

# ENHANCING ORGANISATIONAL PERFORMANCE THROUGH EVALUATION

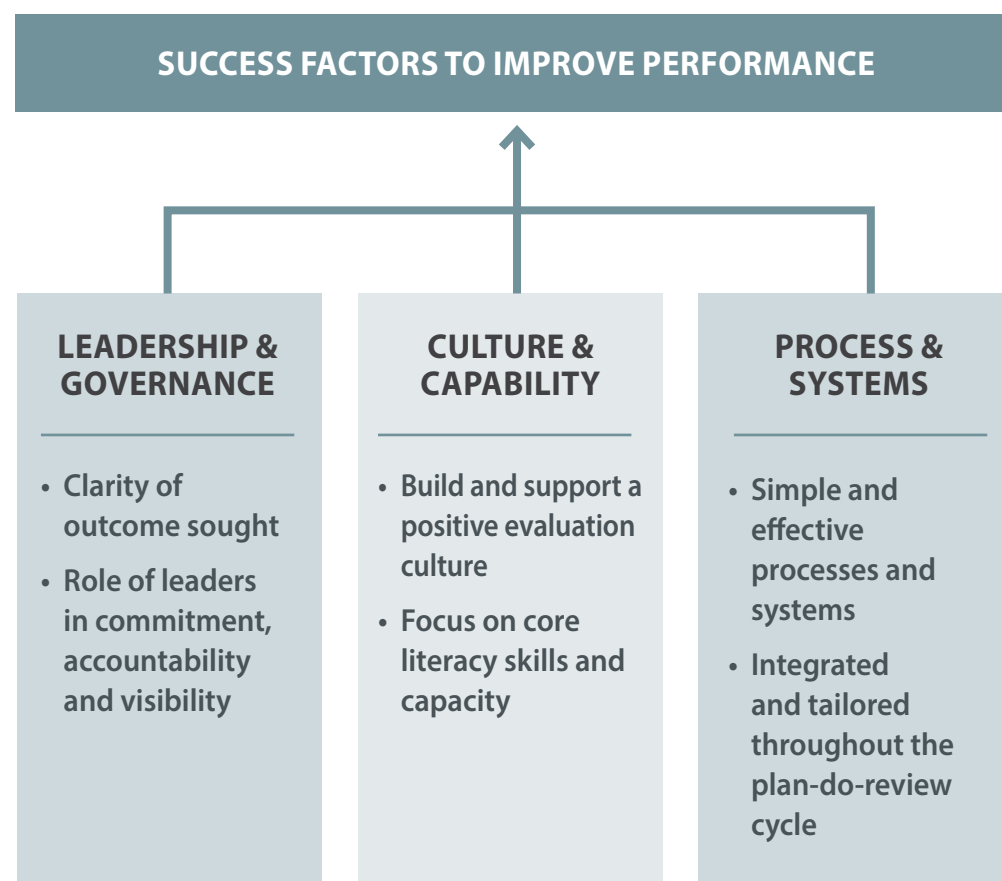
*Aither has identified a range of success factors essential for effective organisational performance, which are critical for improving and demonstrating public sector outcomes.*

**The public sector must overcome a number of challenges to effectively monitor and communicate departmental performance.** Common challenges include:

- lack of clarity about the outcome sought
- the sometimes broad and diverse remit of departments and agencies
- evaluating diverse policy and delivery tools that range from regulation and information provision to direct investment, grants, partnerships and market-based instruments
- availability and quality of data
- attribution, additionality and external factors impacting upon the achievement of outcomes
- lag-time between action and observable outcome.

**More than ever, the public sector is required to demonstrate accountability by telling a clear and consistent performance story for Ministers, government and the public.**

Aither has observed a number of success factors that can help to alleviate these challenges through its work reviewing and planning for public sector performance. These can be meaningfully described under three key pillars of organisational performance: leadership and governance, culture and capability, and process and systems.



**These performance pillars are interdependent and interconnected.** For example, there is limited value in developing a robust evaluation process that is not driven by the right culture and capabilities, or is not supported by leadership and governance practices to ensure accountability and successful implementation. The success factors within the three pillars are mutually reinforcing and form the basis of effective performance monitoring. Aither's experience in reviewing and developing performance frameworks has identified a number of success factors across the three key pillars. Some, or all, of these factors may be particularly relevant under different circumstances and for different public and private sector organisations and we welcome the opportunity to explore these with you. Four of the most fundamental and interconnected success factors are discussed below.

**Clarity of outcome is essential to ensure efforts are co-ordinated and driving towards a common goal.** Public sector agencies invariably undertake a range of activities to improve and communicate performance, of which evaluations are a single element. Clear outcome logic models that articulate the desired performance outcome should be used to co-ordinate the role of evaluation within the broader performance effort. This clarity is critical to avoid duplication and identify potential gaps in performance planning and strategy.

**This clarity should come from the top, underpinned by visibility, commitment and accountability.** It is critical that leaders are visible, vocal, committed and consistent in the implementation and strengthening of an evaluation and performance culture. Strong leadership will signal the importance of evaluation and reinforce evaluation as a core business activity.

**Leadership also needs to encourage and build a positive evaluation culture where there is a high degree of literacy and understanding of the intent and value of this approach.** Evaluation can be perceived as negative, or from a solely 'compliance' perspective. This creates a barrier for genuine engagement in the evaluation process. This barrier can be overcome by building a positive evaluation culture that cultivates self-reflection, engagement in evidence-based learning and encouragement of adaptive management.

**A positive culture should be supported by simple processes and systems, underpinned by effective data management, that facilitate a plan-do-review cycle.** The natural complexity and challenges of public policy delivery, combined with the shifting priorities and structures of government, make evaluation tricky. Poor data collection and improper consideration of evaluation criteria can further undermine evaluation effectiveness. Processes and systems that encourage timely evaluation practice throughout project delivery help to ensure that evaluation does not become an afterthought. Similarly, data collection must be prioritised and planned for in order to enhance evaluation outcomes.

The presence of these success factors can be the basis for improved program performance and an associated ease of communication. Aither's recent public sector experience in conducting evaluation and review and developing performance frameworks means we are well placed to provide pragmatic advice underpinned by an understanding of what works when it comes to planning for performance.



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