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Improving and evaluating performance with the Public Sector Scorecard

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Abstract

Purpose – The Public Sector Scorecard (PSS) is an integrated performance management framework incorporating strategy mapping, service improvement, and measurement and evaluation. It adapts and extends the balanced scorecard to suit the culture and values of the public and voluntary sectors. The purpose of this paper is to assess, with the aid of two case studies across organisational boundaries, how the PSS addresses a number of critical success factors for performance management and improvement in the public and third sectors.

Design/methodology/approach – The research takes a case study approach assessing the use of the PSS for the UK Ethnic Minority Employment Task Force, and for Sheffield Let's Change4Life, a £10 million programme addressing obesity in children and families.

Findings – This paper concludes that the PSS is an effective framework to help organisations improve outcomes for service users and stakeholders without increasing overall cost, and develop measures of performance that help them improve and assure quality without motivating staff to achieve arbitrary targets at the expense of poor service to the public. Key to this is its emphasis on developing a performance management culture based on improvement, innovation and learning rather than a top-down blame culture.

Originality/value – There have been many research papers describing the problems and pitfalls of public sector performance management, but few which offer a solution. A particular innovation is how the theory of planned behaviour was integrated with a performance management framework for a behaviour change programme addressing childhood obesity.

Keywords Public sector, Performance management, Balanced scorecard, Evaluation, Public Sector Scorecard, Strategy mapping

Paper type Case study

1. Introduction

Most public and third sector organisations – both within and beyond Europe – are struggling with two major problems: improving outcomes for service users and other key stakeholders without increasing overall cost; and developing measures of performance that help them improve and assure quality without motivating staff to achieve arbitrary targets at the expense of poor service to the public. This paper examines how the Public Sector Scorecard (PSS) (Moullin, 2002) an integrated service improvement and performance management framework for the public and third sectors, can help such organisations address both these issues.

A number of factors are important in managing and measuring performance to overcome these problems. They include working across organisational boundaries; capturing the voice of users and other stakeholders; focussing on outcomes and evidence-based drivers of outcomes; re-designing processes and improving service delivery; addressing capability and organisational issues; integrating risk management; and developing a performance management culture based on improvement, innovation and learning rather than a top-down blame culture.

This paper begins by outlining the PSS and how it works in practice. It then examines a number of critical success factors for effective performance management and how the PSS methodology aims to address them in order to help organisations deliver improved outcomes and develop a more meaningful performance management culture. Two in-depth case studies using the PSS across organisational boundaries are then presented, one in central government and the other in a major city.



2. Using the balanced scorecard (BSC) in the public sector

The BSC (Kaplan and Norton, 1996) is a logical strategic framework enabling an organisation to articulate its strategy in a set of focussed, strategic objectives and measures. It is a system of linked measures, targets and initiatives that collectively describe the strategy of an organisation and how that strategy can be achieved. It aims to align business activities to the vision and strategy of the organisation, and monitor organisational performance against strategic goals (Niven, 2003).

While the BSC has been used primarily in the private sector, it has many potential benefits for not-for-profit organisations too. These include clarifying and gaining consensus about strategy, communicating strategy throughout an organisation, aligning individual departments, units, or employees in the achievement of common goals, understanding the processes and relationships that lead to desired results, and focussing on the most important improvement efforts (Kaplan and Norton, 1996, p. 109; Grigoroudis *et al.*, 2012; Moore, 2003; Chan, 2004).

However, despite these potential benefits, the language, architecture and methodology of the BSC tend to reflect its private sector origins. Part of the problem is that it is typically organised across four key perspectives: financial, customer, internal, and innovation, learning and growth. Indeed Gambles (1999, p. 24) says that “[...] in its usual form, it (the scorecard) is clearly not suitable for the vast majority of the public sector”. One of the main difficulties is that the most important perspective of the BSC is the financial perspective. Indeed most companies only measure non-financial factors because they recognise that they will at some point affect bottom-line financial performance (Moullin, 2002; Pidd, 2012, p. 209). This is not the case in the public and voluntary sectors, where an organisation with a large surplus at the end of the year but long waiting times or poor outcomes is not a well-performing organisation. The focus here is generally on social good and service to those in need, rather than profit and shareholder value (Yeung and Connell, 2006; Euske, 2003). In contrast, the financial perspective is an important and vital enabler of performance, rather than an end in itself (Moore, 2003).

Kaplan and Norton (2001b) claim that all that needs to be done to adapt the BSC for use in public sector organisations is to “rearrange the scorecard to place customers or constituents at the top of the hierarchy” (p. 98). A similar approach is that of Niven (2003, p. 32) which has a mission perspective at the top of the scorecard, then the customer perspective, followed by the other three original perspectives. There have been several other attempts to refine it for the not-for-profit sectors (e.g. Irwin, 2002; Woodward *et al.*, 2004; Lawrie and Cobbold, 2004) and it has been used with varying degrees of success in many public sector organisations (e.g. Radnor and Lovell, 2003; Niven, 2003; Greatbanks and Tapp, 2007).

However, Northcott and Taulapapa (2012) conclude that although each of the eight New Zealand local government organisations they examined had modified the BSC to fit their organisations, they had encountered significant difficulties in doing so. Similarly, reviewing the use of the BSC within healthcare, Gurd and Gao (2008) conclude that “current applications do not tend to show the health of patients as being central to the development of the BSC; the balance is tilted towards the financial not the health outcomes”. Moore (2003) concurs, saying that “the basic concepts of the Balanced Scorecard have not been sufficiently adapted from the private, for-profit world where they were born to the world of the nonprofit manager”.

Another problem is that the methodology is still private sector oriented with little emphasis on service user involvement, risk management or the need to work across organisational boundaries (Moullin, 2006). In addition, public sector reforms “have an impact on social and political dimensions, which are not accounted for in private sector frameworks” (Cordella and Bonina, 2012). However, rather than adapt what is essentially a private sector model to fit all sectors, an alternative approach is to design a model specifically for the public and voluntary sectors which achieves similar benefits to those of the BSC in the private sector but within a not-for-profit culture – and this is the approach taken by the PSS.

3. The PSS

The PSS is an integrated service improvement and performance management framework for the public and third sectors. It has three phases – strategy mapping, service improvement, and measurement and evaluation.

At the heart of the PSS is the very simple, yet powerful, model on the left hand side of Figure 1. Processes lead to outcomes, while capability – defined as the organisational, cultural and resource-based factors that need to be addressed for processes to work effectively – leads to effective processes. This model is ideally suited for a workshop-based approach encouraging managers, staff, service users and other key stakeholders to identify the outcomes that matter to them; to redesign or create new processes to achieve these outcomes; and to address the capability and organisational factors that need to be in place for processes to be effective in achieving the outcomes. This can be done for a service as a whole or to help different organisations work together to focus on a particular outcome.

The right hand side of Figure 1 provides more detail on the different elements. Outcomes include the key performance outcomes that the organisation aims to achieve, those required by users and other key stakeholders, together with financial outcomes such as breaking-even, securing funding and offering value for money. There is just one perspective for the processes element, namely, service delivery. Service delivery differs from planned service and policies as this is what is actually experienced by users and stakeholders. Capability comprises what needs to be done to support staff and processes in delivering the required outcomes and outputs. This might include trained and motivated people, good partnership working and sufficient resources, together with a culture based on innovation and learning rather than a blame culture – all underpinned by effective and supportive leadership.

These seven perspectives differ from the four perspectives in the BSC – financial, customer, internal, and innovation learning and growth (Kaplan and Norton, 2001a) – in a number of ways. In particular, the addition of “key performance outcomes” at the top of the scorecard ensures that the main aims of public and third sector organisations – and the public and social value they create – are prominent. Financial aspects are included while the customer perspective is replaced by the “service user and stakeholder” perspective. The “service delivery” perspective has many similarities with the “internal” perspective of the BSC, while the term “growth” is omitted in the “innovation and learning perspective”. This is because growth, e.g. more people going to hospital or more benefits to give out, is not necessarily a priority for many not-for-profit organisations! The inclusion of the other

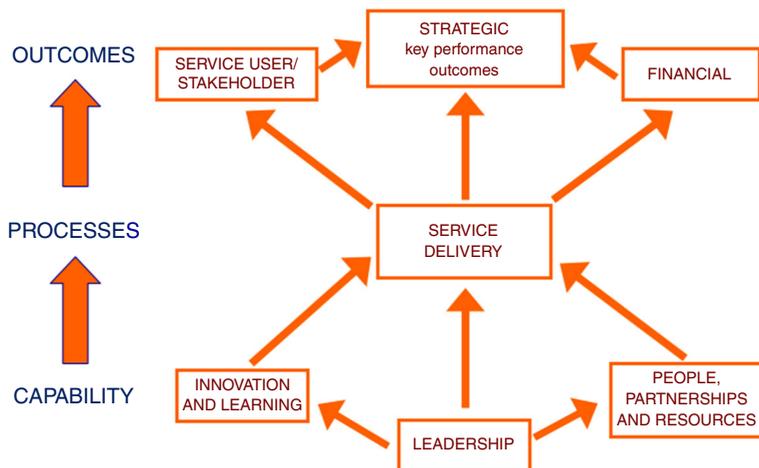


Figure 1.
The Public Sector
Scorecard

capability perspectives is an important addition to the scorecard framework, as often poor performance is not due to the processes themselves but to limited partnership working, poorly trained or motivated staff, inadequate resources, or ineffective leadership.

The PSS is a flexible framework and, as with the BSC, the names of the seven perspectives can be changed to suit the needs of the organisation. This is illustrated in the Chilean government's PSS strategy map for public health – see Figure 2. They chose “health outcomes” “user expectations” and “resource management” instead of “strategic”, “service user and stakeholder” and “people, partnerships and resources”, respectively, but otherwise kept to the standard format. The health outcomes included improving population health, reducing health inequalities and increasing public satisfaction. The strategy map shows how they aimed to address – and monitor – these and the other desired outcomes in their ten-year plan (Gobierno de Chile, 2010).

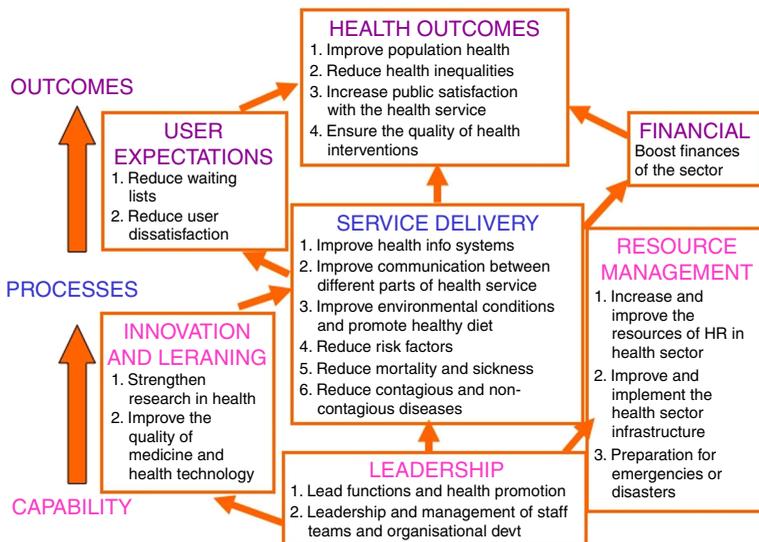
4. How the PSS works

The PSS is a workshop-based approach working with managers, staff, service users and other key stakeholders and has three phases – strategy mapping, service improvement and measurement and evaluation – see Figure 3.

4.1 Strategy mapping

As with the BSC, the strategy map is a key output of the PSS. According to Kaplan and Norton (2001a, p. 11), a strategy map “describes how shareholder value is created from intangible assets”. However, with the PSS it can be defined more simply as “depicting the relationships between outcome, process, and capability elements” (Moullin, 2009a).

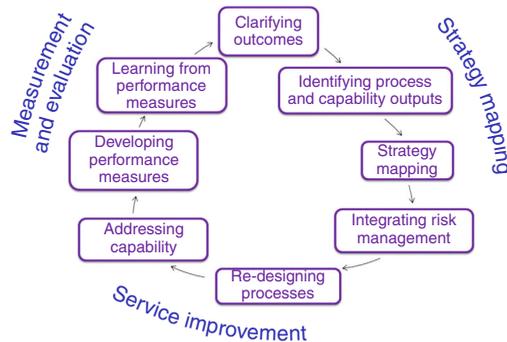
The strategy map is developed following a series of interactive workshops with senior managers, staff, service users and other stakeholders. These workshops would start by identifying the desired outcomes – strategic, service user, stakeholder and financial outcomes. Workshop participants then consider the outputs that the various processes involved need to achieve in order to deliver the various outcomes. Following this, the group



Source: Translated from the Spanish

Figure 2.
Public Sector
Scorecard – Chile
public health example

Figure 3.
How the Public Sector
Scorecard works



would be asked to identify the capability outputs that are needed to ensure that staff and processes are able to achieve the outcomes and process outputs required. These aspects might include effective team and partnership working, sufficient resources, supportive leadership, together with an organisational culture promoting innovation and learning rather than a target-obsessed blame culture.

The links between capabilities, processes and outcomes are then illustrated in a draft strategy map, which is reviewed at the next workshop. Risk factors will then be identified in a risk-management workshop and added to the draft strategy map by considering the reduction of a key risk as a desired outcome. The processes by which risks are reduced, eliminated or mitigated are then reviewed, together with the risk-management culture (a capability element), and added to the strategy map.

As Pidd (2012) points out, “there may well be some conflict between the strategic drivers (of the PSS) and any strategic thinking will need to balance differing claims and priorities” (pp. 211-212). This is important as most public and third sector organisations have a wide variety of objectives and stakeholders (Moriarty and Kennedy, 2002; McAdam *et al.*, 2005).

4.2 Service improvement

In this phase, the strategy map will be used as a prompt to examine the effectiveness of service delivery in achieving the required outcomes and how it can be improved. Workshop participants will be encouraged to link their discussion to evidence or data available and this will be supplemented where appropriate with tools such as process maps, systems thinking and lean management – for example, to highlight areas of duplication, processes that could be simplified or accelerated through better communication, and eliminating non-productive activities such as talking to users who ring up because they have not received a service they were promised.

This or a subsequent workshop would then focus on what is required to achieve the capability outputs in the strategy map and in particular how management can support staff and processes so that they can obtain the outcomes required. This could involve extra resources in a particular area, improving staff morale, and clear supportive leadership. It might also involve discussing how to develop a culture of improvement, innovation and learning rather than a blame culture.

4.3 Measurement and evaluation

This phase begins by identifying possible performance measures for each element of the strategy map. Discussion will take place with workshop participants, with information experts within the organisation, and with stakeholders and funders on their information requirements and the likely cost-effectiveness of different measures. It is important that the measures chosen are seen as reasonable by both staff and service users.

All potential measures identified will be reviewed by considering data quality issues, and aiming to minimise potential unwanted or perverse effects. A filtering process then takes place to ensure that the measures chosen are cost-effective and can provide value for money to the organisations concerned. Performance measurement has been defined as “evaluating how well organisations are managed and the value they deliver for customers and other stakeholders” (Moullin, 2002, p. 188). This definition has a deliberate circularity – performance measurement is part of how an organisation is managed, so it too needs to deliver value to users and stakeholders.

Performance measures do not necessarily need to be quantitative. Indeed in many cases – particularly on some of the capability areas – more qualitative approaches are preferable. For example, if improving partnership working is included in the strategy map, a summary of progress and people’s perception on what has been achieved will be better than recording the number of meetings with different organisations or other irrelevant measures.

Analysing and learning from performance measures provides insight into how well organisations are performing in the different areas of the strategy map. The use of analytics to determine cause and effect is also useful here. Taking action to address areas needing attention is also needed!

4.4 *Completing the cycle*

Performance information is then used to revise the strategy map, identify further service improvements, and develop better performance measures – and so the cycle continues. Public and third sector organisations have frequent changes in strategy and it is important that the strategy map is a living document and that performance measures are aligned with a changing strategy (Johnston and Pongtichat, 2008).

5. Critical success factors for public sector performance management

This section examines a number of issues critical to the success of performance management in the public and voluntary sectors. It also aims to show how these can be addressed with the PSS (Moullin, 2009a; Penna, 2011):

5.1 *Service user and stakeholder involvement*

Service user involvement “places the experiences and knowledge of the service user at the heart of effective public service design and delivery” (Osborne *et al.*, 2013, p. 146). Effective user involvement generally leads to better outcomes and more appropriate, responsive and effective services (Moullin, 2002, pp. 165-167; Ridley and Jones, 2002). It is also important in being able to achieve public value, which is not necessarily defined by organisations who produce it, but rather by the citizens who collectively consume it (Cordella and Bonina, 2012; Alford and Hughes, 2008). In health and social care, Bell (2000) suggests that public involvement should be “bread and butter to a responsive, equitable and efficient health service”, while Beresford (2000) says “not involving users is incompatible with the central aims of social work”.

Involvement of front-line staff is also crucial to the success of the BSC and other performance improvement initiatives (Barden, 2004). As Grigoroudis *et al.* (2012) point out, staff not only need to understand the strategic objectives and key performance indicators, but they need to share the vision of the organisation or department. However, managers – and facilitators – should also guard against “tokenism” – involving users and staff, but in practice ignoring what they have to offer (Buckley and Hutson, 2004) and ensure involvement is not patronising or top-down (Ridley and Jones, 2002). In addition, it is important to involve other stakeholders who may affect or be affected by the organisation’s strategy (Alford, 2002; Sanger, 2008). These may be important for the organisation’s future, e.g. funders and donors, have specific insights, or be affected by its actions. Involving such stakeholders in

performance management can be important for reasons of legitimacy and ethicality as well as improving effectiveness (Wang *et al.*, 2015).

By involving users, staff and other key stakeholders in an interactive workshop setting, the PSS enables a service to make use of participants' knowledge and understanding of service delivery and to address the needs of these stakeholders. It also leads to more successful implementation since participants feel they have contributed to the process of service improvement rather than feel that change is imposed on them. For example, a project using the PSS for Sheffield's Stop Smoking Service began with three workshops with over 100 service users and was then steered by a reference group including managers and staff of the service, eight service users, a GP, a hospital consultant and representatives of the Strategic Health Authority. The project's recommendations did not therefore come as a surprise to such stakeholders and were consequently well received (Moullin *et al.*, 2007).

5.2 Focus on outcomes

Niven (2003) believes that focussing on outcomes, rather than inputs or outputs, serves to guide an organisation towards its true aims and enhances accountability by requiring them to outline specifically how targeted groups are better off as a result of their service. Focussing on outcomes and being able to measure them is not a substitute for knowing and being able to measure your outputs, but it allows you to measure what your activities are actually achieving (Ellis, 2009).

Identifying the outcomes required by the organisation, its service users and other stakeholders – including value for money – is the starting point of a PSS study and this outcome focus drives the entire PSS project, helping the organisation focus on achieving these outcomes. However, it is also important to address and monitor process and capability outputs as “outcome measures without performance drivers do not communicate how the outcomes are to be achieved” (Kaplan and Norton, 1996, p. 105).

5.3 Working across organisational boundaries

Working across organisational boundaries is important for several reasons. First, users of public services typically use services from a number of organisations or departments. They are often not very interested in how a particular organisation is doing, but they do care about having co-ordinated the services available to them which may be from several organisations or departments (Moullin, 2006).

Second, many of the outcomes governments wish to address can only be achieved by organisations working together. For example, if police, probation, social services and health do not co-ordinate their different policies in tackling drug abuse, poor outcomes are likely to result (Moullin, 2002, pp. 159-161). Another example is a third sector organisation that aims to reduce teenage pregnancy. In the UK research showed that 71 per cent of young women not in education, employment or training for over six months between the ages of 16 and 18 were parents by the age of 21 (DCSF, 2006). It follows that working together with schools, colleges and local employers to improve and monitor outcomes for this group is likely to be more effective than, for example, talks pointing out the difficulties of early parenthood.

One of the many benefits of the PSS's outcome focus is that it facilitates working across organisational boundaries by enabling people from different organisations or departments to focus on the common outcomes required, rather than their narrower departmental objectives. This contrasts with the BSC, which is less well suited to working across organisational boundaries as it focusses on achieving greater profit or the mission of an individual organisation, promoting a competitive, rather than co-operative approach (Moore, 2003). In terms of measurement and evaluation, the PSS will not only evaluate the outcomes and processes, but also capability elements such as partnership working and a shared vision.

5.4 *Process improvement and capability*

Many process improvement methodologies developed originally for the private sector have been used in the public and third sectors. These include: systems thinking (Seddon, 2008), Lean (Radnor and Osborne, 2013), Six Sigma (Antony, 2006) and business process re-engineering (Harrington *et al.*, 1997). Radnor (2010) reviewing the effectiveness of these methodologies in public services, notes the need for a structured performance measurement system as a potential success factor for these methodologies. Similarly, referring to lean in particular, Bhatia and Drew (2006) recommend “developing a performance culture and using performance management systems that break down top-level objectives into clear measurable targets”. Moullin (2009c) argues that the greater range of stakeholder and user requirements in the public sector causes problems in transferring Lean and Six Sigma from manufacturing. He concludes that Lean and Six Sigma tools are very useful, but they need to be used in the context of delivering better outcomes for service users and not simply trying to replicate what has been successful in manufacturing. The use of analytics in trying to establish the relationship between process outputs and outcomes is also important (Brown, 2007). For example, any differences in clinical outcomes in hospitals need to be analysed to see if they are caused by variations in case mix, in resources or just by random fluctuation before making any definite conclusions (Smith and Goddard, 2002).

The PSS includes process improvement within an overall performance management framework focussing on the various outcomes required including financial outcomes such as value for money. As an example, systems thinking, viewing the service and the value obtained from the service user’s point of view, was used in the Stop Smoking Service project referred to earlier. In the workshops, many users reported delays between them making the momentous decision to quit smoking and being able to obtain prescriptions from the GP for the required medication. Through discussions with pharmacies and GPs, innovative ways were found to bypass the GP and get the medicines direct from the pharmacy (Moullin *et al.*, 2007).

Capability and organisational culture are important drivers for achieving the outcomes required and these aspects need to be included in the strategy map, in order to improve and evaluate performance. The PSS framework includes people skills and motivation, partnership working, resource utilisation, organisational culture and leadership. Performance measures of these aspects will of course generally be qualitative rather than quantitative.

5.5 *Integrating risk management*

Integrating risk management with strategy and performance management is another important feature of the PSS. As Moullin (2006) says, “identifying and addressing key risks are essential for any high-performing organisation and therefore any evaluation of performance without considering risk is incomplete”. Arguably, lack of attention to this was the major cause of the banking crisis. Many people blame bonuses. However, the real problem was not bonuses themselves but the fact that the performance measures on which bonuses were based did not take proper account of risks to the banks, their customers, and society. If they had included appropriate measures of risk factors, economic prospects in the world today would be very different.

While Kaplan (2009) recommends a separate risk-management scorecard for use alongside the BSC, the PSS takes explicit account of risk by incorporating major risk factors into the strategy map. It does this by viewing the reduction of a key risk as a desired outcome, while the processes involved in reducing or mitigating the risk would appear in the service delivery perspective. Ensuring that the organisation has a risk-management capability – for example, the absence of a blame culture and ensuring that the approach to risk does not stifle innovation – would appear in one or more of the capability perspectives.

5.6 *Culture of improvement, innovation and learning*

Arguably the most important of these issues critical to the success of performance management frameworks is developing a culture of improvement, innovation and learning, rather than a top-down blame culture (Moullin, 2004). Several authors (e.g. Brooks, 2007, Smith, 1993) talk about the “perverse” or “unforeseen” effects of targets, but these are predictable consequences of a top-down performance management regime which encourages staff to prioritise a target over service to the public (Moullin, 2009b).

The approach to targets of the PSS is summed up in the sentence “all targets are flawed, some are useful” (Moullin, 2009b). It is important to note that there is no such thing as a perfect target. There is always a way of achieving a given target without the intention behind the target. Nevertheless, targets can be useful too. Moullin (2010) cites the case of the UK National Health Service waiting time targets. These targets helped reduce the number of people waiting over nine months for admission to hospital from 175,000 to 223 from 1997 to 2004. It is important to note that this dramatic reduction could not have been achieved without the considerable investment in the NHS during this period. Otherwise, the result is likely to have been what Deming calls “goals without methods” which are always counter-productive (Deming, 1993). However, investment by itself would not have achieved this dramatic improvement, if only because of the perverse incentive in the system – NHS waiting times are a key driver of the demand for private healthcare.

Given that all targets are flawed, it does not make sense to blame managers for performance below target without a dialogue as to what might have caused the apparent level of performance. The Care Quality Commission (2009) did take note of this by allowing NHS Trusts to submit extenuating circumstances that might have affected their ability to meet a target. Rewarding people for performance above target without further analysis is similarly premature.

While the BSC typically recommends organisations to specify targets for each of the performance measures used, this is optional in the PSS. Targets are recommended only if they relate to outcomes or evidence-based drivers of outcomes, the value of the target exceeds its cost, the target is challenging but achievable, and potential unintended consequences identified and minimised.

The tone needs to be set early on in a PSS study with both a director of the service and the workshop facilitator emphasising the importance of openness and trust within a performance management culture based on improvement, innovation and learning. As Safra Catz, president of Oracle, says, “You need to start by assuming that people want to do the right thing” (cited in Thornton, 2009). The PSS approach contrasts with the BSC which is generally implemented top down “cascading the scorecard down the organisation” (Bourne and Bourne, 2007, pp. 166-167).

6. Case studies – using the PSS across organisational boundaries

The PSS facilitates working across organisational boundaries by encouraging representatives of different organisations to focus on the common outcomes they are addressing, rather than the objectives of their own department. Two case studies are discussed here – the UK government’s Ethnic Minority Employment Task Force and Sheffield Let’s Change4Life (SLC4L), a £10 million city-wide project addressing obesity in children and adults.

6.1 *Case Study 1 – the ethnic minority employment task force*

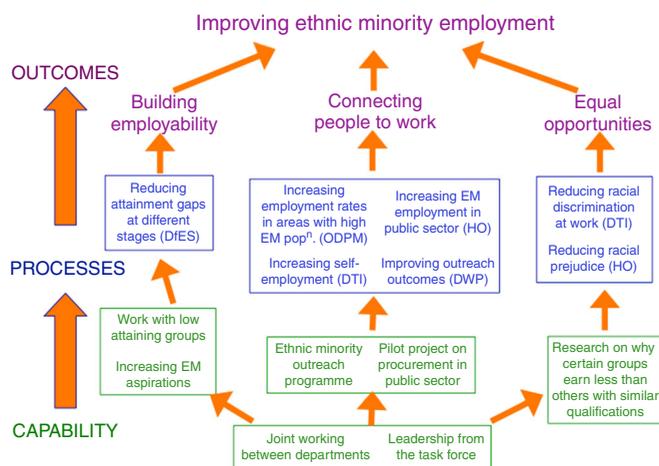
The UK Ethnic Minority Employment Task Force is a good example of working across organisational boundaries at central government level. It included government ministers from five government departments, together with other stakeholders, mainly from

the third sector. It was set up in 2003 to drive forward strategies designed to ensure ethnic minorities no longer faced disproportionate barriers to achievement in the labour market. The task force included government ministers from five government departments, together with other stakeholders, mainly from the third sector, with particular interest and experience in ethnic minority employment.

The task force began by recognising that to achieve the main desired outcome of increasing ethnic minority employment, they needed to address three subsidiary outcomes: building employability by raising levels of educational attainment and skills; connecting people to work by reforming existing employment programmes, tackling specific barriers to work in deprived areas, and promoting self-employment; and equal opportunities in the workplace (Strategy Unit, 2003).

The next stage was to identify the outputs needed to achieve these outcomes and the government departments who should take the lead on each output. As can be seen from the strategy map (Figure 4), building employability was predominantly down to the Department for Education and Skills, while the other two outcomes were the joint responsibility of a number of different government departments. Also shown in Figure 4 are some of the capability aspects – specific activities that were identified as important to achieve the outcomes and outputs, together with effective partnership working between departments and leadership from the task force which were recognised as also vital to the achievement of these outcomes. The strategy map shows clearly how the contribution of each department related to the overall outcome, as well as helping in the evaluation.

A number of performance measures were developed for the different outcomes and outputs in the strategy map. In addition each department was responsible for monitoring progress on the activities they were responsible for. One of the key performance criteria for the task force was to reduce the gap between the employment rate of ethnic minorities and that of Great Britain as a whole. This reduced from 18 to 12 percentage points from 2003 to 2010. However, it fell short of its original objective that, by 2013, no-one should be disadvantaged in their employment prospects because of their ethnicity.



Notes: Key to departments: DfES, education and skills; DTI, trade and industry; HO, home office; DWP, work and pensions; ODPM, office of the deputy prime minister

Figure 4. Strategy map for the ethnic minority employment task force

6.2 Case Study 2 – SLC4L

SLC4L was a three-year £10 million programme set up to reduce obesity in children and families, part-funded by the Department of Health. The programme adopted a systems-based approach, aiming to tackle a number of the barriers to reducing obesity simultaneously. This was informed partly by the Foresight Report (Foresight, 2007) and partly by workshops using the PSS carried out as part of a government sponsored Knowledge Exchange Programme between Sheffield Business School and NHS Sheffield. Once the bid was successful, SLC4L decided to use the PSS to evaluate the programme.

The PSS approach to evaluation is to work with the programme team and relevant stakeholders to develop the evaluation strategy early on in the programme. This both enables the evaluation strategy to inform the project and avoids managers and staff later feeling aggrieved because the evaluation is based on factors they were unaware of.

Therefore workshops were held early on with the programme board (which included the Director of Public Health, the City Council's Executive Director for Children and Families, a cabinet member (councillor) and other stakeholders) with Sheffield Youth Council, and with the teams responsible for each of the eight programme strands to develop draft strategy maps both for the project as a whole and for each individual strand (Moullin and Copeland, 2013).

There was a problem though with all the initial strategy maps developed. None of the activities planned could actually get people to lose weight, eat more healthily or to be more active (three of the main desired outcomes) without changing people's behaviour. So how could the project make sure that their strategies will actually change people's behaviour in the right direction? Also how will they know whether they have been successful or how any success was achieved?

The approach taken to resolve this problem was to incorporate the theory of planned behaviour (TPB) (Ajzen, 1991) into the PSS. The TPB recognises that people's intention to change depends on their beliefs on how important it is to make the change, their attitude and those of others around them to the change, their perceived ability to make the change, and overcoming the barriers that they face. Given that actions taken to reduce obesity can only work by children and adults changing their behaviour, it is important to address – and monitor the progress of – the factors that influence such change.

The main relevance of the TPB for strategy mapping is that when developing a strategy which requires people to change their behaviour, it is important to recognise that the organisation needs to address a number of issues simultaneously: people's beliefs on how important it is to make the change, their attitude and those of others around them to the change, their perceived ability to make the change, and overcoming the barriers that they face (Moullin and Copeland, 2013).

Figure 5 shows how the TPB was incorporated into the strategy map for one of the eight strands of SLC4L – a breastfeeding-friendly city. This strand included two activities – a peer support scheme and breastfeeding-friendly awards for local restaurants and other leisure organisations.

While in theory (e.g. Niven, 2003, p. 36) a well-designed strategy map and BSC should link together in a chain of cause-and-effect relationships, in practice this is done poorly and a typical strategy map for breastfeeding might contain just the top and bottom rows of Figure 5. However this would give no indication of *how* the interventions would lead to increased breastfeeding or whether or not they have been successful.

There were two main benefits of the strategy map in Figure 5. First, it helped the programme focus on each of the various areas that will influence behaviour. Second, it aided the evaluation by supplementing the data on breastfeeding maintenance rates by asking the women whether they were more positive about the idea of breastfeeding, whether they saw it as a socially approved behaviour, and whether they felt more confident about being able to breastfeed when the time came.

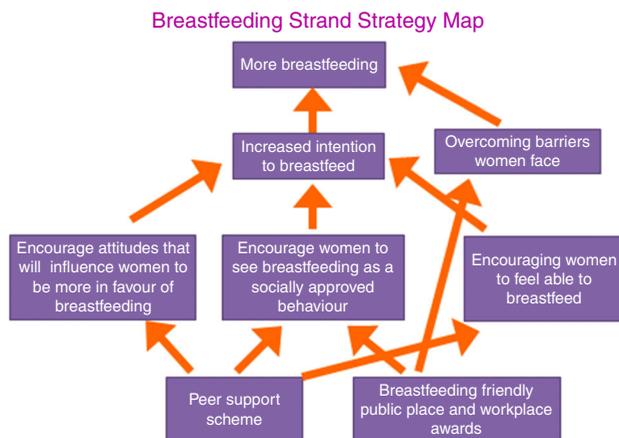


Figure 5. Using the TPB to understand increases in breastfeeding rates

The strategy map for the SLC4L project as a whole is shown in Figure 6. This too was developed following interactive workshops with the Programme Board, operational leads and stakeholders of the eight programme strands, and Sheffield Youth Council. The first two rows show the main outcomes required for the project. The main desired outcome was to reduce obesity, while other key outcomes contributing towards this overall outcome include better diet and nutrition and increased physical activity. Satisfied stakeholders, sustainability and value for money were also key aims.

The third row shows the TPB outputs and outcomes in relation to changing people’s behaviour – a greater desire to adopt a healthy lifestyle; favourable attitudes; confidence in their ability to change; and overcoming the barriers they face – while rows 4 and 5 refer to the desired outcomes and outputs of the eight strands of the programme. The penultimate row shows the main elements that need to be in place to support the individual strands in achieving the desired outcomes, all of which need to be underpinned by effective leadership and support from the programme board.



Figure 6. Strategy map for Sheffield Let's Change4Life

One example of the usefulness of the approach was when evaluating a workshop on diet and exercise provided for workers at a Sheffield steel manufacturer. While feedback from participants was quite positive on items C1 and C3 of the strategy map, the evaluation also revealed that the company did not have space for a canteen on site – but there was a convenient mobile burger bar parked outside the factory gates every lunchtime! Clearly, unless that particular barrier (item C4) is overcome such workshops were unlikely to lead to a significant change in obesity levels of workers or their families.

The strategy map was used both to help managers and strand leads focus on the desired outcomes, and to monitor and evaluate performance (Moullin and Copeland, 2013). The approach enabled the evaluation team to supplement the nationally available data on obesity rates with information on the impact of the programme on factors likely to influence future obesity rates. This was particularly useful as these lagging obesity rates refer to obesity in a specific year group (e.g. at age 10-11). Therefore changes from one year to the next could be due to any differences the two cohorts experienced in the preceding 10 or 11 years and not necessarily anything to do with SLC4L. The evaluation commended the systems approach adopted by SLC4L, its strong leadership and joint working between public health and the city council, and the impact on participants' attitudes and intentions towards the adoption of health promoting behaviours (Moullin and Copeland, 2013).

Feedback on the use of the PSS was very positive. The executive director for children, young people and families at Sheffield City Council commented that “the strategy map is really useful as it simplifies a complex issue with a complex response into an orderly understandable approach”, while the SLC4L programme manager said “the SLC4L Strategy Map visually told the story of SLC4L, what we were trying to achieve and how. It helped all those involved understand the outcome and process measures the programme was trying to achieve, and therefore being evaluated against”.

7. Conclusion

Performance management in the public and third sectors is understandably controversial. When done well it can motivate staff to improve performance and can “reveal the true performance of the system and the impact of any changes in real time” (NHS Modernisation Agency, 2004). When done poorly, however, it can alienate employees and lead to a culture of blame where staff meet targets at the expense of service to the public (Moullin, 2009a).

The PSS is an effective framework for helping public and third sector organisations monitor and improve their services and focus on delivering desired outcomes including value for money. The incorporation of process mapping, systems thinking and lean management approaches ensures that service improvement is considered in relation to the outcomes required including value for money. Furthermore, it does not stop at processes – it addresses risk management, organisation culture and capability to ensure that staff and processes are supported in delivering the required outcomes. Finally, by measuring performance on outcome, process and capability elements, the PSS enables managers and others to identify where the organisation is making progress.

The two case studies illustrate how the PSS can be used across organisational boundaries, one across central government and one in a major city. They indicate that the PSS works particularly well alongside joined-up government approaches with “inter-departmental collaboration and coordination to provide integrated service delivery to citizens” (Cordella and Bonina, 2012). By focussing on the outcomes that matter to users and stakeholders in a workshop setting, the PSS facilitated partnership working between the various departments and organisations. As well as influencing strategy, the focus of the evaluation on outcomes and key drivers of those outcomes, helped people understand the achievements of the project and the areas that need addressing in the future.

Described as “groundbreaking” by a former head of research and communications at the New York Senate (Penna, 2011) the PSS is consistent with the recommendation in the Darzi report that “NHS services [...] will need to develop their own quality frameworks combining relevant indicators defined nationally, with those appropriate to local circumstances” (Department of Health, 2008). In addition, Robinson (2015) concludes that the PSS has moved “performance management from a top-down, blinkered, blame-game approach to a system founded on inclusiveness, cooperation and understanding”.

However, as with all performance management frameworks there are continuing challenges. Despite recent developments in analytics, it is often difficult to establish cause and effect. Pressures on reducing costs can make it difficult for managers to work in partnership and to keep staff motivated. In addition, organisations and departments which already have performance management frameworks – however flawed – with attractive mixes of red, yellow and green, can be reluctant to do more than a minor update.

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