KEY PERFORMANCE MANAGEMENT QUESTIONS

I. Objectives and Approaches

Objectives and Focus
- Management and Improvement: Is the internal use of performance management, to support management and continuous improvement, a major objective?
- Accountability and Control: Is the external use of performance management, to increase accountability to responsible ministers or to the public, a major objective?
- Savings: Are direct savings on the budget a major objective?

Approach
- Comprehensive: Is the approach to performance management comprehensive, i.e. covering different instruments and most activities or organisations?
- Legislative: Is performance management based on specific laws or lower level legislation?
- Ad hoc: Are ad hoc initiatives (related to specific problems or needs) an important part of performance management?
- Top-Down: Are performance management initiatives imposed from the top?
- Bottom-Up: Are performance management initiatives developed at the agency level? Are such initiatives actively supported by departments and central management units?

Institutional Arrangements
- Finance - Budget Departments: Do finance or budget departments have a role in performance management?
- Other Central Departments: Do other central departments (administration, prime minister/cabinet, personnel) have a role in performance management?
- Special Management Bodies: Have special management bodies or units been created to develop and implement performance management initiatives?

II. Performance Measurement

Performance Measurement
- Indicators: Are simple and transparent indicators used as performance measures?
- Measurement Systems: Are specialised systems used to measure performance?
- Qualitative Measures: Are qualitative, indirect measures used along with quantitative measures?
- Processes (Activities): Are measures of processes, activities or new initiatives important in performance measurement?
- Efficiency (Outputs): Are measures of outputs important in performance measurement?
- Effectiveness (Outcomes): Are measures of outcomes important in performance measurement?
- Service (Delivery) Quality: Are service quality measures important in performance measurement?
- Financial Performance (Economy): Are financial measures (cost of inputs, etc.) important in performance measurement?

Financial Management
- Accrual Accounting: Is accrual accounting used to improve cost information and the basis for performance measurement?
- Cost Allocation: To what extent have systematic methods been developed to allocate costs to different outputs?
- Integration of management systems: Are financial management and performance management systems co-ordinated or integrated?

Reporting Performance Information

- Public Availability: Is information on performance generally made available to the public and is it used to improve relations with the public?
- Annual Reports: Is information on performance generally published in annual reports?
- Budget Reports: Is information on performance systematically collected in relation to the preparation of the budget and published in relation to the budget proposal?
- Performance Contracts: Are contracts, or performance targets set in contracts, publicly available?
- Local Government Performance: Are indicators of performance of local government collected and published?

III. Service Quality

- Service Standards: Have service standards been used to define the level of service the clients are entitled to receive?
- Service Statements: Is level of service and service quality declared to the public in simple service statements?
- Customer Surveys: Are customer surveys used to measure perceived quality?
- Quality Management (Systems): Are quality management systems widely used to improve the quality of public service?

IV. Performance Review

- Internal Evaluation: Are there specific methods or arrangements for the internal evaluation of agencies?
- Performance Auditing: Does a state auditing body audit the performance of agencies? Is the accuracy and relevance of performance information audited?
- Quality Monitoring Units: Have special quality monitoring units been created to monitor and evaluate service quality and performance in specific sectors?
- Programme Evaluation: Are government programmes evaluated in a systematic way? Are the evaluations done on a regular or ad hoc basis?

V. Use of Performance Information

Performance Budgeting

- Performance Informed Decisions: Is information on performance actively used to improve the quality of decisions in the budgeting process?
- Performance Based Allocation: Are there sectors where allocation of resources is more or less directly linked to units of performance?

Performance Pay

- Individual Agreements: Are there individual agreements where evaluation of performance has an effect on pay?
- Individual Performance Pay: Does evaluation of performance have an effect on the pay of individuals?
- Group Productivity Pay: Is measured performance of organisational units or groups of staff used to pay bonuses to the staff?

VI. Results-Oriented Management

Devolution and Autonomy

- Relaxation of Input Controls: Have input controls (limitations on the use of resources, allocation to specific expenditure items) been relaxed?
- Reduction of Process Controls: Have process controls (detailed rules on the process of providing services and operations of agencies) been reduced?
- Autonomous Agencies: Have (semi)autonomous agencies been established? Has more autonomy been granted to the existing agencies?
- Risk Management: Are managers entrusted to take and manage risks? Are there formal methods for managing risks?

Management Reforms

- Benchmarking (Process, Results): Are processes or results of agencies benchmarked and is benchmarking used to

• Corporate and Strategic Planning: compare and improve performance?
  Is corporate and strategic planning a part of performance management?
• Performance Contracts: Are contractual arrangements used to set performance targets and grant more managerial autonomy to agencies?
• Market Testing - Contestability: Is performance management related to use of methods such as contestability, market testing, provider -- purchaser splits or internal markets?