

CONNECTING THE Dots

– IMPLEMENTING AN INTEGRATED MANAGEMENT ENVIRONMENT

Measuring management delivery performance

Our first two articles in this series pointed out that the federal government's Program Activity Architecture (PAA) represents the accountability framework for program delivery, while the Management Accountability Framework (MAF) is the accountability framework for management delivery. These articles also described the relationship between an organization's 'business as usual' or ongoing activities (sustaining agenda), represented by the ongoing commitments in a manager's performance management agreement (PMA) and its agenda for transforming the business

(change agenda), the key commitments in a PMA.

It was noted that organizations need to carefully consider how they plan and resource the two agendas so that organizational balance is maintained and they do not end up attempting to execute "at once too many and too few initiatives" – too many of the 'wrong' and too few of the 'right' initiatives.

The third and fourth articles will describe how the ten essential elements of sound management exemplified in the MAF can be effectively implemented in 'time and space' within the annual planning and reporting cycle and how the right strategic initiatives directed at closing performance gaps on the management delivery side can drive improved program delivery.

LINKING THE MAF TO THE PAA

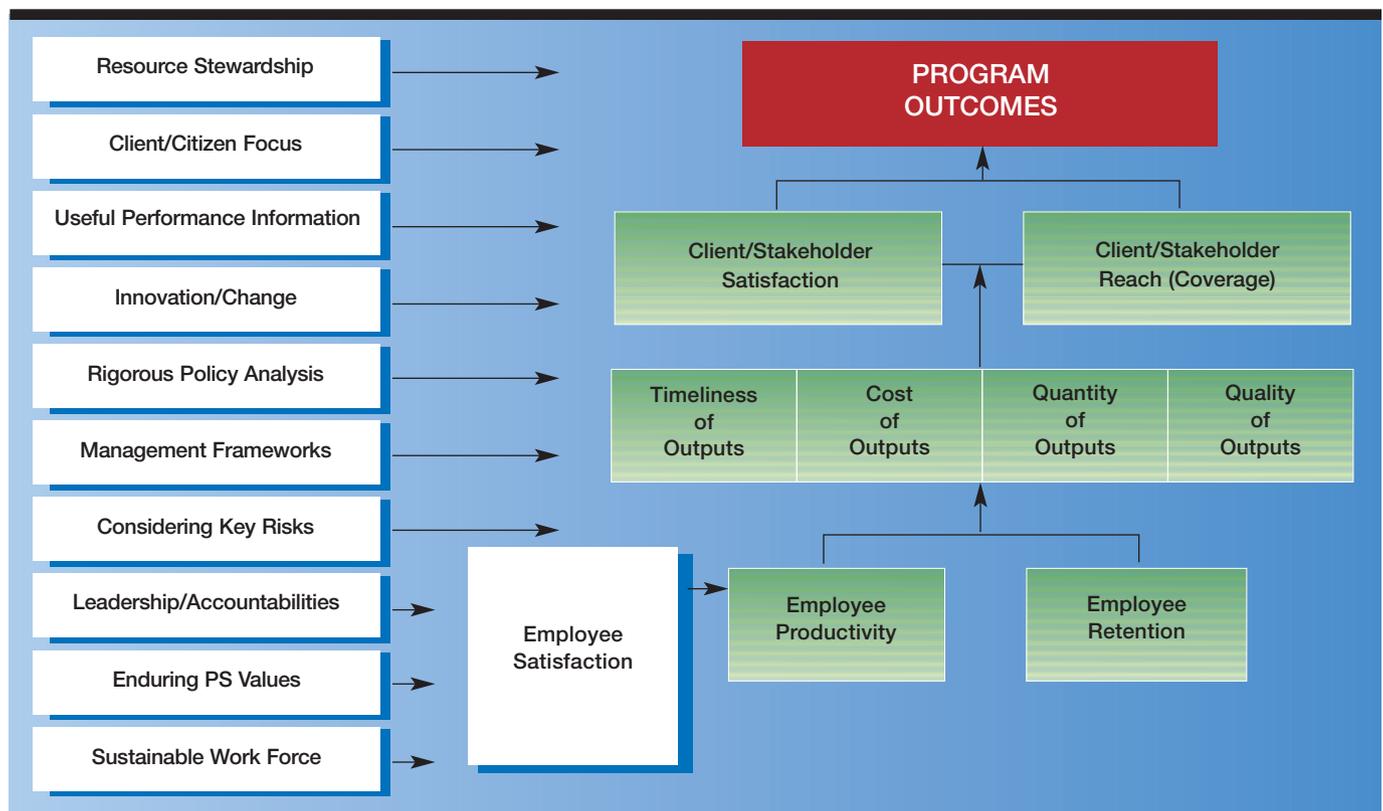
Many of our firm's federal government clients have had difficulty determining how to employ the MAF as anything other than a 'lagging' measurement tool of 'management effectiveness' over a given time period, usually annual. Figure 1 displays how we view the ten MAF elements as key drivers of improved performance on the program delivery side.

A balanced performance story will be composed of a set of indicators that reflect how results are delivered through a variety of activities, from both the management and program delivery perspectives, carried out together in a chain of cause and effect.

As the middle and right hand portions at the bottom of Figure 1 show, a reasonable hypothesis is that satisfied employees will be more productive and stay longer, and that they will support more effective program delivery activities. The right numbers of timely, cost-effective and quality program outputs will in turn lead to improved client and stakeholder satisfaction and reach, leading to desired program and public policy outcomes as part of a chain of cause and effect.

The hypothesis described on the left

> **Figure 1 How the MAF elements drive improved program performance**



> Figure 2

MAF ELEMENT	LEADING INDICATORS	LAGGING INDICATORS
Governance and Strategic Directions	Percentage of plans that are informed by continuously updated environmental scanning information Percentage of annual budget devoted to incremental and transformative management improvement initiatives Number of horizontal initiatives in which the organization is engaged	Minister's satisfaction with, and confidence in, departmental management support (survey-based)
Public Service Values	Percentage of learning, orientation, and communications outputs that have a values focus Number of values-focussed events, discussions conducted Percentage of strategic and operational plans that have values statements	Employee satisfaction index (assessment of how well values are communicated and practiced)
Policy and Programs	Percentage of policies that are supported by a results logic, performance measurement and evaluation strategies Percentage of policy and planning workshops that have client and stakeholder participation Average annual investment in policy capacity building Average number of years of policy experience per employee	Evaluation of the early success of new policies
People	Percentage of workforce that is: male/female; bilingual (to various levels); aboriginal; visible minority; disabled Number of vacant positions and the average time period of vacancies Retention and attrition rates Number of secondments/internal promotions Percentage of strategic and operational plans that consider HR issues Percentage of plans and reports that contain HR indicators	Employee satisfaction index (assessments of: supportiveness of workplace; opportunities to grow; official languages requirements met; leadership continuum; quality of leadership; quality of labour relations)
Citizen-focussed Service	Percentage of functions that are available on-line and their take-up rates	Client satisfaction index (survey-based) Employee satisfaction index (assessment of the degree to which front-line deliverers feel empowered)
Risk Management	Organization has a continuously updated Corporate Risk Profile (yes/no) Percentage of performance frameworks that have risk indicators Number of regular (e.g., quarterly) performance reports providing information on key risk areas Percentage of plans in which key risk areas/issues have been considered Percentage of planning processes in which external stakeholders have been engaged to assess/communicate risks (annual)	
Stewardship	A risk-based audit plan is in place and is continuously updated Number of audits conducted and the degree of materiality Percentage of plans and reports in which risk areas and issues related to resources, results, and controls are raised	Number of control failures identified in audits Evaluations by program managers of the effectiveness of functional support
Accountability	Delegations are reviewed at least annually (yes/no) Percentage of operational plans and PMAs in which resources are tied to both ongoing and key commitments	Percentage of managers surveyed who believe that their delegations are appropriate to the position that they hold External assessment of the linkage of commitments in PMAs to corporate priorities and senior level PMAs
Learning, Innovation and Change Management	Percentage of annual budget devoted to incremental improvement and transformative change Percentage of plans that show linkages to lessons learned Percentage of learning plans successfully completed Average annual professional development/training investment per employee	Evaluations of relevancy, success, cost-effectiveness of Change Agenda projects/initiatives
Results and Performance	Percentage of organizations that conduct regular performance reporting Percentage of Executive Committee meetings in which performance information is used to support discussions and decisions, including resource allocation and re-allocation Percentage of new initiatives linked to problems and performance gaps based upon valid, evidence-based performance data	External ratings of RPPs and DPRs
Overall		Annual External MAF Assessment Internal MAF Self Assessment
		Every three year federal government-wide employee survey

hand side of Figure 1 is that the satisfaction, productivity and retention of employees are driven by the leadership qualities and enduring values that exist within the organization and the quality and sustainability of the workplace. Timeliness, cost, quantity, and quality of program activities are likewise impacted by the management frameworks, policy capabilities, consideration of risks and the degree of innovation and change resident in a particular department or agency.

These program activities will also be delivered better, and client and stakeholder satisfaction and program and public policy impacts will be enhanced, by three more management attributes: a client/citizen focus; useful performance information; and resource stewardship. These three MAF elements also satisfy the expectations of every Canadian, including Parliamentarians – those expectations will differ depending on our perspective at a particular point in time. As clients of government programs, for example, we may expect that our income tax refunds are processed in a timely, accurate fashion. As taxpayers, we want to be assured that our resources are being managed wisely.

Finally, as citizens, we want useful performance information related to the contribution of government programs towards broad societal outcomes.

MEASURING MANAGEMENT DELIVERY PERFORMANCE

Figure 2 displays a ‘menu’ of possible ‘leading’ and ‘lagging’ indicators that can be used to measure management delivery performance. Leading indicators are used to assess the degree to which the organization’s management delivery activities are operating effectively, and are supported by a linked set of lagging indicators, measured less frequently, associated with the expected results of the activities to which the leading indicators are tied.

As one can see by examining the indicators, if an organization could be successful in achieving strong results for the leading indicators, one could predict strong performance on the lagging indicator side, as measured by internal or external assessments, evaluations or surveys. We think that many of the MAF elements can be best ‘operationalized’ through an integrated planning and reporting cycle; I will

describe the design principles of such a cycle in the next article and talk about how these principles can be best put in place.

SUMMARY

The ten essential elements of the MAF, when effectively integrated, are key performance drivers for exceptional program delivery in federal government departments and agencies. A practical menu of ‘leading’ or predictive indicators can be used to assess the degree to which the organization’s management delivery processes are operating effectively, supported by a linked set of ‘lagging’ indicators associated with the outcomes of the activities to which the leading indicators are tied.

The fourth article in this series will offer a common sense approach to ‘operationalizing’ the MAF, by connecting a range of disparate management activities ‘in time and space’ within the four quarters of the annual planning and reporting cycle.

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