

Developing performance management in partnerships

Partnerships are improving their use of information to inform the planning process, they are putting in place performance indicators however they still need to fully develop a performance management system that focuses on delivering improvements in partnership working and service delivery.

A good performance management system is that it is not an end in itself, but a tool for improving services and supporting accountability. In partnerships a key challenge is proving that added value is being achieved through working in partnership.

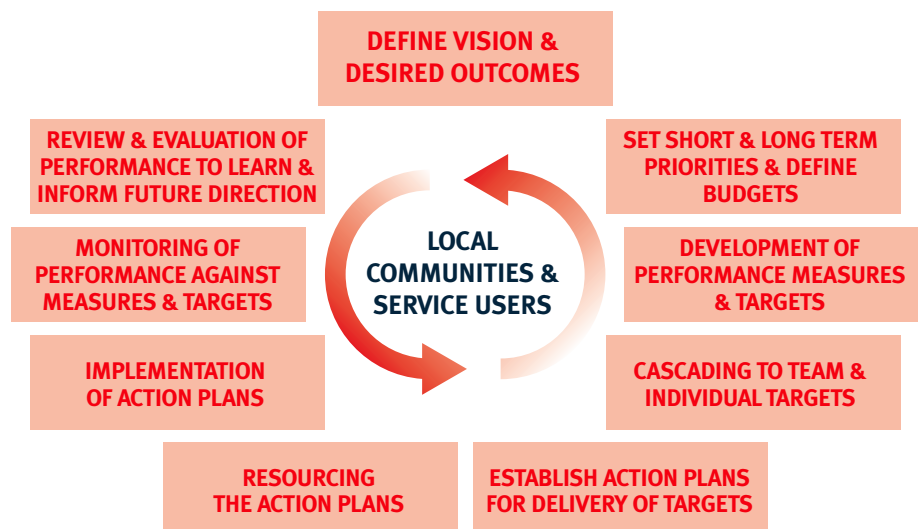
A definition

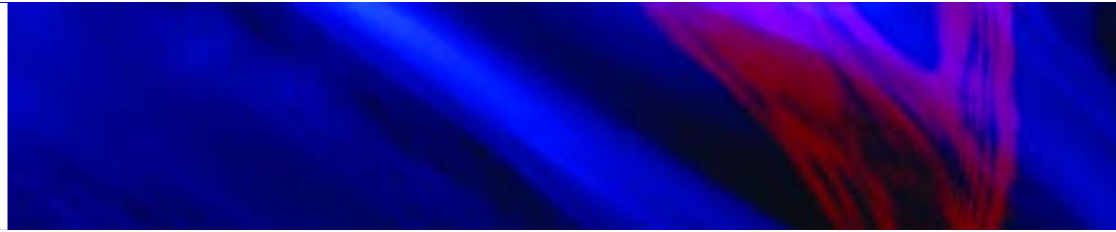
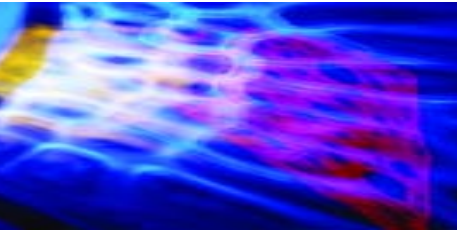
Performance management is defined by the Improvement and Development Agency as: “understanding and acting on performance issues at each level of your organisation, from individuals, teams and directorates, through to the organisation itself. As well as involving performance measurement, systems and processes, performance management is about managing people and ‘the way people within an organisation operate and work together’. Issues such as leadership, decision making, involving others, motivation, encouraging innovation, and risk taking are just as important to bring about improvement.” Performance management in partnerships is about measuring both what the partnership is achieving and how it is working, and then using this information to plan more effectively and improve future performance.

By defining performance management in this way, it is clear that a good performance management framework should help organisations to improve performance by identifying good practice, encouraging shared learning and motivating staff. It should also ensure that the organisation is focused on its key priorities and areas of poor performance are questioned. This is true in any organisation and includes all partnerships that have more than information sharing at their core.

A framework for performance management

Successful performance management is an ongoing activity that runs through the full planning cycle:





A good performance management framework needs to be:

- **Focused** on the core objectives of the partnership
- **Actionable**. Rather than questions being asked because it is nice to know the answer, the determining factor should be “what action could the recipient of the information take on the basis of the information”
- **Grounded** in organisational change ensuring the system encourages the right behaviour
- **Clear**, building on an understanding of who will use the information and why
- **Balanced**, reflecting main aspects, including outcomes and the user’s perspective
- **Proportionate** and cost effective to collect. This is especially important in a partnership situation where each partner will already have a system in place.
- **Comparable** over time and where possible with other organisation
- **Timely**
- **Regularly refined**
- **Robust**
- **Improve accountability**

Developing an effective performance management system

1. Define vision and outcomes

Partnerships perhaps more than other organisations need to understand their rational for existence and what value they can add to partner organisations, local communities and service users. This vision should be a joint vision clearly focussing on the priorities for the partnership and not just an amalgam of the partners visions. Outcomes of the vision should be stated as clearly as possible.

2. Set priorities and define budgets

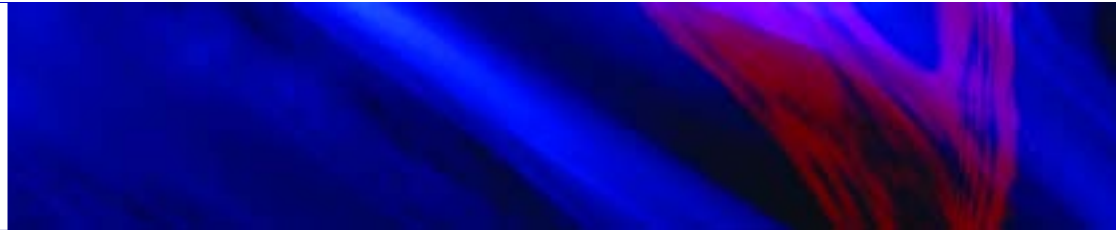
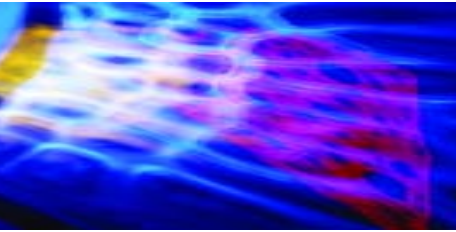
Many partnership plans are vast in size and scope however very few have dedicated resources to realise these outcomes. The question then follows how realistic is this? Will the partnership be able to realise their objectives and outcomes from the available resources? Setting priorities is one to address this issue and ensures that resources are targeted to where they can be most effective rather than spread too thinly.

Where a partnership has a pooled budget they can allocate a proportion of this against individual priorities. Where budgets are not pooled it is difficult to define budgets at this stage however as action plans are defined, individual partners should still be asked to commit resources to deliver against these priorities.

3. Develop performance measures

Performance measurement is increasingly viewed as an important priority in the public sector, and forms an important part of any performance management system. As the Audit Commission note, ‘Performance measurement is the essential foundation on which performance management can be built’. The diagram below, taken from Osborne and





Gaebler's Reinventing Government, illustrates why performance measurement plays an important role in a good performance management.

- 1. What gets measured gets done**
- 2. If you don't measure results, you can't tell success from failure**
- 3. If you can't see success, you can't reward it**
- 4. If you can't reward success, you're probably rewarding failure**
- 5. If you can't see success, you can't learn from it**
- 6. If you can't recognise failure, you can't correct it**
- 7. If you can demonstrate results, you can win public support**

Partnerships often find the measurement of performance challenging and have generally focused their effort on establishing how well the partnership itself is working without assessing their achievement or the difference they are making. This must be the focus for the partnership and indicators developed that show the contribution that is being made.

Performance indicators should measure progress on:

- relevant floor targets e.g. closing the opportunity gap
- other national priority targets
- locally defined targets

4. Cascade

Responsibility for delivery of outcomes and performance indicators needs to be cascaded out to those who are responsible for delivery. In a partnership situation this is often difficult as partners see partnership work as separate from the day to day responsibilities and something that is added on if there is time and resource available. To be most effective partnership objectives need to be embedded within roles and responsibilities and measured through individual partner organisation performance systems.

5. Develop action plans

Action plans may need to be developed at a cross agency/partnership level or within individual agencies to deliver against their partnership commitments. The key elements to be incorporated in an action plan include:

- A description of the action/activity;
- Details of the aim/objective it is intended to help address;
- What is the current situation/baseline data?
- What will be the outputs of the action/activity?
- What will be the outcomes of the action/activity?



Supporting resources

Improvement Service Quick Guides to Establishing a baseline, Assessing the outcomes, and Monitoring and evaluation http://www.improvementservice.org.uk/partvent/index.php?option=com_wrapper&Itemid=4

Audit Commission (2000) The Principles of Performance Management <http://www.audit-commission.gov.uk/Products/NATIONAL-REPORT/72370C4D-1030-4b87-88F4-CD2A14B2A1AE/mppperfm.pdf>

A review of performance management improvement tools such as the Balanced Scorecard and EFQM has recently been published by the IDeA. Although this is not specific to partnerships, it may be useful in thinking about performance management issues. It can be downloaded at: <http://www.idea-knowledge.gov.uk/idk/aio/1551334>

ODPM (2005). LSP Evaluation: Interim Report. <http://www.odpm.gov.uk/index.asp?is=1136883>

The Audit Commission and the IDeA have developed a database of local performance indicators which might help partnerships to set performance measures for their outcomes. The database can be accessed at: <http://www.local-pi-library.gov.uk/>

- What are the timescales?
- Which partners will lead the activity, who else is involved and how will they communicate?
- What resources are to be allocated to the action/activity and from whom?
- How will the action/activity be monitored and evaluated?

6. Resource

Many partnership activities fail because they are not adequately resourced. As such this is a key step to work through in partnership situations. Resources can be drawn from a single partner or from multi-agencies and managed in many different ways. The issue is less how do you organise this but how do you ensure that the resource commitment is made real.

7. Monitor

During and following implementation it is essential to monitor performance against plan and outcomes. Partners need to understand if agreed activities are taking place and if these activities are delivering the expected objectives. Good performance indicators will help this combined with a simple system or process to manage them at multiple levels of the partnerships and within partner organisations.

9. Review and evaluate

The final stage of the cycle is to review and evaluate. In order to ensure that activities are delivering against expected outcomes this should be undertaken regularly, ideally quarterly, to allow remedial action to be taken if all is not according to plan. A less frequent review should be undertaken of how the partnership itself is operating.

Following review and evaluation there may be a need to revisit early stages of the process to ensure the right strategies, plans and indicators are in place to support implementation.