

# Enterprise and Advanced Education — University of Alberta Integration of Research into Strategic Planning Follow Up

## SUMMARY

In our 2004 report<sup>1</sup> we recommended that the University of Alberta improve the integration of research into its strategic business plans. In 2008, we concluded the university had made progress, but had not implemented our recommendation.

The university has now implemented our recommendation.

### What we examined

We used the following criteria to assess the university's progress in implementing the recommendation.

The university should:

- identify key performance measures and targets for each strategy in its business plan
- consider the cost of achieving targets in its budget allocations
- ensure that faculties and research administrative units include the university's research performance measures and targets in their plans and set out in clear, consistent terms how they will help meet the targets

### What we found

We found that the university has implemented our recommendation by:

- integrating its research priorities into the university's strategic business planning processes
- developing consistent research performance measures and processes to monitor research results
- measuring research performance against planned goals and strategies
- periodically reviewing performance measures, including research measures, to ensure they remain relevant and aligned to the university's goals

### Why this is important to Albertans

The university's research activities make a significant contribution to Alberta's economy and to the quality of life for all Albertans. Without specific strategies for identifying and measuring its research performance, the university risks not meeting its research goals.

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<sup>1</sup> Report of the Auditor General of Alberta—October 2004, pages 252–254.

## AUDIT OBJECTIVE AND SCOPE

Our objective was to determine if the university had implemented the recommendation from our 2004 report by integrating research into its strategic business plans.

For this follow-up audit, we:

- examined policies, roles and responsibilities of the Office of the Vice-President (Research) and the Office of the Provost
- reviewed annual report submissions for three faculties
- examined the university's systems for performing strategic planning for research
- interviewed university management and staff

We conducted our field work from January to April 2013. We substantially completed our audit on May 8, 2013. Our audit was conducted in accordance with the *Auditor General Act* and the standards for assurance engagements set by the Canadian Institute of Chartered Accountants.

## BACKGROUND

Research is a significant activity for the university. The university's goal is to remain one of the top research universities in Canada. The university received \$460 million for research in 2012, which represents 27 per cent of total university revenue.<sup>2</sup>

## FINDINGS AND RECOMMENDATIONS

### Strategic planning for research—implemented

#### Our audit findings

The university reported its four-year strategic plan in the 2011–2015 academic plan. This plan is organized around four cornerstones; strategic plans for research are integrated into each cornerstone.<sup>3</sup> Annually, the university prepares a Comprehensive Institutional Plan. The CIP identifies the university's strategies and objectives for teaching, learning and enrolment, research, budgets and capital plans. The research chapter identifies three main research themes and includes key strategies under each theme.

The university reports on its key performance measures, including research measures, in its annual report and a report card on its progress in achieving the vision it set out in 2006. The 2012 CIP included progress reports on achievements in 2011.

In 2010, the university formed a committee to regularly review its performance measures to ensure they are measuring the right things and that measures are aligned throughout the university's reporting framework. This committee is made up of the president, vice presidents, associate vice presidents, faculty deans and staff of the strategic analysis office.

<sup>2</sup> <http://www.financial.ualberta.ca/AnnualFinancialStatements.aspx>—University of Alberta, Financial Statements for the year ended March 31, 2012, research revenue, page 6.

<sup>3</sup> University of Alberta, *Dare to Discover*, 2006. In 2006, the University articulated its vision to become one of the world's great universities. Its strategic business plans are focused around the four cornerstones identified as part of this vision—talented people; learning, discovery and citizenship; connecting communities; and transformative organizations and support.

*Performance measures and targets are in place*

The university identified key performance measures and tracked its progress towards its research goals.

The university's key institutional documents reported on goals and related measures of performance; research was a key component of each of its institutional level reports.<sup>4</sup>

The university's Strategic University Measures and Metrics Committee oversees the review of the university's performance measures to ensure they are relevant, reliable and concise.

Performance is reviewed at the faculty level through:

- annual performance reviews of each faculty member by the faculty evaluation committee
- academic unit reviews—These reviews occur every five to seven years and are designed to assess the quality and contribution to excellence in the unit's academic programs; research; administration and infrastructure; and citizenship and service.

The university's key target for its research performance measures is to maintain or achieve annual growth in its research funding. Achieving this target validates that research outcomes for individual projects are meeting the expectations of funders. The extent of the university's published research targets is similar to that of other major Canadian post-secondary institutions.

*Costs are considered*

The university developed an integrated planning and budgeting process. Through this process, it demonstrated that it had considered the costs of achieving research goals.

Each major institutional research goal identified in the CIP included budget request amounts.

The university established a bottom-up and top-down approach to align unit level (faculty) budgets to the overall plan. There are five metrics required in all faculties' reporting; each faculty can add up to three faculty specific measures.

In 2010, the university funded and tested a pilot project in two faculties to provide increased support to researchers on their funding applications to the Canadian Institutes of Health Research. Metrics were developed and tracked for this project. Results were positive so the project has been expanded to all faculties. The goal of this initiative is to improve the quality of applications and increase the number of funding awards to the university.

*Faculty plans are aligned*

Faculty unit plans demonstrate the extent to which faculties plan to contribute to the achievement of institutional targets.

There is an integrated annual approach. Each faculty provides an academic plan update, annual CIP submission, and academic performance measures that are incorporated into institutional level reporting.

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<sup>4</sup> University of Alberta, Dare to Deliver Academic Plan 2011–2015; Comprehensive Institutional Plan; Dare to Discover Report Card; University of Alberta Annual Report.

*Other measures of performance*

Research funding is provided by external funders. These funders perform audits and reviews to measure the performance of recipients. The focus of these reviews is primarily financial. However, the university considers these reviews an important component of its reporting on research performance because agencies provide future funding based on the results of their reviews. Achieving successful results in these financial reviews is a key indicator of the success of the university's research portfolio.

The university's internal audit services reports the results of all audits and external reviews to the audit committee annually.