Administrative vs. Operational Functions

**Business Function**
A business function is a program, service, or activity that a business or government office does in order to reach a goal. For example, the goal of a coffee shop is to make a profit by selling coffee and desserts. Some of the functions of a coffee shop are:
- Sales to the public.
- Making coffee and goodies.
- Buying supplies.
- Accounting for revenue and expenses.
- Managing staff.

Records coordinators analyse business functions when they develop procedures, records disposition authorities, and other tools for managing government records. Procedures, records disposition authorities, and tools that reflect business functions are usually easier to understand and use.

**Types of Functions**
Business functions can be divided into administrative and operational functions.

**Administrative functions:**
- Are found in most GNWT departments and agencies. In other words, they are *common* functions.

**Operational functions:**
- Are related to the department or agency’s mandate. The mandate is the department or agency’s reason for being.
- Are established by legislation or policy. For example, the Department of Finance has a mandate to collect the Territorial Income Tax. It gets this mandate from the *Income Tax Act*.
- Are unique to a single GNWT department or agency. In most cases, only one department will have a mandate to perform an operational function. For example, the Department of Finance is the only department that collects the Territorial Income Tax.
• Are externally focused. This means that the programs and services are meant for people who are outside the department or agency – either in the public or in another department.

When Can a Function be both Administrative and Operational?
Sometimes a function is administrative for one department or agency, but operational for another. This usually happens when a central agency is accountable overall for a function that all departments perform. Records management is an example of a function that is administrative for most departments, but operational for a central agency. All departments look after their records, but Public Works and Services (PWS) has a government-wide responsibility for records management.

Why is the concept of an Administrative vs. Operational Function Important in Records Management?
Administrative functions are more or less the same across the government. So, the GNWT can save time, effort, and resources if it designs a single system for administrative records. This is the purpose of the GNWT Administrative Records Classification System (GNWT ARCS). Having a standard system for managing administrative records,

• Makes it possible to provide standard training courses.
• Makes records management more consistent across government.
• Makes it easier for employees to move from one department to another.
• Lets departments and agencies concentrate on managing their operational records.

Take the Administrative/Operational Test!

1. Does an Act, a regulation, or a policy assign responsibility for this function to your department or agency?

2. Is this function done in any other department or agency?

3. Is the program or service done for the public or for another department or agency? That is, are the contacts or clients outside of your department or agency?

4. Is the program or service done for employees or offices in your department or agency? That is, are the contacts or clients also working for your department or agency?

5. Is it a central agency function?

6. Is the function done in order to keep your department or agency running?

7. Is the purpose of the function to carry out government policy objectives?

Answer key:
If you answered “yes” to questions 1, 3, 5, and 7, then the function is probably operational. If you answered, “yes” to questions 2, 4, and 6, then the function is probably administrative.

For more information about administrative and operational functions, contact your department’s Records Coordinator or the Records Management Unit at 920-3009 or 873-7627.