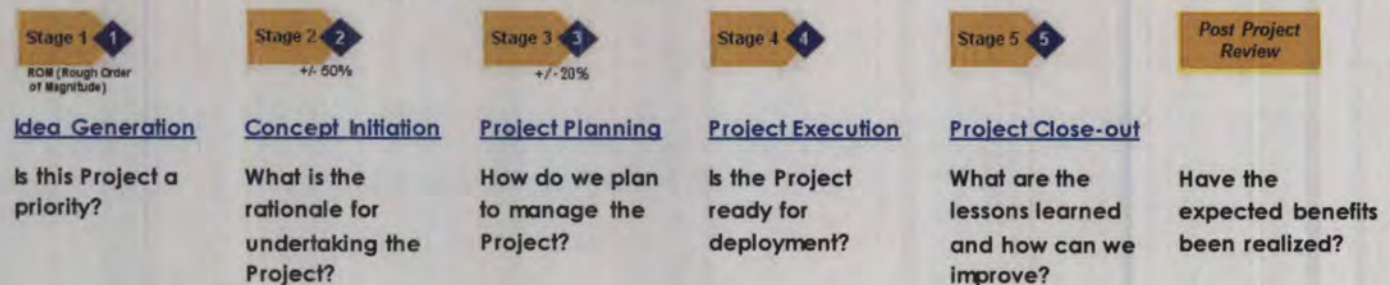
As part of Stage-Gate 1, the Investment Board assesses the merits of each project proposal as identified through the annual integrated business planning process. Based on standard criteria, prioritization and recommendation provided by the CIO Portfolio Planning organization, the Board decides whether a project should proceed or not.

The purpose of Stage 2 is to identify high level business and functional requirements, produce a business case that consists of an options analysis, cost estimates, risks/assumptions, and business benefits/outcomes. During Stage 2, all projects are categorized by tier based on monetary value. This defines how the project is to be managed and governed through the process. As projects move through gates 1 & 2 the governance committees reserve the right to change the project tier based on factors such as risk, complexity or visibility. During the subsequent stages, if the project costs change, the project tier category will be adjusted potentially resulting in different levels of governance.

Once the project documentation is approved by Investment Board, it moves to Stage 3. The Investment Oversight Committee (IOC) then oversees the implementation phases for Tier 1 and Tier 2 projects under Stages 3, 4 and 5. In addition, projects under \$500,000 must complete a post-project review with IOC, while projects over \$500,000 complete a post-project review with IB.

Innovation, Science and Economic Development Canada's Departmental Project Portfolio Management (DPPM) system is used to document, collect and report project data which simplifies the process to create, review and share the project reports with senior management. The application also supports strategic decision making as information is consistently recorded across the organization.

Figure 5: Project Management Stage-Gate Process Overview



PRIVACY

As per the Project Management Stage-Gate Framework, Project Managers are required consult with Information and Privacy Rights Administration (i.e.: ATIP Office) at Stage 2 (concept initiation) to identify whether further analysis would be required at Stage 3 (project planning) to assess and mitigate potential privacy risks when designing new and/or updating existing programs and services that involve the collection, use and disclosure of personal information. When required, a Core Privacy Impact Assessment must be completed in accordance with the *Directive on Privacy Impact Assessment*.

ORGANIZATIONAL PROJECT MANAGEMENT CAPACITY ASSESSMENT (OPMCA)

The Chief Information Office is responsible for conducting the Department's OPMCA, which is subsequently endorsed by the Investment Board. A summary of the OPMCA rating is approved by the Deputy Minister as part of the submission of Innovation, Science and Economic Development Canada's Investment Plan to Treasury Board, which occurs every three years.

The current rating of 2-Tactical confirms the Department has the capacity to successfully deliver projects to achieve evolving strategic objectives.

PROJECT COMPLEXITY AND RISK ASSESSMENT (PCRA)

PCRA's must be completed for all projects with total costs greater than \$750,000¹. These assessments are developed by the Business Sponsor during Stage 2, with support and guidance provided by the DPMO. Endorsement of each PCRA is required from the Business Sponsor. PCRA's are submitted for Treasury Board Secretariat (TBS) review using the TBS online application Callipers.

The objective of a PCRA review by TBS is to verify that the project aligns with Innovation, Science and Economic Development Canada's Investment Plan, ensure Innovation, Science and Economic Development Canada has followed its project management and governance oversight processes; determine whether the PCRA accurately reflects the risk and complexity of a project and whether additional Treasury Board approval would be necessary. For projects proceeding to Gate 2 prior to TBS PCRA acknowledgement, IB will grant a conditional Gate 2 approval pending acknowledgement of the PCRA from TBS. The PCRA is updated at Stage-Gate 3 which marks the end of the planning phase and the beginning of project execution. Project details, including available PCRA scores, are available in the Corporate Plan.

¹ For projects over \$1 million, a PCRA is completed and submitted to TBS. However, projects between \$750K and \$1 million may be required to complete a PCRA to determine the level of risk and complexity to ensure that the risk and complexity level does not exceed ISSED's OPMCA capacity class. In these cases, a PCRA might not be submitted to TBS.

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