



IM/IT ABC Model Overview

presented to SAS-ABM User Group
Ottawa, ON

June 8, 2006

1

FAC/ITCan – Raison d'être

- ▶ **Foreign Affairs Canada (FAC)** supports Canadians abroad, works towards a more peaceful and secure world, and promotes our culture and values internationally.
- ▶ **International Trade Canada (ITCan)** supports the development of trade by providing services to exporters, developing policy, and by attracting investment in the Canadian economy.

World wide - Statistics

- ▶ Number of missions: 171
- ▶ Number of Country : 110
- ▶ FTE's Total : 8, 993
 - FTE's Locally Engaged Staff at missions : 4,881
 - FTE's Canada Based Staff at mission : 1,047
 - FTE's Canada Based Staff at HQ : 3,065

ABM history with IM/IT

- ▶ The IM/IT Bureau provides effective, efficient and innovative secure IM/IT services, solutions and infrastructure internationally to all missions and its occupants, and locally to Foreign Affairs Canada and International Trade Canada staff.
- ▶ In 2004, a costing model was developed by SXD. The system allocates cost of services to clients by using, for the most part, number of FTEs as the cost driver.
- ▶ As the Bureau was engaging in the budget preparation for 2005-06 Fiscal Year, they requested that a study be undertaken to assess the feasibility of preparing activity-based budgets.

ABM history with IM/IT

- ▶ May 2005, Pilot phase with two sections as the testing ground for the ABC concept: Infrastructure Technology Operations (SXTO); and Platform Engineering and Maintenance (SXTS).
- ▶ September 2005, development of IM/IT ABC model for the bureau.

Lessons Learned

- ▶ We found several inconsistencies between Organization Charts, SMS and PeopleSoft
 - Increasing time and effort to reconcile data (Classification, FTE, Salaries)
 - Frequent organizational changes affect model implementation
- ▶ Educational process for non financial managers
 - Explain several times the ABC mechanism (Resource-Activity-Cost Object)

Lessons Learned

- ▶ Financial information : Budget or Actual
 - Expenditures fluctuations year over year forced to use financial budget information
 - No significant variance between the third quarter review budget and actual expenditures

- ▶ Excellent buy-in
 - Full support of the CIO
 - FY 2006-2007 planning phase using activity costs
 - Managers are expecting using unit cost information for better decision making

Questions

Your presenters

- ▶ Alain Lesieur, CGA
 - Foreign Affairs Canada and International Trade Canada
 - (613) 944-7151
 - alain.lesieur@international.gc.ca

- ▶ Seymour Sambour, CMA
 - Foreign Affairs Canada and International Trade Canada
 - (613) 943-2146
 - seymour.sambour@international.gc.ca