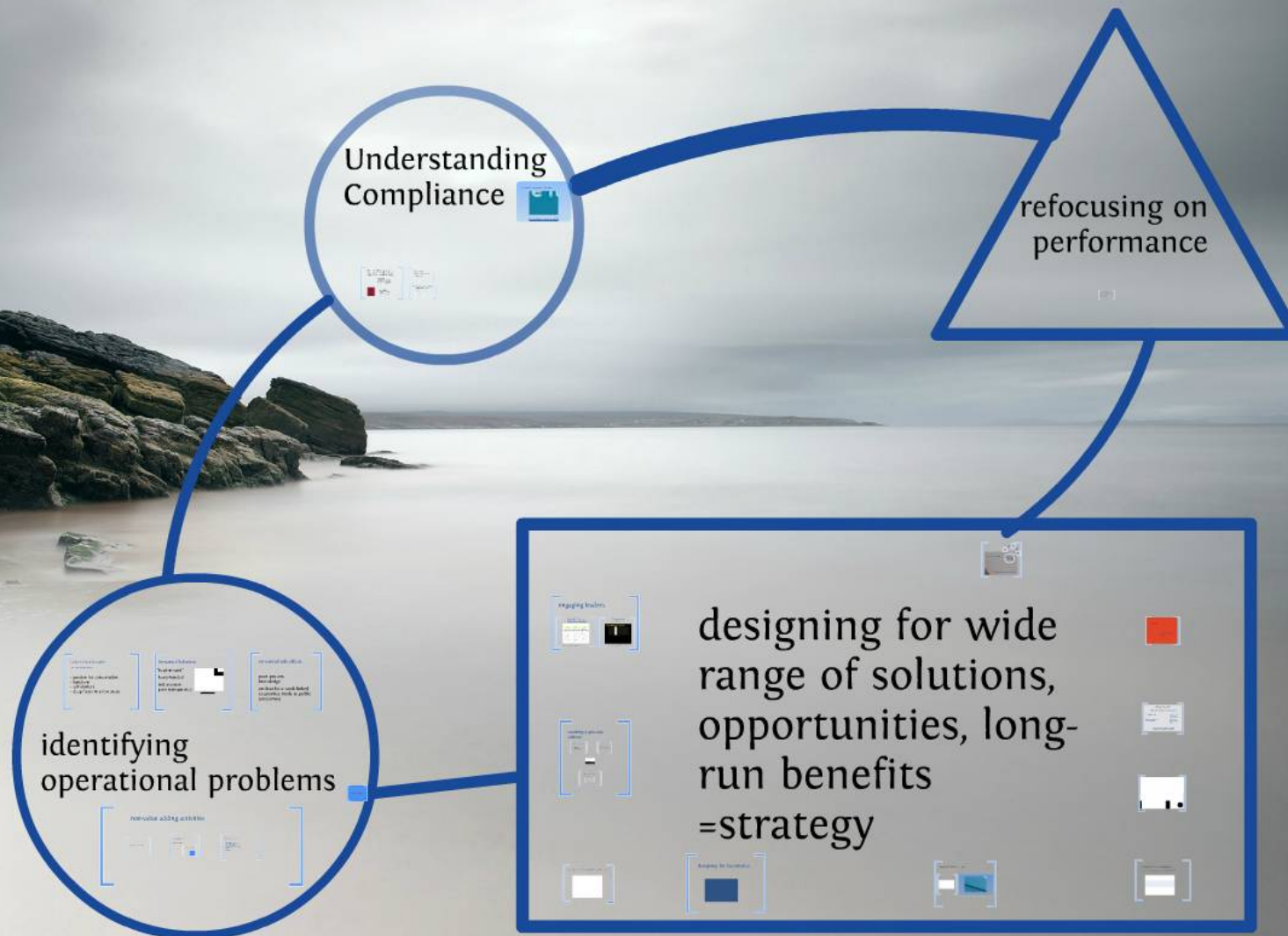


Making Governance, Risk & Compliance integral to the Agency Strategic Planning Process



Department of
Conservation
Te Papa Mānuka



Author: Nitish Verma | Published: September 6, 2012 | 6th National Conference on Risk Management | Te Papa, Wellington

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definition: adhering to the requirements of law, industry, organisation, standards, codes..

accepted
community and
ethical standards



- Pawson, M; Clarke,P
- with support from
 - DIA Common Capability Programme
 - Standards New Zealand



Corporate Governance best practices

Risk Based Approach to compliance

working towards ISO 31000

Risk is..“effect of uncertainty on objectives”

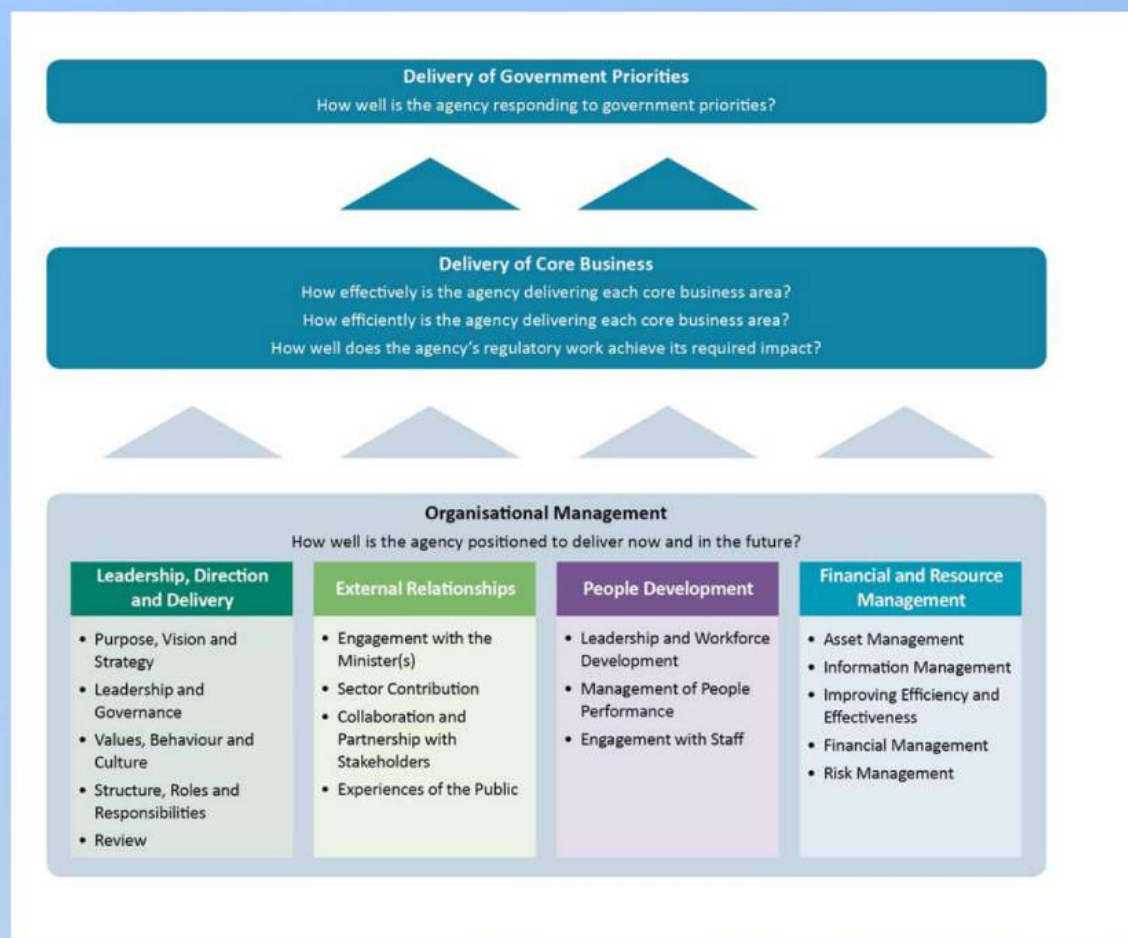
Design Principles

- Creates Value
- Integral Part of Organizational Processes
- Part of Decision Making
- Systematic Structured and Timely
- Based on Best Available information
- Tailored
- Takes Human & Cultural Factors into Account
- Transparent and Inclusive
- Dynamic, Iterative and Responsive to Change
- Facilitates Continual improvement and enhancement of the Organization

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Performance Improvement Framework



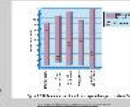
<http://ssc.govt.nz/pif>

Under-Utilised Strengths
are lost opportunities

- passion for conservation
- hands-on
- self-starters
- deep focus in a few areas

Unwanted Behaviors

"head-in-sand"
heavy-handed
risk aversion
poor transparency



unwanted side-effects

poor process
knowledge
unclear how work linked
to promise made to public
(outcomes)

identifying operational problems

What's going on?

non-value adding activities

Getting design to look like the car

Get something produced

After the other

What's going on?

Can't do it all at once

Can't do it all at once

Can't do it all at once



Under-Utilised Strengths

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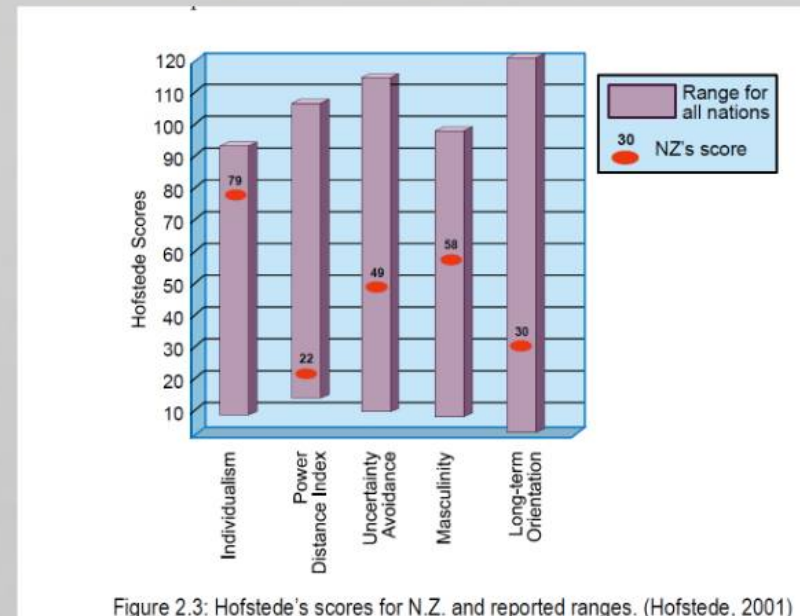


Figure 2.3: Hofstede's scores for N.Z. and reported ranges. (Hofstede, 2001)

Smale, T., 2006, The Influence of National Culture on New Zealand's Innovation Outcomes, http://www.forsite-management.co.nz/resources/s-tonys_dissertation.pdf

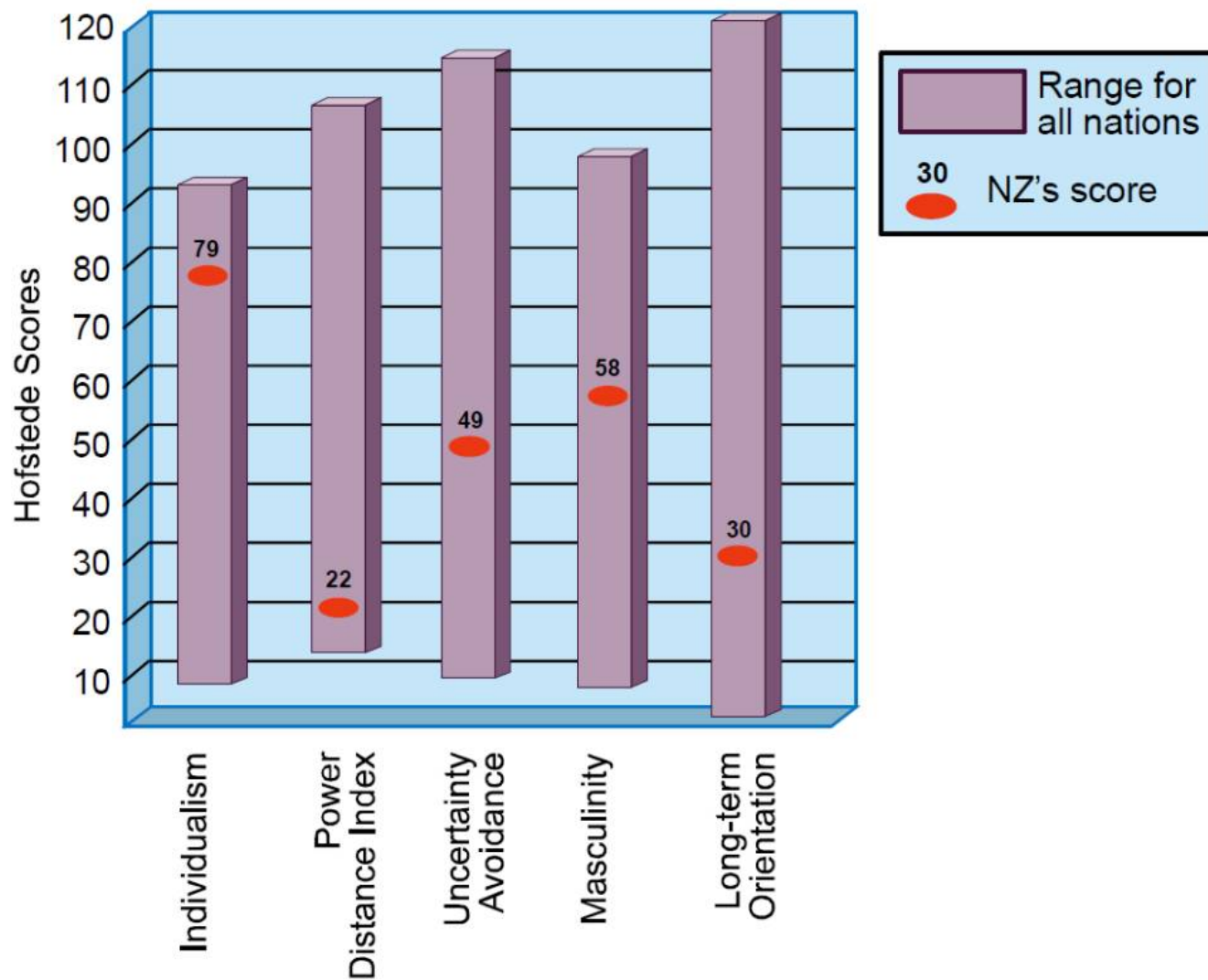


Figure 2.3: Hofstede's scores for N.Z. and reported ranges. (Hofstede, 2001)

unwanted side-effects

poor process
knowledge

unclear how work linked
to promise made to public
(outcomes)

non-value adding activities

Reporting data just to tick-the-box

Re-inventing processes

Office - by - office

Difficult to share work systems across Geographies

Re-inventing processes

Office - by - office

Difficult to share work systems across Geographies

...across disciplines

Science, Recreation, Permissions, IT, ...

Poor relationship with IT

IT under-utilised.

Several redundant applications

Sporadic engagement

Mis-alignment with business priorities

Pet-projects

Retention issues

Sunk Costs!



designing for wide
range of solutions,
opportunities, long-
run benefits
=strategy

engaging leaders

Systems Thinking incorporated into Leadership Thinking

Problem Types

SIMPLE	COMPLICATED	COMPLEX
Baking a cake	Sending a rocket to the moon	Raising a child
<ul style="list-style-type: none">The recipe is essential	<ul style="list-style-type: none">Rigid protocols or formulas are needed	<ul style="list-style-type: none">Rigid protocols have a limited application or are counter-productive
<ul style="list-style-type: none">Recipes are tested to assure easy replication	<ul style="list-style-type: none">Sending one rocket increases the likelihood that the next will also be a success	<ul style="list-style-type: none">Raising one child provides experience but is no guarantee of success with the next
<ul style="list-style-type: none">No particular expertise is required, but experience increases success rate	<ul style="list-style-type: none">High levels of expertise and training in a variety of fields are necessary for success	<ul style="list-style-type: none">Expertise helps, but only when balanced with responsiveness to the particular child
<ul style="list-style-type: none">A good recipe produces nearly the same cake every time	<ul style="list-style-type: none">Key elements of each rocket MUST be identical to succeed	<ul style="list-style-type: none">Every child is unique and must be understood as an individual
<ul style="list-style-type: none">The best recipes give good results every time	<ul style="list-style-type: none">There is a high degree of certainty of outcome	<ul style="list-style-type: none">Uncertainty of outcome remains
<ul style="list-style-type: none">A good recipe notes the quantity and nature of the "parts" needed and specifies the order in which to combine them, but there is room for experimentation.	<ul style="list-style-type: none">Success depends on a blueprint that directs both the development of separate parts and specifies the exact relationship in which to assemble them.	<ul style="list-style-type: none">Can't separate the parts from the whole; essence exists in the relationship between different people, different experiences, different moments in time.

ref: Ackoff, R. (1974) "Systems, Messes, and Interactive Planning", Redesigning the Future, Systems Approach to Societal Problems, John Wiley & Sons Inc.

Design Thinking as a leadership tool

It is about thinking styles & approaches

EMPATHY  not only logic	DESIGN  not only function	SYMPHONY  not only focus
MEANING  not only accumulation	PLAY  not only seriousness	STORY  not only argument

ref: Pink, D (2005). "A Whole New Mind: Moving from the Information Age to the Conceptual Age", New York, USA: Penguin Group.

Systems Thinking

incorporated into Leadership Thinking

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creating a process culture

investing in business process management

- workshops
- standards training - BPMN
- modeling tools

Building Staff Capability

Programmes/Projects business cases include opportunities for internal staff learning across different functional, geographic areas.

investing in business process management

- workshops
- standards training ~ BPMN
- modeling tools

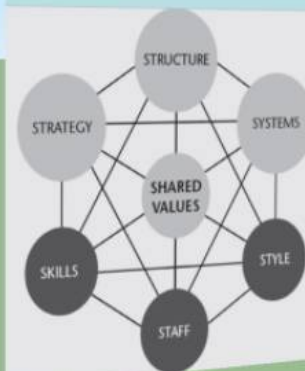
Building Staff Capability

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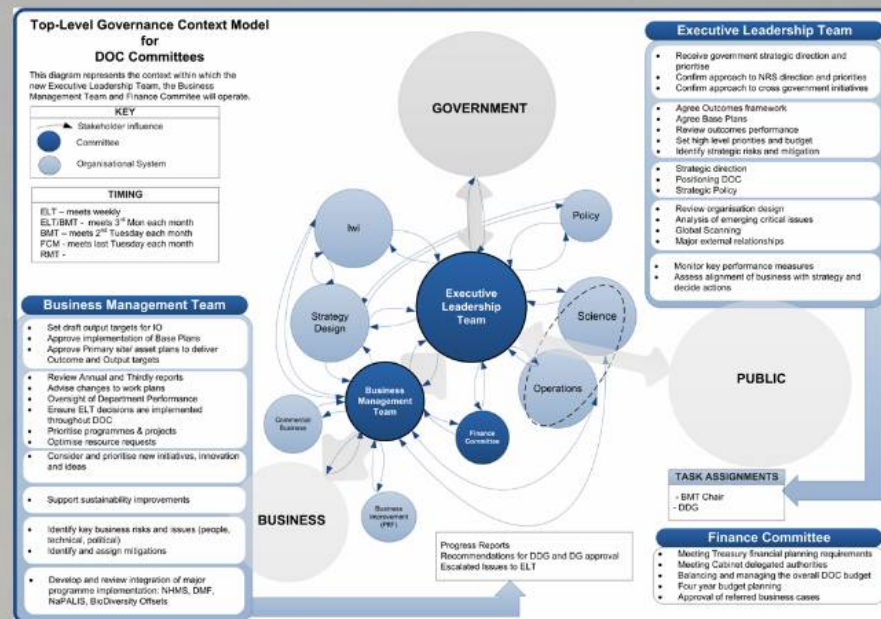
		Process Discovery and Visualization	Compliance Checking and Delta Analysis	Rule Checking
Risk identification and assessment	Open-minded analysis of process reality	✓		
	Analysis of infrequent behavior	✓		✓
	Risk identification			
	<i>Historic data</i>			
	<i>Simulation of extreme situations</i>			
	Assessing likelihood and risk impact			
	<i>Historic data</i>		✓	✓
	<i>Simulation of extreme situations</i>			
Control activities	Implementing detective controls			
	Determining effectiveness of (preventive) controls	✓	✓	✓
	Collecting detailed evidence on control effectiveness			
	Monitoring evolution in likelihood and risk impact			✓
Generation and communication of information	Creating clear, focused, honest, accurate and timely reports	✓	✓	✓



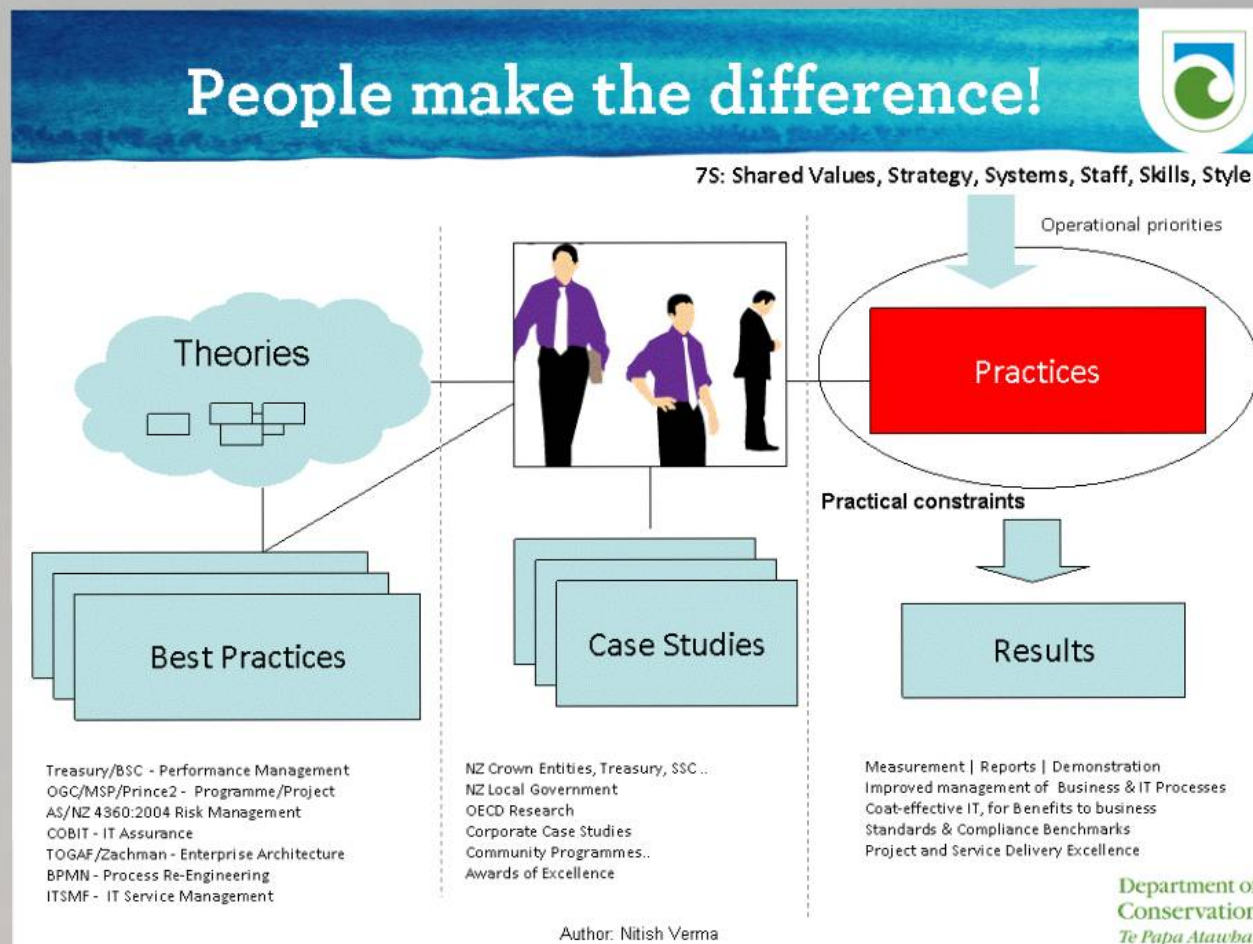
McKenzie 7S Framework

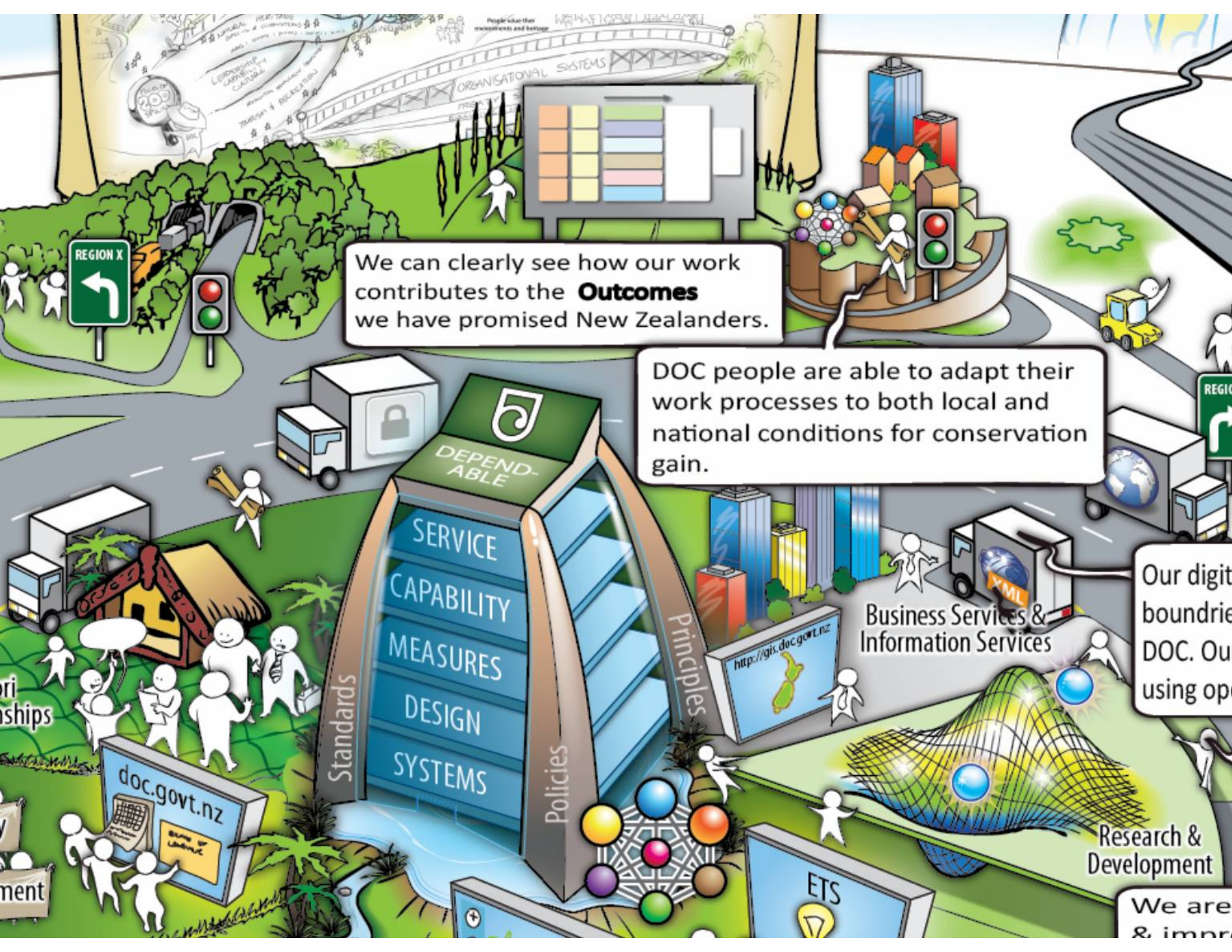


designing for Governance



Focusing on professional Capability, Maturity





We can clearly see how our work contributes to the **Outcomes** we have promised New Zealanders.

DOC people are able to adapt their work processes to both local and national conditions for conservation gain.

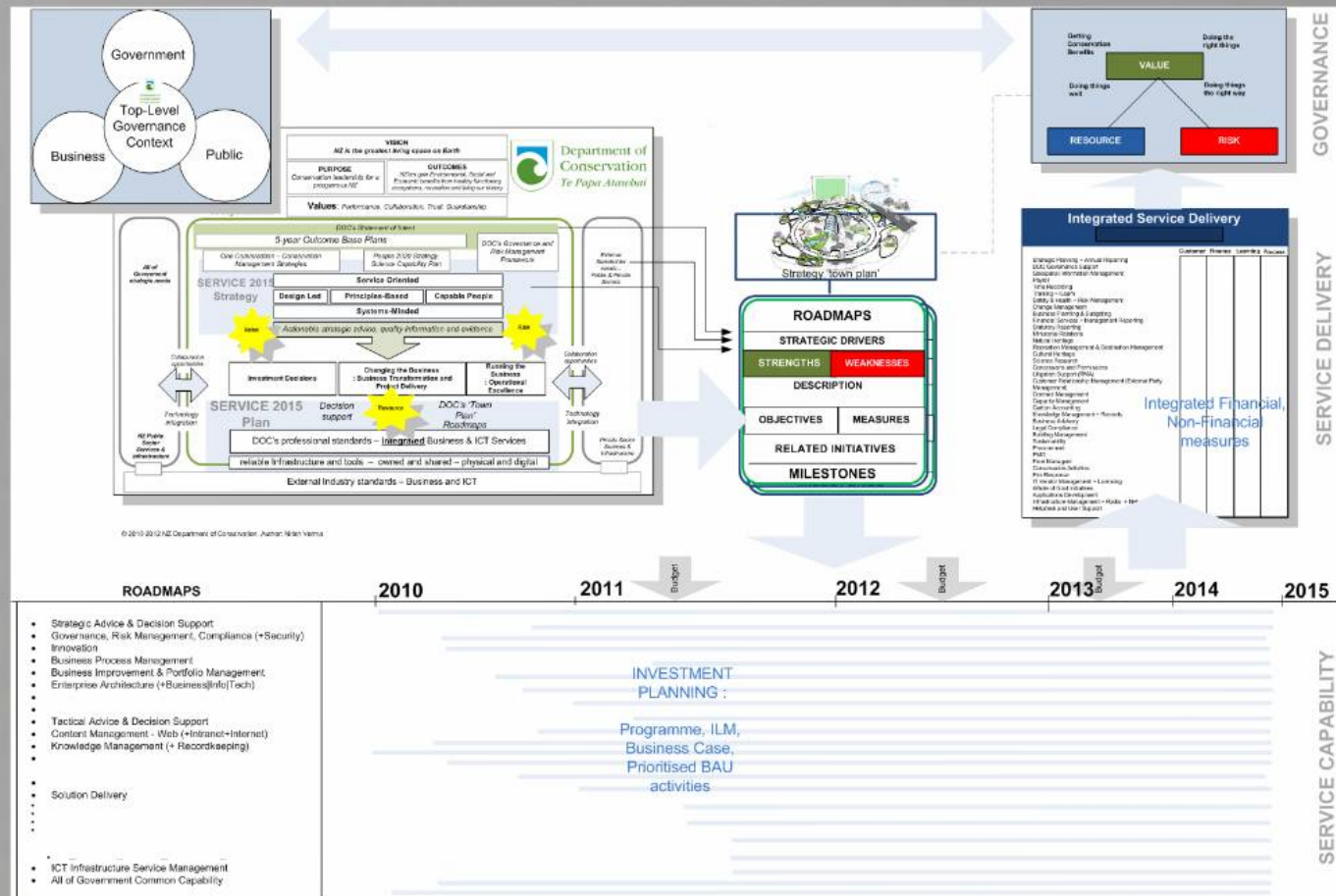
Business Services & Information Services

Our digital boundaries are breaking down. Our people are using open data to improve our services.

Research & Development

We are working to improve our services and outcomes.

- tune this to process maturity - or else, all is lost!



invent.innovate.improve.



Getting it funded.

'Whole-sale' vs 'Retail' Models of improvement.

Asset Performance

Service Measurement
and Optimisation



Capex vs Opex
funding logic


Investment
Logic Mapping
(ILM)

- Role of P3M3 professionals - Portfolio, Programme and Project Management



*Communicate,
Communicate,*

..because it's about plan-ning,
not the plan.



Communicate





designing for wide
range of solutions,
opportunities, long-
run benefits
=strategy

Extending Performance Excellence

More Criteria to capture 'Business Excellence' using scorecards

Self-Assessment using a holistic 'Performance System' Approach.

Increased Focus on **Asset Performance**

Integrating business and IT systems

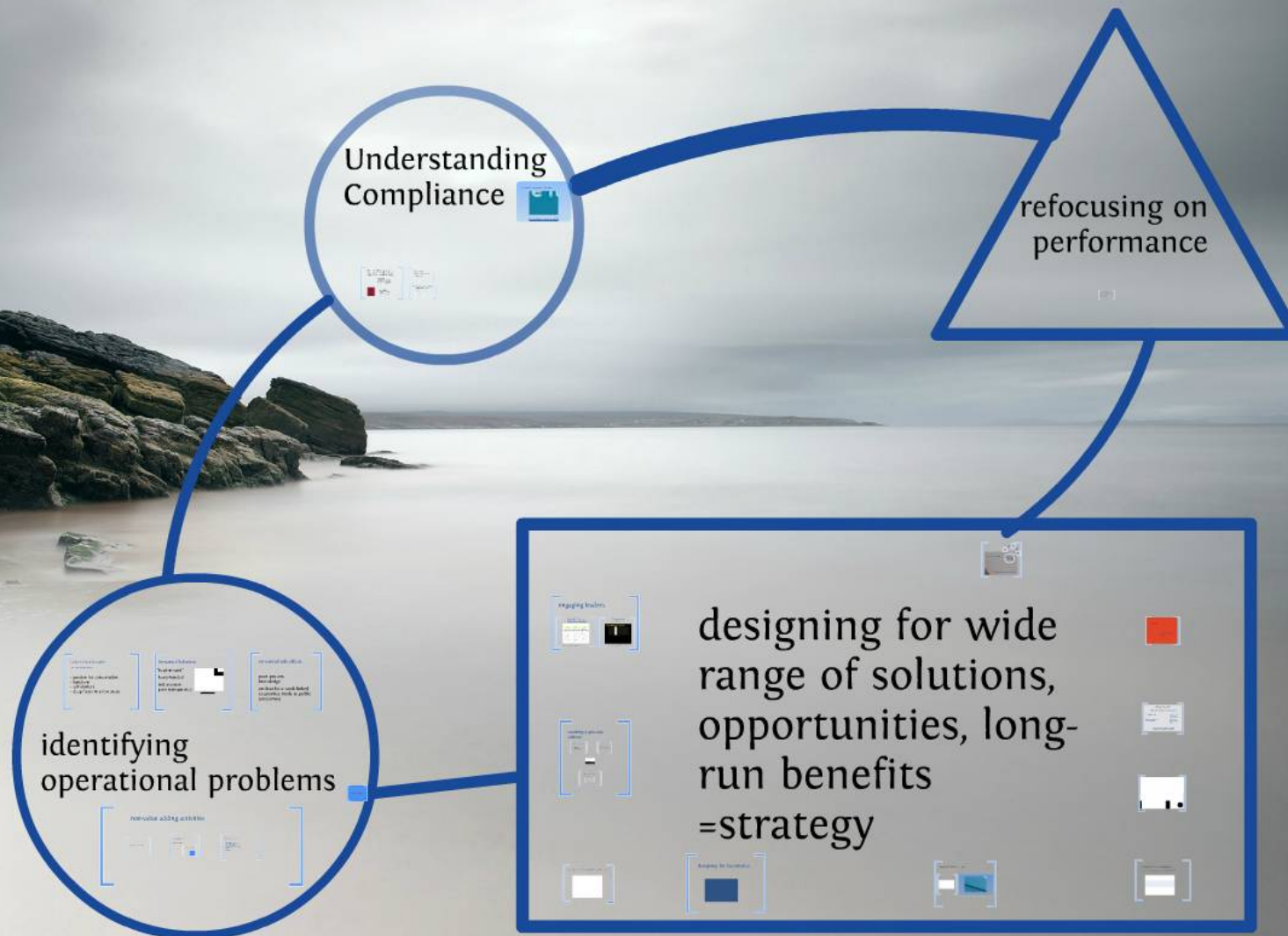


refocusing on
performance

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