MOVING FORWARD
WITH POLICY DEVELOPMENT

By Michael Mastromatteo

PEO IS GOING AHEAD WITH A POLICY DEVELOPMENT PROCESS THAT IS DESIGNED TO ENABLE MORE INFORMED DECISION MAKING AND FULL EVALUATION OF RESULTS.

When Past President George Comrie, P.Eng., became PEO President in April 2004, one of the first of his "on the record" observations was that the engineering regulator had gained a reputation for not delivering on some of its best-laid plans. But this problem could well be a thing of the past, now that PEO has begun to use its policy development process to bring fully formed proposals to Council for decisions.

Real progress toward a clearly defined policy development process for PEO began in September 2003 when Council approved a series of governance principles that included a new framework for policy making. This framework was intended to bring a more sophisticated approach to issues identification and resource management.

Previously, policy direction was sometimes set on more of an ad hoc basis, with no consistent process to ensure that Council–PEO's policy setting body–was always basing its policy decisions on the best available information. In many cases, reports for decision did come to Council with all the necessary background work done, including resource implications and implementation plans. In other cases, however, policy items came forward for decision and were approved at what can be called the "good idea" stage, so that problems or other, perhaps more effective, options might not be discovered until well into the implementation phase.

Need identified

Prior to the arrival of CEO and Registrar Kim Allen, P.Eng., in 2003, it was generally accepted that PEO needed a dedicated resource for policy development. Such a policy framework would direct ideas through a process to ensure the completeness and consistency of the information on which Council would make its policy decisions, and make use of a dedicated volunteer group to oversee and prioritize the work.

In his organizational realignment in mid-2003, therefore, Allen formally recognized policy development, leading to the creation of a new, combined Policy and Communications Department and the hiring of Scott Clark as its first director. Clark, in turn, brought on board Jordan Max in early 2004 to manage the new policy unit. On joining PEO in August 2003, Clark outlined his intention to institute a policy framework, "that aligns the organizational objectives with statutory objects."

Since then, the policy unit has worked with staff, committee members, the

Executive Committee and Councillors to modernize the regulator's policy development regime and to incorporate best practices into a policy development reference manual. Developed in just three months and, in the spirit of continuous improvement, recognized as a work in progress, the manual is something of a milestone in the overall policy development initiative. It contains a detailed outline for PEO's new approach to policy making, and an established process for identifying potential policy issues, establishing their relevance to PEO's statutory mandate, evaluating their effectiveness in addressing problems, and measuring resources needed for implementation.

"For PEO, a policy development process means a new, standardized approach to regulatory policy positions, development and decision making, with clearer accountability, consultation, process, tools and outcomes," the manual says.

PEO Council approved the policy development process and reference manual in September 2004, and applied its concepts to four current issues at its October 2004 workshop. The policy development process is now being implemented to bring pre-existing PEO policy projects to the decision stage–although it was used indirectly at the macro level to develop PEO's 2005-2009 Strategic Plan, which Council approved in March 2005 (see "Charting a Course for Regulatory Success," *Engineering Dimensions*, May/June 2005, pp. 56-57). As the 17 approved Strategic Plan initiatives roll out over the next few years, their development will also follow the policy development process.

Policy Manager Jordan Max describes the policy development framework as an integrated process for the generation, development and approval of non-operational policy. It's aimed at improving the quality and consistency of policy initiatives, utilizing greater advance research and analysis, and adding greater accountability and transparency to the entire process. As well, the new policy framework includes a greater role for PEO's chapters in the development and ultimate implementation of policy matters.

"Now that it has been approved and resourced, we can begin to implement," Max told *Engineering Dimensions*. "This involves doing the staff and volunteer training [currently underway], communicating, building a tracking database, transitioning current projects into the policy development process, and developing a project management culture."

To date, all staff advisors to PEO committees, PEO's senior management, and the Executive Committee have received the training.

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Informed decision making

An important ingredient of the new policy development process is that it promotes accountability and informed Council decision making, based on solid strategic policy analysis and consideration of the risks/benefits of various options.

Max says the new approach to policy development differs from past efforts in a number of key areas. First, PEO will, where appropriate, consider other regulators' successes, failures and benchmark achievements. As well, the new process will now ensure that issues are reviewed in a broader context to ensure that initiatives remain consistent with other elements of PEO's regulatory activities. Other significant enhancements include mandatory consultation with stakeholders, consideration of a range of viable options (with evaluation criteria), full analysis of all proposals going before Council, and complete evaluation of new policy initiatives implemented.

Such efforts, Max says, are designed to ensure that the regulator is guided by

the highest standards of modern policy making. Max's previous work in policy development with Ontario government ministries, and in policy review in the Cabinet office, was important in developing PEO's policy development process.

To ensure engagement of the wider PEO organization in policy making, the policy development reference manual includes a "tool kit" that will encourage PEO members, staff and other stakeholders to identify possible issues and bring them forward for consideration. Once training has been completed, plans call for the issue identification template to be available on the PEO website; eventually, tracking of policy development projects in process will also be available via the website.

Key to the process
Central to PEO's new approach to policy making is the concept that it will generate and evaluate policy options that address identified problems and propose solutions that produce measurable results for future evaluation and feedback.

From the outset, a set of 10 principles were kept top-of-mind as the process was crafted. They are: accountability, comprehensiveness, consistency, inclusiveness, integration, project management, quality, relevance, results and transparency. The policy development process itself comprises a nine-stage cycle:
1. issue identification;
2. Executive Committee authorization;
3. project assignment;
4. research, policy options, analysis, financial impact, risk, implementa-

tion and communications planning;

5. consultation with committees, chapters, the Regional Councillors Committee (RCC), and other stakeholders;
6. preparation of a "decision document";
7. Executive Committee review;
8. presentation to Council for decision;
9. implementation, publication and review.

The ninth step is taken only if a policy is adopted.

Max says this updated approach to developing regulatory policy should ensure that work is directed only to issues that fit within pre-established PEO priorities. Among these are the objectives identified in PEO's 2005-2009 strategic plan.

Pre-design work

Max equates the policy development efforts over the last 24 months to the pre-design work on an engineering project. "We need now to do the pre-design work–clearly understanding the problems we want to solve–before going ahead and doing the design," he said. "Secondly, we need to approach these projects as such, using simplified project-management methodology to plan and track progress. In some ways, we're just applying more discipline and consistency to the things we were already doing."

Max emphasizes that the Executive Committee retains ownership and control of policy development, especially in terms of authorizing projects, monitoring progress

and reviewing resulting work for completion prior to its presentation to Council. The process and policy staff also support the policy-related work of PEO's committees and task forces, he says.

PEO Policy Researcher Monique Taylor, a member of the policy development reference manual writing team, says an "environmental scan" of other regulators' policy regimes formed the foundation of the manual, which emphasizes meticulous research to ensure "that policy development is conducted in context." While time consuming, such research, she says, provides "understanding of issues, circumstances, concerns and trends. It forces questions and it is what ultimately provides the support for policy decisions. Even if a decision is made that does not necessarily go along with the results of the research–and that can sometimes be a good thing–at least that decision is informed."

Coincidentally, Taylor has reached the end of a project to analyze PEO

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Council decisions of the last 20 years, and notes that research and consultation have always informed PEO policy initiatives to some degree. "What the new policy development reference manual does, however," she says, "is give the process a formal structure that includes a progression of steps to ensure, as much as possible, that no one and nothing is overlooked in the policy development process. It also provides the framework to follow or track the development of any policy issue or initiative from identification to completion."

PEO President Bob Goodings, P.Eng., chair of the Executive Committee that now oversees the new policy making framework, has high hopes for its usefulness as PEO moves forward. "I think the policy development manual is a good piece of work that will inspire the organization to bring a new sense of discipline to separating the more important issues from the less important ones," he says. "I see this as a real achievement by staff and Council, especially in terms of taking something and making it work even better." ◈