Biographical summary

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Relevant background:

In her 5 years with KPMG Consulting, Pam has specialised in the provision of evaluation and review and strategic planning services predominantly to Government clients in the health, human services, housing, education and training sectors. Pam joined KPMG from a 15 year career in Government and academic research, policy and service delivery organisations. She has experience in program and project management including program design and implementation in research, public relations, marketing, and contracting of client services. She has also undertaken and managed health, labour market, economic and demographic research, analysis and policy development.

Publications/Associations:

No

Press interviews:

Available if required

Individual paper proposal

Long summary provided overleaf

PARTNERING BETWEEN GOVERNMENT AND ITS PROGRAM EVALUATORS

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SUMMARY

Increasingly, Government will look to program evaluators to play a role in assisting them in the on-going monitoring and review of the programs they fund and the services they purchase. One-off independent evaluations continue to play an important role, but their impact can be limited by the capacity of the recipient to:

- implement the recommendations effectively through contract specifications or program guidelines; and
- monitor their implementation in a cost-effective manner.

From the perspective of Government, the direct involvement of program evaluators in the implementation of their recommendations and monitoring of the outcomes has:

- benefits, including in-depth knowledge of the program objectives and intended and past outcomes, understanding of its operations and data, and potential to further develop some aspects of the evaluation; and
- risks, including program capture (that is, the potential for the evaluator to lose objectivity), and dependency on a single perspective and one evaluator.

MAXIMISING THE VALUE FROM EVALUATING GOVERNMENT PROGRAMS

In its 1997-98 performance audit of program evaluation in the Australian Public Service, the Australian National Audit Office found that the individual evaluations conducted by Government agencies were generally well managed and had mechanisms in place to ensure a quality outcome, but that many agencies could not fully gauge the effectiveness, impact or cost of the evaluations they conducted or commissioned. This has the potential to limit the value that evaluation should provide for policy development and performance assessment.

The audit identified better practice principles for the conduct of evaluations. Such principles and guidelines for evaluations and program management have been published by a number of agencies and State Governments (for example, see Department of Finance (1994), Australian National Audit Office (1997) or Victorian Department of Treasury (1997)). In so doing it moved away from a predominantly process orientated approach, encouraging Government agencies to integrate evaluations into their broader performance management framework. It recommended that Departments:

- undertake evaluation planning that is strategically focussed, ensuring that evaluations address the most relevant and highest priority issues. It was proposed that Ministers and the agency executive be involved in evaluation planning, based on a strategic framework that provides for evaluation as an input to decision-making. This is in contrast to a mechanistic approach, as has been inadvertently encouraged by the

Commonwealth Government's mandatory requirement that all programs be evaluated on a three to five year rolling cycle;

- provide clear links from corporate/business plans to their evaluation strategy and outcomes to ensure that evaluation activities are relevant to, and directly inform, decision-making. While there was evidence of a relationship between evaluation strategies and corporate plans, this did not necessarily mean direct reference to corporate/business plan priorities in the selection of programs to be evaluated and determination of the specifications and outcomes expected from the evaluations. This is a wasted opportunity;

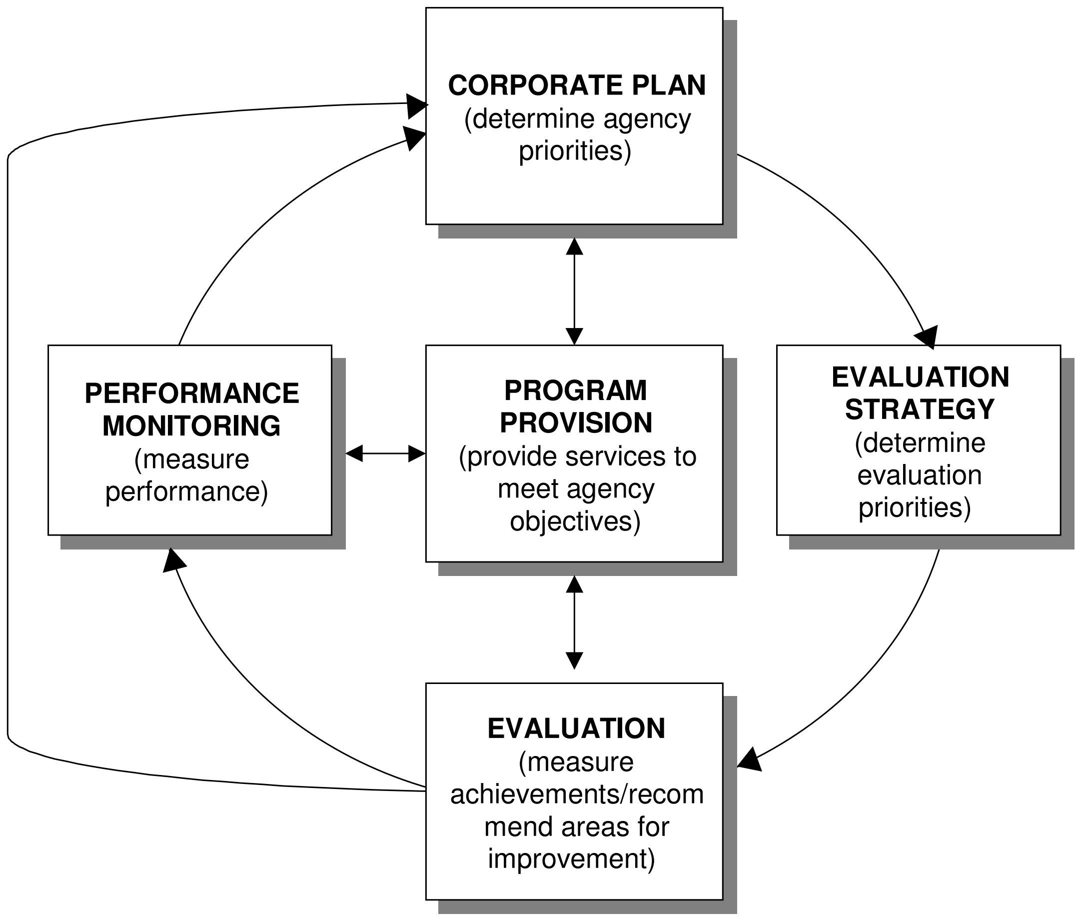
- integrate evaluations into their overall performance management process to complement on-going performance assessment and enhance the impact and value for money from evaluation activity. It was proposed that evaluations be used to develop and refine on-going performance measures, particularly performance indicators, to test their validity and to refine their usefulness. It was also noted that evaluations must be coordinated with other review activities to avoid unnecessary duplication or overlap. It is argued here that this is a crucial element of enhancing the impact of evaluations.

These recommendations are uncontroversial, but their achievement is not straightforward. In particular, there has often been poor implementation of the recommendations of evaluations and insufficient integration with the performance management processes within government agencies. There is a tendency for evaluations to produce long lists of recommendations which encourage a scoring mentality (taking limited account of the relative importance of each recommendation), rather than a focus on the impact of the evaluation and the ultimate outcomes for the program. Such lists of recommendations can also be overtaken by events, becoming irrelevant as policies and personnel change within an agency. All this is understandable in an environment where the output of the evaluation is a written document and the evaluator has moved on following completion of the contractual obligation.

More fundamentally, in an environment of outsourced service delivery, successful implementation of the recommendations of an evaluation requires capacity to effectively adjust contract specifications or program guidelines. This demands a sophisticated understanding of the nature and operation of the program both within the agency and at the service delivery level. During the course of the evaluation, the program evaluator gains extensive expertise and knowledge of the detail of the program. In some instances, where there are agency resource limitations and high staff turnover, the program evaluator, rather than the agency, may have more detailed knowledge of how to best adjust contract specifications and program guidelines to better achieve the goals of the agency.

The impact of evaluations is maximised where there is a longer term relationship between the government agency and the evaluator, and where that relationship provides the agency with independent advice on the achievements of the program against its objectives and the relevance of those objectives to the agency's goals. This encourages the closing of the loop represented below.

Figure 1: Integrating evaluation into the government planning cycle



BENEFITS AND RISKS IN LONG TERM RELATIONSHIPS BETWEEN GOVERNMENT AND ITS EVALUATORS

From the perspective of the Government agencies who have undertaken evaluations in order to improve the capacity of their programs to meet their overall goals, the direct involvement of program evaluators in the implementation of their recommendations and monitoring of the outcomes has certain benefits. A well planned and executed evaluation will have resulted in:

- the collection and analysis of appropriate data to measure the achievements of the program. Where such data have proven useful as indicators of program performance, the agency should integrate these data collections into its own performance measurement systems. Often, however, the detail of data collection and interpretation and the mechanism for ensuring these data collections can become long term, rather than one-off, requires a technical solution and specialist expertise. The program evaluator, having undertaken the data collection in the process of the evaluation often is the major source of that expertise or at the least an important source of advice;

- clear recommendations about necessary changes to the program to improve its efficiency and effectiveness. These recommendations will presumably have been based on an in-depth knowledge of the program objectives and intended and past outcomes and an understanding of the acceptability and practicality of the proposed changes. The program evaluator is therefore in a prime position to advise on the development of mechanisms to implement the proposed changes. In most cases this element is not included in the evaluation brief; and

- stakeholder involvement in the process of the evaluation and an understanding of the rationale for the changes recommended. The evaluator can be regarded as a credible independent party assessing performance of both the program manager (the purchaser) and the service providers for the program. The program evaluator can therefore play a useful role in explaining and convincing program participants of the need for, and appropriate means of achieving, change.

The above comments are, of course, predicated on the evaluation having been regarded as accurate, fair and appropriate by the relevant parties. It also requires the evaluator to retain independence. As the environment in which a program operates changes, there is a need to continually reassess the relevance of evaluation findings and recommendations. This mitigates against a one-off evaluation and provides a further potential post-evaluation role for the program evaluator.

There are, however, substantial risks which must be carefully managed by both parties:

- evaluators, like program managers, can become captured by the programs in which they invest so much of their energies. This can result in a loss of objectivity and, for the program evaluator, a loss of independence. The perception of lack of independence is most likely in situations where the relationship with the program manager is the prime income source for the evaluator. The AES Guidelines for ethical conduct of evaluations may be useful in this regard; and

- the program manager can find itself dependent on a single perspective and one evaluator. This is a financial and probity risk for the program manager, where an evaluator may be regarded as having no competitors for evaluation and review projects for the program. The program manager may also find it difficult to access alternative advice.

MAXIMISING THE NET BENEFIT

To maximise the net benefit from evaluation activity and ensure quality outcomes from Government programs, there must be:

- strategic choice of the evaluation subject;

- clear specification of the expected outcomes of the evaluation, which include the requirement to specify the means by which the program manager will be able to measure achievement of these evaluation outcomes and the outcomes of the program itself;

- an appropriate methodology which assesses all relevant data sources

- arrangements for the transfer of knowledge and data collections to the program manager and staff;
- implementation of the accepted recommendations of the evaluation in a timely fashion, but taking into account the impact of the changing environment;
- monitoring of the implementation of the recommendations of the evaluation, but integrated into the monitoring arrangements for the program itself, with a focus on the most important recommendations and issues.

REFERENCES

Australian National Audit Office (1997-98) Program Evaluation in the Public Service, Audit Report No. 3, Canberra

Department of Finance (1994) Doing evaluations: A practical guide, Canberra

Australian National Audit Office (1997) Better Practice Guide Administration of Grants, Canberra

Department of Treasury Victoria (1997) Guidelines for program administration, Melbourne