“Public Sector Business Design - Using the Power of COMMON LANGUAGE to Align Government-to-Citizen Outcomes”

Dave Wallace
V.P., National Public Sector Program
Chartwell Inc.

April 2006
Planned Agenda – Part 1

- Objectives for the Session
- Challenges Facing Public Sector and the Need to Simplify!
- Business Design Overview
- Business Design Building Blocks (Part 1)
  - The “Top Model”
- Business Design Building Blocks (Part 2)
- Demands of Horizontal Government
- Aligning Program Outcomes and Service Outputs
  - Key Models
  - Business Modeling Examples and Opportunities
- Summary
Planned Objectives for Session (Part 1 and 2)

- Overview and discuss the nature of the challenges facing governments
- Outline how proper business design helps meet these challenges
- Gain a common understanding of “building blocks” of business design and public sector reference models
- Overview and discuss the new reality of horizontal government
- Focus on the Government of Canada Strategic Model (GSRM), supporting models, real life examples
- Look ahead at opportunities
Challenges Facing Governments…
Trends Facing Governments

From...
Bureaucratic
One-channel service
Vertical silo thinking
Duplicating cost
Invisibility

To...
Citizen-centred
Multi-channel service
Cross-boundary thinking
Reusing successes
Transparency
Some of the Changes Going On in Government

- Centralization
- Horizontal Reviews
- Modernization Projects
- Shared Services
- In, Out, No In-sourcing!!
- Security Challenges
- Need for New Business Strategies
- Strategic Investment In IT
- Privacy “Landscape”
- Cross Jurisdictional Opportunities
- Audits
- GSRM PSRM MRM
- Service “Something”
- Untapped “Power” of Information
- Health Services
- Education Quality
- Justice System Overload
- Crumbling Infrastructure
- Standards (need for)
A Simplified View of Government is Essential to Get the Big Picture and to Focus on the Client…

But Without a business design the big picture \textit{doesn’t} hang together!

It’s too complex!!
Business Design Overview
What is a Business Design

• A clear business specification or business blueprint
• Used to either:
  – Set the context for the to-be ‘destination of transformation’
  – Assess current business for opportunities, strategic intervention
• A formal business design:
  – Is explicit and open to ‘peer review’
  – Demonstrates the “alignment”, “integration” of all key business elements and stakeholder perspectives
  – Is modular, well-formed and changeable
Enterprise business design fitness

INTEGRATION

No common patterns leveraged → Common patterns identified and leveraged

High integration → Low integration

Low alignment → High alignment

SCOPE AND TIME

ALIGNMENT

Evidence based decisions. Linkages between expenditures and results

No traceability between investments and outcomes

High integration

Low integration

High alignment

Low alignment
Public Sector Reference Models Introduce Revolution in Public Sector Business Design

- ‘Government Owned, Open Source Standard’ to describe the ‘business of government’ using common language:
  - Governments of Canada Strategic Reference Model (“GSRM”) – Federal Government
  - Public Service Reference Model (“PSRM”) – Ontario Provincial Government
  - Municipal Reference Model (“MRM”) – Municipalities

- Use of standard public sector reference model
  - Allows business designs to be scalable, integrated and aligned across traditional program and jurisdictional boundaries!
  - Provides common tools and common language in support of stakeholder communication, collaboration and consensus

- GSRM Includes:
  - Standard Set of Public Sector Business Components & Definitions
  - Standard Set of Integrated Business Models and Methods
  - Reusable Business Patterns
Business design comes down to evaluating and recording answers to fundamental business questions

1. What are the programs ultimate outcomes?
2. What services need to be delivered to achieve program outcomes?
3. What horizontal accountabilities are required to support delivery?
4. What KPIs are needed to evaluate performance and guide investments?
5. What work / processes are required to support service delivery? What resources are needed? What are roles and responsibilities?
6. How do I effectively align and optimize business and IT initiatives?
Why is a Formal Business Design Needed?

Start with the end in mind!

– Gain unambiguous stakeholder consensus on all aspects
– Reduce risk with stronger evidence based decisions on strategy and implementation
– Support the ongoing alignment and governance of changes
– Show interdependencies and linkages within and between departments, agencies across jurisdictions
– Provides a rigorous foundation for business and IT alignment
– Improves overall business analysis and planning capability
Business transformation dilemma

IF no designed alignment of IT and business, combined system is highly resistant to change
Business and IT Planning and Delivery in Context

- Business Planning
  - Business Architecture & Design
  - IT Strategic Planning
  - Automation Architectures
  - IT Systems & Technology Delivery

ALIGNMENT
SCOPE
REFINEMENT
IMPACT
Business Design Tasks

Planning

Architecture: Standardizing the parts and relationships

Design: Arranging the parts

Governance: Aligning the parts and designs

Enterprise Architecture
How Does a Reference Model Improve Business Change Planning?

Business “Patching”

- Legacy transformation practices are analogous to a software patch
- A patch makes a change to fix a symptom and acknowledges a ‘lack of understanding’ of the underlining system
- Business patching is risky, adds complexity

Business Design

- Acknowledges that the whole system needs to be understood and expressed as a design before implementing and changing (this is universal in other architectural realms)
- Supports the evaluation of alternate designs and impact assessment and requirements before “building”
- Acknowledges need for formal ongoing design governance i.e. aligning project change and investments to business design
- Business design needs to be managed as an investment i.e. Just enough, Just in Time
Reference Models Strengthen Business Design

Public Sector Reference Models

Improves

Public Sector Business Design

Improves

Public Sector Business Planning

Public Sector Business Analysis
Business Design is Used Throughout Change Lifecycle

• A contractor’s blueprint is used to:
  – Set the specification for what is to be built
  – Estimate the cost of the building
  – Organize and plan the work
  – Track the status of the work against the plan and design
  – Assess impact of any changes to design on work
  – Ensure alignment between the detailed design and the overall design i.e. HVAC, Plumbing
  – Establish final closure on contractual obligation

• Equivalent for business design on large projects – acts to structure work ‘integration track’ and governance
The Building Blocks of Business Design (1)
Public Service Reference Model Components

- Provider Organizations
- Client Organizations
- Jurisdictions
- Governance
- Outcomes & Impacts
- Programs
- Accomplish
- Individual Clients
- Responsibilities
- Accountability
- Authority
- Processes
- Deliver
- Used in
- Resources
- Provider Organizations
- Governance
- Outcomes & Impacts
- Client Organizations
- Jurisdictions
Extended view of public sector reference model

Provider Programs & Services

Public Programs & Services

The Public

Client Segments

Programs

Services

Processes

Resources

Governance

Deliver

Used in

Outputs to Providers

Provider Outcomes

Accomplish

Accountability

Responsibility

Authority

Deliver

Public Outputs

Public Outputs

Deliver

Authority

Used in

Governance

Governance

Governance

Authority

Used in

Governance

Governance

Governance

Authority

Used in

Public Programs & Services

Provider Programs & Services
Public Sector Reference Model Applications

Use of common public sector reference models supports multi-jurisdictional collaboration and design

- MRM
- PSRM
- GSRM

Supports

Business Transformation
- Opportunity Identification
- Target business design
- Project scoping / Work partitioning

Business IT Alignment
Business rationalization of IT portfolio

Enterprise Resource Management
Standard context for resource classification and contexting

Governance Framework
- Standard context for formal Accountability, authority and responsibility definition
- Linkage of expenditures to results
Program, Service and Process Models - the “Through Line” of Alignment

PLM aligns direct, intermediate and strategic outcomes with service outputs

PSAM aligns target groups and recognized needs with service outputs and programs (vertical accountability)

SIAM aligns service outputs with public and provider services (horizontal accountability) and processes

Process and workflow models decompose processes and roles to desired level of detail
Reference Model Allows Business Models to be Aligned into a Cohesive Whole

- Program Service Outcomes
  - Program Service Alignment
  - Service Process Model
  - Service Integrated Accountability Model
- Output Network Model Program Logic Model
- Workflow Models
- Processes & Outputs
  - Program & Outcomes

25
• The terms “program” and “service” have been used informally or inconsistently in government
  – Program refers to change initiative, operational business unit, funding bucket etc.
  – Service tends to be interchangeable with process
• Formal treatment of these concepts is required to:
  – Gain stakeholder consensus and agreement
  – Support common measurement and business requirements
  – Foster re-use and sharing of materials –’what’s the same’, as opposed to ‘what’s different’
  – “Knit together” a consistent holistic view of government
  – **We can’t achieve citizen program outcomes, if we can’t clearly define or agree on them**
• GSRM Program and Service concepts are applicable to both public and provider programs
A program outcome definition is the nucleus of ‘program definition’ - ‘highest point of alignment’

GSRM standard ensures statement of program outcome is “well-formed” - traceable back to client needs

Standardizing and formalizing program outcome definition supports:

- Consistent program evaluation
- Identification of opportunities across program boundaries, within and across jurisdictions
- Basis for effective integration and analysis of performance information
- Required for all alignment of business design
Example of GSRM formal program outcome statement

**TARGET GROUP**
- Individuals
- Organizations
  - Public
  - Private

**NEEDS**
<table>
<thead>
<tr>
<th>Individual Needs</th>
<th>Organizational Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physiological</td>
<td>Resources</td>
</tr>
<tr>
<td>Protection</td>
<td>Risk Mitigation</td>
</tr>
<tr>
<td>Affiliate</td>
<td>Mission</td>
</tr>
<tr>
<td>Esteem</td>
<td>Fulfillment</td>
</tr>
<tr>
<td>Self Actualization</td>
<td></td>
</tr>
</tbody>
</table>

**CHANGE**
- Increase
- Decrease
- Maintain

**OUTCOME**
- Maintain Commercial Fisher’s Economic Viability
- Maintain Commercial Fishers Economic Viability

**OUTCOME**
- Maintain

**Bring about ...**
- Increase
- Decrease
- Maintain

**For a ...**
- Increase
- Decrease
- Maintain

**Based on their ...**
- Increase
- Decrease
- Maintain
Formal program outcome statements can be related logically

- Current Strategic Outcome for Health Research Institutes: “Outstanding, ethical and responsive Canadian health research”

<table>
<thead>
<tr>
<th>Target group</th>
<th>Recognized need</th>
<th>Desired Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian health researchers</td>
<td>International recognition</td>
<td>Increase</td>
</tr>
<tr>
<td>Canadian health researchers</td>
<td>Compliance with ethical standards</td>
<td>Increase</td>
</tr>
<tr>
<td>Canadian public</td>
<td>Health research responsiveness</td>
<td>Increase</td>
</tr>
</tbody>
</table>

- Current SO for HRDC: “The opportunity to fully participate in the workplace and community”

<table>
<thead>
<tr>
<th>Target group</th>
<th>Recognized need</th>
<th>Desired Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working population</td>
<td>Opportunity to work</td>
<td>Increase</td>
</tr>
<tr>
<td>Working population</td>
<td>Meaningful work</td>
<td>Increase</td>
</tr>
</tbody>
</table>
Formal Program outcomes can be compared to identify opportunities for collaboration, define program boundaries.

Which outcomes **support** focal outcome? Which program owner is accountable for them? How can they help?

Which outcomes are **supported by** focal outcome? Which program owner is accountable for them? How can they help?
Outcomes can be logically related and used as program analysis tool

- Reliability of service delivery infrastructure supports public service delivery continuity
- Maintained level of public service delivery continuity supports public safety
- Increased public safety
- A more risk aware population leads to increased public safety
- Increased public awareness of public safety risks
- Maintained level of service delivery infrastructure reliability
- Maintained public service delivery continuity supports public safety
# GSRM Public Program Fields – A standard basis to classify government outcomes based on needs

<table>
<thead>
<tr>
<th>Public Program Fields</th>
<th>Recognized Public Needs</th>
</tr>
</thead>
</table>
| (Socio-)Economic Development                       | Need to organize, work, trade and prosper  
|                                                    | Need for protection from economic crimes                                                 |
| Science and Knowledge Development                  | Need for new knowledge                                                                   |
| Natural Resources                                  | Need to use/consume natural resources  
|                                                    | Need to sustain/renew natural resources                                                  |
| Environmental Protection                           | Need to enjoy and rely on the natural environment                                         |
| Public Health                                      | Need for protection from illness and disease                                              |
| Legal, Collective, Democratic & Human Rights Protection | Need for recognition and protection of legal, collective, human, and democratic rights and freedoms |
| Social Development                                 | Need to overcome disadvantages  
|                                                    | Need to help others and share prosperity and community                                    |
| Cultural Development                               | Need for preservation of identity, history, tradition, values                             |
| Educational Development                            | Need to develop human capabilities                                                       |
| Public Safety                                      | Need for protection from natural and built hazards  
|                                                    | Need for protection from violent crime                                                   |
| Justice                                            | Need for fair and just treatment  
<p>|                                                    | Need to sanction (punish) law-breakers                                                    |
| National Security &amp; Defence                        | Need for protection from insurrection, terrorism, international threats and defence of freedom |</p>
<table>
<thead>
<tr>
<th>Provider Program Fields</th>
<th>Recognized Provider Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Policy, Planning and Management Services</td>
<td>Need to address public needs and accomplish public goals</td>
</tr>
<tr>
<td>Corporate Policy, Planning &amp; Management Services</td>
<td>Need to shape the enterprise to accomplish public goals</td>
</tr>
<tr>
<td>Integrated Delivery Services</td>
<td>Need to integrate service delivery from different program fields</td>
</tr>
<tr>
<td>Communications Management Services</td>
<td>Need to communicate with the public and with providers including the government</td>
</tr>
<tr>
<td>Human Resources Management Services</td>
<td>Need to deploy and steward the government’s human resources</td>
</tr>
<tr>
<td>Financial Management Services</td>
<td>Need to deploy and steward the government’s financial resources</td>
</tr>
<tr>
<td>Information Management &amp; Technology Services</td>
<td>Need to deploy and steward the government’s information</td>
</tr>
<tr>
<td>Supply Chain Management Services</td>
<td>Need to ensure supply and conserve the government’s resource expenditures</td>
</tr>
<tr>
<td>Administrative Services</td>
<td>Need to deploy and use the government’s resources, facilities and assets</td>
</tr>
<tr>
<td>Facilities and Assets Management Services</td>
<td>Need to maintain &amp; steward facilities &amp; assets entrusted to the care of government</td>
</tr>
<tr>
<td>Professional Services</td>
<td>Need to comply with laws, regulations and best practices as an enterprise</td>
</tr>
</tbody>
</table>

© Government of Canada, 2004
Service Definition

- Programs **define the outcomes**! Service outputs **achieve the outcomes**!
  - A service is a means to create desirable change in target group needs of one or more programs by managing delivery of valuable outputs
  - Service definition is a key bridge between work/policy design and work design
  - Services are not a work functional concept, but a value concept! Supports ‘results-based management
  - Services deliver measurable discrete units of value to clients to meet recognized needs
  - A program “service portfolio” is aligned over time to ensure alignment to program outcomes and best use of resources
19 GSRM Service Types - A standard way to classify government services (introduction)

1. Provide funds
2. Provide resources
3. Provide transport
4. Provide advisory encounters
5. Provide matches, referrals and linkages
6. Provide new knowledge
7. Provide promotional encounters
8. Provide recreational and cultural encounters
9. Provide educational and training encounters
10. Provide care and rehabilitation encounters
11. Provide periods of agreement
12. Provide periods of permission
13. Provide periods of protection
14. Provide findings
15. Provide interventions
16. Provide rulings & judgments
17. Provide penalties and periods of sanction
18. Provide rules
19. Provide implemented changes

Each service pattern contains a set of standard processes and performance metrics
Government of Canada Strategic Reference Model (GSRM)

GSRM “Top Model”

Governments of Canada on One Page

Service Output Types

Program Fields

Supply capacity to act

Enhance capability to act

Facilitate & influence action

Regulation action

Core

Public Policy, Planning and Management Services

Corporate Policy, Planning and Management Services

Integrated Delivery Services

Communications Management Services

Human Resources Management Services

Financial Management Services

Information Management & Technology Services

Supply Chain Management Services

Administrative Services

Facilities and Assets Management Services

Professional Services
Public Sector Business Context

- Defines context, scope and boundaries for a program and its services.
### Program Performance Models Align Performance Indicators to Outcomes

<table>
<thead>
<tr>
<th>Program level</th>
<th>Efficiency Measures</th>
<th>Quality Measures</th>
<th>Effectiveness Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Protection</td>
<td>Outputs</td>
<td>Comparison to Standards</td>
<td>Contribution to Goals</td>
</tr>
<tr>
<td>Catchment area cost per capita</td>
<td>Public perception</td>
<td>Environmental water quality trends</td>
<td></td>
</tr>
<tr>
<td>Waste Water Treatment</td>
<td>Inputs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total service cost per MgL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary Treatment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary treatment cost per MgL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digesters</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digester cost per MgL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capacity to Goals</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Building Blocks of Business Design (2)
Planned Agenda – Part 2

• Objectives for the Session
• Challenges Facing Public Sector and the Need to Simplify!
• Business Design Overview
• Business Design Building Blocks (Part 1)
  • The “Top Model”
• Business Design Building Blocks (Part 2)
• Demands of Horizontal Government
• Aligning Program Outcomes and Service Outputs
  – Key Models
  – Business Modeling Examples and Opportunities
• Summary
The New Demands of Horizontal Government

- **Citizen Engagement**
  - Enabling two-way public interaction

- **Integrated Service Delivery (ISD)**
  - Providing services over the counter and electronically to individuals and businesses

- **Electronic Service Delivery (ESD)**
  - Providing services electronically to clients

- **Sectoral Reform**
  - Massive change in the way sectors function (e.g. regionalization of health)

**Need for “Seamless Government”**
It All Comes Down to Citizen-Centric Services

• Everything we do needs to be based on the citizen
• Even “provider services” need to be examined for their value based on what they contribute to the end product (service output) to the citizen
• Today we examine the service outputs and how to integrate services across a government or governments to fulfill citizen needs
• In essence, we will be looking to integrate and align accountabilities to meet these needs
Program Service Alignment Model (PSAM)

• Powerful analytic tool to:
  – Assess the alignment of services to program outcomes through target groups and needs
  – Identify opportunities for improving alignment of service portfolio
  – Set context for linking expenditures to results
  – Identification of ‘client facing services’.
    • These services drive investments and service levels of supporting services
Program Service Alignment Model (PSAM) ensures explicit and consistent definition of relationships.
Target Groups and Recognized Needs

- A target group is a population of individuals or collectives (e.g. organizations, families, tour groups, etc.) identifiable through intrinsic and extrinsic characteristics.

- A recognized need is a target group condition or circumstance which a program must address by consequence of its mandate.

- Programs may recognize one or more needs in one or more target groups i.e. senior’s health and safety program.
Recognized Needs

• A need is an innate requirement of an individual person or organization
• A recognized need is a need or an expression of a need that the government acknowledges a duty to address (has a mandate)
• Needs are distinct from requirements. Requirements relate to the response to the need, not need itself.

• Individual Need Types (Maslow’s hierarchy)
  – Physiological
  – Security
  – Belonging
  – Esteem
  – Self-Actualization

• Organizational Need Types
  – Mission Fulfillment
  – Risk Mitigation
  – Resources
Program Service Alignment Model

Seniors Services by Jurisdiction / Senior’s Needs

© Government of Canada, 2004
Explicitly identifies all programs & service directly satisfying one target group’s needs

Identifies opportunities for service improvement e.g. where similar services meet similar needs
Program Service Alignment Model Mapped to GSRM components (recap)
A service contributes to a program’s goals by providing a valuable output to eligible members of the program’s recognized target group, meeting a recognized need. Well-designed services meet multiple needs of multiple target groups in multiple programs.
Services May Provide Value to Multiple Programs

- What is the relative contribution to the other programs?
- What opportunities exist for co-funding?
- How does this influence the “real value” of the service?
The project focused on 5 “Undesirable” States:

-Sick, Inadequately housed, Abused, Isolated and Financially Insecure.

Various services are needed at different times to help the senior move to preferred states and to inhibit the senior from moving to less desired states.

A senior could be in one or more of these states at any one time.
Define “bundles” by identifying services that either support or inhibit transitions

Sets context for co-ordination of efforts and aligning performance across providers

Shows services by type or jurisdiction that must “fit together” to make a difference for the target group

Identifies opportunities for common or standardized processes to “join up” services in the bundle

© Government of Canada, 2004
19 GSRM Service Types - A standard way to classify government government services

1. Provide funds
2. Provide resources
3. Provide transport
4. Provide advisory encounters
5. Provide matches, referrals and linkages
6. Provide new knowledge
7. Provide promotional encounters
8. Provide recreational and cultural encounters
9. Provide educational and training encounters
10. Provide care and rehabilitation encounters
11. Provide periods of agreement
12. Provide periods of permission
13. Provide periods of protection
14. Provide findings
15. Provide interventions
16. Provide rulings & judgments
17. Provide penalties and periods of sanction
18. Provide rules
19. Provide implemented changes

Each service pattern contains a set of standard processes and performance metrics
What is Service Accountability?

• A focus on results! Not the work itself!
• Service output performance metrics can be reported in three categories (EQE)
  – Efficiency - value of the output compared with costs of its inputs
  – Quality – comparison of a measure or dimension of the output to an established standard
  – Effectiveness – contribution of the output to an outcome (“desirable trend in the level of a client group’s need”)
• Service owners are:
  – Vertically accountable to their program owner for efficiency and effectiveness metrics
  – Horizontally accountable to their clients for quality metrics
### Service Efficiency Indicator Examples

<table>
<thead>
<tr>
<th>Efficiency indicator Type</th>
<th>Examples Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average unit cost.</td>
<td>Value (sometimes price) of one service output compared with the Unit cost of the resources to produce and deliver it. This indicator is equivalent to Unit cost per service recipient. Many variations on this indicator are possible.</td>
</tr>
<tr>
<td>Average per-capita cost.</td>
<td>Total cost of producing all service outputs per time period, compared with the total number of service recipients targeted in that time period, whether served or not. This indicator is equivalent to the investment in meeting target group needs, and many variations are possible.</td>
</tr>
</tbody>
</table>
## Service Quality Indicator Examples

<table>
<thead>
<tr>
<th>Quality indicator Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsiveness</td>
<td>Refers to the responsiveness of the service to a request where applicable in relation to a rule.</td>
</tr>
<tr>
<td>Accuracy</td>
<td>Refers to the correctness of the output in relation to a rule where applicable, e.g. is the information or advice provided by the service correct?</td>
</tr>
<tr>
<td>Availability</td>
<td>Refers to the availability of the service according to a scheduling rule.</td>
</tr>
<tr>
<td>Compliance</td>
<td>Refers to the number of failures or departures from a constraint imposed for legal or policy reason, or due to an approved standard.</td>
</tr>
<tr>
<td>Reliability</td>
<td>Compares the reliability of the service’s production and delivery of an output to a rule, e.g. error rate.</td>
</tr>
<tr>
<td>Capacity</td>
<td>Measures the capacity of the service to respond to fluctuations in demand and contingencies without compromising other metrics in terms of a rule.</td>
</tr>
</tbody>
</table>
## Service Effectiveness Indicator Examples

<table>
<thead>
<tr>
<th>Effectiveness indicator Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome achievement</td>
<td>Refers to the degree to which the direct outcomes of the program(s), which the service contributes to, are achieved. A direct outcome is defined as a desirable trend in the level of a recognized target group need.</td>
</tr>
<tr>
<td>Takeup Rate</td>
<td>Refers to the rate at which service demand rises (or falls as appropriate) in a reference time period and is a proxy indicator for meeting a predicted level of need.</td>
</tr>
</tbody>
</table>
Service Integrated Accountability Model

• Powerful analytic tool to:
  – Represent horizontal accountabilities and linkages between service providers across organizations
    • Set context for SLA definition
  – Depict, assess and evaluate various service delivery options and strategies
    • Common and shared services
    • Cost models
    • Linked to incentive models, organizational management control points
• Provides strategic top-level view for decision makers
An ellipse stands for a service and the arrow stands for the output of the service.
The arrow represents an agreement related to an output, not a flow.
The recipient of the arrow is viewed as a ‘client’ who procures the service output as needed to support their own service delivery.
Service provider in Organization A has a horizontal accountability to a client in Organization B for a Service Output (A delivered fund).

A Service Level Agreement includes service performance indicators and performance targets associated with service output.
Service Process Model

Each service can be “opened up” to reveal the supporting processes

- **Planning Processes**
  - Set performance targets
  - Estimate resource requirements
  - Forecast demand etc.

- **Provisioning Processes**
  - Acquire resources
  - Deploy resources
  - Monitor risks etc.

- **Delivery Processes**
  - Register and qualify requests
  - Set schedule
  - Deliver outputs
  - Process exceptions etc.

- **Decommissioning**
  - Decommission service providers
  - Decommission resources etc.

Shows processes required to support services
• The 911 service has “outsourced” or “hollowed out” the call-taking and dispatch processes of the emergency services; this is what provider services typically do!
Strong Integrated Emergency Response Service Design

- Fire Response (Intervention)
  - A suppressed fire

- Medical Care Service (Intervention)
  - An emergency care encounter

- Police Response (Intervention)
  - A police intervention

- Integrated Emergency Response Service (Intervention)
  - An integrated emergency response
Extended SIAM Notation Supports Strategic Design Alternatives

- SINGLE SERVICE IMPLEMENTATION
- MULTIPLE SERVICE IMPLEMENTATIONS

Organization A

ORGANIZATION A IS ACCOUNTABLE FOR SERVICE
Service Design Option Using SIAM

As-Is Model

As-Is model has a large variety of case management service providers

To-be Model introduces central provider of case management information

To-Be Model

Central Organization A
Additional Services Introduced to Support Transition to Target Service Design

Organization B creates registry of existing case management databases.

Organization C defines a target case management schema.

Central Organization A

Case management Information Provision

Central Case management Information Provision

Organization C

Case management Schema provision

Organization B

Case management Registry Provision
Two Contrasting Horizontal Service Designs

Network Infrastructure Provision

A period of network use

CLIENT

Network Infrastructure Provision

A period of network use

Address Registry Provision

Listing of addresses

Message Delivery Service

A delivered message

CLIENT
Policy Programs

Policy Services

Canada Pension Plan Program

Pension Service

Note: Pension Service Owner is still Accountable for the cheque, doesn’t imply they have to ‘deliver the cheque’

Service delivery policies

Public policies

Goal is to define end-to-end services and;*
-Identify opportunities for common services;

* Agree which party will be accountable for each service; and,

* Decide what horizontal agreements are required to ensure ‘whole thing works’.
Public Sector Business Design Challenges and Opportunities

- Public sector organizations are under greater pressure to:
  - Do more with less (i.e. expenditure review)
  - Low hanging fruit is gone
  - Serve higher public expectations and achieve client outcomes
- Business and technology change continues at an accelerated rate
- Key emerging opportunities:
  - Common service delivery
  - E-government/E-services
  - Cross-jurisdictional collaboration
Public Sector Reference Model Key Trends

- Development of Pan-Canadian standard
- Through line between business design and systems design
- Use of reference models as foundation to knowledge and information
- Greater integration of reference models, business design and traditional business analysis and planning
- Increased harvesting and re-use of business designs across jurisdictions
- Shift away from IT to business as key ‘buyers’
- Increased formality of business design governance
- Increased government investment in capability and capacity development
Planned Objectives for Session (Part 1 and 2)

• Overview and discuss the nature of the challenges facing governments
• Outline how proper business design helps meet these challenges
• Gain a common understanding of “building blocks” of business design and public sector reference models
• Overview and discuss the new reality of horizontal government
• Focus on the Government of Canada Strategic Model (GSRM), supporting models, real life examples
• Look ahead at opportunities
Summary and Wrap Up

• Tremendous amount of change going on in government
• The reality is this is not going to slow down but accelerate
• There are new demands of horizontal government
• Using the GSRM simplifies the complexity of government and focuses on the citizen
• Understanding the “building blocks” of design ensures that we design services with the citizen in mind – client facing and provider services
• There are many opportunities to use Public Sector Reference Models and these are increasing
• Pan Canadian Standard – GSRM and government “knowledge ownership” will be key trends
Resources on GSRM

• White-papers / documents / presentations
  – Federal government of Canada website
    • www.tbs-sct.gc.ca/btep-pto
  – Chartwell Inc. website
    • www.Chartwell-group.com

• CDI, Canada’s largest corporate training provider to government provides a series of courses on:
  – Public sector business design using GSRM
  – Business design and IT alignment
Thank you!

Dave Wallace  
V.P, National Public Sector Program  
Chartwell IRM Inc.  
Direct: 416-358-6026  
Office: 416-362-3328 x296  
Fax: 416-363-4439  
Email: dwallace@chartwell-group.com  
6 Adelaide St. East, 8th Floor  
Toronto, Ontario M5C 1H6  
www.chartwell-group.com