

Achieving results-based local government management

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"Having lost sight of our goals, we redoubled our efforts." (Anonymous).

A lot has been written about planning for local government in recent times. But experience tells us that most problems in delivering successful government services arise during the implementation of those plans and these are the day-to-day concerns of many council managers. Performance management often focuses heavily on program and service outputs, as these are the immediately obvious concerns. However, by taking a slightly broader view and considering results as a whole, not just service activities and outputs, program and service management can be greatly improved. Properly implemented, this is results-based management, a management strategy focusing on performance and achievement of outputs, outcomes and impacts.

The hierarchy of planning

By now the structure of planning, from the strategic level down to the operational, is well known and widely implemented throughout local government. Council goals, strategies, programs and activities are developed through a series of cascading plans.

Doing It

After the planning, of course, comes the doing. No plan can be considered successful unless it has been properly implemented and can be shown to have achieved the intended results. The Plan-Do-Check-Act cycle illustrated in figure 2 describes how planning is followed by implementation, monitoring and feedback to keep on track.



Figure 1: The Planning Hierarchy; The plans at the top of the pyramid are developed on a longer term cycle, while those towards the bottom are developed annually.

Regular monitoring is needed to ensure programs are on the right track and necessary adjustments are being made to ensure successful results.

There are many benefits to be gained from results-based monitoring, such as:

1. Optimising outcome performance, by responding dynamically to correct issues as they arise
2. Avoiding mistakes, by maintaining organisational knowledge
3. Learning from problems as they arise
4. Prioritising future program and project proposals
5. Demonstrating public accountability and good governance
6. Creating a performance culture within the organisation by regularly measuring and publishing performance data
7. Minimising waste; and
8. Setting higher standards and benchmarks.

Every program has an overall logic that describes what is to be achieved, and how. A simple representation of this is shown in the diagram below.

The Service Delivery Model

Each part of the model illustrated in figure 3 (activities, outputs, outcomes and impact) has unique performance questions and therefore its own information needs. As we move from activities to impact in the model, monitoring and evaluation become more complex. For example, at the activity and output levels, we can quite easily track which activities have been completed and their direct outputs. This is operational information. However, it is more difficult to identify and measure the outcomes, and even more so the impacts.

We need relevant and measurable performance indicators for each part of the model. To understand our success in delivering

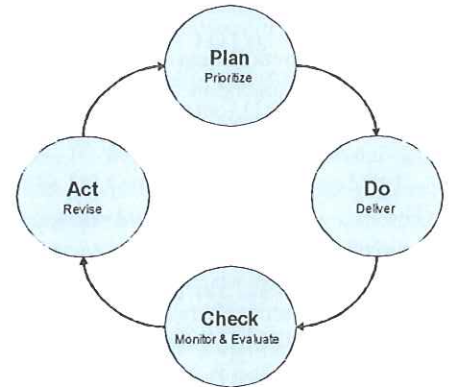


Figure 2: The Plan-Do-Check-Act Cycle

results, we need good indicators to measure outputs, outcomes, and impacts.

We start by identifying the key questions – performance questions – that we need to answer for each activity and output. By focusing first on these questions, we can avoid being overwhelmed by indicators that, in the end, may not tell us what we really need to know to manage and improve the program. A performance question helps focus our information gathering and analysis on what it is necessary to know about whether the program is performing as planned or not.

By being clear about an indicator we can make it measurable. Because we need a manageable, and therefore small, set of indicators it is important to ensure they are high quality. We review each potential indicator to ensure that it is not only clearly defined but is also representative, reliable and feasible. If an indicator fails to meet these needs, then it will not help us answer our performance question and we will have to adjust it or find a different one to answer the question.

An indicator is fully representative if it covers the most important aspects of the thing we want to monitor. As this will be hard to

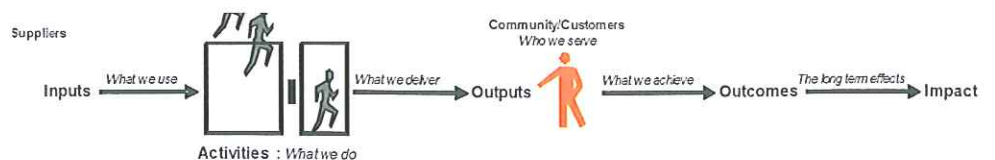


Figure 3: The Service Delivery Model

do for outcome and impact measurement, we may need several indicators to make sure the set of indicators is representative of the thing we want to understand. Consider the following when you are looking for representative indicators:

An indicator is more likely to be reliable if it is accurate – measured in a standardised way with sound and consistent procedures, for example in sampling and surveying.

An indicator is feasible if it only requires data that can be obtained at reasonable cost and effort.

Output measures measure how well the process outputs are delivered to the community or customers. Output measures are usually:

- Quantity – how much of the output has been completed?
- Quality – how good is the output, does it meet project specifications, national or international standards?

- Cost – how much has it cost to deliver the outputs?
- Time – have the outputs been delivered according to schedule?
- Accessibility – how available are the outputs to those who receive them?
- Customer service – how satisfied are community or customers with the service they receive?

Efficiency questions may be answered by measuring the ratio of outputs to inputs, for example the cost per meal delivered by the Meals on Wheels service.

Outcome measures measure how well the objectives of the service are being achieved. Outcomes are results arising directly from the program outputs. They must be measured separately from the service outputs, as they represent the achievement of goals, not just



Figure 4: Results Monitoring

whether planned outputs have been delivered. Adequately measuring the achievement of service outcomes requires an understanding of the program goals and objectively measuring the level to which the delivery of the service outputs have produced tangible further results.

	Program/Service		
	Immunisation	Meals on Wheels	Recycling
Planning goals	Prevent communicable diseases	Assist people to remain living in their own home environment in preference to admission into aged care facilities	Reduce the impact of household waste on the environment
Outputs	Immunised children <u>Indicators:</u> Number and percentage of children in target cohort immunised for communicable diseases	Meals delivered to the aged in their homes. <u>Indicators:</u> Number of meals delivered per day % of eligible persons receiving meals daily (cost per meal (gross cost, and net cost to council after other gov't. funding))	Recyclables collected at kerbside <u>Indicators:</u> Total mass of recyclables collected Mass per household recyclables collected Mass per head of population recyclables collected Cost per household to collect recyclables
Outcomes	Freedom from disease <u>Indicators:</u> Morbidity rates of immunisable diseases	Aged health & independence maintained <u>Indicators:</u> % of population aged 65 and over remaining in own home environment	Less landfill used by municipal residents <u>Indicators:</u> % total household waste recycled Ratio of recycled waste to landfill waste Consumption rate of landfill sites
Impacts	Reduced infant and childhood mortality, reduced total healthcare costs to the community <u>Indicators:</u> Infant & childhood mortality rates Acute healthcare system costs for treating immunisable diseases	Quality of life for the aged <u>Indicators:</u> Community quality of life statistics for persons aged over 65	Fewer non-renewable resources required to sustain the population <u>Indicators:</u> Estimate of non-renewal resources replaced by recycled materials through the municipal recycling program, & reduced carbon emissions (tonnes p.a.)

Table 1: Some examples of results monitoring

Outcomes measurement answer questions about effectiveness. The results of the outcome measurements should tell us whether the program, service or project needs to be modified in some way to make it work better in operation.

Impact measures are used to critically assess the longer-term benefits delivered by a program. These are often harder to define than outcome and output measures.

The focus of measurement shifts towards Impacts as we move up the pyramid towards more strategic and long-term goals. At the department level, routine results monitoring looks at activities and outputs in the short term, and outcomes in the medium term. Annual department reports should also show how the delivery of the department's outputs achieved outcomes in the medium term.

Improving It – Evaluating Programs and Services

Evaluation is the systematic and objective assessment of an in-progress or completed policy, program or project. It includes assessment of its selection, design, implementation and results. Carried out less frequently than Monitoring, nonetheless, a full evaluation is warranted at least once every strategic planning cycle, which means every four years for local government.

Evaluation aims to give managers and councillors information to help them make decisions:

- Is the policy correct?
- Are the programs appropriate to deliver the policy intent?
- Was the project the right one to do?
- Was the project properly implemented?
- Have we achieved what was intended? If not, why not?

- Do operations need adjustment to optimise the results? and
- Were there unintended results we need to know about when planning further programs, services or projects?

The intent is to incorporate lessons learned into the decision-making process.

Traditional implementation-focused monitoring systems are designed to address compliance – the “did we do it?” question. Did we mobilise the needed inputs? Did we undertake and complete the agreed activities? Did we deliver the intended outputs (the products or services to be produced)? However, this approach does not provide policymakers, managers, and stakeholders with an understanding of the success or failure of programs or policies.

Results-based monitoring and evaluation systems are designed to address the “so what?” questions:

- “So what?” – that activities have taken place?
- “So what?” – about the fact that outputs have been generated?
- “So what?” – that the outputs from these activities have been counted?

A thorough evaluation will encompass an in-depth assessment of the quality of the

design of a program, the quality of implementation of its activities, and the achievement of its outputs, outcomes and impacts.

A results-based evaluation system provides feedback on the actual outcomes and goals of government actions, covering:

- **Relevance**
 - Consistency of a policy, program or project's impact and outcome with the overall municipality development strategy,
 - Adequacy of program or project design to deliver the policy goals.
- **Effectiveness**
 - Extent to which the planned outcomes and impacts have been achieved.
- **Efficiency**
 - How economically resources have been converted to results.
- **Sustainability**
 - How likely is it that resources (human, institutional, financial) are sufficient to maintain the outcome over the foreseeable future.

In summary, by focusing on results, we always have to remember what we came here to get done.

THE POWER OF MEASURING RESULTS

If you do not measure results, you cannot tell success from failure.

If you cannot see success, you cannot reward it.

If you cannot reward success, you are probably rewarding failure.

If you cannot see success, you cannot learn from it.

If you cannot recognise failure, you cannot correct it.

If you can demonstrate results, you can win public support.

– Osborne & Gaebler, *Reinventing Government*.



42%

of a Manager's time is spent addressing conflict in the workplace.*

* DAN DANA (2001)

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