HOW TO INTRODUCE AND MAKE PERFORMANCE MANAGEMENT SYSTEMS WORK.

David Galliers, West Midlands Regional Improvement & Efficiency Partnership, UK.
Why Performance Management?

- Performance Management links strategy with objectives to make the best use of resources by coordinating the efforts of every member of the organization.

- Effective Performance Management can help partnerships:
  - Bring partners together around key issues
  - Identify what is working and what isn’t
  - Ensure that key stakeholders are involved
  - Develop and improve service delivery
Performance Management in England

- Local Strategic Partnerships deliver Community Strategies (vision for the area) and Local Area Agreements (LAA) (delivery plan)

- LAAs
  - Delivered by local government & partners
  - Up to 35 priorities + indicators + targets negotiated with regional government
  - 3 year plans
  - Reviewed by regional government annually
  - Focus on “place” and “outcomes”
  - a National Performance Framework e.g. 1,200 indicators reduced to 198.
  - A duty on public sector agencies to work together
Performance Management in England

- Support to LSPs provided at regional level by 9 Regional Improvement & Efficiency Partnerships using funds devolved by central government
- National Inspectorate (Audit Commission) will assess delivery against outcomes across each area
3 years ago, Coventry was a LAA pilot. We found the system

- Very “top down”
- Dictated by government targets
- Over 1,000 indicators to measure and report on
- Expensive to collect information
- Too much time measuring and little time for service improvement
- LAA system running over other monitoring systems
- Very little value added
The new LAA now offers:

- A single approach to planning and monitoring priorities
- The main area of negotiation with government
- An evidence-based approach
- Less bureaucracy
- A “grown up” relationship with government

But ….. little on delivery planning
How?  A Simple Approach

• UK Government commissioned the development of the 5 Step Model

• Has been tested in the West Midlands in 2007

• Will be used to support all LSPs in the West Midlands in 2008
The 5 Step Model

WHERE ARE WE NOW?

WHAT EVIDENCE DO WE HAVE FOR PRIORITIES?

WHERE ARE WE TRYING TO REACH?

HOW WILL WE GET THERE?

WHAT DO WE NEED TO DO?
Vision: To improve the Quality of Life of Local People

Priorities: To reduce health inequalities
To reduce crime
To improve educational attainment
To promote job creation

Must be based on evidence and consultation with stakeholders – a market survey.
To promote job creation

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![Bar chart and thumbs up emoji]
To promote job creation

Quarterly Claimant Count rate from the Working Age Client Group % of working age population

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To promote job creation

Enterprise: VAT registrations per 10,000 adults Rate per 10 000 adult population

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![Graph showing VAT registrations per 10,000 adults across different periods and regions.]
To promote job creation

What priority do we need to address?
- Enterprise Development

Where do we need to address this priority?
- Area Wide?
- In a neighbourhood or district?
- Within a particularly underrepresented target group?

What has caused the problems?

What are we currently doing and why is it not working?

- *local surveys, focus groups, advisory groups are important!*
Questions:

- What happened between 2002 and 2004?
- Is the predicted growth in new businesses between 2007 and 2010 realistic?
- Is the predicted drop in growth (2010-2011) reasonable?
Questions:

What options do we have for improving performance?
- *Involve all stakeholders in analysing current performance*
- *Commission customer research*

What evidence do we have that these will be effective?
- *Gather national and international evidence of “what works”*

What should we favour, and why?
- *Isolate the weaknesses in delivery*
- *List the strengths of current delivery*
- *Select from national and international research best practice – go and see it!*
**Questions:**

**What actions do we need to take to improve performance?**
- new interventions?
- upscale or downscale existing interventions?
- improve existing interventions?
- Training based upon what we have learnt from the past?

**Who needs to know?**
- Government?
- Service Managers?
- Front line staff?
- Customers/community?

**Who is responsible?**
- Plan for who does what, when, with whom, with what, measured against what.
- When will performance be reported, to whom and how?
Will it work in Croatia?

Yes

Provided there is:

- Support to develop useful performance information
- A commitment to an evidence-based approach to service delivery
- Effective leadership within partnerships
- The ability to look for good practice nationally and internationally
- Training for partnership personnel
- Active involvement of the customers/users of services
- A commitment to learning

Each of these needs to be supported by all levels of government and by partnerships themselves.