



Workshop Backgrounders

2003 OMRN National Conference



Indicators for Management Effectiveness & Accountability

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Background

Accountability is a relationship based on obligations to demonstrate, review and take responsibility for performance, both the results achieved in light of agreed expectations and the means used ([Auditor General 2002](#)). If governance is the policy-making function and management is the administration of actions, then accountability closes the loop by ensuring actions are in accordance with the policies and that the policies are advised by the administrative experience. Trust and confidence in the manager, so that delegation is possible and effective, is also an important byproduct of accountability ([Venton 1997](#)).

In the Canadian system of democracy, the Minister of a department is accountable to Parliament for the management of his or her assigned responsibilities ([Aucoin 2003](#)). Ministers, in turn hold their officials to account for the delivery of public policy through various types of regulatory actions, strategies and programs ([Privy Council Office 1990](#)). This chain of accountability is held together by frameworks that:

1. assign roles and responsibilities,
2. establish performance expectations,
3. institute credible reporting; and
4. provide reasonable review and adjustment, including the possibility of sanctions ([Mayne 2003](#)).

The selection of performance indicators is critically important. The information that indicators carry is the substance of credible reporting and the basis of rational review and adjustment. To be effective in assigning accountability, performance indicators must track causality back through outcomes, outputs, activities, inputs and roles and responsibilities ([Venton 1997](#)). This becomes critical when collaborative arrangements introduce multiple accountabilities and shared outcomes ([Wilkins 2002](#)).

Many indicators have been proposed to record the state of ocean ecosystems (e.g. [Charles et al. 2001](#), [European Union 2003](#), [Heinz Centre 2002](#)). However while the condition of the ecosystem is ultimately the final outcome of programming for sustainable development, application of the precautionary approach and the practice of integrated management, indicators of ecosystem outcomes must be accompanied by other performance indicators that track causality along the chain of accountability through outputs, activities, inputs and roles and responsibilities.

Current research

Leading researchers, largely in response to the ‘regional resource development pathology,’ have been advocating a new institutional context for the governance of shared natural resources. This new institutional context is based on an

ecosystem and a collaborative approach to governance of the human use of shared resources. Ecosystem and collaborative approaches for oceans management have now been adopted by some leading Commonwealth countries such as Canada, New Zealand and Australia.

With the Oceans Act, Canada chose to frame the opportunities and challenges of oceans management as a governance challenge. The legislation is based on principles of an ecosystem approach and collaboration among the users of the oceans (Fisheries and Oceans, 2002). The Oceans Act assumes that the fundamental political and administrative principles upon which the Government of Canada is based (i.e. the principles of accountability, including ministerial responsibility) and principles of ecosystems and collaborative approaches to governance are in practice compatible and reconcilable.

This is a challenging assumption. The extent to which it is possible to reconcile the principles of a collaborative ecosystem approach with the principles of sound accountability, including ministerial responsibility, is an experiment. The traditional governance model of the Government of Canada is based on a vertical, traditional, hierarchical accountability relationship between public servants, a minister and Parliament. Principles of this traditional model are: order and good government; coordination; performance management; results; and, most importantly, consequences. In the last analysis, this model is based on accountability for consequences, or blame.

The new governance model for the oceans as articulated in Canadian Oceans Strategy and integrated management pilots are based on a horizontal accountability relationship among and between the Provinces, the Government of Canada, affected aboriginal organizations, resource users, coastal communities, concerned citizens, and non-government organizations. This collaborative model of governance is based on significantly different objectives: collective management; bring various interests together to conserve and protect, while helping to derive cultural, social and economic benefits; application of the precautionary approach; and engaging citizens through integrated management ([Fisheries and Oceans Canada 2002](#)). This collaborative model is based on trust, not blame.

Within the foregoing context, the objective of a recent research project by Rubenstein and Martin was to explore the extent to which it is possible to reconcile the principles of a collaborative and ecosystem approach with the principles of accountability, including ministerial responsibility. The case study used the Eastern Scotian Shelf Integrated Management (ESSIM) Initiative which was announced in 1998. This was the first integrated management pilot with an offshore focus to be undertaken by the Department of Fisheries and Oceans. The research included:

- Examination of accountability relationships between Department of Fisheries and Oceans and those with whom the Department was collaborating, (oceans users, citizens, non-government organizations) and between the Maritimes Region of the Department of Fisheries and Oceans and the Deputy Minister;
- Credible reporting of performance by the Minister of Fisheries and Oceans to Parliament; and
- Review and adjustment of the implementation of the Oceans Act in response the ministerial accountability.

Future research

Future research by Rubenstein will focus on an evaluation of accountability between the Minister of Fisheries and Oceans Canada and Parliament. Subject areas will be:

- Accountability chains in collaborative arrangements.

- Accountability in shared delivery.
- Accountability frameworks for ecosystem management.
- Accountability frameworks for oceans management.
- Indicators, performance measurement and accountability for oceans management.
- Is accountability actually occurring?
- The role of accountability in adaptation and adjustment.

Questions for workshop discussion

- What level of indicators should be reasonably expected for implementation of sustainable development, the precautionary approach and integrated management projects (outcome, output, activity and/or input indicators)?
- Are there principles that should guide the development of a chain of indicators to track causality from input to outcome?
- How can ministerial accountability be reconciled with accountability within collaborative arrangements? What are the characteristics of indicators for collaborative arrangements?
- What sort of reporting strategy should support indicator development? How can present reporting mechanism be used to build accountability?
- How should indicators be reviewed and analyzed in relation to expectations so they are useful elements of review and adjustment?
- How should the development of indicators be guided by performance review and adjustment?

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Backgrounder author(s)

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Daniel Rubenstein is a Principal in the Office of the Auditor General of Canada and the Commissioner of the Environment and Sustainable Development. In addition to representing the Office of the Auditor General at international symposia and conferences, he has built a long record of publication and guest speaking in the field of environmental accounting. Dan is currently completing graduate work at Carleton University and writing a book on the social philosophy of audit.