

Accountability Report 2017–2018

Internal Services Department

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Accountability Report 2017–2018

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TABLE OF CONTENTS

	Page #
1. Accountability Statement	2
2. Message from the Minister	3
3. Financial Results	4
4. Measuring Our Performance: Key Initiatives in 2017-18	5
5. Supplemental Information	10
Appendix "A" Disclosure of Wrongdoing	12

1. ACCOUNTABILITY STATEMENT

The Accountability Report of the Department of Internal Services for the year ended March 31, 2018 is prepared pursuant to the Finance Act and government policies and guidelines. These authorities require the reporting of outcomes against the Department of Internal Services Business Plan for the fiscal year just ended. The reporting of the Department of Internal Services outcomes necessarily includes estimates, judgments and opinions by the Department of Internal Services management.

We acknowledge that this Accountability Report is the responsibility of Department of Internal Services' management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Internal Services 2017-2018 Business Plan.

Sincerely,

Original signed by

Patricia Arab

Minister, Internal Services

Original signed by

Jeff Conrad

Deputy Minister

2. MESSAGE FROM THE MINISTER

I am pleased to present the Accountability Report for the Nova Scotia Department of Internal Services, which highlights the department's progress and achievements for the 2017-2018 fiscal year.

The Department of Internal Services is paving the way for cost-effective and innovative government programs and services for the people of Nova Scotia.

A sampling of great work the Department did this year includes processing over 49,000 travel claims, maintaining over 500 datasets in Government's Open Data Portal, and saving \$16.8 million in taxpayer dollars through strategic procurement efforts. In addition, 2017-18 saw the Department's IT Service Desk provide assistance to government employees over 1,500 times per day by either phone, e-mail or through the self-serve portal.

This fiscal year, Internal Services continued to maximize savings to taxpayers through the shared services model. Key initiatives included adopting service policies, developing service agreements, and creating client service-focused programs across government. Through collaborative efforts with our internal and external counterparts, we have made strides in modernizing government and health sector operations, especially when it comes to digital technology.

The Department is also exploring ways to better use its tools to support the economic and social interests of our citizens. We continue to be a leader in sustainable procurement, and are broadening our discussions to examine how we can support the Social Enterprise sector of our economy. This will further support social economic inclusion efforts of Government.

We are focused on our role as employer, actively recruiting and supporting students to become part of our team, allowing them to gain practical work experience to enhance their formal education. With a clear vision of enriching information and technology use now and in the future, we joined with educational and industry partners to sponsor an Open Data contest. These and other efforts to find innovative and creative ways of using our resources are an important part of building a culture of innovation and creativity in this department that will grow year over year.

I am very proud of the hard work done by the Internal Services team. Their steadfast commitment to serving the people of Nova Scotia never waivers. Thank you for your dedication and professionalism. I look forward to continuing to work together to advance government priorities.

Sincerely,

Original signed by

Minister Patricia Arab, Internal Services

3. FINANCIAL RESULTS

Instructions: Variance explanations should be for material differences only.

Internal Services	2017-2018 Estimate	2017-2018 Actuals	2017-2018 Variance
Program & Service Area	<i>(\$thousands)</i>		
Departmental Expenses:			
Senior Management	4,183	4,387	204
Procurement	9,360	9,000	(360)
Financial Service Delivery	8,948	8,425	(523)
Information, Communication & Technology Services	146,160	142,407	(3753)
Risk Management & Insurance Services	3,657	7,014	3,357
Public Safety & Field Communications	16,783	17,355	572
Total: Departmental Expenses	189,091	188,588	(503)
Additional Information:			
Ordinary Revenue	-	(4)	(4)
Fees and Other Charges	214	134	(80)
Ordinary Recoveries	13,891	18,568	4,677
Total: Revenue, Fees and Recoveries	14,105	18,697	4,592
TCA Purchase Requirements	9,037	9,159	122
Provincial Funded Staff (FTEs)	962.9	864.3	(98.6)
<u>Departmental Expenses Variance Explanation:</u>			
The departmental expenses were \$503 thousand lower than estimated primarily due to decreases in amortization expenses of \$2.5 million, Secondary Data Centre \$1.7 million and operational and vacancy savings \$1.0 million. These decreases were partially offset by an increase in 3 rd party recoverable expenses of \$4.7M.			
<u>Revenue, Fees and Recoveries Variance Explanation:</u>			
The departmental recoveries were \$4.6 million higher than estimate mainly due to increased 3rd party recoveries of which \$2.6 million related to information technology and \$1.8 million related to insurance claims.			
<u>TCA Purchase Requirements Variance Explanation:</u>			
Departmental TCA purchases were \$122 thousand higher due to an increase in information technology funding approved during the fiscal year, offset by lower costs due to delays in various projects.			
<u>Provincial Funded Staff (FTEs) Variance Explanation:</u>			
Departmental FTEs were 98.6 lower than estimate due to continued transition of the department and implementation of Shared Services.			

4. MEASURING OUR PERFORMANCE: KEY INITIATIVES IN 2017-18

MINISTER'S MANDATE

The department's mandate in 2017-18 was to provide quality shared services and support that allows other government departments and public service entities to deliver programs and services Nova Scotians rely on.

We are guided by four key principles:

- Quality & Innovative Services
- Client Service
- Sustainability
- An Engaged and Supportive Workplace

Internal Services provides a wide range of administrative and professional services under five operational branches:

- Corporate Affairs
- Financial Services
- Information, Communications & Technology Services (ICTS)
- Internal Audit Centre
- Procurement

In support of the department's mandate, guiding principles and government's priorities we undertook the following key initiatives in 2017-18.

KEY INITIATIVE – SHARED SERVICES

What we said

Internal Services will continue to maximize opportunities and savings created by shared services implementation.

Specific activities in 2017-18:

- Transformation and stabilization of the shared service delivery models established over the last three years, including:
 - Development of client service standards and client service level agreements.
 - Information technology application rationalization.
- Establishment of a new corporate business continuity program designed to coordinate and prioritize the reestablishment of government-wide services and systems in the event of a business disruption.

- Updating government's privacy policy and development of a corporate privacy training and awareness program for use across the public sector.

Performance Measure:

- Complete Internal Services Client Service policy and health sector Service Level Agreement documents.
- Approval of regulations to the Shared Services Act.
- Develop a shared services benefit tracker.
- Define service response and fulfillment targets available to government and Nova Scotia Health Authority (NSHA) / IWK client self service portal.
- Establish new position for Business Continuity Business Manager
- Completed government privacy policy.

What we did

Internal Services continued implantation of the shared services model. Efforts were principally concentrated on opportunities to maximize savings to taxpayers and establish a structured approach to shared services through formalizing client service delivery offerings. Policy development and implementation coupled with streamlined information technology solutions resulted in simplified and improved service delivery.

Performance Outcomes:

- Adopted an Internal Services Client Service policy and identified Internal Services service offerings circulated through a Client Service Catalogue designed to inform our business partners and clients of Internal Services' approach to a positive client service experience.
- Shared Services Health Sector Service Level Agreements have been drafted and are presently being reviewed by NSHA/IWK for adoption.
- Regulations to the Shared Services Act are presently being reviewed internally prior to formal approval.
- A shared services benefit tracker is under development to track, measure and standardize the benefits Shared Services achieves; 60% complete.
- Identification and implementation of service response and fulfillment targets available to government and NSHA/IWK for the client self-service portal is 100% complete.
- Business Continuity Manager position posted on SuccessFactors and program will be further defined once the manager is hired. Internal Services continues to enhance the current Business Continuity Management program and work closely with departments on updating the exercising plans.
- Privacy policy approved and development of a corporate privacy training and awareness program for use across the public sector is 100% complete.

KEY INITIATIVE – SERVICE DELIVERY MODERNIZATION (DIGITAL GOVERNMENT)

What we said

Internal Services will work with other public sector entities and program owners to accelerate the modernization of government practices and services using enhanced digital technology and information.

Specific activities in 2017-18:

- Explore potential deployment of SAP's Ariba Procure to Pay (P2P) functionality. P2P is a cloud based software platform designed to realize procurement savings through the automation of procurement related transactions (purchase requisition, purchase order and invoice), as well as automation of non-procurement related invoices.
- Continue implementation of SAP's SuccessFactors for use by the NSHA and IWK Health Centre. SuccessFactors is a cloud based advanced recruiting solution designed to integrate effectively with other core operational systems (i.e. Finance and HR).
- Provide implementation support for the establishment of a public health case management and surveillance system.
- Support efforts for business solutions identified as needing modernization, and the expansion of online services, including:
 - Registry of Joint Stock Companies.
 - Correspondence Tracking.
- Use of advanced data analytics by Internal Audit to interpret and measure business processes, controls, and deliver insight and add value to clients.

Performance Measures:

- Ariba Procure to Pay (P2P) implementation in fiscal year 2017-18.
- SAP SuccessFactors functionality implemented in NSHA/IWK complete by end of fiscal year.
- 25% of Panorama a public health case management project complete by end of fiscal year 2017-18.
- 25% of Registries of Joint Stock Companies & Correspondence Tracking project complete by end of fiscal year 2017-18.
- Develop a structured approach for the use of data analytics during audits.

What we did

Internal Services continues to transform service delivery transitioning from in-person service delivery to a digital-by-default approach. Best practices of industry standards for service delivery are being implemented through enhanced use of digital technology. Internal Services' efforts were focused on health sector digital technology through implementation of SuccessFactors and Panorama systems technology while modernizing

data migration, correspondence management and advanced data analytics.

Performance Outcomes:

- The deployment of e-bidding provided lessons learned on the required timing and implementation process when new procurement IT tools are established. Procure to Pay (P2P) deployment is under review to ensure the conditions for success are in place prior to moving forward.
- SuccessFactors is 100% implemented for NSHA and IWK.
- Panorama public health case management and surveillance system project exceeded the projected implementation timeline achieving 70% project completion. The vaccine inventory management and immunization management modules went live and the effort for full project implementation will continue into the 2018-19 fiscal year.
- Work continues to modernize the Registry of Joint Stock Companies (RJSC) system having completed the RFP procurement process to select a vendor to develop and implement an off-the-shelf RJSC Solution. The data migration process is finalized, and initial migration is complete resulting in 40% project completion. Implementation will continue in 2018-19 fiscal year.
- Correspondence Management System completed set-up of user acceptance testing environment exceeding the project timeline and is 82% complete.
- The use of analytics and data visualization tools are regularly applied during the planning and execution of Internal Audit Centre engagements. Several staff members have received training and a data analytics user group was established to further support staff in developing analytic skills. The Internal Audit Centre has also emerged as a leader in the application of analytics to the audit profession. The Internal Audit Centre has promoted the use of data analytics and available tools to clients and other jurisdictions through interactive presentations, training, knowledge sharing sessions and a presentation at a national conference. Structured measurements and indicators to assess the use of data analytics over time are being established as part of the Internal Audit Centre's strategic objectives for 2018/2019.

KEY INITIATIVE – INNOVATION ENABLEMENT

What we said

Internal Services will support and foster a culture of innovation by encouraging employee creativity and promoting a safe to fail environment in which experimentation, new ideas and innovative thinking is celebrated. Efforts will focus on efficiencies where possible, continuous improvement and quality service delivery.

Specific activities in 2017-18:

- Continue to advance diversity and create an inclusive workplace where employees are engaged and respect differences in experiences, perspectives, and backgrounds to pave the way for innovation and the development of new ideas—without judgement. Provide opportunities for employees to implement new ideas that may not always be successful.
- Lead a government-wide initiative to develop a culture of continuous improvement using Lean Six Sigma methods and tools. By empowering and building the capabilities of our people through Lean Six Sigma training, we will increase operational capacity and improve services by eliminating unnecessary steps and streamlining processes.
- Work towards achieving silver level certification from Excellence Canada, an independent, not-for-profit corporation that is dedicated to advancing organizational performance across Canada by promoting and recognizing service excellence, innovation and wellness management principles.
- Work with other economic development agencies to establish a provincial Procurement Innovation Program under which a portion of government budgets are reserved for the purchase of innovative products and services supplied by early-stage Nova Scotia companies.

Performance Measures:

- Meet or exceed Diverse, Respectful & Inclusive index; and Empowerment & Innovation index scores on the How's Work Going corporate survey results.
- Provide introductory, executive and awareness Lean Six Sigma training to government employees leading departmental Lean pilot projects.
- Meet or exceed a client satisfaction rate of 80% on Lean Six Sigma training.
- Support 8-12 Lean Six Sigma pilot initiatives across government.
- Excellence Canada Silver Certification by May 2019.
- Establish a provincial Procurement Innovation Program for products and services supplied by early-stage Nova Scotia companies.

What we did

Internal Services continues to advance diversity and create an inclusive workplace where employees are engaged and respect differences in experiences, perspectives, and backgrounds to pave the way for innovation and the development of new ideas—without judgement. The department is creating an environment to provide opportunities for employees to implement new ideas that may not always be successful. The department leads a government-wide initiative to develop a culture of continuous improvement empowering and building the capabilities of our people through Lean Six Sigma process improvement. Internal Services is undertaking the Excellence Canada certification program as a blueprint promoting and recognizing service excellence, innovation and wellness management principles.

Performance Outcomes:

- Established an active Employee Engagement committee with completed Employee Engagement Action Plan communicated.
- Exceeded How's Work Going corporate survey results in the areas of Diverse, Respectful & Inclusive. Score: Internal Services - 58 Gov't – 52.
- Exceeded How's Work Going corporate survey results in the areas of Empowerment & Innovation opportunities to implement new ideas. Score Internal Services – 53 Gov't 50.
- Exceeded How's Work Going corporate survey results in the area of Empowerment & Innovation safe and supported to try new ideas. Score Internal Services – 48 Gov't 46.
- Internal Services presently supports 26 Lean Government projects across 11 government departments amounting to an achieved benefit of \$454,000.
- Internal Services provides introductory, executive and awareness Lean Six Sigma training to employees across 17 government departments with year-to-date totals of 149 yellow belt level, 45 green belt, 37 executive sponsor training and info/awareness session to 172 employees.
- Achieved a client satisfaction rate of 92.2% for Lean Six Sigma training.
- Progressing toward Excellence Canada silver certification to submit for silver certification by Fall 2019. A work plan was developed, an Excellence Council was struck to provide guidance and support to the Quality and Excellence team, and a joint working group with the Office of Service Nova Scotia and the Public Service Commission was established to work collaboratively on common efforts.
- Procurement Services is working with other economic development agencies to establish a provincial Procurement Innovation Program under which a portion of government budgets are reserved for the purchase of innovative products and services supplied by early-stage Nova Scotia companies.

5. SUPPLEMENTAL INFORMATION

Internal Services has been recognized as an industry leader in public sector management. The department's efforts in shared services implementation, Lean Government process improvement, strategic procurement modernization and digital government enablement has resulted in many awards and opportunities for partnership engagement and collaboration.

- For the second year in a row, Internal Services was recognized by the Institute of Public Administration of Canada for excellence in public sector management receiving the Bronze Award for Innovative Management. Likewise, for two years running a member of the Province's Internal Audit Centre received the Award of Excellence from the Government Internal Audit Council of Canada (GIACC). Public Safety Field

Communications was nominated for the Governor General's award of excellence in 2017.

- A Fraud Management Committee was formed to develop and implement a Fraud Management Program for the Government of Nova Scotia. The cornerstone of the program is the Corporate Fraud Policy, which became effective on June 1, 2017, that outlines the province's zero tolerance for fraud and provides guidelines for reporting and investigating suspicious activities. The Program deals with both the prevention and detection of fraud and provides employees with the guidance they need to ensure the safety of assets under their control. To ensure that the Policy was understood, an eLearning training module was developed providing each employee with fraud awareness training and guidance on interpreting and understanding the policy.
- As part of the ongoing commitment to open government and transparency, Internal Services continued to improve the open data portal by releasing datasets quarterly with a total of 85 new datasets and 99 visualizations released in 2017-18. Portal functionality was also enhanced through process improvements, such as the introduction of automation, and the acquisition of Perspectives, a storytelling module, which will allow Internal Services to highlight specific datasets, providing visitors with greater context and understanding.
- In collaboration with the Department of Community Services, ICTs and Community Services jointly are in the process of completing RFP procurement process to select a vendor to develop and implement a case management Solution. The solution will support the delivery of services to clients in its three core program areas: Child, Youth, and Family Services (CYFS), Disability Support Program (DSP), and Income Assistance (IA). The solution will align with the Department of Community Services transformation initiative to modernize and enhance programs, policies, service delivery and community capacity in order to improve outcomes for both clients and the overall system.
- Internal Services is undertaking innovative ways to engage underrepresented groups. One of the most promising opportunities for businesses of diversity to explore new markets is through supplier diversity or inclusive procurement. Supplier diversity reaches out to groups traditionally underrepresented in the supply chain of purchasing processes of major corporations or governments. It is a strategic business case that provides diverse businesses equal opportunities to become suppliers to major corporations across Canada, the US and Europe.
- The launch of e-sourcing (inclusive of e-bidding) has firmly established NS Procurement as a national leader in public procurement. Re-engineering the sourcing process with technology supported functions has reduced risk within the process and provided a global network in which to reach prospective suppliers. Suppliers can respond to government opportunities from anywhere with an internet enabled device and can track their submissions not only with government but with any other entity on the network. The launch of e-bidding reduces the travel and courier costs and time for suppliers to respond to tender opportunities for government. The reduction in regulatory burden for this project is estimated at \$250,000 annually.

Appendix "A" Disclosure of Wrongdoing

Information Required under Section 18 of the <i>Public Disclosure of Wrongdoing Act</i>	Fiscal Year 2017-18
The number of disclosures received	0
The number of findings of wrongdoing	N/A
Details of each wrongdoing	N/A
Recommendations and actions taken on each wrongdoing	N/A