

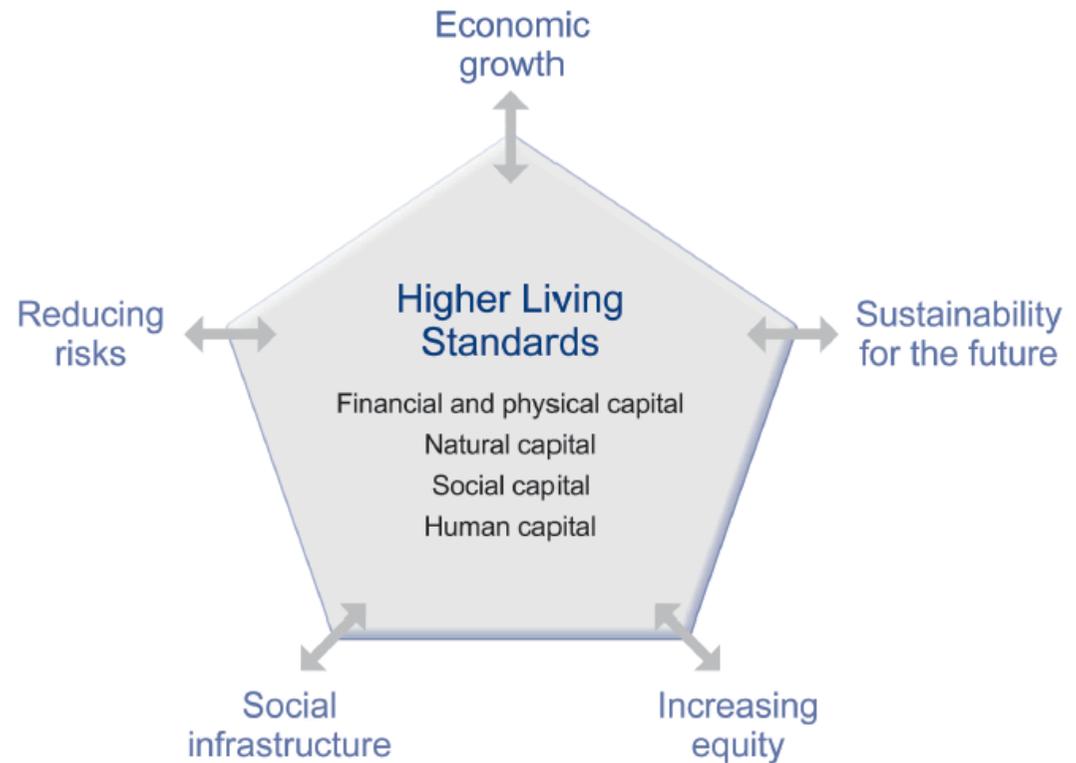


Office of the Government Accountant and Head of the Finance Profession for the State Sector

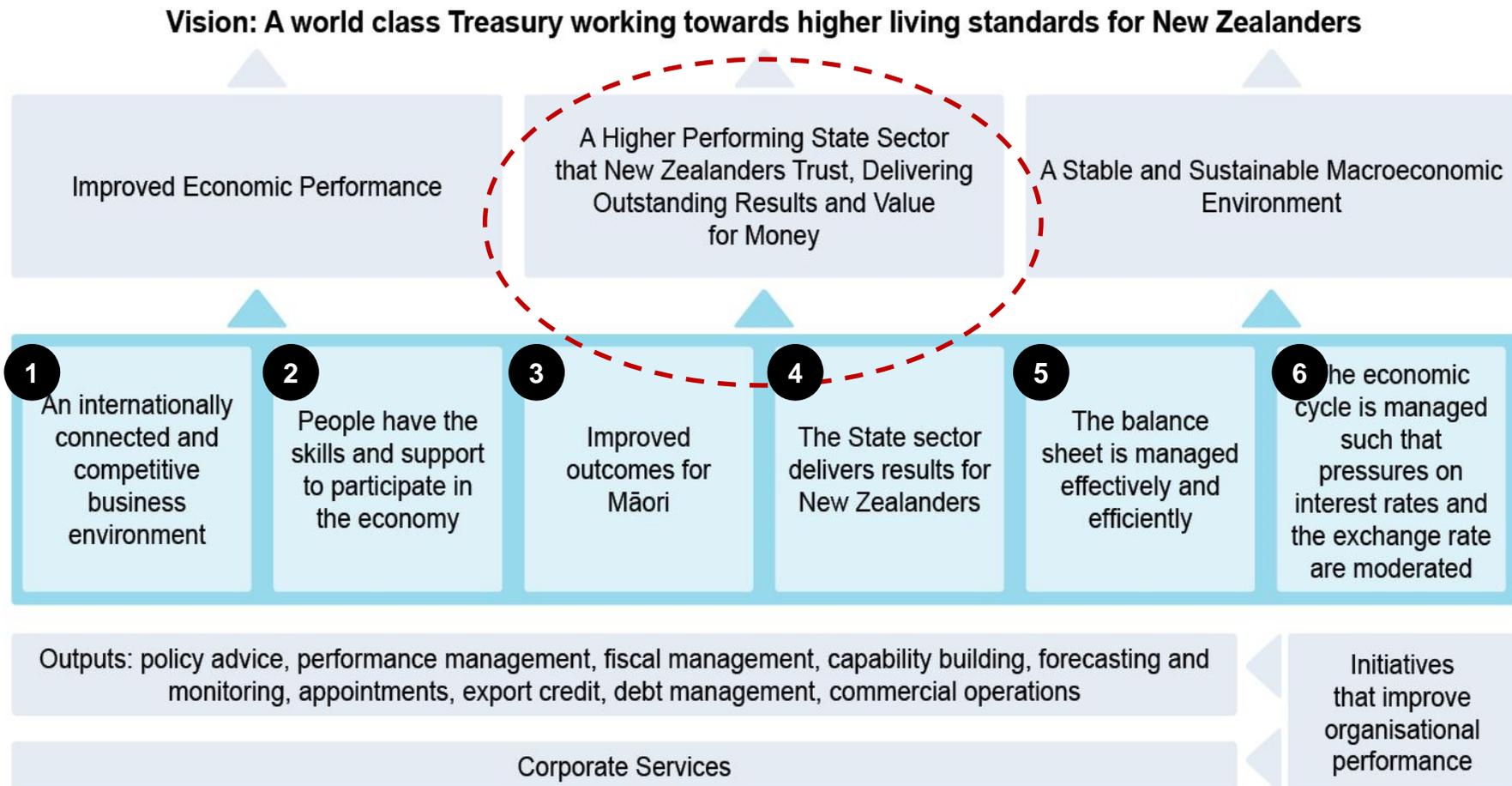
Creating a Vibrant Finance Profession for the State
Sector

April 2015

The Treasury's vision is to be a world-class Treasury working for **higher living standards** for New Zealanders



Intermediate outcome framework



Strategic financial management contributes to higher living standards through...



Treasury's focus on Strategic Financial Management has many aspects



Head of Finance Profession - Enhancing Strategic Financial Management

VISION

A vibrant finance professional in the state sector

Decision makers equipped to make strategic financial decisions

Central Agency assistance and assessment is unified

WHAT

- Raising strategic financial management awareness and demand
- Developing financial talent and capability
- Improving finance function performance

HOW

- Empowering change participation
- Equipping with the right knowledge, skills and experiences
- Integrating, streamlining, enhancing systems and processes
- Creating stronger strategic operating context
- Reinforcing an accountability culture
- Strengthening stewardship

COMMUNITIES OF PRACTICE

Key positions

Developing networks and events

Office Of Government Accountant

Inform

Catalyse

Facilitate

Four Year Plans, why have them?

- Provides the opportunity for an entity to:
 - Look out over the horizon
 - Consider what the entity needs to do to achieve its strategic objectives and to respond to opportunities and challenges that it might face
 - Consider how the entity will organise itself over the medium-term to deliver and be in a position to respond to opportunities and challenges
 - Bring together the different parts of the organisation and consider how they all work together
 - Determine what its priorities are
- Provides a place where the leadership team can set out and communicate their vision for the entity
- Provides a process for engaging Ministers and the Corporate Centre on the entity's medium-term planning



Improving capability to deliver quality plans

- Most entities have produced better draft four year plans than last year ...
- ... But there is still room for improvement:
 - The strategic choices and trade-offs Ministers and entities will need to make are not always clear.
 - Entities do not always provide a clear picture of what the entity will be doing and how it needs to organise itself to deliver in four years time. They still tend to extrapolate out their entire business over four years rather than describing their future business and what will be different.
 - Further improvement is needed in analysis of cost pressure drivers, ways to manage these and the associated risks.
 - Greater integration still needed between workforce, ICT, assets, property and procurement strategies.



Looking ahead.....

- As we create a vibrant finance profession for the state sector , we need to make the shift from “bean counters to trusted business advisors”.
- Any questions before Glenn Phillips – CFO Corrections talks about their approach to strategic financial management?

