
HOW TO INTRODUCE AND MAKE PERFORMANCE MANAGEMENT SYSTEMS WORK.

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& 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



Learning
to
Deliver

- ▶ 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

Coventry & the LAA



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

Coventry & the new LAA



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

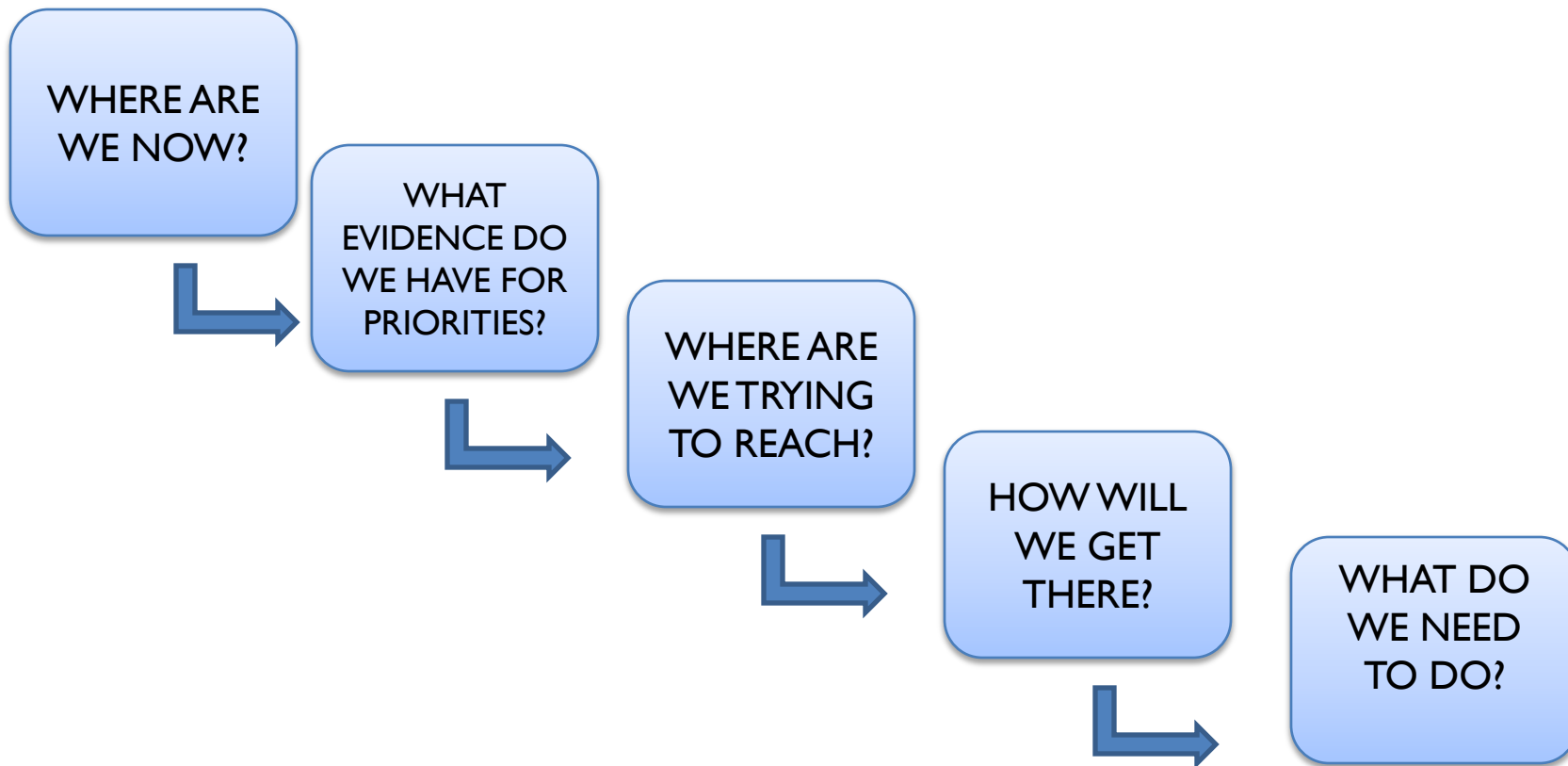
But little on delivery planning

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



Priorities



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.*

WHERE ARE WE NOW?

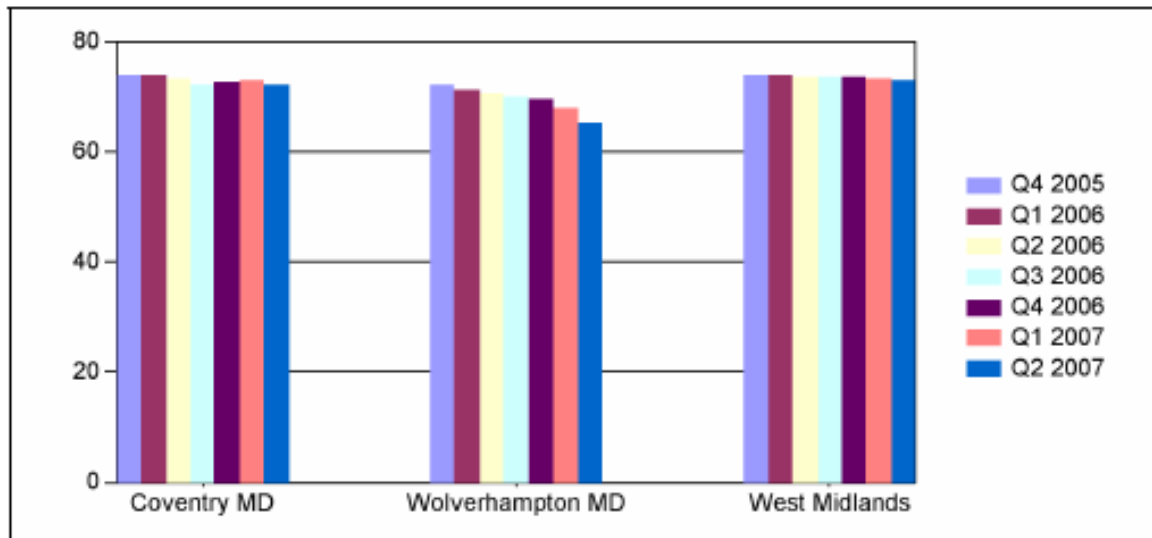


Learning to Deliver

To promote job creation

Four quarter average employment rate - Labour Force Survey % in employment

| | Q4 2005 | Q1 2006 | Q2 2006 | Q3 2006 | Q4 2006 | Q1 2007 | Q2 2007 |
|------------------|---------|---------|---------|---------|---------|---------|---------|
| Coventry MD | 74 | 74 | 73.3 | 72.3 | 72.6 | 73 | 72.4 |
| Wolverhampton MD | 72.4 | 71.4 | 70.8 | 70.1 | 69.7 | 68 | 65.2 |
| West Midlands | 74.1 | 73.9 | 73.8 | 73.7 | 73.6 | 73.3 | 73 |



West Midlands Regional Improvement & Efficiency Partnership

West Midlands LGA
LOCAL GOVERNMENT ASSOCIATION

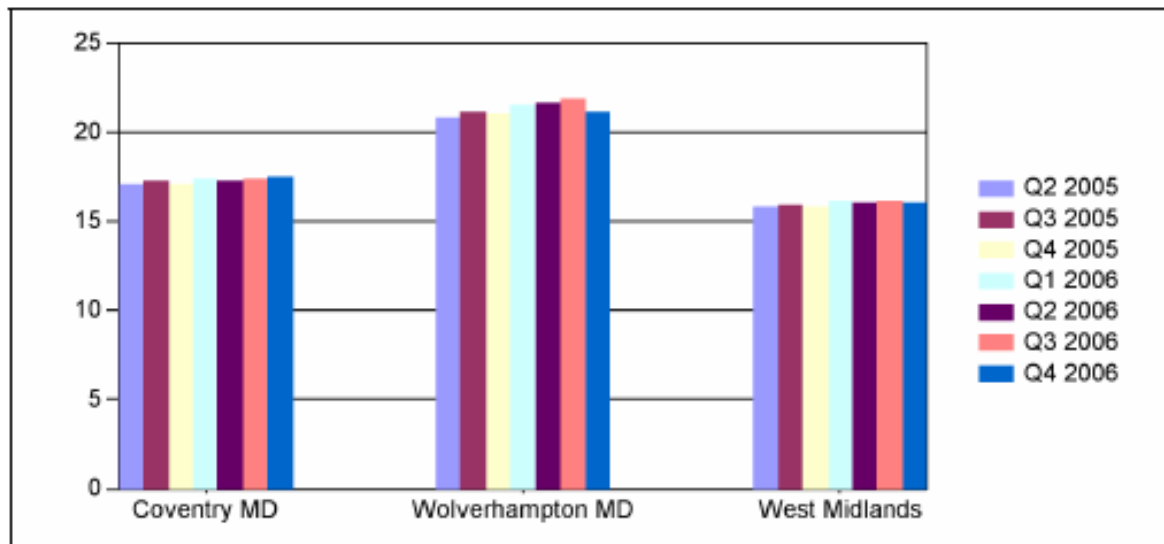
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WHERE ARE WE NOW?

To promote job creation

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

| | Q2 2005 | Q3 2005 | Q4 2005 | Q1 2006 | Q2 2006 | Q3 2006 | Q4 2006 |
|------------------|---------|---------|---------|---------|---------|---------|---------|
| Coventry MD | 17.1 | 17.3 | 17.1 | 17.4 | 17.3 | 17.4 | 17.5 |
| Wolverhampton MD | 20.8 | 21.1 | 21 | 21.6 | 21.7 | 21.9 | 21.2 |
| West Midlands | 15.8 | 16 | 15.9 | 16.2 | 16.1 | 16.2 | 16.1 |



WHERE ARE WE NOW?

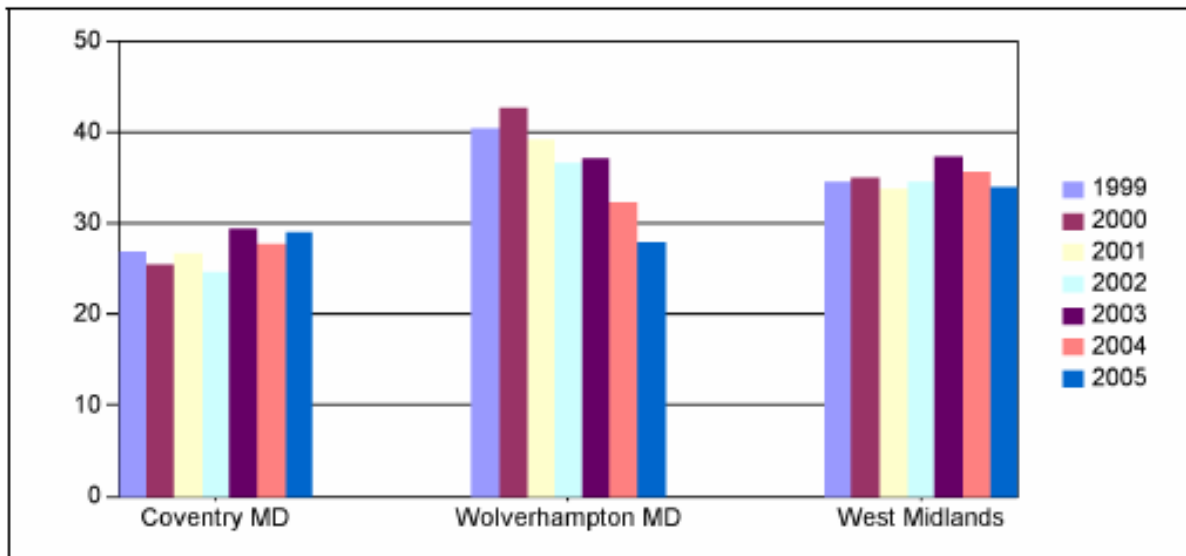


Learning to Deliver

To promote job creation

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

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|------------------|------|------|------|------|------|------|------|
| Coventry MD | 27 | 25.4 | 26.7 | 24.7 | 29.4 | 27.7 | 29.1 |
| Wolverhampton MD | 40.5 | 42.7 | 39.1 | 36.6 | 37.1 | 32.3 | 27.9 |
| West Midlands | 34.7 | 35 | 33.7 | 34.6 | 37.3 | 35.6 | 34 |



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**WHERE
ARE WE
NOW?**

**WHAT
EVIDENCE DO
WE HAVE FOR
PRIORITIES?**



**Learning
to
Deliver**

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!*

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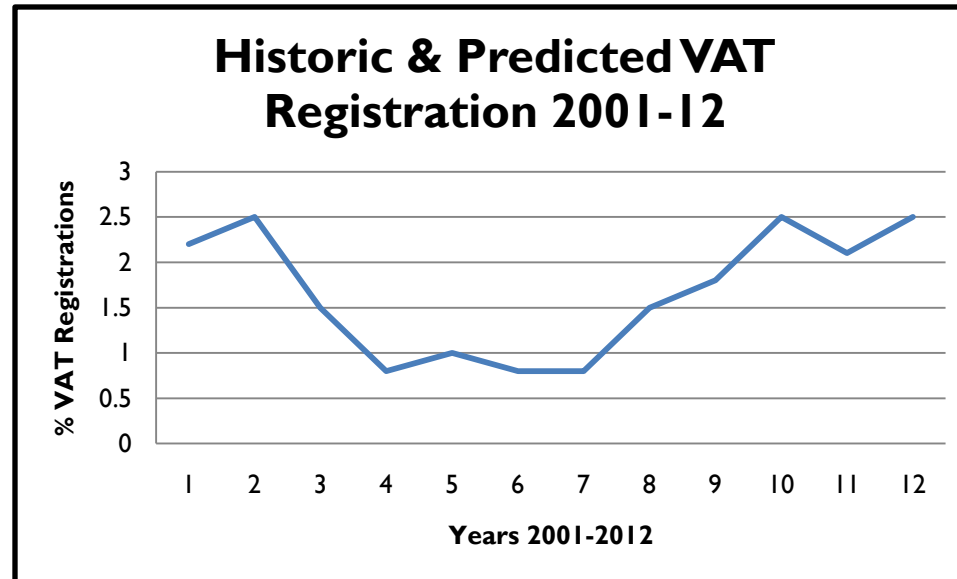
WHERE
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WHAT
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WHERE
ARE WE
TRYING TO
REACH?



Learning
to
Deliver



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?

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**HOW
WILL WE
GET
THERE?**



**Learning
to
Deliver**

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!*

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**HOW
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THERE?**

**WHAT DO
WE NEED
TO DO?**

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?



Learning
to
Deliver

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.

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