## 0094

## Using performance audits as a basis for systems thinking

## G J Smith

ACT Auditor-General's Office, Canberra, ACT, Australia

In this paper, the author takes two performance audits for which he was the lead investigator, concerned with policing and courts administration in the ACT, as a basis to explore some issues related to the operation of complex systems.

The paper first considers briefly the multi-layered, non-linear and feedback nature of systems, with reference to some key thinkers such as Forrester (System Dynamics), Checkland (Soft Systems) and Senge. It then considers some of the characteristics of the feedback loops of information and action in policing and courts administration. This is then used as a basis for description of some of the difficult problems in this area. One of these problems is that of designing performance targets that are simple and meaningful and also direct effort to where it is wanted. Another is the existence of informal objectives that, while not explicit, can affect significantly the overall performance of the system. Systems thinking helps to shed light on how this happens.