



Improving Public Sector Performance – How to structure results based reforms

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New Approach to Public Sector Management

OLD

- Ambitious “across the board” reforms
- Focus on Inputs
- Multitude of sometimes conflicting strategies / plans
- Plethora of largely unconnected monitoring and evaluation systems

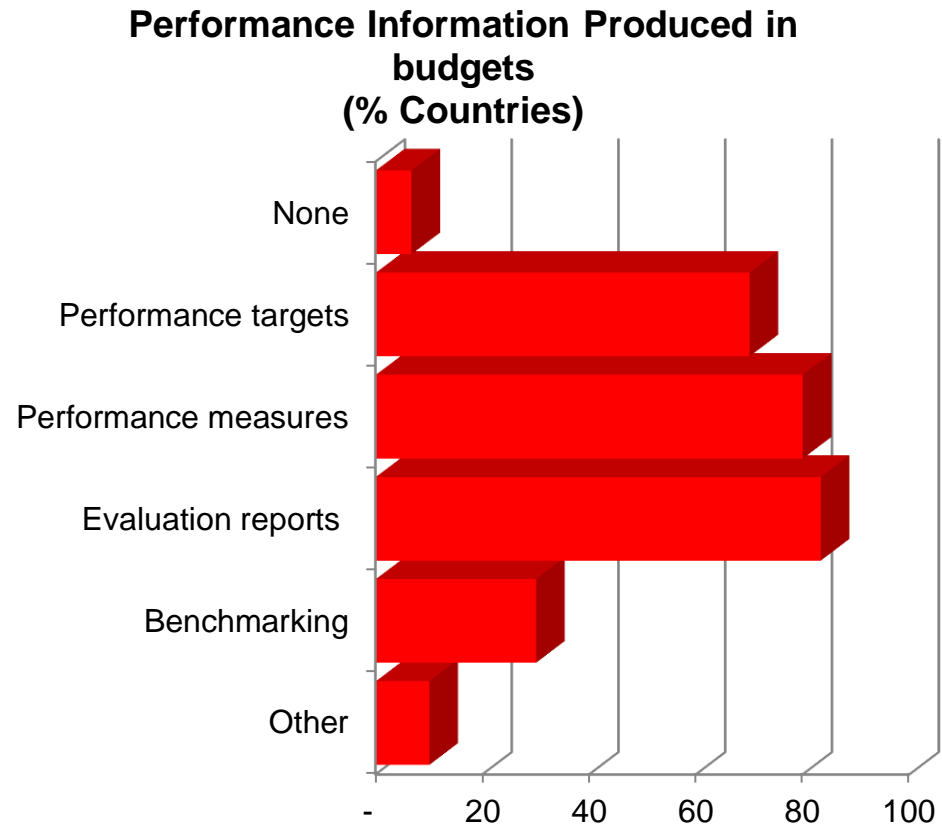


NEW

- Focus on results and clearly identifiable outputs that are politically relevant
- Collective monitoring of performance
- Focus on pragmatic problem solving
- Identify elements of sector strategies which support National Programs

Purpose and Promise

- Align resources, activities and outputs with objectives to achieve outcomes
- Drive improvements in efficiency (outputs) and effectiveness (outcomes)
- Facilitate aggregate fiscal discipline

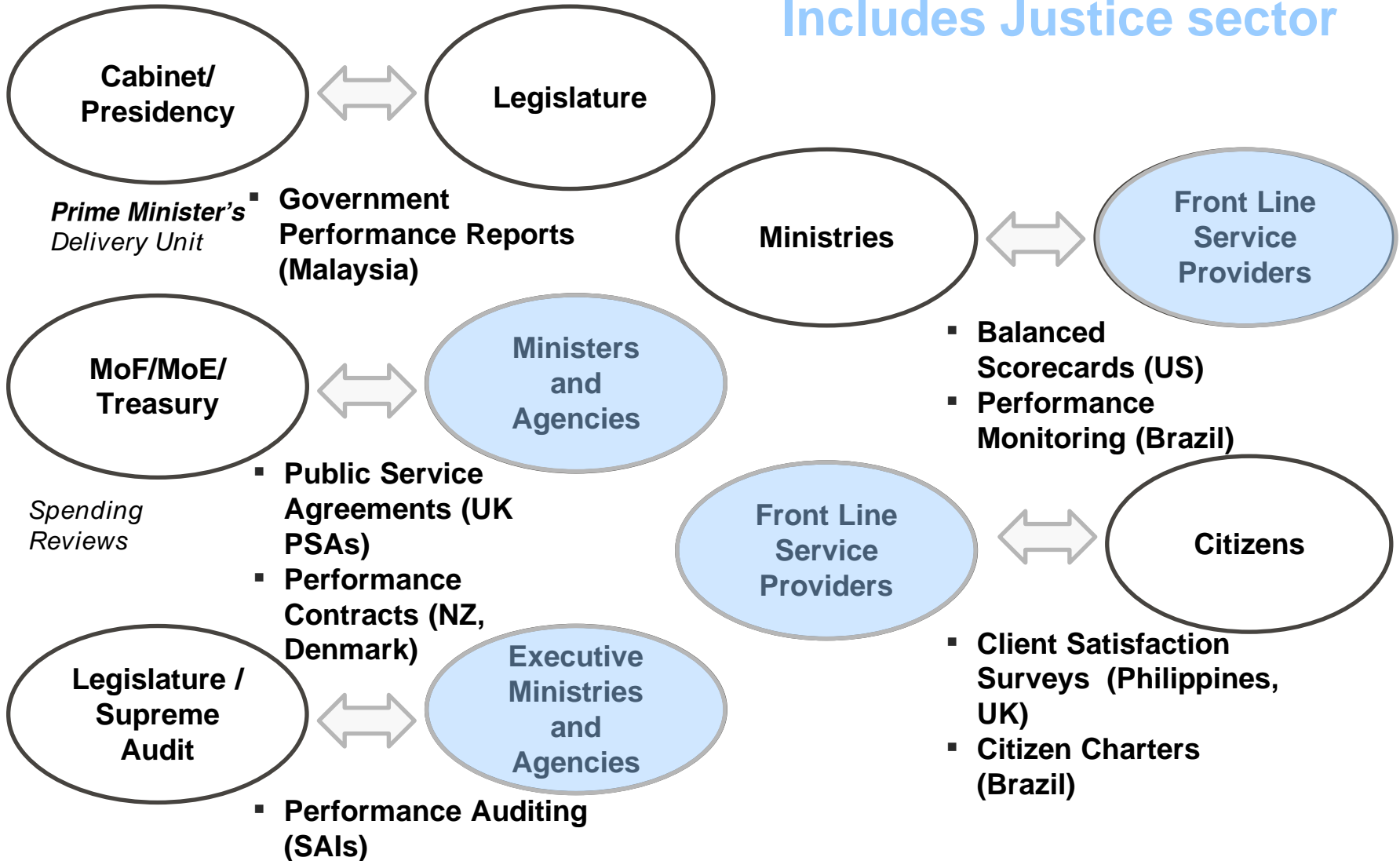


**Data from OECD/WBG Budget Practices
Survey OECD n=30 2007/08**

<http://webnet.oecd.org/budgeting/Budgeting.aspx>

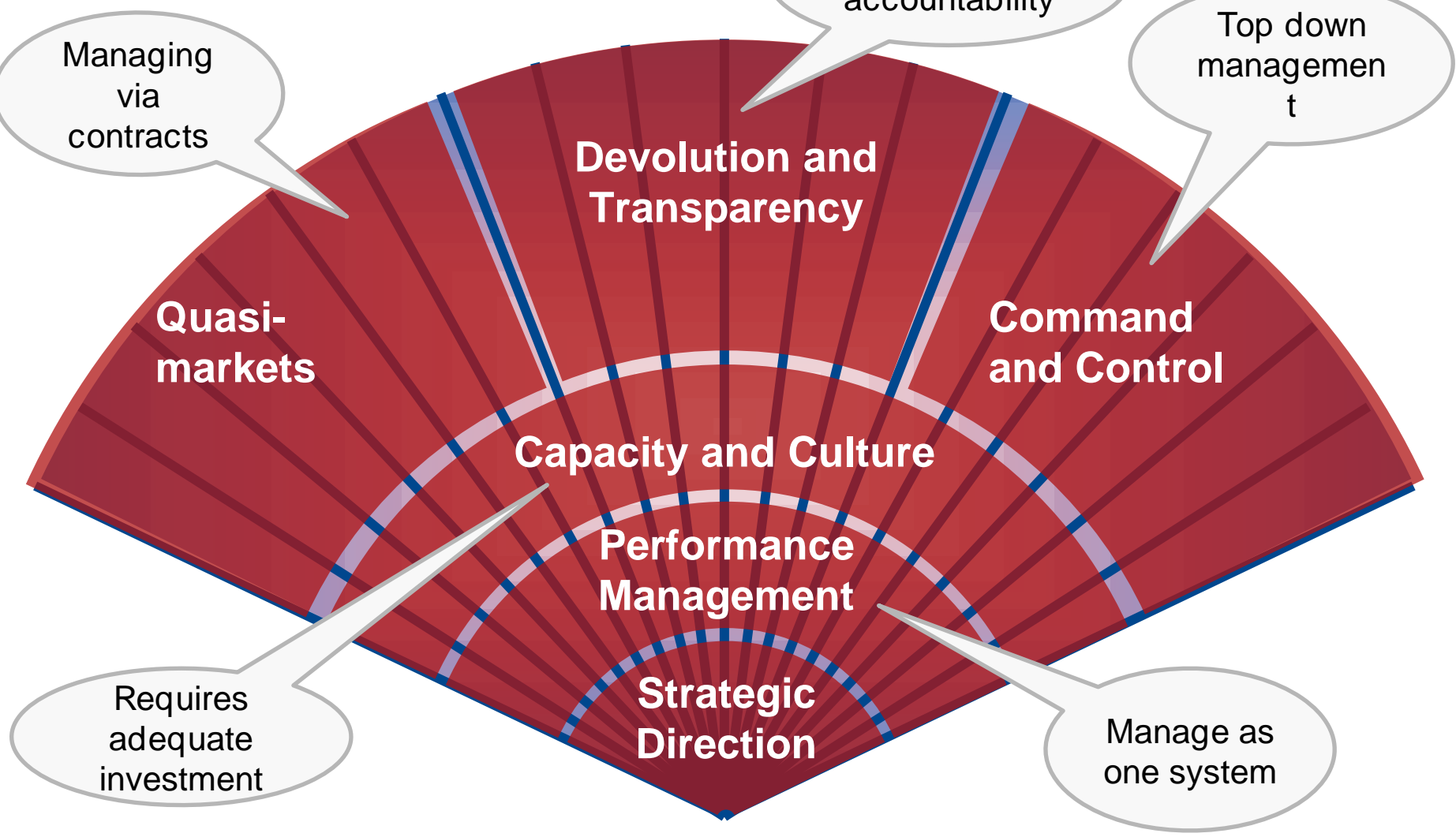
A diverse web of performance systems and tools

Includes Justice sector

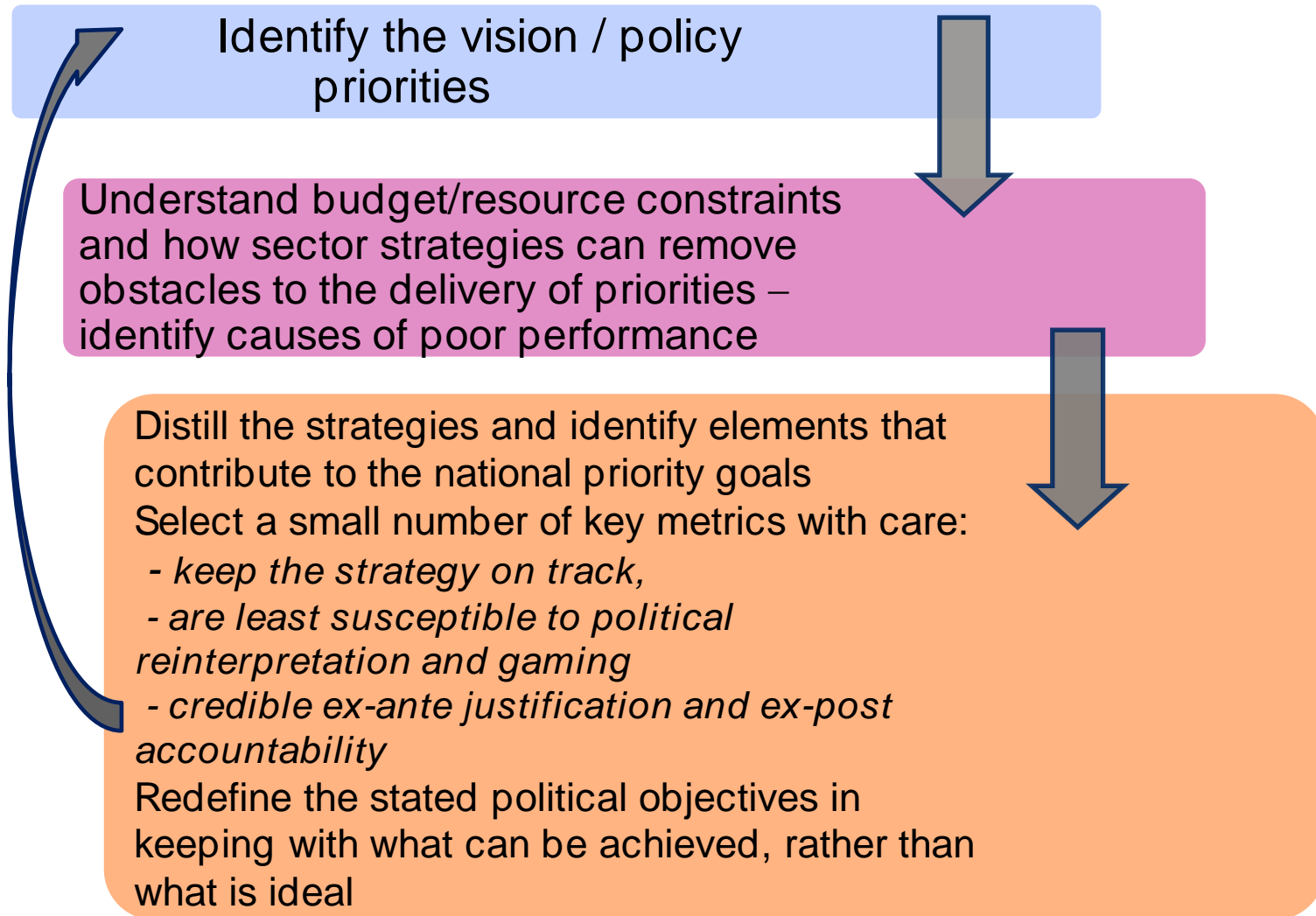




A coherent new model of public sector reform has emerged



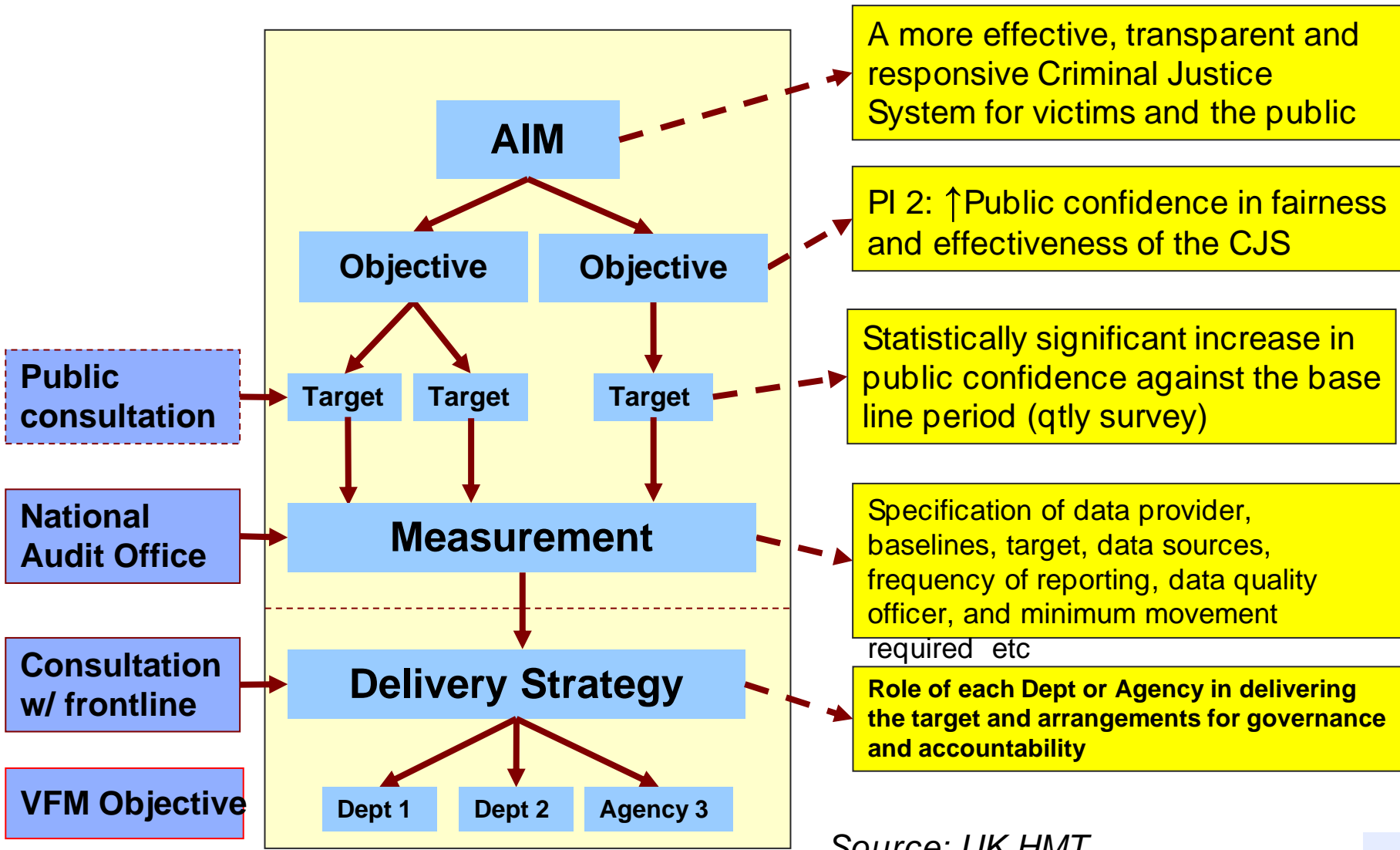
Developing a delivery chain to join the links



Example: UK Public Service Agreements

Sustainable growth and prosperity	Fairness and opportunity for all	Stronger communities and a better quality of life	A more secure, fair and environmentally sustainable world
1. Raise the productivity of the UK economy	8. Maximise employment opportunity for all	18. Promote better health and well-being for all	27. Lead the global effort to avoid dangerous climate change
2. Improve the skills of the population, on the way to ensuring a world-class skills base by 2020	9. Halve the number of children in poverty by 2010-11, on the way to eradicating child poverty by 2020	19. Ensure better care for all	
3. Ensure controlled, fair migration that protects the public and contributes to economic growth	10. Raise the educational achievement of all children and young people	20. Improve long term housing supply and affordability	28. Secure a healthy natural environment for today and the future
4. Promote world class science and innovation in the UK	11. Narrow the gap in educational achievement between children from low income and disadvantaged backgrounds and their peers	21. Build more cohesive, empowered and active communities	
5. Deliver reliable and efficient transport networks that support economic growth	12. Improve the health and wellbeing of children and young people	22. Deliver a successful Olympic Games and Paralympic Games with a sustainable legacy and get more children and young people taking part in high quality PE and sport	29. Reduce poverty in poorer countries through quicker progress towards the Millennium Development Goals
6. Deliver the conditions for business success in the UK	13. Improve children and young people's safety	23. Make communities safer	
7. Improve the economic performance of all English regions and reduce the gap in economic growth rates between regions	14. Increase the number of children and young people on the path to success	24. Deliver a more effective, transparent and responsive Criminal Justice System for victims and the public	30. Reduce the impact of conflict through enhanced UK and international efforts
<div data-bbox="56 1117 433 1327" style="border: 2px solid black; padding: 10px; background-color: #4a5568; color: white; text-align: center;"> <h2 style="margin: 0;">CSR07 PSA set</h2> </div>	15. Address the disadvantage that individuals experience because of their gender, race, disability, age, sexual orientation, religion or belief	25. Reduce the harm caused by alcohol and drugs	
	16. Increase the proportion of socially excluded adults in settled accommodation and employment, education or training	26. Reduce the risk to the UK and its interests overseas from international terrorism	
	17. Tackle poverty and promote greater independence and wellbeing in later life		

Setting out the delivery chain (e.g. The UK Justice sector)

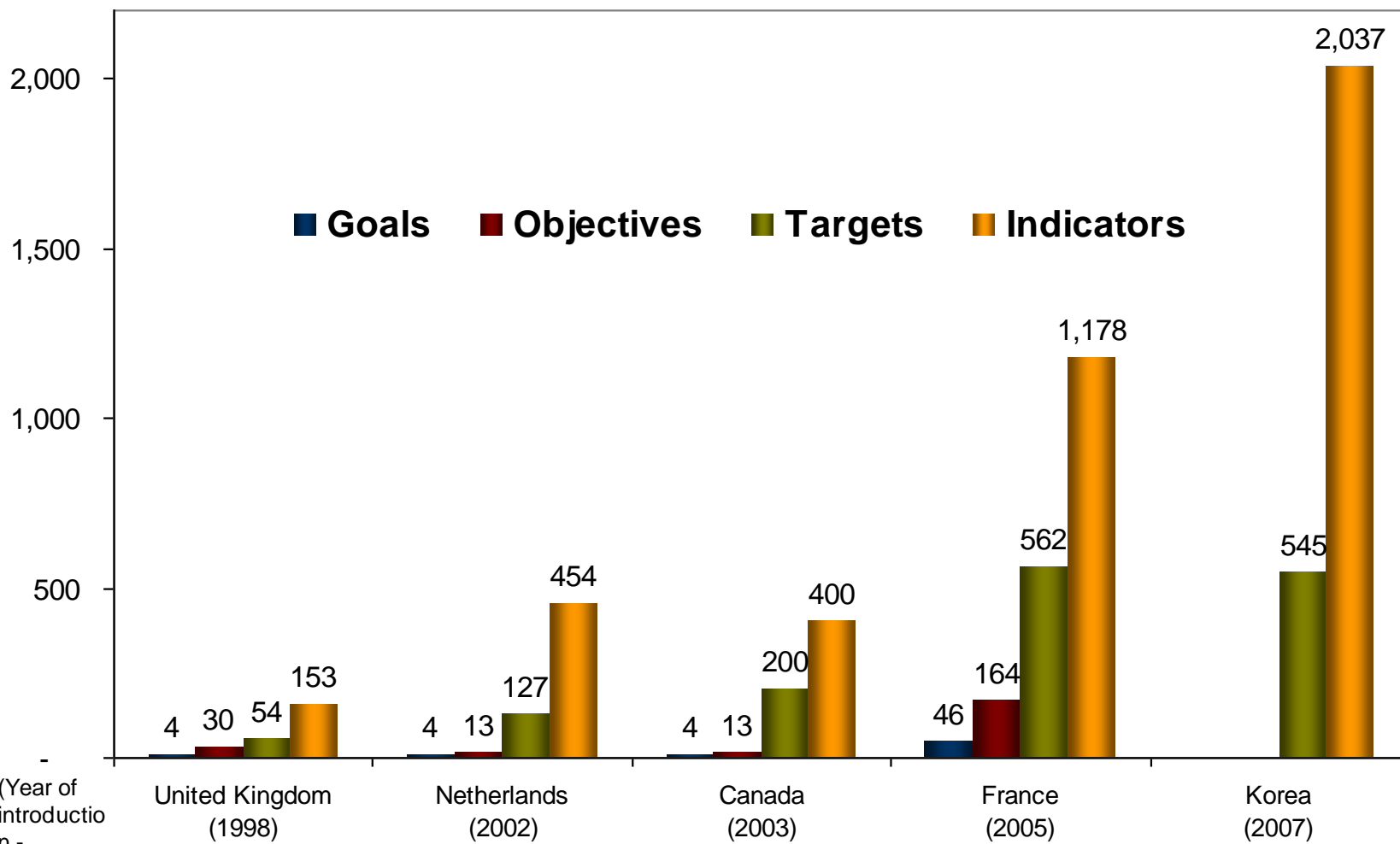




Lesson 1: Setting too many targets can limit the effectiveness of RBM – and is costly

Number of national level indicators used by central government

6,400



(Year of introduction - present)

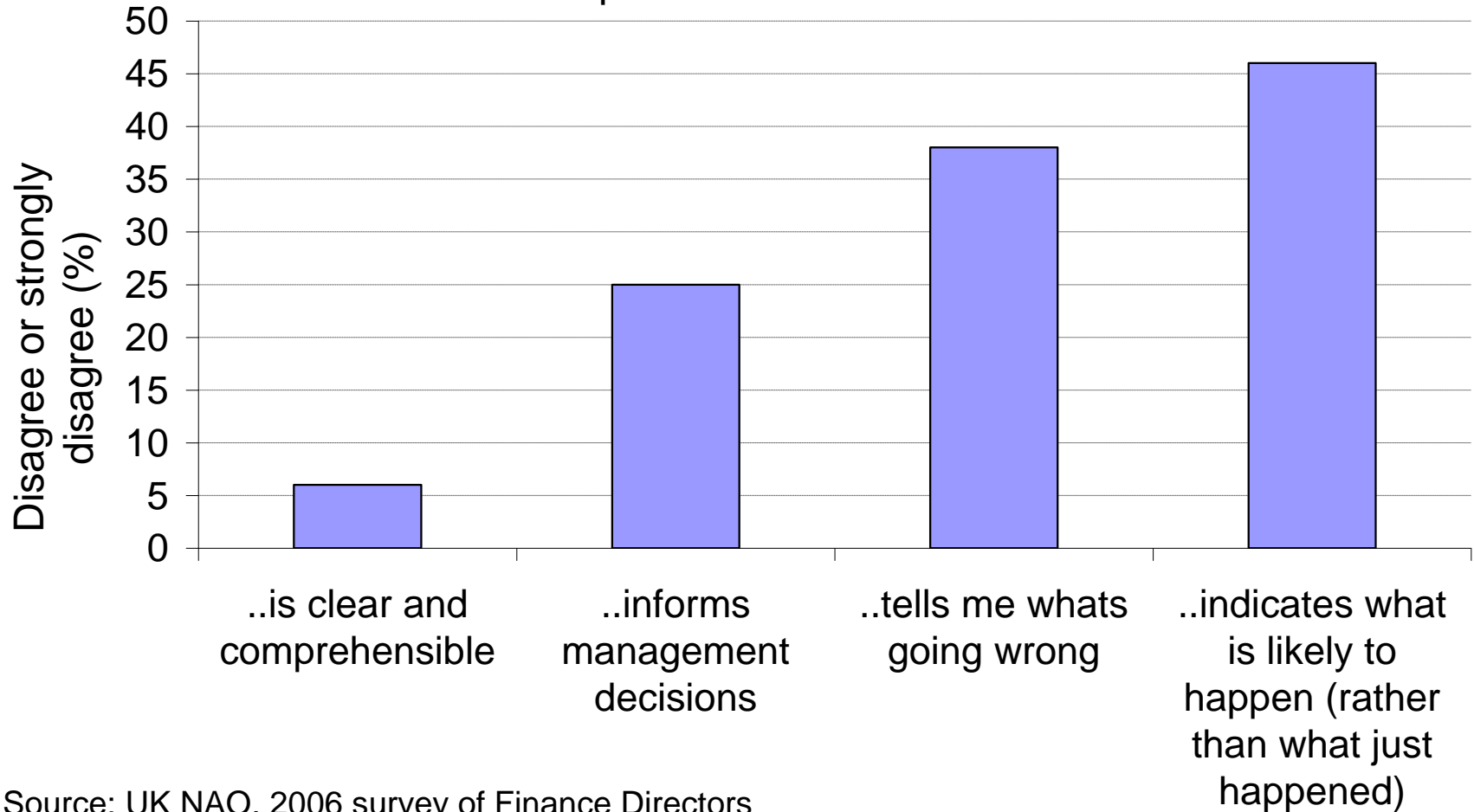
Source: OECD, 2007



Lesson 2: Simply collecting performance information doesn't necessarily lead to improvements

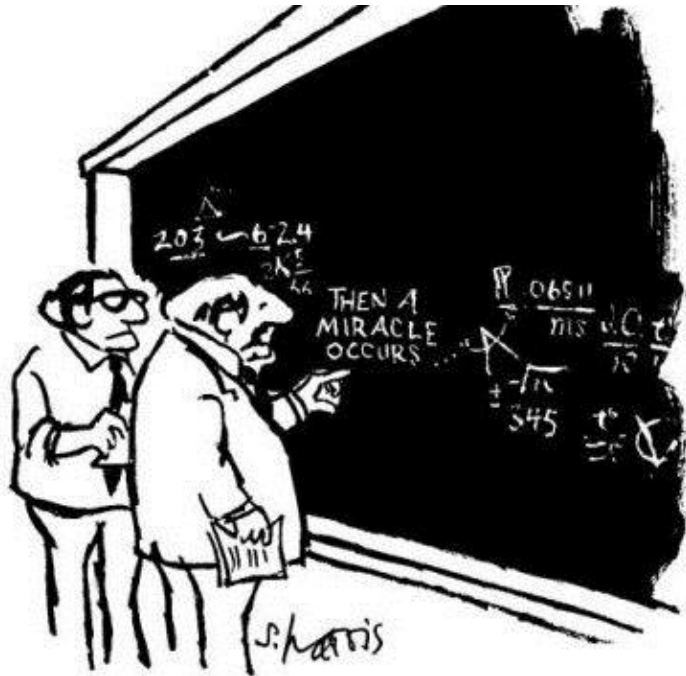
And it takes time to develop good performance information

Performance data provides information that.....



Source: UK NAO, 2006 survey of Finance Directors

Lesson 3: Not all activities are equally measurable



"I THINK YOU SHOULD BE MORE EXPLICIT HERE IN STEP TWO."

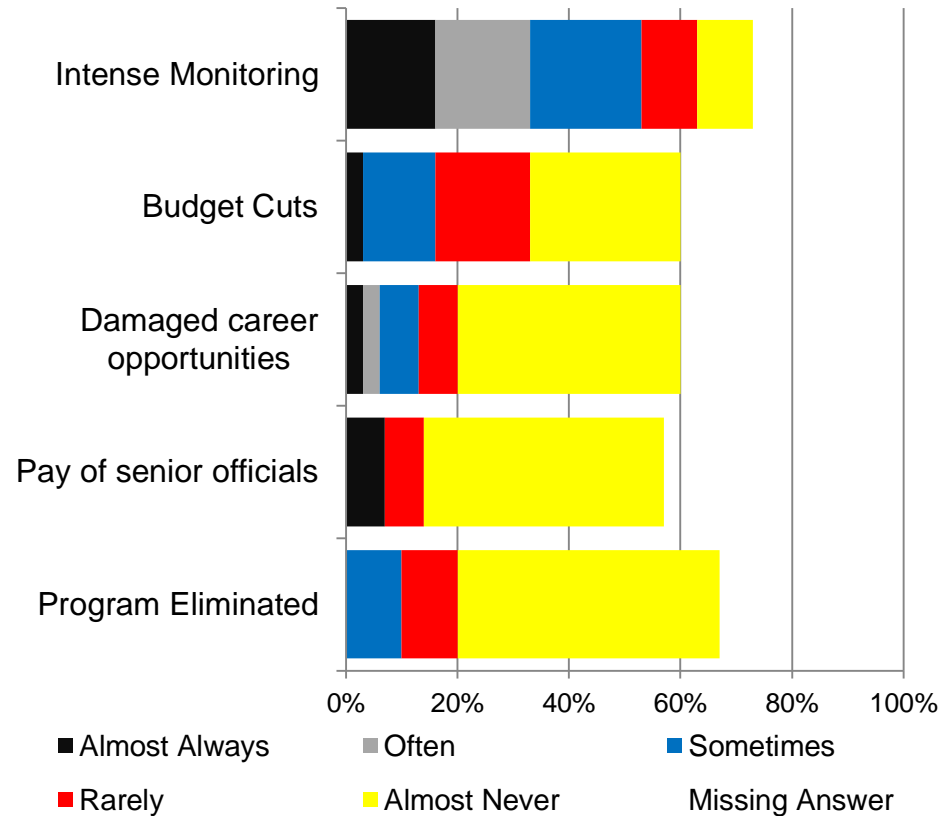
- Production and efficiency units are easier to measure than policy or advisory services
 - But quality measures are also important
- Many outcomes are measured over the medium to long-term
 - But important to show short-term trajectory (i.e. progress)
- Measurements and definitions of outputs/outcome needs to be tailored to different environments
- Performance information should be interpreted with caution in the areas where such measurement is difficult or imprecise

Lesson 4: Proceed with caution when linking measurement systems to incentives

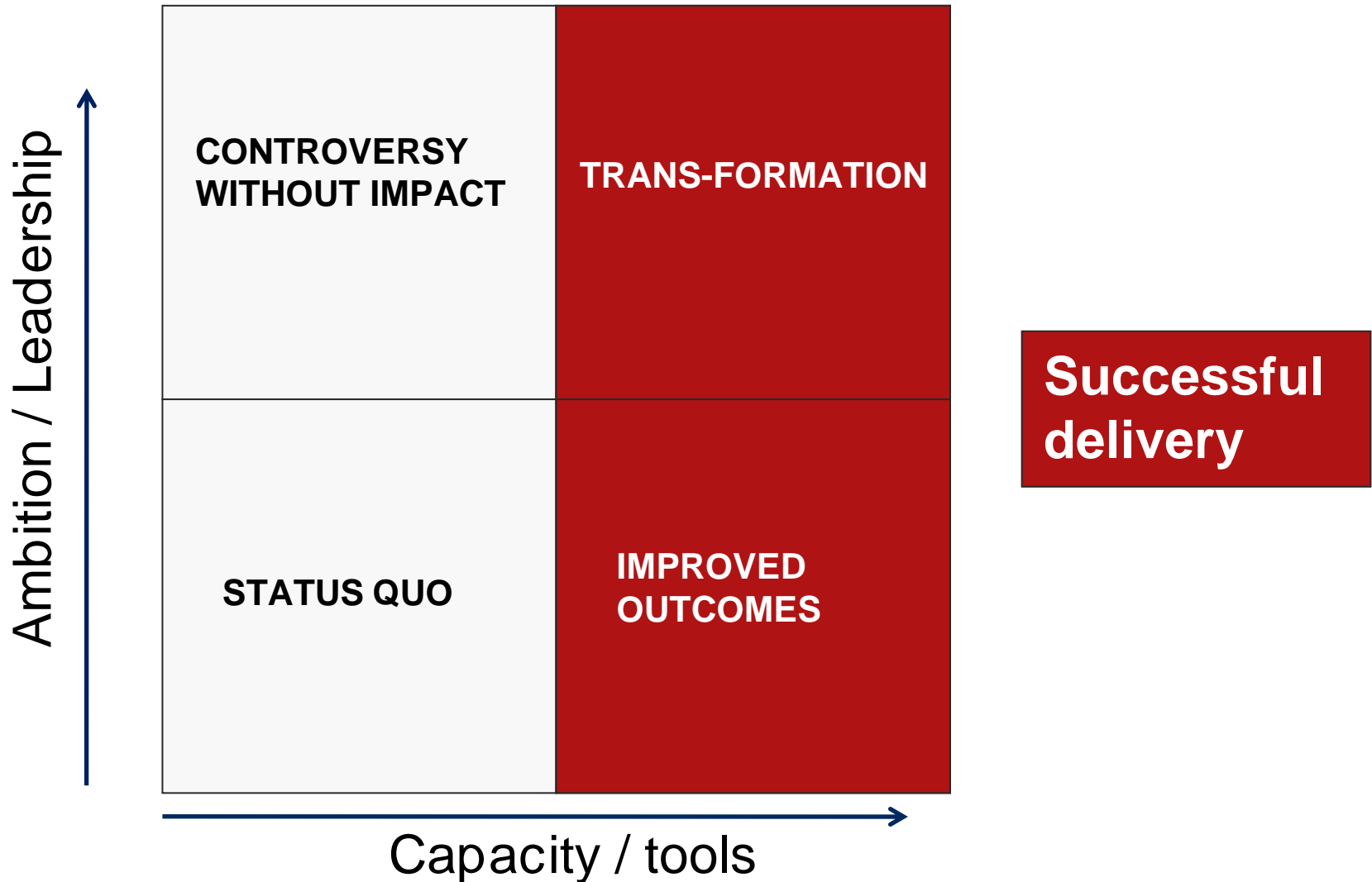
- Monitoring, Problem Solving and Support
- Management Interventions
- Publication & League Tables
- Budget Incentives and Sanctions
- Personnel Incentives and Sanctions



Consequences of Poor Performance
% OECD Countries



Lesson 5: Match leadership with capacity to ensure delivery





Building consensus around the Strategy and Plan are critical elements of the reform

- Identify the objectives, goals and outcomes desired
 - Particularly important to share across organizations or between the Judicial bodies and Executive
- Define how success will be measured
- Identify *internal* and *external* audiences, messages to those audiences
- Identify responsibilities of executives, managers and supervisors for delivering those messages to employees and others
- Include period evaluation against established goals and objectives

Issues for strategic communications



- Make the case for change
- Lead with Leadership
- Commit required resources (but is not just about more money)
- Manage the flow
- Be truthful
- Say It Again!
- Disseminate and Integrate
- Build involvement, build trust
- Manage change
- Regularly take stock



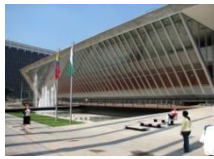
Summary: Some success factors

Key ingredients for a successful system

1. Leadership, clarity of vision and strategy across the system,
2. Departments / Agencies working together and building coalitions,
3. Knowledge about what works in the delivery system,
4. Effective performance management, and
5. Good data/metrics.

Critical for success will be:

1. A limited number of explicit, priorities, that the unit will maintain and help improve,
2. Light, nimble data collection and reporting systems that are not expensive or onerous to operate and maintain,
3. Systematic, regular monitoring of performance,
4. Some value to add—removing obstacles, helping resolve coordination problems, and/or offering sound advice to enable performance.



Thank you