Achieving an **Integrated Management Environment** is best done using a step-by-step approach to connect the various elements "in time and space" within the annual planning, monitoring and reporting cycle.

Connecting the dots
Part 5 ### Six steps to implementing an Integrated Management Environment

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Six steps for the successful implementation of the IME

1. Education

2. Building an integrated planning, reporting and accountability cycle

3. Rationalizing the MRRS architecture

4. "Marketing" the MRRS

5. Changing management practices

6. Building tools and templates.

An understanding of timing and sequencing is essential for the successful implementation of the IME. Six steps, carried out in the following sequence, and supported by the appropriate enablers, such as appropriate resourcing and strong project management, will go a long way towards ensuring success:

1. EDUCATION

Implementing an IME is part art and part science. The "science" of tools, templates and checklists are necessary but not sufficient. Buy-in, communications, common understanding and building the necessary culture are the needed "art".

The single most important element in building momentum and ongoing support involves education and continuous capacity building. This promotes a common understanding within an organization of the managing for results/IME language, the tools and templates and their use.

How can we expect to inculcate a managing-for-results culture in an organization without a common language, common understanding and coaching and mentoring on common tools and templates? And how can we ever be capable of interactive discussions among executive, management and programs around performance stories if that common understanding of language and principles does not exist. When people are provided these concepts, (such as accountability, responsibility and answerability, the guiding principles for good outcome statements and tips on developing a "critical few" set of performance indicators), they most often respond: "I wish I had received something like this years ago."

This education must continue with "refresher" modules, ongoing coaching and mentoring.

(Further elaboration of the key definitions and concepts that need to be well understood by executives and program managers will be provided in the next article.)

2. BUILDING AN INTEGRATED PLANNING AND REPORTING CYCLE

One of the key IME design principles is that it takes less time overall to continuously plan, monitor and report than to start and stop such activities. The maxim "everyone is always ready to report, be answerable or render an account" defines an organization that has successfully implemented its Integrated Management Environment.

For most organizations, this means "backing up" the existing internal planning, reporting and accountability events and deliverables so that external planning and reporting requirements can eventually be met on a "push button" basis. The other goal is to tweak the cycle so that critical decision-making items such as priority setting and resource allocation are informed with the appropriate financial and non-financial planning and performance information – available "at the push of a button" at the right time and place in the cycle.

To get there, an inventory is first conducted of all external planning, reporting and accountability inputs and outputs and their positioning within the annual fiscal year. Once these items and times have been plotted on a circular calendar – "necklace" is the term often used – organizations can determine when to schedule priority setting exercises, and target dates for finalization or refreshment of planning, reporting and accountability documents.

3. RATIONALIZING THE MANAGEMENT, RESOURCES AND RESULTS STRUCTURE ARCHITECTURE (MRRS)

Until the organization's Program Activity Architecture (PAA) is properly rationalized and then "frozen" for a while, it will be impossible to reap the full benefits of IME. Essential elements in this step are, first, the development of strong expected results/outcome statements, and second, a logical program theory based on alignment of programs and their activities in support of expected results. There needs to be a clear understanding of the cause and effect relationships that will enable performance gaps to be closed in the most logical and cost-effective way.

It is worth the effort to clarify expected results/outcome statements, as, once determined, they should be enduring. (I will explain this concept in greater detail in the next article). Once the outcome statements are solidified, I recommend building a draft departmental or agency logic model that becomes the basis for describing the underlying program theory that supports the PAA presentation requirements.

4. "MARKETING" THE MRRS

Although the PAA, and subsequently the MRRS, have been in place for several years, they are both considered by most executives as externally imposed requirements that apply only to external planning, reporting and accountability. The Education phase will help improve executives' understanding of the value of "internalizing" the processes, but further selling of the "value proposition" for the PAA/MRRS is required.

I have seen several successful ways of "marketing" the PAA. One is to make it very visible – one department produces a "placemat" in which the PAA structure is made visible and available to every manager and program person to post in his or her office. In other organizations, executives are required to identify what expected result and performance indicator in the PAA/MRRS is being affected every time they bring forward a new initiative or funding request.

Another marketing approach is through the governance and accountability structure, the third and most challenging portion of the MRRS. I believe the most effective way to institutionalize the PAA/MRRS is through the assignment of accountability for Strategic Outcomes (element one of the MRRS), and the various program elements of the PAA (element two of the MRRS) to the most appropriate lead assistant deputy ministers, directors general and directors. This contributes to building a managing-for-results culture in which executives and program managers wear their program/PAA hat first to every meeting and their functional/organizational hat second.

5. CHANGING MANAGEMENT PRACTICES

Implementing and sustaining a managing-for-results culture requires changing key management practices. One suggestion is to link planning and reporting to priority setting and resource allocation. Executives and program managers need to see a return on their investment in management delivery. One way of giving them a return is to send out the message that decisions on priorities and resource allocation will henceforth be based upon the strength of planning and performance information in various program and functional plans and other accountability documents.

A second important change is to build management delivery sustaining agenda and change agenda activities into accountability documents at all levels and ensure all parties to an accountability relationship have the capability (capacity + ability) to execute, which is one of the key principles of accountability.

6. BUILDING TOOLS AND TEMPLATES

Readers might be surprised that I have placed tools and templates last in the sequence. The appropriate databases and systems are obviously essential for building and sustaining a mature and robust IME, and for obtaining buy-in. But, all too often, departments and agencies have rolled out these instruments too early. And they have done so with insufficient time, attention and resources directed to the development, testing and training elements, which can stall momentum and negatively affect buy-in by placing too much of a burden and frustration on busy program managers and their staff.

Attention must be devoted to thinking through and testing the supporting tools and templates, and introducing them only when they are ready to work the first time, after "simulation" of all the elements of the integrated planning and reporting cycle has been conducted for at least one full fiscal year.

SUMMARY

A step-by-step approach to "operationalizing" the Management Resources and Results Structure and the Management Accountability Framework within an Integrated Management Environment that connects management activities in time and space within each quarter of the annual planning and reporting cycle is recommended. The importance of timing and sequencing cannot be underestimated.

The first step is education, supported by ongoing coaching and mentoring. A common language and understanding builds buy-in, an important foundational element and performance driver for the remaining five steps of implementation.

The next article will focus on clarifying key elements of language and IME thinking, while subsequent articles will walk readers through the remaining five steps in sequence.

The Connecting the Dots series is available at www. netgov.ca under the performance management portal.

● **Part 1** on integrated management pointed out that the federal Program Activity Architecture (PAA), the core component of the Management, Resources and Results Structure (MRRS), represents the accountability framework for program delivery, while the Management Accountability Framework (MAF) is the accountability framework for management delivery.

● **Part 2** emphasized the importance of maintaining a reasonable balance between sustaining (business as usual) and change (transforming the business) agenda activities and ranking priorities.

● **Part 3** described how the ten essential elements of the MAF, when effectively integrated, are key performance drivers for exceptional program delivery in government departments and agencies. "Leading" and "lagging" indicators are both needed.

● **Part 4** presented the design principles for "operationalizing" the MRRS and the MAF within an integrated management environment at four levels: organization, program, project and individual.

● **Accountability for Shared Outcomes** highlighted the five principles of accountability and the differences between accountability, answerability and responsibility.