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Welcome to the fifth issue of Nexus News, the newsletter focusing on issues facing the public sector.

This is the first of two newsletters introducing Performance Based Accountability, the evaluation approach developed by Mark Friedman of the Fiscal Policy Studies Institute in New Mexico.

The NSW Government's Human Service CEOs, who have endorsed the Friedman approach, sponsored Mark's visit earlier this year. Scores of NGO and government representatives were introduced to his concepts via a series of workshops.

PART ONE: FRIEDMAN & PERFORMANCE ACCOUNTABILITY FOR POPULATIONS

Friedman suggests assessing performance at two levels.

Firstly, at the population or community-wide level, which calls for the collaboration of multiple agencies (since no one agency can single-handedly improve the health of the population, for example).

This view reinforces recent thinking about the importance of collaborative efforts in government action.

Secondly, assessing performance at the individual program level requires more specific information about service recipients or users (clients, customers etc), rather than information about the whole community.

For example, measuring the effect of health services in a hospital requires looking at specific clinical outcomes for patients rather than the health status of the population. We will explore this aspect of performance assessment further in our next newsletter.

Friedman proposes a seven step process for considering the efforts of agencies at the population wide level, using a highly results focused approach:

1. Define the **population** e.g. all NSW residents, children under 8 years, the indigenous population etc.
2. Specify in plain English the **result** to be achieved. e.g. 'children are healthy and happy'.

ADDING VALUE

At Nexus Management Consulting, we assist organisations to change for the better through providing a range of services in the following areas:

Strategic & corporate planning, to enable you to create and achieve your organisational aspirations.

Program evaluation, to ensure your goals, strategies and outcomes are on track.

Management review & organisation development, to help you cultivate a self-sustaining, inclusive organisational environment.

Group facilitation, to ensure your meetings and focus groups adhere to a relevant agenda and produce meaningful results.

Strategic management training, to transfer skills so that your organisation develops the internal capacity to create enduring change.

3. Identify a small number of **key indicators** which will track progress on the result. This is a crucial point. The focus here is on 'turning the curve', as Friedman describes it, and the collective measure of success is the improvements made on these **key indicators** (which should include historical data and projections). Such indicators could be teen pregnancy rates, literacy levels, and so on.
4. Find the **story** behind the indicators by examining the causes, research evidence and epidemiology. e.g. the contributing causes to teen pregnancy and illiteracy.
5. Identify the **partners** with a role to play. Who are the other organisations and agencies, both government and non government, who can contribute to achieving results and 'turning the curve'?
6. Identify **what works**. What does the research suggest needs to be done to bring about the desired change in the indicators? How can we do better than before?
7. Develop an **action plan and budget** to implement what needs to be done.

Whilst there may be room for debate around some elements of Friedman's methodology (for example the challenge of managing conflicting ideologies between different 'partners'), his premise is sound. His framework recognises and builds on the multiple influences of agencies and community groups on population indicators.

Friedman acknowledges that this collaborative model may require new ways of thinking and acting for some. He relates how a Clinton advisor visited him following the successful efforts of health and education authorities, community and church groups to address the issue of teen pregnancies in one county. The advisor repeatedly pressed Friedman for the 'magic bullet' which had brought about the improvements, seemingly deaf to his emphasis on the power of collaborative action.

In NSW, the Community Drug Strategies Team of the Premier's Department engaged Friedman to work with them and subsequently engaged Greg Masters of Nexus to help them apply the framework. The team is actually working at an intermediate level, between the population and program levels, by developing community and agency capacity to deal with drug and alcohol issues. The team now has a draft evaluation strategy with a number of key indicators to track performance at the population and individual program levels.

FOR MORE DETAILS ON PERFORMANCE BASED ACCOUNTABILITY:

- See Friedman's websites: www.resultsaccountability.com or www.raguide.org
- Contact Greg Masters of Nexus (gmasters@nexusmc.com.au Tel. (02) 9559 2468)
- Contact the NSW Institute of Public Administration Australia (IPAA) on (02) 9228 5225 if you are interested in attending workshops on Friedman's methodology. These will be delivered by Greg Masters and can be customised to your agency's needs.

CONTACT US

Please continue to direct your ideas and comments to gmasters@nexusmc.com.au. If you'd like to see an article covering a particular issue, please let us know.

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