

Developing a Professional Reliance Opportunity Assessment Tool

Sponsored by

*Corporate Initiatives Division
BC Ministry of Forests, Lands and Natural Resource Operations*



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Response due: March 9th, 2012

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Purpose

The purpose of this project is to develop a tool or matrix, based on risk assessment and other criteria, that can assist staff of the natural resource ministries to identify where the use of qualified persons¹ (QPs) is appropriate, and where there are new opportunities to rely on the work of professionals and other QPs. This project is one of the deliverables that support the Professional Reliance Cross-Ministry Working Group, whose overall purpose is to support and coordinate the advancement of the use of qualified professionals and persons across natural resource sectors. The Working Group's sponsor is Doug Konkin, Deputy Minister of Forests, Lands and Natural Resource Operations in his capacity as Chair of the Natural Resource Board, and supported through the Corporate Initiatives Division.

The purpose of this Challenge Paper is to stimulate a dialogue. The Challenge Paper format allows an exchange of ideas to be shared electronically. There will be further dialogue opportunities provided at a Workshop on March 14th. All feedback will be assembled unattributed in a Consolidated Feedback document and a Workshop Workbook will be prepared that summarizes the feedback received. Both documents will be sent to all Dialogue participants.

At various points in this Challenge Paper you will be asked for your reaction and further input. These requests will be inside grey boxes, like this one. Please provide your responses in the separate Feedback Form that was sent to you and then send your feedback as an e-mail attachment to vold@shaw.ca by or before **March 9th, 2012**. You may provide feedback as an individual or via discussions with others in your office/organization.

Please consider what has been presented in this Challenge Paper carefully and contribute your reactions. This Challenge Paper was designed to be completed in about 45 to 60 minutes but please feel free to contribute as much or as little as you have time for – even 5 or 10 minutes on an issue of personal importance is valuable. **Your input is very important and will strongly influence the success of the Project and opportunities to rely on the work of professionals and other QPs within natural resource agencies in British Columbia (BC).**

1. Key Issue

The proposed Key Issue is that:

‘natural resource agencies need to be making better and more use of professionals and other qualified persons (QPs).’

A Professional Reliance Opportunity Assessment Tool is intended to support natural resource agencies address the issue in the context of an overall framework for professional reliance (PR).

¹ **Qualified person (QP):** An individual who has been approved by an organization as being qualified to conduct a certain type of work. This can range from passing an exam to receive a permit or certification, to passing a more complex series of requirements to achieve registration in a legally established professional association.

Input Request #1: Please review the Key Issue and provide your response in the separate Input Request document.

Consider – *Do you agree with the Key Issue? What is missing? What additional clarification would be helpful? What other ideas does this statement spark in your mind?*

2. Background

The following background statements provide context for the Dialogue:

1. The agencies that manage the use of natural resources in BC are engaged in a number of ‘streamlining’ initiatives that are intended to make the process of authorizing the use of Crown land and resources more efficient, and reduce the administrative burden for government. One such initiative is that of increasing reliance on the work of registered professionals, and other qualified persons, collectively referred to here as ‘QPs’.
2. The Professional Reliance Cross-Ministry Working Group (see Terms of Reference in Appendix 1) is supporting and coordinating the advancement of the use of QPs across natural resource sectors. This initiative is separate from, but similar in purpose, to ongoing work that is focused on advancing professional reliance in the forestry sector.
3. ‘Professional reliance’ (PR) has been defined by the working group to mean the ability of government, and others, to rely on the work of qualified persons (QPs), due to a system that includes competency requirements for QPs, standards for their work, and measures to ensure accountability.
4. With the support of the working group, these agencies are developing a framework for advancing professional reliance in the authorization and administration of natural resource activities in BC. The framework is intended to provide a common set of principles and criteria to guide provincial government natural resource sector agencies (i.e., Environment; Energy and Mines including oil and gas operations; Transportation and Infrastructure; Agriculture; and Forests, Lands and Natural Resource Operations) in evaluating and implementing opportunities for expanding the use of QPs. This work will build on a broad range of work completed and underway by these agencies, and by various professional reliance committees and working groups with representatives from professional associations, industry and government.
5. A previous inter-agency working group, also focused on professional reliance, completed a *Reliance on professionals in the Provincial administration and management of natural resources in British Columbia: Inventory and status report* in June 2011. One of the conclusions is that there are a wide range of professionals that can play a part, and a wide range of functions that can be performed by them. The report’s findings suggest that there are likely to be additional opportunities for the use of professionals in the natural resource sector.

6. One of the current working group's tasks is to develop a Professional Reliance Opportunity Assessment Tool to help agencies identify opportunities for the new or improved use of QPs in a consistent manner. The Tool needs to be developed in a collaborative manner that seeks input and ideas from associations that represent professionals, industry, and other PR-related organizations.
7. Because of the many organizations that are likely to have an interest in helping to develop the Assessment Tool, this Challenge Paper has been prepared that provides a key issue statement, background, assumptions and asks critical questions to help move this project forward. Various input requests (questions) are asked where we are seeking your feedback.

Input Request #2: Please review the Background Statements and provide your response in the separate Feedback Form.

Consider – Do you have any comments or reactions to the statements? What other ideas did the statements spark in your mind? Please refer to the statement number in your response so we know which one you are referring to. What other important background is missing that would help inform the challenge we are addressing?

3. Assumptions

Qualified Persons

1. There are two main groups of qualified persons:
 - a. **Self-regulating professionals:** These qualified persons belong to an association that establishes the standards for membership and adjudicates eligibility and competency to practice. The association also conducts audits or investigations to evaluate the quality of members' work and administers consequences for poor performance. These professionals may or may not have an enactment that sets out the framework for the association.
 - b. **Accredited practitioners:** This group includes qualified persons who have become qualified as a result of passing a test set by government or another entity, or obtaining a licence from government that entitles them to carry out a certain trade or service.

Functions

2. The previous working group's *Inventory and status report* notes that there are 14 main functions that professionals perform, as follows:
 - a. Develop standards
 - b. Gather and provide information
 - c. Predict impacts
 - d. Prepare applications
 - e. Prepare plans
 - f. Design facilities and structures
 - g. Design operational programs

- h. Supervise activities
 - i. Conduct activities
 - j. Reporting
 - k. Certification
 - l. Consultation
 - m. Peer review
 - n. Statutory decision-maker support
3. The Assessment Tool should apply and support each of these functions and support use of both groups of QPs.
 4. The Assessment Tool should be able to identify opportunities for new uses of QPs, and opportunities related to enhancing the existing use of QPs.

Input Request #3: Please review the Assumption Statements and provide your response in the separate Feedback Form.

Consider – Do you agree with the assumptions? Which ones do you disagree with and why? What other important assumptions are missing that would help inform the challenge we are addressing? What other ideas did the assumptions spark in your mind? Please refer to the statement number in your response so we know which one you are referring to.

4. Professional Reliance

Before describing a draft Professional Reliance Opportunity Assessment Tool, broader context and discussion is needed on questions like:

- What is the vision and desired outcomes for advancing professional reliance?
- What should a professional reliance framework look like?

Vision and Outcomes

The following material has been used or adapted from *Strategic Direction for Advancing Professional Reliance* prepared for the forest sector Professional Reliance Steering Committee in July 2010 which can be accessed at: <http://www.for.gov.bc.ca/hti/pr/>

1. **Vision:** Government, licensees, professionals and the public understand, accept and can confidently rely upon a professional reliance system to ensure sound stewardship of the province’s natural resources.
2. **Outcomes:** Anticipated outcomes and benefits of achieving the above vision include:
 - a. a shared government-industry understanding of professional reliance and a culture of mutual respect and trust
 - b. reduced transaction costs

- c. more efficient processes (e.g. application or plan submissions and approvals)
- d. an environment that supports innovative practices
- e. more effective application of risk management
- f. more efficient use of limited resources (time, people and investments)
- g. clear accountabilities (including a clear understanding of the difference between professional versus tenure holder accountabilities and liabilities).

Framework

3. The Professional Reliance Cross-Ministry Working Group intends to work with organizations representing QPs, industry and other interested parties to develop a Professional Reliance Framework that is designed to advance the role of professional reliance. To help that effort get started we are encouraging some initial dialogue and exchange of ideas through this Challenge Paper.
4. One view is that there are three basic elements to the framework:
 - a. Competency: with an organization to confirm competence backed by appropriate training
 - b. Clarity of expectations: with objectives, standards, guidelines, protocols and checklists that advise QPs who undertake work, support quality assurance and can be used in audits
 - c. Accountability: to ensure performance and consequences e.g. an audit system to periodically determine individual competence in a given discipline, and the ability to bring QPs back to acceptable performance standards either by complaint resolution or audit.
5. Another aspect of the framework that could be an additional element or be key to ensuring the above three elements are in place are an arm's length body responsible for administering a professional reliance system.

Input Request #4a: Please review the ideas regarding a vision and outcomes for enhancing the use of Professional Reliance and provide your response in the separate Feedback Form.

Consider – Do you agree with the vision and outcomes? If not, which ones do you disagree with and why? Are there missing outcomes?

Input Request #4b: Please review the ideas regarding a Professional Reliance Framework and provide your response in the separate Feedback Form.

Consider – Do you agree that those three elements are a key part of the Framework? If not, what do you think the Framework should look like? Are there other elements or considerations that are key to the overall Framework? What 'next steps' do you think are needed to develop the Framework? Who should be involved?

5. Draft PR Opportunity Assessment Tool

With the input and ideas from the Working Group, a draft (or ‘straw dog’) Professional Reliance (PR) Opportunity Assessment Tool has been developed so that you have something to react to. Let’s assume the PR framework is in place and that this Tool will be delivered consistent with that framework.

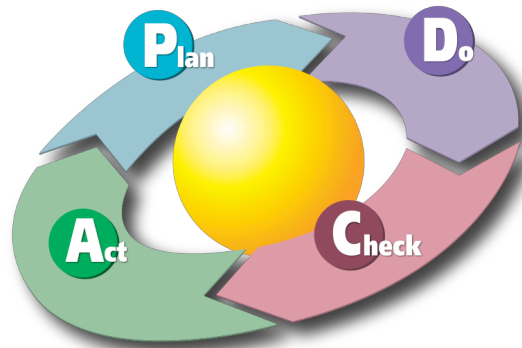
Purpose of the Tool

The purpose of the Tool is to:

- a. Identify specific opportunities for the enhanced or new use of QPs for various functions and programs within the natural resource sectors.
- b. Provide a standardized (or consistent) approach that can be used effectively across the natural resource sectors.
- c. Generally support attainment of the PR vision and outcomes.

Stages of the Tool: Plan-Do-Check-Act²

The PR Opportunity Assessment Tool should follow the iterative four-stage Plan-Do-Check-Act management method (also known as the Deming cycle) used in business for the control and continuous improvement of processes and products.



The stages in each successive cycle are:

Stage 1: Plan. Establish in a plan the objectives and processes necessary to deliver results in accordance with the vision and expected outcomes noted earlier for professional reliance. The process steps described below are intended to help government develop a plan for the enhanced use of PR and QPs.

Stage 2: Do. Implement the plan for the enhanced use of PR and QPs.

Stage 3: Check. Monitor to determine if the intended desired outcomes for the plan have materialized.

² <http://asq.org/learn-about-quality/project-planning-tools/overview/pdca-cycle.html>
developed by W. Edwards Deming

Stage 4: Act. If the desired outcomes are not being realized, assess the root causes, and take corrective actions. Determine where to apply changes to improve the process. This may entail changes to the process steps noted below or to the plan for enhanced use of PR and QPs using the process steps.

Overview of the Steps within Stage 1 (Plan)

- Step 1: Who, what and where is the tool being use for
- Step 2: Benefits of use of PR and qualified persons (QPs)
- Step 3: Risk-based need for PR and QPs
- Step 4: PR opportunity ranking (integration of Steps 2 and 3)
- Step 5: Develop the plan for use of PR and QPs

Step 1: Who, what and where is the tool being used for

Who

- To encourage tenure holders or proponents to use QPs (either consultants or staff) for certain functions such as preparing applications, plans and reporting
- To encourage government to use QPs (either consultants or staff) to support functions such as peer reviews and providing decision-making support

What

- What programs or functions are not being handled in an efficient manner (e.g. they are too time consuming for staff) that the Tool should be applied to?
- What are the ‘pinch-points’ (blockages/slowdowns) in the business process for that program or function where the use of QPs could assist and where the Tool should be applied?
- Are there functions where, if QPs are used by a proponent or tenure holder, government either does not need to undertake a review or can undertake a more abbreviated review process?

Where

- All of BC e.g. regarding the use of QP for carrying out a particular function or activity across the province (like reporting on water quality or inventory)
- Region/district e.g. to identify areas of higher risk for particular reasons (such as wildlife sensitivity where proposed mitigation strategies or reporting should involve a registered professional biologist)
- Site specific proposal or projects e.g. assessing the benefits of use and risk-based needs for QPs related to a specific major project

Step 2: Benefits of use of PR and qualified persons (QPs)

Mandatory

- This ranking applies where there is a legal requirement that QPs be used to carry out a function (e.g. laws governing professional associations, natural resource sector legislation)

Low

- Use of PR and QP is considered not useful to achieve objectives.
- The work is straightforward and the solution is clear (e.g. administrative or technical aspects)
- Costs of using QP are not practicable given the situation

Medium

- Use of PR and QP is desirable
- Higher quality submissions or plans are expected with the use of QPs that can expedite the review and approval process
- The work has some complex aspects and the solution is not always clear (e.g. administrative or technical aspects)
- Use will result in moderate efficiencies for proponents and government
- It is cost effective to use QPs

High

- Use of PR and QP is expected.
- It is unlikely that the function (e.g. plan or application) will be acceptable without a QP being involved
- The work is complex and the solution is uncertain (e.g. administrative or technical aspects)
- Use will result in considerable efficiencies for proponents and government
- Use of QPs expected to result in cost savings (e.g. given quality work and lower transaction costs)

Step 3: Risk-based need for PR and QPs

Potential risk factors include:

- Conflict with existing tenures or uses
- Potential First Nations rights and title
- Environmental conflicts or impacts
- Conflict with another government agency's resource management expectations or decisions
- Tension with competing applications
- Public concerns/opposition
- Government remaining a knowledgeable owner
- Failure to provide the most beneficial use of the land and resource
- Financial costs, including revenue to the Crown.

Risk rating³ helps identify opportunities for new or improved use of PR and QP based on an assessment of the relative risk of a function or program being carried out in regard to Crown land and resources. Risk analysis is the process of calculating the likelihood of an event and the consequences if it were to occur.

³ Adapted from *Risk Management Guideline for the BC Public Sector* by Province of BC (November 2010). That document supports the CAN/CSA ISO 31000 *Risk Management – Principles and Guidelines* - the international standard for risk management.

Likelihood: is the chance that the risk event identified will actually occur		
Score	Descriptor	How Likely (%)
1	Improbable - rare	Less than 5
2	Unlikely	5 - 25
3	Possible	25 - 55
4	Likely	55 - 90
5	Almost certain	90 - 99

Consequence: is the severity of effect upon goals, objectives, or values		
Score	Impact	Descriptor
1	Insignificant	Negligible effects
2	Minor	Normal administrative difficulties
3	Significant	Delay in accomplishing program or project objectives
4	Major	Program or project re-design, re-approval and re-do required. Fundamental re-work before objective can be met
5	Severe/Catastrophic	Project or program irrevocably finished; objective will not be met

The ranking of the Likelihood X Consequence results in the fall risk ratings (low, medium, high, and extreme) as follows:

5	Low	Medium	High	Extreme	Extreme
4	Low	Medium	High	High	Extreme
3	Low	Medium	Medium	High	High
2	Low	Low	Medium	Medium	Medium
1	Low	Low	Low	Low	Low
Likelihood	1	2	3	4	5
	Consequence				

The Assessment Tool assumes that the use of QP can help to offset the potential risk. Therefore, the risk ratings are viewed as the **risk-based need** for use of PR and QPs.

Step 4: PR opportunity ranking (integration of Steps 2 and 3)

This step captures the rankings determined in steps 2 and 3 and integrates them into an overall assessment of the opportunity for increasing PR and use of QPs as follows (i.e. is it a limited, good, excellent or required opportunity?):

Mandatory	Required	Required	Required
High	Good	Excellent	Excellent
Medium	Limited	Good	Excellent
Low	Limited	Limited	Good
Benefit – based Need	Low	Medium	High/Extreme
Risk-based Need			

Step 5: Develop the plan for use of PR and QPs

If QPs are available and the PR framework is suitable go to Plan A, if QPs are not available or key aspects of the PR framework are lacking for the function or activity being assessed then go to Plan B.

Plan A. The plan for the new or enhanced use of PR for a particular function or activity should be developed collaboratively with government, QP organizations and industry. Plan considerations could include:

- Ensure that required opportunities are being delivered consistent with legal requirements
- Focus the development of new or enhanced opportunities on functions where there is an excellent opportunity, and then on other opportunities
- If PR framework is suitable but some aspects ideally should be improved, address this in the plan e.g. guidance documents exist but should be updated to support QPs carrying out key functions.

Once Plan A is developed, then the Do (implement plan), Check and Act stages of the continuous improvement (Deming) cycle follow e.g. are the desired outcomes of PR being achieved and the vision being realized?

Plan B. Where no QPs are available, or where key aspects of the PR framework are lacking, and there is an excellent or good opportunity to use PR for a particular function or activity, consider developing a plan with an appropriate QP organization and industry to help address the issue. Plan considerations could include:

- If QPs exist but they are unavailable because they are fully engaged in other activities, communicate issue with the respective QP organization and assess collaboratively opportunities to increase supply
- If there is not an existing accredited body for a function or activity where a new type of QP is needed, communicate issue with the closest aligned QP organization and assess collaboratively opportunities to develop that accreditation

- If a key aspect of the PR framework is lacking for the function or activity being assessed (e.g. no guidance documents exist), then communicate issue with the appropriate QP organization and assess how that aspect of the framework can be addressed.

Once Plan B is developed, then the Do (implement plan), Check and Act stages of the continuous improvement (Deming) cycle follow e.g. are QPs now becoming available? Have any framework concerns been resolved?

Input Request #5: Please review the Draft Assessment Tool and provide your response in the separate Feedback Form.

Consider – Do you agree that this draft Assessment Tool, with refinements, could work? If so, what changes can be made to make it work better? If not, what are the main concerns? What do you think we need to consider as we develop the Tool? Please refer to the various stages and steps (by #) in the Tool where applicable.

6. Next Steps

The above material establishes a starting point for this Dialogue. Please consider this as “a work in progress”. Following are the next steps in this initiative:

- 1) Please provide your feedback on the separate Feedback Form and e-mail your input to vold@shaw.ca no later than **March 9th, 2012**. You may provide feedback as an individual or as an office.
- 2) All Dialogue feedback will be assembled unattributed in a Consolidated Feedback document and a Workshop Workbook will be prepared that summarizes the feedback received. Both documents will be sent to all Dialogue participants.
- 3) A workshop will be held on March 14th, 2012 whose purpose is to develop a Professional Reliance Opportunity Assessment Tool considering the feedback from the Challenge Paper and the expertise and ideas of workshop participants.
- 4) Considering the input from both the Challenge Paper and the Workshop, a Final Report will be prepared on March 31st, 2012 that describes the Assessment Tool. This report will be sent to all dialogue participants.
- 5) The Working Group will then be developing the overall Professional Reliance Framework with other organizations in consideration of the ideas provided from the Challenge Paper and discussions on this topic at the Workshop.

Input Request #6a: Do you have any questions or concerns regarding the Next Steps?

Input Request #6b: Are you or someone from your organization able to attend the Workshop? Who can attend that we should contact?

Input Request #6c: Do you have any other questions or comments you would like to share?

Thank You for Your Participation!

Appendix 1: Working Group Terms of Reference

Professional Reliance Cross-Ministry Working Group Terms of Reference

Project Manager: Garth Webber Atkins

Project Sponsor: Doug Konkin

Purpose: To support and coordinate the advancement of the use of qualified professionals and persons (QPs) across natural resource sectors

Expected Outcomes

- improved and streamlined information gathering and assessments, including consultations;
- reduced amount of direct involvement/interaction () between government and regulated parties, and thereby limiting costs;
- promotes innovation and transparency where results-based management approaches can be substituted for prescriptive approaches;
- improved trust and accountability in qualified professionals and their work, and consequently between government and proponents
- maintains environmental values, and improves resource stewardship and public safety.

clear understanding by all parties as to where it is appropriate to use QPs and where it is not – clear understanding of risk

Objectives:

- To achieve a common understanding across Ministries of the potential, and limitations of, the use of qualified professionals and persons in the regulation of natural resource use.
- To clarify the expectations and needs of government, industry proponents, and the various professional associations with regard to increasing professional reliance – i.e., are all the parties' expectations of benefits and costs the same? Does a (perceived?) benefit to one party result in increased onus / liability to another party?
- To establish a common framework to guide developmental work for the use of QPs (across the natural resource ministries.
- To identify common needs and challenges among independent initiatives. (Starting with identifying all the independent initiatives.)
- To coordinate activities where appropriate.
- To engage and work with professional associations and external stakeholders at a strategic level.

Deliverables:

- Updated inventory of existing use of QPs.
- Strategy for engaging external stakeholders (tenure holders, professional associations)
- Criteria and Risk Assessment Matrix tool to guide users in identifying where the use of QPs is appropriate.
- A report identifying:
 - mechanisms for using or requiring use of QPs (e.g. statutes, policies, certification, contracting requirements) appropriate internal and external structures/organizations for certification, setting standards, and holding professionals and QPs accountable (e.g. professional associations, certifying bodies, rosters),
 - Mechanisms to assess the benefits and effectiveness of employing and relying on QPs, including clear Standards/Guidelines/protocols to measure and compare performance.
 - Monitoring and Audit systems to periodically to check compliance with required statutes, policies, competencies, and standards, and effectiveness of the professional reliance model.
 - Implications for NR Sector Compliance and Enforcement Framework
- Recommendations and implementation plan(s).

Timelines:

- Inventory update and Risk Assessment Matrix tool: March 30, 2012
- Working group report: September 30, 2012

Current Working Group Members*

Name	Agency
Randy Alexander	IDM/MOE
Barbara Thomson	MEM
Joe Seguin	MEM
Nathaniel Amann-Blake	MEM
Jeff Hoyt	MOE
Marty Roberts	MOE
Ian Sharpe	MOE
Butch Morningstar	FLNR – Mining
Garth Webber Atkins	FLNR – Lands - Chair
Stewart Guy	FLNR – Major Projects
Ian Miller	FLNR - Forests
Brian Barber	FLNR - Forests
Andy Witt	FLNR – Ecosystems
Penny de Waal	FLNR - IDM
Chuck Rowan	FLNR – Regional Operations
Shelley Guthrie	FLNR- First Nations Relations Branch
Trevor Swan	OGC
Martha Anslow	EAO
Brian Clark	FLNR – Resource Stewardship

*Updated February 20, 2012

MOE – Ministry of Environment
MEM – Ministry of Energy and Mines
FLNR –Ministry of Forest, Land and Natural Resource Operations
IDM – Integrated Decision-Making
OGC – Oil and Gas Commission
EAO – Environmental Assessment Office