

The evaluator as change agent in industry: Challenges and strategies for success

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“I prefer a pyramid metaphor of leadership, with one side being realism and the other idealism, and the quality of leadership dependent on how closely the two sides are brought together. The apex of leadership is the point where the two sides meet. The highest ideals in the affairs of humans on Earth are realised when leadership strives to secure them through close attention to reality. Lofty idealism without pragmatism is worthless. What is pragmatism without ideals? At best it is management, but not leadership.....The best leadership occurs at the point of highest tension between ideals and reality. This is the radical centre. If the idealism is weaker than the realism, then optimum leadership cannot be achieved. And vice versa. The radical centre is achieved when both are strong”.

White guilt, victimhood and the quest for a radical centre - Noel Pearson 2007

In this presentation, Dr Lewis Atkinson presents a work-in-progress report on a four-year journey (2006–10) for a major industry-owned company that provides innovation and marketing services in Australia’s agricultural sector. He will discuss the rationale for the evaluation framework and its alignment with the company’s values, vision and strategy, and the challenges and issues that have arisen for him in the role of change agent. He will then outline the key strategies used to increase the effectiveness of the change management process, build evaluation capacity, and create a more evaluation-focused organisational culture. These strategies have included: learning on the job, using a ‘people-focused program logic’ approach to implement the framework, creating a cross-functional team to champion implementation, engaging key stakeholders, linking outcomes to employee performance measures, and leveraging off the AES network of expertise.

Characteristics of the evaluation strategy at MLA

The MLA evaluation framework was developed in 2005 with the support of The Centre for International Economics (CIE).

At the time the MLA Executive Committee developed the following criteria for judging the successful development and implementation the evaluation framework at MLA:

1. A satisfactory evaluation framework would be:

- Appropriate for the **consistent** evaluation of marketing, market access and R&D programs.

- Appropriate for **Triple Bottom Line analysis** to evaluate program outcomes against traditional cost-benefit benchmarks and wider societal/environmental considerations.
 - **Sensitive to** the influence of the phase in **program lifecycle** on evaluation processes and criteria.
 - **Comparable** between *ex ante* and *ex post* evaluations.
 - **Permit easy identification of** key parameters and methodologies for on-going monitoring and measurement **of program KPI's**.
 - **A rigorous** framework and evaluations using this framework should stand up to scrutiny from both Government and industry.
 - **A transparent** approach and measurement techniques applied should also be transparent.
 - **A simple** framework which is able to be comprehended by MLA stakeholders.
 - **A resource efficient** process for evaluation which should not entail an undue drain on resources.
- 2. A satisfactory corporate learning outcome would indicated by:**
- Program managers demonstrating **Awareness** of the benefit of using the framework to identify and monitor more appropriate program KPI's.
 - Program managers demonstrating an **Understanding** of the rules for where equivalent evaluation approaches should be used in marketing, market access and R&D programs and where departures from this equivalent approach should be appropriately made.
 - Program managers demonstrating an **Understanding** of how information on program evaluation can best be embedded into program proposals.
 - Program managers demonstrating an **Understanding** of how to establish appropriate measurement and monitoring procedures to allow effective and consistent evaluation of new programs.
 - Program managers demonstrating a sense of **Ownership** of the framework and a **willingness** to use it in future.
- 3. A satisfactory stakeholder communication outcome would be demonstrated by:**
- A sample set of communication brochures to show how to communicate the outcomes of a program evaluation in terms that are both **simple and relevant** to various **external** key stakeholder groups as nominated by the program manager.
 - Presenting the output of a program evaluation in a form that will be **relevant and understandable** to **internal** stakeholders of the project at various levels including; **program investors, MLA Executives, other program managers, and at an individual project level.**

The rationale for the evaluation framework at MLA

- **Internal driver = Program improvement**
 - **Effectiveness** = doing the right things
 - **Efficiency** = doing them well
 - **Benefit** = doing the right things well
- **External driver = Compliance**
 - **Commonwealth stakeholders** =
 - matching R&D\$
 - alignment with NRRPs
 - DOA
 - **Industry stakeholders** =
 - MLA accountability for levy income

Managing the change process

Strategic framework for change

- People-focused program logic (Dart, 2005):
 1. **MLA goal = build stakeholder confidence in MLA.**
 2. **End-users** = politicians, industry peak councils, and MLA board.
 3. **Next-users** = MLA Staff: MD, EC, & PM's.
 4. **We will be successful when;**
 - **Evaluations are meaningful to end-users**
 - **MLA staff manage for outcomes**
 - **Evaluation is core to MLA values**

Summary of challenges & tactics for change

| Challenges to change | Successful change tactics |
|---|---|
| 1. Making the complex simple | 1. Alignment with MLA values, vision, and strategy |
| 2. Embedding a focus on outcomes | 2. Engaging key stakeholders in setting better outcome KPIs |
| 3. Maintaining independence & consistency across programs | 3. Engaging the Executive Committee |
| 4. Building evaluation capability | 4. Creating cross functional teams, learning by doing & then reflecting |
| 5. Developing a learning culture | 5. Creating layers of independence & transparency |

Examples of change processes undertaken

1. Alignment with the company's values, vision and strategy
 - Asking key evaluation questions
 - Linking evaluation to strategy
 - Making it all real through reflection

2. Engaging key stakeholders in setting better outcome KPIs
 - Outcome KPI setting workshops across MLA & with key stakeholders
 - Empowering stakeholders to ask for outcomes
 - Linking outcomes to employee/provider performance measures

3. Engaging the Executive Committee
 - Sign-off on the MLA Evaluation Strategy 2007 – 2010 (MLA, 2007)
 - Debating the trade-off between different approaches for particular evaluations
 - Determining the optimum level of resource allocation

4. Creating cross functional teams, learning by doing & then reflecting
 - Creating a confident evaluative culture – by giving learning a context and opportunity for social interaction
 - Creating “Retrospective coherence” through narrative

5. Creating layers of independence & transparency
 - Transparency – access via MLA website (MLA web site, 2007)
 - MLA contribution to RDC aggregate results (CRRDC, 2007)
 - Collaborating with evaluation experts to address the challenges for measuring MLA's value add

Highlighting the results achieved to date from the implementation of the framework (Maturity level assessment based on the Evidence Guide from Qld Govt PMRF 2007

| Rating | Level of maturity | Description |
|---------|------------------------------|--|
| ✓ ✓ ✓ ✓ | <i>Beginning</i> | Basic compliance and conformance with statutory requirements |
| ✓ ✓ ✓ ✓ | <i>Developing competency</i> | Supervision and monitoring systems are in place. Several elements of performance management need further development |
| ✓ ✓ ✓ ✓ | <i>Embedded</i> | Sound performance management practices are used across the organisation to drive the business |
| ✓ ✓ ✓ ✓ | <i>Leading</i> | The organisation is proactive, uses internal and external data to plan for and actively ensure that outcomes are achieved. |

| Success Criteria | Assessment measure | Assessment | Evidence of achievement |
|--|--|------------------------------|--|
| Satisfactory evaluation framework | Appropriate for the consistent evaluation of marketing, market access and R&D programs | DEVELOPING COMPETENCY | Commitment to knowledge management |
| | Appropriate for Triple Bottom Line analysis to evaluate program outcomes against traditional cost-benefit benchmarks and wider societal/environmental considerations. | BEGINNING | Commitment to the CRRDC reporting process |
| | Sensitive to the influence of the phase in program lifecycle on evaluation processes and criteria. | DEVELOPING COMPETENCY | Commitment to program logic in program planning |
| | Comparable between <i>ex ante</i> and <i>ex post</i> evaluations. | BEGINNING | Commitment to knowledge management |

| Success Criteria | Assessment measure | Assessment | Evidence of achievement |
|--|---|------------------------------|---|
| Satisfactory evaluation framework | Permit easy identification of key parameters and methodologies for on-going monitoring and measurement of program KPI's. | DEVELOPING COMPETENCY | Commitment to program logic in program planning |
| | A rigorous framework and evaluations using this framework should stand up to scrutiny from both Government and industry. | DEVELOPING COMPETENCY | Commitment to the CRRDC reporting process AR corporate cost line and pages in the AR On going commitment to Benchmarking Building the road to 2010 |
| | A transparent approach and measurement techniques applied should also be transparent. | DEVELOPING COMPETENCY | Commitment to the CRRDC reporting process On going commitment to Benchmarking |
| | A simple framework which is able to be comprehended by MLA stakeholders. | DEVELOPING COMPETENCY | Commitment to program logic in program planning Building the road to 2010 |
| | A resource efficient process for evaluation which should not entail an undue drain on resources. | DEVELOPING COMPETENCY | Commitment to knowledge management AR corporate cost line and pages in the AR On going commitment to Benchmarking |

| Success Criteria | Assessment measure | Assessment | Evidence of achievement |
|---------------------------|---|------------------------------|---|
| Corporate learning | Program managers demonstrating Awareness of the benefit of using the framework to identify and monitor more appropriate program KPI's | DEVELOPING COMPETENCY | Commitment to program logic in program planning On going commitment to Benchmarking |
| | Program managers demonstrating an Understanding of the rules for where equivalent evaluation approaches should be used in marketing, market access and R&D programs and where departures from this equivalent approach should be appropriately made. | DEVELOPING COMPETENCY | Commitment to program logic in program planning |
| | Program managers demonstrating an Understanding of how information on program evaluation can best be embedded into program proposals. | BEGINNING | Commitment to knowledge management Integration of ex-post learning into strategy development |
| | Program managers demonstrating an Understanding of how to establish appropriate measurement and monitoring procedures to allow effective and consistent evaluation of new programs. | DEVELOPING COMPETENCY | Commitment to knowledge management On going commitment to Benchmarking |
| | Program managers demonstrating a sense of Ownership of the framework and a willingness to use it in future. | DEVELOPING COMPETENCY | Commitment to knowledge management Integration of ex-post learning into strategy development On going commitment to Benchmarking |

| Success Criteria | Assessment measure | Assessment | Evidence of achievement |
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| Satisfactory stakeholder communication | A sample set of communication brochures to show how to communicate the outcomes of a program evaluation in terms that are both simple and relevant to various external key stakeholder groups as nominated by the program manager. | DEVELOPING COMPETENCY | Commitment to the CRRDC reporting process Integration of ex-post learning into strategy development AR corporate cost line and pages in the AR Building the road to 2010 |
| | Presenting the output of a program evaluation in a form that will be relevant and understandable to internal stakeholders of the project at various levels including; program investors, MLA Executives, other program managers, and at an individual project level. | DEVELOPING COMPETENCY | Commitment to program logic in program planning Integration of ex-post learning into strategy development On going commitment to Benchmarking |

Conclusion

How we build evaluation capacity at MLA?

I think it is all about establishing **patterns of behaviour** that permit learning & reflection to occur;

- At the strategic level – the evaluation strategy sets the timeframe and processes for the learning & reflection. Human knowledge is deeply contextual; it is triggered by circumstance and need, and is revealed in action. **We only need to know what we know when we need to know it.**
- At an operational level – there are a range of “learning by doing” processes that work both in series and parallel. It starts with developing an evaluation proposal for approval by the EC and finishes with final DTP production, stakeholder/peer review workshop, & dissemination of the 8 page brochure for approval by the MLA board.

- Living & learning the MLA values enables the optimum trade-off: between realism & idealism (the radical centre) so that MLA can truly deliver on its “leadership & coordination” role on behalf of the entire red meat industry:
 - Collaborate with Stakeholders
 - Seek Excellence
 - Deliver value
 - Works as a team and meet deadlines
 - Act with integrity
 - Never forget where the money comes from

My job is to work with all of the relevant stakeholders (i.e. people focused program logic) to facilitate the adoption of these patterns of behaviour and over time the attitudes regarding gradually change and the evaluative culture begins to emerge. It is not an - all of company at the same time approach - but rather it's a bit by bit – program by program - evolution that unfolds over the course of implementation of the evaluation strategy.

References

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'People-Focused' Logic for Capacity building projects: Dr Jess Dart, Workshop # 8, AES Conference 2005

MLA evaluation web page:

<http://www.mla.com.au/HeaderAndFooter/AboutMLA/Corporate+documents/Evaluation/default.htm#overview>

CRRDCC Guidelines - Council of Rural Research and Development Corporation "Guidelines for Evaluation, May 2007

Queensland Government Performance Management Review Framework, Service Delivery & Performance Commission, February 2007