

TOOLS FOR IMPROVING OUTCOMES AND PERFORMANCE: COMPARING SIX DIFFERENT APPROACHES

This resource was commissioned by the Improvement and Development Agency (IDeA) and written by Judy Renshaw

A new focus on outcomes

The UK Government and public agencies are increasingly concerned to improve outcomes for individuals and communities..

Local Area Agreements, which set out the priorities for a local area, agreed between central government, the local authority and partner agencies, identify the key aims for communities and public services. They are increasingly focusing on the outcomes local people want, such as feeling safer and enjoying their local environment.

Judgements made by inspectors and auditors are also putting more emphasis on outcomes, and this is expected to increase with the new Comprehensive Area Assessments

What are outcomes?

The definitions of outcomes and outputs, and the differences between them, are central to understanding the new focus on outcomes.

- *Outcomes* are end results. They can describe states of well-being or they can refer to results achieved by a service or intervention over time. For example, a successful support programme for parents of 3-year olds might lead to fewer temper tantrums after three months, fewer conduct disorders after five years and reduced involvement in crime after ten years. These are all examples of outcomes.
- *Outputs* describe service activity, often counting the number of clients served and procedures undertaken. The same parenting support programme might have completed training programmes and provided home visits to 40 families and reached 70 children. Outputs can also include the quality of the activities, so for example, the programme might have employed better trained facilitators, achieved greater parent participation and 'satisfaction', but these are outputs, not outcomes.
- *Processes* describe the way in which the activities are undertaken. The type of training programmes for the staff, the support they are given to carry out their work and the review procedures for the families and children are all examples of processes.

The challenges ahead: national and local developments

The overall aim for public services is to improve outcomes. This is challenging, as most of the previous methods for measuring performance have been based on process and outputs. Many local service providers are struggling to work out the best ways to shift the emphasis, although some progress is being made.

A number of local authorities, with their partner agencies, have begun to plan their services with a clear focus on outcomes. Fifteen authorities were identified by the DCSF as developing an outcomes-based approach to monitoring their performance, introduce cultural change in their staff group or informing their planning process (report published in June 2008).

Some assistance is becoming available from Government departments and other agencies. A new Centre for Excellence and Outcomes in Children and Young People's Services, sponsored by the Department for Schools, Children and Families (DCSF) was launched in July 2008. This new centre should help to ensure that knowledge and expertise in improving outcomes is shared between agencies and partnerships.

Guidance for local authorities

Many authorities have used externally-devised approaches to help them to review their activity and improve their performance. Some of these approaches were designed for businesses to improve their operational management and performance, whereas others originated in the public sector and children's services. This publication provides information about a number of these approaches, together with the key strengths of each and contact points for further information. It is intended to provide an initial guide to a range of these approaches, to assist local authorities and other agencies in deciding whether to adopt one of the approaches.

SUMMARY: SIX APPROACHES TO IMPROVING OUTCOMES AND SERVICES

A description of six approaches is set out below. The first three (Outcomes-based Accountability, Common Language and Rainer Communities that Care) are primarily focused on working towards better outcomes. The authors of all three agree that changing to an outcome focused culture is the key point, and the differences in the models less significant. The last three models (EFQM, Balanced Scorecard and Citistat) are useful management tools but do not focus explicitly on outcomes. The description below aims to provide an indication of the relative advantages of the different approaches for local authorities. The six approaches are:

- Outcomes-based accountability ('Turning the Curve')
- Common Language
- Rainer Communities that Care
- EFQM
- Balanced Scorecard
- Citistat

A summary of each approach is set out below. This is followed by a fuller description of each one, presented in separate chapters.

Outcomes-based accountability ('Turning the Curve')

This approach provides a new way to focus the work of public agencies responsible for a local population or individual service units in improving outcomes. It makes a key distinction between outcomes and outputs, encouraging managers and staff to consider the impact of their services on users. It facilitates a wide range of partners coming together to decide what outcomes they want to achieve and plan appropriate actions. It has been used in at least 10 different countries around the world and 30-35 local authorities in England. In the UK it has been used mainly with services for children and young people but is gaining currency in adult services. The model is clear and easy to understand. It provides a way to inspire people to work towards ultimate goals and find realistic solutions, and can produce results in a short time if used to address discrete issues.

Common Language

This was designed for children's services, to reduce impairment and problems in children's health and development. It has been applied with local authorities, large children's services agencies and local communities. The approach requires four stages, from strategy development to service design and evaluation, aiming to combine community engagement and scientific methods. It uses high quality evidence about the well-being of local children, as well as evaluation of the impact of the work on children's lives. Emphasis is given to evidence about what works from around the world. The approach helps to develop a common purpose among stakeholders and requires the strategy to be firmly based on logical connections between the proposed programme and expected improvements to child outcomes.

Rainer Communities that Care

This approach works with local communities specifically to address problem behaviour among young people, using data to inform early intervention and prevention strategies, so that they are evidence based. It has also been widely used at strategic local authority level. It

uses the concepts of risk and protection to identify the particular local problems and to develop interventions to address them using a public health, preventative approach. It has developed a survey for school-children that assesses the level of risk and protection and allows the local population to be compared with national norms and identify areas for action. A menu of possible interventions is offered, based on research evidence of what has been effective elsewhere in addressing particular risk factors. The approach is usually very successful in getting local groups and individuals actively involved in planning and service development.

EFQM

This is a method for businesses and other organisations to review their operations and achievements against a set of qualitative standards, using self-assessment. The review can identify areas to work on to improve performance, and allows some comparison with other organisations. It is widely used throughout Europe and draws on continual updating and refinements, in conjunction with a network of partner organisations. The model was originally developed for the commercial sector, so its language has needed to be adapted for public and voluntary sector organisations.

Balanced Scorecard

This is a method for helping organisations to monitor their performance, using a mix of indicators that relate to all levels and sections. It has been widely used by major global companies. Its key principle is to balance internal process measures with financial measures and results, so that non-financial performance can be measured. The indicators for each section have to be devised by the people who are directly involved and responsible for its performance. Indicators should assess the most relevant aspects of the section's work and should include different perspectives, such as financial, customer and innovation and learning. The approach also provides a structured way to use the measures in managing the organisation.

Citistat

This is a performance management system for public authorities, based on formal and occasionally confrontational meetings between the leader and service directors. In some models practised in the USA, these take place in front of an audience. The meetings examine performance data relating to an issue of current concern and use them to drive improvements as well as raising the quality and accuracy of the data. Through frequent meetings, the approach aims to make rapid improvements. Adapted versions of the approach have been used in a number of areas in Scotland, as well as in a London borough. They have led to improvements in performance, organisational culture and in the collection of more relevant and accurate data.

OUTCOMES-BASED ACCOUNTABILITY (OBA) 'TURNING THE CURVE'

Outcomes-based accountability (OBA), also known as Results-based Accountability or Turning the Curve, is an approach to improving local outcomes first developed in the USA by Mark Friedman. It provides a way for organisations, usually public or not-for-profit agencies and multi-agency partnerships, to prioritise the outcomes that they want to improve and determine what services are needed. It also considers what actions by Government and partner agencies are required. In the past, most public services and voluntary agencies have been assessed on the basis of activity, such as 'how much service?' or 'how many users?' rather than asking whether any service users are better off as a consequence. This approach helps to redress the balance.

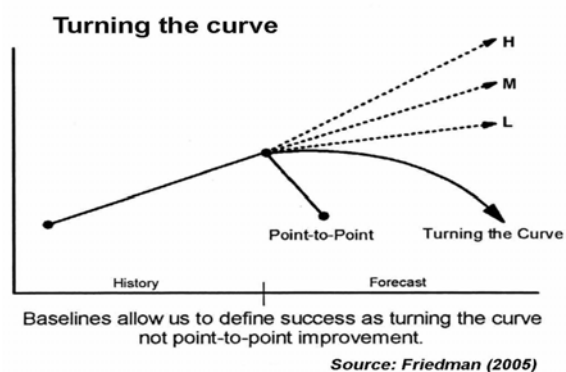
Key features

Understanding the definition of outcomes and outputs, as set out in the introduction, is central to the approach. OBA also makes a key distinction between:

- *population accountability*, where the aim is to achieve better outcomes for specified groups (such as children and young people) in a defined geographical area such as a neighbourhood, local authority area or region; and
- *performance accountability*, intended to improve the contribution that services and agencies make towards achieving better outcomes.

So OBA aims to promote shared accountability across authorities, organisations and communities for the well-being of a geographic population, while also seeking to improve the performance of the individual organisations that contribute to the outcomes.

The phrase 'turning the curve' is used to describe the process or toolkit for putting the approach into action. The partners involved identify an outcome that needs improvement and decide on the actions that are likely to have a measurable effect. The process requires an estimation of what would be likely to happen over time if nothing were to change, plotted as a trend on a graph. This projected trend provides a baseline against which subsequent progress can be measured. By acting effectively, service managers, staff and other partners can expect to achieve results that move away from the projected baseline, thereby 'turning the curve'. So a basic requirement for the 'turning the curve' process is a credible forecast of where the baseline trend would be heading if nothing were to change.



The chart shows a baseline of historic data, followed by projected trend data using high (H), medium (M) and low (L) forecasts. The curve is shown being 'turned' over time. This is

argued to be a more realistic approach for service planners than targeting a ‘point-to-point’ improvement over a fixed-period of time.

The model provides a set of factors that must be considered and noted on a ‘report card’. For population accountability these include: the population to be covered, the desired outcomes, baseline indicators and the story behind them (consideration of what factors may affect them), the partners involved, action needed, action plan, budget, timescale and monitoring and evaluation. For performance accountability, a similar process is required, ensuring that the users of the service are identified (possibly including parents and public as well as children). The performance measures are expressed in the form of four quadrants:

quantity	quality
How much did we do? (outputs)	How well did we do it?
Is anyone better off? (outcomes numbers)	Is anyone better off? (outcomes %)

The process helps managers to identify key indicators for their service that distinguish between inputs, outputs and results. The last quadrant is the most significant in terms of improving outcomes.

The process requires the partners, including community organisations and others, to work together on ideas for how to ‘turn the curve’ and achieve better outcomes. They are encouraged to consider a wide range of ideas, from evidenced best practice to innovative ideas of their own, usually emphasising those that are no-cost or low-cost. The action plans they develop should be specific, affordable and effective in achieving the outcomes. Each partner may be asked to contribute just an additional one percent, with the combined efforts making the difference. Monitoring and evaluation against the baseline indicators is an essential element for determining whether the curve has been turned. The approach should involve participants at all levels working together and should lead to a cultural change in understanding and working towards the key priorities.

Advantages

- The model for ‘turning the curve’ provides a clear visual representation, which is easy to understand and follow, once the basic principles are understood. It uses consistent language and diagrams to explain what it is about.
- It is sufficiently flexible to be applicable to any kind of public service or agency at any level, from strategic planning to small local initiatives.
- It encourages a change of culture within public services by proposing that staff at every level should constantly reflect on their performance by asking ‘What difference have I made to my customer?’ and brings partners together to work on shared goals.
- It encourages lateral thinking to produce a range of innovative suggestions from any member of the planning group, regardless of their status or position.

- It promotes the development of no-cost and low-cost ideas for improving outcomes, which can be implemented quickly and easily. Achieving these can provide encouragement for further work on improving longer-term outcomes.

Issues and challenges

- Obtaining suitable baseline data at a community level, to determine whether there has been a difference in the outcomes, can be a challenge for local authorities. Much of the available data relate to processes and outputs, and are usually at the authority level, not the local level. More guidance may be needed on how to measure outcomes in a scientifically valid way.
- Most public services lack the experience in making credible forecasts of how the outcomes would be likely to develop in the future if nothing were to change.
- While scientific evidence of what works is taken into consideration, the emphasis is often on innovative and creative ideas, which may be less likely to have a foundation of proven effectiveness.

Use in the UK

Around 120 local authorities and other public bodies (such as Connexions agencies) in the UK have expressed an interest in the approach and have sent representatives to training sessions. At least 30-35 authorities are using the ideas from OBA, if not the whole approach. A DCSF report in 2008 has described fifteen local authorities and voluntary organisations that have begun to implement it with some success. Most of these have used it in children's services but some also used it in adult services and other areas such as in the community plan. Some of these have been able to demonstrate positive changes in outcomes, while others are still at the stage of introducing the ideas and working to change the organisational culture so that outcomes are always considered in relation to performance.

Contacts

A report on a range of examples in children's services and other public services '*Better Outcomes for Children and Young People: from Talk to Action*' and case examples '*Turning the Curve stories*', were published by the DCSF in June 2008.

M.Friedman, *Trying Hard is not Good Enough*, Trafford, Publishing, Canada and Oxford UK.

Rob Hutchinson CBE, principal contact in the UK for OBA, rob.hutchinson@gmail.com

The IDeA also works with a number of consultants who can provide assistance and advice in developing the approach

www.idea.gov.uk

COMMON LANGUAGE APPROACH

The Common Language approach has been developed by Dartington Social Research Unit over more than a decade and draws on an approach called 'logic modelling'. It is specific to children's services and child development and has been applied with local authorities, large children's services agencies and local communities. It introduces a way of thinking that can underpin many aspects of policy and practice for children and young people, including needs assessment, service planning and evaluation. The objective is to reduce impairment and problems in children's health and development. Although many of the principles could be applied to other service areas, such as services for adults, the supporting tools and techniques have been developed specifically for children and young people.

Common Language comprises practice tools for service development, training programmes, sources of data and other resources relevant to children's services. One of the key activities of the Common Language approach is guiding the design, implementation and evaluation of services, with particular emphasis on innovation in prevention and early intervention.

Key features

The approach attempts to marry strong community engagement with scientific evidence about what is effective in prevention. The community engagement involves representatives of children's and parents' groups working systematically with multi-disciplinary teams to develop and own innovative programmes. The emphasis on science entails the use of high quality evidence about the well-being of the children being supported and what works for whom, as well as evaluation of the impact of the programmes on children's lives.

There are four stages to developing effective, innovative services and programmes:

1. Strategy development, in which a community, agency or local authority sets out what outcomes it wants to achieve for children and then decides how and with what resources.
2. Service design, which involves specifying individual programmes or policies within the strategy and their intended impact on child well-being
3. Preparation of service manuals to ensure that services are delivered precisely as they were designed (assuming the model is found to be effective) and at scale
4. High quality evaluation of the implementation and impact of the new services.

At each stage, the work is undertaken by a multi-disciplinary team rather than single individuals.

Strategy development and service design

The strategy development stage generally requires the direct involvement of senior staff, and all stages demand support and oversight from children's services leaders.

Those undertaking the work are given several sources of evidence to consider, including needs assessment or epidemiology of the well-being of the local children, influences on that well-being and services currently being received. This indicates some possible outcome areas to target. The views of consumers of children's services, particularly children and parents, are also taken into consideration. Relevant national policies are also considered, in order to ensure that the proposed service developments also promote wider objectives. Much emphasis is given to evidence about what works from around the world. Participants draw on a database of effective practice, are taken on study tours to see proven models in operation

and hear from prevention science experts in relevant fields.

There is a strong emphasis on logic, with participants in the process analysing why and how different activities might impact on children's well-being, and being asked to provide evidence for their assumptions.

All participants in the process are given training in Common Language so that they have a shared understanding of core concepts such as outcomes, needs, services, and risk, resilience and protective factors. They are also introduced to three models for thinking about the improvement of child well-being:

- A public health model, in which overall improvements for children in the population lead to a gradual reduction in the incidence of problems or impairments;
- A 'risk and protective factors' model, in which children's services target the potential causes of children's difficulties; and
- A resilience model, which seeks to boost the moderating influences of families, schools and neighbourhoods on risks to child well-being.

The approach pays close attention to investment costs, and encourages the evaluation of cost-benefits. In the fullest application of the work to date, Birmingham City Council has used evidence to calculate the potential savings accruing over 15 years from a £40 million investment in services.

Service delivery and evaluation

The Common Language approach to service development places strong emphasis on the extent to which strategies and services are implemented as intended. This is achieved through the preparation of service manuals and also by training specialists, or 'technical assistants' in the agency or community undertaking the work. There is strong evidence to show that the success of programmes and services depends to a large degree on the quality of their implementation.

The idea of 'service design as hypothesis' is fundamental to the approach. The emerging strategy, service or programme must always be tested using the most rigorous methods to assess its impact on child outcomes. Only when an intervention has proven impact can it be rolled out across the community, agency or local authority. Common Language promotes the use of experimental evaluation (randomised controlled trial) unless there are good ethical or practical reasons not to do so.

Advantages

- The Common Language approach develops a shared understanding among stakeholders around the aims of the strategy. It requires that the strategy be firmly based on logical and evidence-based connections between the proposed prevention programmes and expected improvements to child outcomes, as demonstrated by research evidence. A commitment to strong evaluation and the sharing of results means that work in one local authority can benefit others.
- The approach uses a rigorous, quantitative assessment of child well-being as well as qualitative methods for eliciting the views of parents, staff and children.

Issues and challenges

- Common Language demands considerable resources from the local authority, agency or

community. The leading stakeholders need to provide consistent input over an extended period of time to assess the evidence and implement the ideas. Strategy development generally takes between six and nine months to complete, service design and manual preparation a further six months, with evaluation results coming on stream later. Most communities, agencies and local authorities using Common Language approach for service development commit to the work for a five-year period.

- Although the Common Language method has not yet been evaluated for its impact on child outcomes, those who have used it speak positively of its effect on staff morale and energy levels. It has also served as a useful mechanism for attracting additional funds. The developers are keen to identify service providers who would be interested in supporting a robust evaluation of the method.

Use in the UK

The approach has been used to promote innovation in prevention across the republic of Ireland and in several discrete communities and agencies there, as well as in Northern Ireland. An early version of the method was tried in Norfolk. The fullest application is underway in Birmingham.

Main contacts

Louise Morpeth
Dartington Social Research Unit
Lower Hood Barn
Dartington
Totnes
TQ9 6AB

lmorpeth@dartington.org.uk

Sources of further information

www.micheallittle.org
www.dartington-i.org

RAINER COMMUNITIES THAT CARE UK (RAINER CtC)

Rainer Communities that Care (RCtC) focuses specifically on prevention of problem behaviours among children and young people. It works with local communities, as well as the agencies and individuals who work or live in them. Communities that Care (CtC) was developed by David Hawkins and Richard Catalano of the University of Washington, Seattle, USA. It has been rigorously evaluated in the USA, where several CtC programmes have been shown to be effective in reducing risk factors and problem behaviours.

The process has been used in the UK for the past 10 years. It is currently being applied in around 600 American communities and in Australia and Netherlands. CtC in the UK merged with the children's charity, Rainer, in December 2006.

Key features

The focus of RCtC is primary prevention. It takes a public health approach, using the concepts of risk and protection, to reduce and prevent the onset of four areas of problem behaviour among young people:

- Youth crime and anti-social behaviour
- Drug (including alcohol) misuse
- School failure
- School age pregnancy

RCtC addresses these problems in local communities, using objective evidence to analyse them, and develops programmes to address them. The analysis of the problems uses existing data available to public bodies, such as the local authority and primary care trust (PCT), as well as its own school-based survey of young people aged 11-16. The authors of the school survey have tested it for reliability and validity and found it to be satisfactory. It also enables national comparison with a sample of over 26,000 young people in England and Wales, using data from surveys in local areas conducted in 2005.

The RCtC approach places strong emphasis on community involvement and is usually very successful in getting local people involved and committed to working together on the issues. The process begins with the identification of two major groups from the local area, key leaders (representatives of the key statutory and voluntary agencies) and community leaders (people from the local community, some of whom are representing specific groups). Where appropriate groups already exist in the area, these are generally encouraged to take up the role, rather than new groups being developed. Often local leaders emerge who had not expected to take on key roles, and people discover new skills and abilities of which they were unaware.

The groups are given training on the concepts of risk, protection and primary prevention, and how to identify and analyse local data. They work with RCtC to run the school survey and to collect other relevant local data. They are assisted in using the results to gain an understanding of the key risk factors in their area (or in specific local areas of a borough, for example), in comparison with other areas, and to identify which factors they wish to address. They also identify the particular strengths and protective factors within their local community.

The local groups then decide how to address the identified risk factors and strengthen protective factors, using a menu of programmes that have been identified - from long-term research evidence - to be successful in other places. RCtC provides a guide to 'Promising approaches', or programmes that have been demonstrated to be effective elsewhere. The RCtC guide identifies the programmes that have been effective in the UK, as well as some for which the evidence is encouraging but not fully conclusive. It provides a matrix which maps the specific risk factors addressed by each of the programmes described.

After identifying which are the key risk factors to address, the existing local services and projects are reviewed by the RCtC team and any major gaps in services are identified. The team then recommends the development of new services and interventions, based on evidence-based best practice described in 'Promising Approaches'. This process takes approximately 1-2 months, based on the size of the area.

Although RCtC focuses on problem behaviour of young people aged 10 upwards, many of the suggested interventions involve preventative measures for families and younger children. Implementing the selected programmes usually requires expertise in the particular methods, so help may have to be called in from elsewhere.

If the groups have strong views about other programmes they wish to develop that are not included in the proven list of 'promising approaches', these are allowed, provided they address the risk factors. However, they have to be subject to evaluation in the follow-up phase. RCtC can provide additional assistance with evaluation of programmes.

When programmes have been implemented and have been operating for a suitable period of time, the initial measures should be repeated at intervals, including the school survey, to determine whether RCtC has made a difference.

Many local authorities have opted to use the RCtC materials selectively, such as using the school survey but have not implemented the full RCtC process.

Advantages

- The emphasis is on local communities rather than performance of individual organisations.
- RCtC works primarily with public and voluntary sector organisations, so it uses language that is familiar to people working in these sectors.
- The approach is generally successful in getting local groups and individuals actively involved in planning and service development.
- There is a clear focus on achieving better outcomes for young people
- The process has a clear methodology for leaders to follow that has been tested in a number of locations.
- The approach is based on objective evidence of what are the key risks locally and what is most likely to be effective in addressing them.

Issues and challenges

- The focus is primarily on preventing the onset of four domains of difficulty and problem behaviour among young people. It does not explicitly address wider issues of the well-being of children and families.
- The survey relates only to children attending secondary school. Although efforts are made to extend the survey to young people who are not attending school, information on younger children and their families, and on many of those not attending school, has to be drawn from existing data held by local agencies.
- Given the time required to engage with the local community, conduct the survey, analyse data, assess existing service delivery and plan new or modified interventions, the process takes approximately one year before any development action occurs, although those involved maintain that the community-engagement and capacity building process brings immediate benefits from the start.
- Limited independent process evaluations have taken place in several pilot projects in the UK, beginning in 1998. The results have generally been satisfactory but the impact on risk factors and problem behaviours has not been measured. In the USA, independent research evidence has demonstrated the effectiveness of several CtC programmes in reducing risk factors and problem behaviours.

Use in the UK

RCtC is currently supporting around 15 community programmes across the UK, in areas such as Coventry, Medway, Edinburgh, Belfast and in 6 Welsh authorities. Many of its earlier programmes were based on small areas of 10-20,000 population but recent work has tended to be at local authority level. While most of those in Wales are undertaking the full community programme, many of those in elsewhere are using the school survey selectively to identify the main risks for young people in their local community and to monitor progress.

Contacts

Rainer CtC
 3rd Floor, Churchill House
 142 – 146 Old Street
 London EC1V 9BW
 Tel 020 7336 4827

http://www.raineronline.org/gen/Rainer_Communities_that_Care.aspx
 Fran.pollard@rainercrimeconcern.org.uk
 Jonathan.lees@rainercrimeconcern.org.uk

EFQM

The European Foundation for Quality Management (EFQM) promotes a model known as the EFQM Excellence Model for organisations. It was designed to help business organisations to be more competitive, although it has also been used with voluntary and private agencies. It has been described as the most widely used organisational framework in Europe.

It is most commonly used as a framework for agencies to assess themselves, to identify their main strengths and areas for improvement. This should be able to lead them towards actions to improve the way they work.

Key features

It is essentially qualitative and is sometimes described as a holistic framework. The model contains nine criteria, divided into five 'enablers'.

- Leadership;
- People;
- Policy and strategy;
- Partnerships and resources; and
- Processes

And four 'results':

- People results;
- Customer results;
- Society results; and
- Key performance results.

So it makes a distinction between inputs/processes and results or outcomes and assumes that the results are achieved through the five 'enablers'. However, it does not make any statement about the relative importance of each of the criteria, so processes can be considered to have equal status with outcomes.

For each of the nine criteria there is a detailed description of what excellence might look like and a set of self-assessment questions for the organisation. The focus of each is 'How good are we and how could we improve?' The linkages between the 'enablers' and the 'results' can enable the organisation and key individuals to understand the possible causes and effects of what they are doing and to instil a culture of continuous improvement.

The model can be used either to provide a quick analysis of a single aspect of an organisation's activity, such as its environmental policy, or to allow a comprehensive review over a longer period. It encourages each organisation to use the criteria in its own way, providing a structure for internal reflection, rather than providing set rules or standards to achieve.

Normally a small team of 3-4 people from different parts of the organisation would be selected to lead the process, working through the criteria to assess its performance and identify its strengths and weaknesses. The team may choose from a range of approaches, such as questionnaires for staff, workshops for representatives at all levels, team workshops or production of a document describing what happens under each of the criteria. It is possible to involve service users, volunteers and other stakeholders in the process.

A software tool has been produced by the British Quality Foundation (BQF) to assist with the assessment process. The main focus of the model is on internal assessment, although comparison over time can be used to assess trends. It is also possible for organisations to score themselves in comparison with others and to engage in an Awards Recognition scheme. However, this may be too expensive for small organisations to enter.

The model is continually updated and developed by EFQM in Brussels. A network of partner organisations (NPOs) across Europe can provide training, accreditation and qualification schemes for awards. One such NPO in Britain is the BFQ, which can provide advice, guidance and workshops on the use of the model.

Advantages

- The framework is flexible, allowing organisations to choose their approach and to focus either on a specific issue or their whole activity.
- No specialist skills are needed to operate the model and a basic assessment of an organisation can be carried out in only a few days.
- Research studies have shown that companies using the EFQM model improved in matters such as sales, share values and cost reduction compared with other companies¹.
- Guidance and assistance is available through the BFQ and Quality Scotland.

Issues and challenges

- While outcomes are considered in part of the assessment, process issues are given equal status, so the focus is likely often to remain on processes, as they are easier to address.
- The model was developed for commercial organisations so some of its language is not easy to relate to the work of public and voluntary sectors.
- It is often considered to provide a snapshot of performance more than a clear route to further improvement, although it identifies areas to work on.
- While comparison with other organisations is possible, the focus is on organisational processes and outcomes for service users are unlikely to be comparable. The assessment is essentially qualitative.
- There is no explicit focus on involving service users or involving the whole organisation.

Use in UK

Voluntary organisations using the model have included Community Enterprise Ltd., Thames Reach and Liverpool Personal Services Society. The National Council for Voluntary

¹ Boulter et al (2005).

Organisations (NCVO) can provide guidance for voluntary organisations. A number of local authorities have also used the model.

Contacts

Useful contacts include:

www.bqf.org, www.efqforum.org, and www.ncvo-vol.org.uk

BALANCED SCORE CARD

The balanced scorecard (BSC) approach is used extensively by businesses, government and non-profit organisations across the world. It was developed by Robert Kaplan and David Norton of Harvard University, USA in about 1990. It places considerable emphasis on measurement of performance, through appropriate measures or indicators, on the premise that 'You can't improve what you can't measure'. In business, it has helped to shift the focus from quality control at the product end to the processes that help or support its production, and has provided a performance measurement framework for non-financial performance.

It is a whole-organisation approach, using indicators to provide feedback on individual internal processes as well as the overall outputs or achievements of the strategy, referring to 'metrics' or measures for each stage or support unit.

Key features

The key principle of the approach is one of balancing the internal process measures with financial measures and results, to gather a mix of indicators relating to processes, products, services and costs. These should include measures at all levels of the organisation, from strategic planning to employee behaviour and day-to-day operations.

Public sector organisations such as local authorities and not-for-profit agencies can develop measures relating to not only the function and purpose of each section or department but also to describe its overall aims for the population it serves. Alternatively, a council can develop separate measures for each of its local areas. The measures should identify its 'success factors' that indicate whether goals have been achieved and develop performance indicators that can be measured in each section.

The measures are not provided externally, but have to be devised by people within the organisation. Teams and individuals should be involved in devising the performance measures relevant to them and should have the responsibility and authority to measure their own programme's performance.

The approach is used quite differently by different organisations, some using it to produce a mosaic of performance measures, while others use it as a basis for comprehensive planning and management. Where it is used to develop a management system, it contains nine steps:

1. Assessment of mission, values, plans, advantages and challenges.
2. Development of a strategy, including themes and desired results.
3. Development of strategic objectives as building blocks of the strategy.
4. Mapping of the linkages between the objectives into an overall picture of the organisation's operation.
5. Development of *performance measures* for each strategic objective. These should establish targets and thresholds for performance and achievements; they should be accurate and valid, assessing what matters most to success. They should include a customer perspective, internal perspective, a focus on innovation and learning and also financial data. They should be able to provide a baseline, then track performance over time.
6. Development of strategic initiatives, under the responsibility of identified staff, with appropriate performance measures identified and translated into 'scorecards'.
7. Development of IT and system arrangements to provide performance information to those who need it, when they need it.

8. Cascading the approach to those involved at all levels. There are three main levels at which scorecards are developed: the organisation overall, business or support units and teams and individuals.
9. Evaluation of completed scorecards to determine whether the organisation and its initiatives are succeeding, whether the money is in the right place and whether the environment or needs have changed.

The approach should enable managers to build on the measures to:

- Drive the execution of their strategy;
- Clarify the strategy and make it happen;
- Identify appropriate initiatives or programmes and enable them to work together;
- Link the budget with the strategy; and
- Conduct periodic strategic performance reviews.

Around 57% of major global corporations were reported to be using the approach by 2004. It has also been used by a large number of government and not-for-profit organisations in the USA and elsewhere.

The Balanced Scorecard Institute provides training and assistance to organisations, including information and ideas based on experience, as well training materials, toolkits for the nine steps and suggestions for developing performance measures. Software to support the approach is available from many different outlets. It is likely to need to be tailored to the needs of the organisation.

Advantages

- The approach provides a focus on measurement at all levels of an organisation, using a range of indicators relating to processes, outcomes and inputs. Every element of the organisation is potentially included in the approach
- It takes into account key details such as the need to develop support systems for providing performance information to the right people
- The approach can help staff in different parts of the same organisation to focus on shared overall goals as well as those for their own team.

Issues and Challenges

- The BSC approach is a general one for all types of organisation, so it does not provide specific help or suggestions for local authority children's services, for example.
- While measures potentially encourage focus on achievement, they do not make a clear distinction between process and outcome measures. Consequently there is a high risk of focusing almost exclusively on operational processes, as these are easier to measure.
- It is promoted and run from the top down, with considerable emphasis on the strategic perspective and themes. Cascading the approach through the organisation takes place at a relatively late stage in the process; it does not necessarily involve those at other levels from the start. The approach does not explicitly encourage the development of performance measures in an integrated way, involving all stakeholders.

- There is a risk that managers and teams/individuals may not agree on what the most appropriate measures are.

Use in UK

The approach has been used by major voluntary organisation such as the British Red Cross and public agencies such as primary care trusts and local authorities. One health agency has reported that it has helped its staff to understand issues of staffing, finance, quality, process and outcomes in a more integrated way. It has also provided a basis for making commissioning decisions and checking outcomes.

A number of UK-based consultancies can also provide training and guidance in the approach.

Contacts

Useful contacts include:

www.balancedscorecard.org

975 Walnut St., Suite 360
Cary, NC 27511
(919) 460-8180

CITISTAT

Citistat is a performance management system for public authorities that originated in Baltimore, Maryland, USA. It is based on formal discussions between the leader of an organisation and senior service directors, focusing on key performance indicator data.

The discussions take place in open or public meetings. These are intensive and sometimes confrontational; service directors are asked to account for their Department's performance and offered support to improve performance where necessary.

Key features

The participants in the formal discussion meetings are deliberately chosen to be the most senior, but some other staff are also included. Elected representatives for local government or non-executive directors for other organisations may be included in the discussion panel. They are encouraged to take an active part in the questioning process and to be well informed about the data and what it tells them. They meet frequently, such as every two weeks or month over a 6-12 month period. In the original model, the style of the meetings, including the layout of the room and style of questioning, is similar to giving evidence in a court room.

The focus of the meetings is on performance data, on the basis that 'you can't manage what you can't measure'. The panel may choose to examine a number of discrete areas of the organisation's work, perhaps an issue that is of current concern such as sickness absence or delayed discharges from hospital, or a set of services such as environmental services. So it can focus on process indicators as well as on outcomes, but it can also examine the whole system. The process distinguishes between *available* data and *actionable* data, aiming to improve their accuracy, validity and usefulness. It uses very recent data in order to bring immediacy to the process and to provide rapid feedback on actions. The original Baltimore model aimed to make rapid changes within a matter of weeks or a very few months.

The approach encourages service directors to take ownership of the data and to use them to improve performance rather than simply to report on it. The directors have to ensure that their staff are informed about the process, as they have to make an impact on the key performance indicators through the work within their sections.

Those introducing the model to their organisation have to ensure that there are sufficient resources available to support the analysis and briefing process, and that the information systems are able to provide adequate data and analysis.

Use in the UK

The approach has been piloted in four sites in Scotland, two city councils and two NHS bodies over a period of approximately six months.

In Edinburgh City Council the approach focused on environmental services and sickness absence. It highlighted significant gaps in information available to managers and identified some data collections that were not useful. It enabled them to pinpoint problems and take action to address them.

In Aberdeen City Council the approach focused on environmental service issues, including graffiti, litter, dog fouling, refuse collection and lighting. A number of specific actions resulted from it and some key performance indicators showed improvement, including a

reduction in sickness absence. A more relevant set of performance indicators was devised and the organisational culture shifted to being less tolerant of poor performance. The attendance of the most senior staff at the panel proved to be crucial in motivating staff to implement the actions.

In NHS Tayside the focus was on access and treatment services. The process led to improved quality and analysis of data, and closer attention to key issues or 'hot spots'. Communication and joint working showed some improvement, as did relationships with local authorities.

NHS Ayrshire and Arran attempted to focus on delayed discharges from hospital, but the process revealed weaknesses in the data, which did not allow investigation of either outcomes or causes. So the process examined a range of issues relevant to outcomes for older people, helped to clarify the requirements for joint accountability and contributed to an improvement in the quality of data available.

The London Borough of Barnet has used a variation of the approach, Firststat, to improve its services.

Advantages

- The process introduces greater rigour into data collection. In discrete areas or 'hot spots' it can lead to significant improvements in data quality and improve performance within a relatively short period of time.
- The process can lead to cultural changes in which poor performance is no longer tolerated. It allows people to ask 'difficult questions' through a focus on data, accountability and performance improvement.
- The model is sufficiently flexible to allow different styles to be used, such as a less confrontational, adversarial style with greater promotion of dialogue and to vary the number of people attending the panel meetings.
- Non-executive directors and elected representatives are brought into management in a more active way than is normally the case.

Issues and challenges

- The model does not make a particular distinction between process and outcome indicators. Both are considered important, provided they relate to some aspect of performance.
- The model does not incorporate any involvement of service users or community representatives, although it might be possible to modify it in order to do so.
- The approach is resource intensive, in terms of data analysis and attendance of large numbers of senior staff in meetings.
- The process is quite technical. Senior staff have to learn more about operational matters in order to ask the right questions.

- The main focus of the model is on quantitative data, produced regularly and rapidly. However, some variations of it allow also discussion of qualitative data to interpret the findings and understand the management issues more fully.

Contacts

Lenneal J. Henderson (2003) *The Baltimore CitiStat Program: Performance and Accountability*, the University of Baltimore

Citistat
City Hall room 606
1000 Holiday St
Baltimore MD 21202
(410) 396-4721
Citistat1@baltimorecity.gov
www.baltimorecity.gov

www.scotland.gov.uk/publications/2006.

References

L Boulter, T Bendell, V Singhal and J Dahlgaard, Research on the impact of the Effective Implementation of Organisational Excellence Strategies on Key Performance Results, Centre of Quality Excellence, University of Leicester, 2005.

DCSF, *Children and Young People's Plan (England) Regulations 2005*.

Department for Children, Schools and Families. *The Children's Plan. Building Brighter Futures*. London: DCSF; 2007.

www.dcsf.gov.uk/publicationschildrensplan/downloads/The_Childrens_Plan.pdf

Department for Education and Skills. *Every Child Matters: Change for Children*. London: DfES; 2004

www.everychildmatters.gov.uk/files/F9E3F941DC8D4580539EE4C743E9371D.pdf