Management Action Plan: Audit of Innovation Superclusters Initiative (ISI)

From: Innovation, Science and Economic Development Canada

For follow-up purposes – Detailed actions to address the recommendation in the report

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
Recommendation #1 (Medium Risk): ISI should review its risk management processes to ensure that the risk methodology used to identify, assess and respond to risks is accurate, reliable and relevant. Appropriate supporting documentation that validates and justifies the likelihood and impact of risks, as well as the overall risk ratings prescribed within each RMF should be retained.	Agree. The Project Risk Management Framework (PRMF) is a key tool that allows program officials to ensure sound implementation of the program, ongoing risk monitoring and a continued reassessment of risks as they develop. It enables program management to identify, assess, mitigate and communicate the key risks related to the administration of the funding agreement. The PRMF has successfully allowed the program to proactively manage and mitigate its		

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	risks, such as when a Cluster was assessed as high financial risk in 2019-20. The program increased the frequency of the Cluster's reconciliations from biannual to quarterly in 2020-21. After a year of increased monitoring, the Cluster demonstrated it had addressed the risk, returning its risk assessment to medium, and thus the program reinstated the frequency of its reconciliations to biannual in 2021-22. Prior to receiving the results of the audit, the program had already launched an internal consultation process to identify		

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	improvements to the program's risk management approach, and the Project Risk Management Framework (PRMF) assessment that is conducted for each Cluster. Key enhancements that have been made to the approach include documenting the methodology to clarify how risk ratings are derived by including the assessment against likelihood and impact, and identifying clearer mitigations. The revised approach is currently being implemented in the context of the 2022 annual update to the PRMF.		

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	1. Document the risk management methodology for risk ratings and mitigations.	Director, Operations	Complete
	2. Finalize 2022 annual update to the Project Risk Management Framework	Director, Operations	November 2022

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
Recommendation #2 (Medium Risk): The program should ensure tools to monitor the superclusters alignment with Contribution Agreement reporting requirements are reviewed for completeness and accuracy of data.	Agree. The Global Innovation Clusters program agrees that maintaining up-to-date tools to monitor compliance with Contribution Agreements is important to sound management of the program. The program has several elements in place that are central to its approach to monitor the contribution agreement and the success of the clusters. Key to this is a multi-year economic analysis study to determine impacts of the Clusters over the medium (5 years) and long (10 years) terms. The first		

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	annual report was published on the program's website in June 2022. As well, the program has a letter of agreement with Statistics Canada that provides additional reporting on the impacts of the program. In addition, the program has established a Data Network, which provides an important forum for program officials and the Clusters to collaborate on data and reporting related work, and has been instrumental to data quality improvements.		

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	Regarding the two tools examined as part of the audit, work is underway to review the Reporting Requirements Checklist, which was created to track reporting requirements from the Contribution Agreement (CA). The program has streamlined the template to ensure it supports program management needs, for example, removing a requirement for signatures which were not possible to complete when the program shifted from paper to digital with remote work during the pandemic.		

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	In addition, the program has been working together with the Clusters to make continuous improvements to the Project Activity Report (PAR), including revisions to better capture data relevant to the program's impacts, as well as implementing a new PAR form to report specifically on the impacts of projects as they closed. The program will also be reviewing the PARs as part of the work to launch the next phase of the program, to ensure the reporting requirements remain aligned to program needs and the right		

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	balance between reporting needs and requirements.		
	1. Conduct an internal consultation process to streamline and update the reporting requirements checklist template	Director, Operations	Complete
	2. Implement revised Reporting Requirements Checklist template.	Director, Operations	November 2022
	3. Finalize revised PAR guide	Director, Performance, Data, Engagement and Communications	November 2022

Recommendation	Planned Action on the Recommendation	Responsible Official (position, sector/branch)	Target Completion Date
	4. Implement further refinements to the PAR template to reflect requirements related to implementation of the additional funding announced in Budget 2022 for a second phase of the program (Phase II)	Director, Performance, Data, Engagement and Communications	June 2023

Date modified:

2023-05-15