Haines Centre for Strategic Management

Is this strategy working?
The systems thinking approach to investing for impact

Australasian Evaluation Society

2018 International Evaluation Conference

Skill building session - 50 minutes

Wednesday 19 September 2017
3:30 PM - 4:30 PM

Acknowledgement of Country

*Today we stand in footsteps millennia old.
May we acknowledge the traditional owners
whose cultures and customs have nurtured,
and continue to nurture, this land,
since men and women
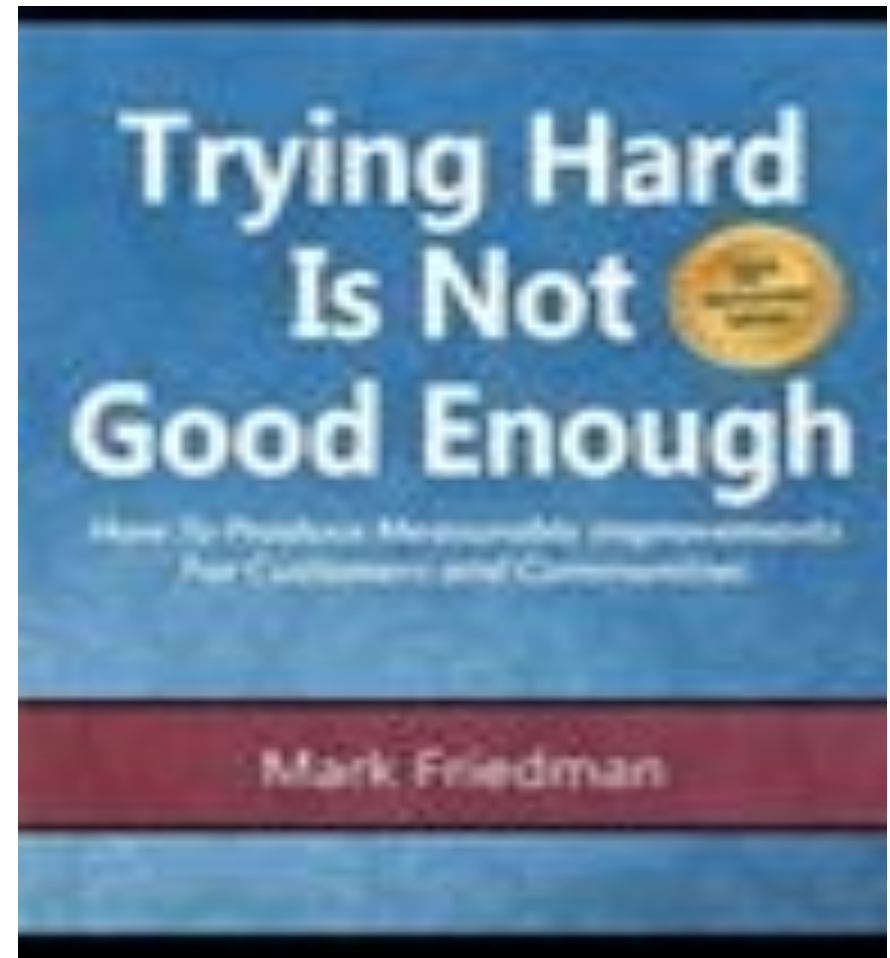awoke from the great dream.*

*We honour the presence of these ancestors
who reside in the imagination of this land
and whose irrepressible spirituality
flows through all creation.*

Source: **Jonathan Hill is an Aboriginal poet living
in New South Wales**.

Lewe Atkinson, MBA, PhD

We work with organisations as multi-minded, multi-purpose social systems that are part of a larger purposeful system (society).

Systems thinker and architect of strategic and social change

Trying Hard Is Not Good Enough

How to Produce Measurable Improvements for Customers and Communities
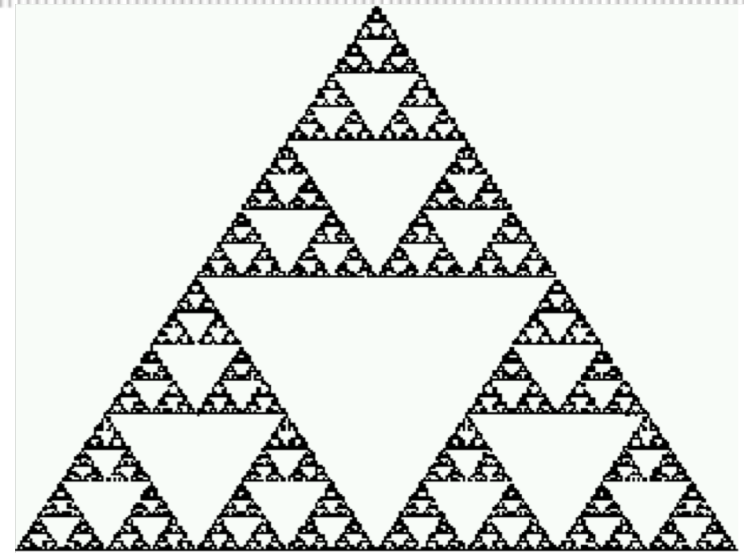
Mark Friedman

Today will be a success if....

1. You understand how **systems thinking** can be applied facilitate **evaluative thinking**.

2. You understand how **Results Based Accountability (RBA)** is used to Build Evaluation Capacity.

3. You understand how to use **RBA to report change** for people **at different system levels**.

4. You understand how RBA can **accommodate any validated method of measurement** of change over time.

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Countdown for the top 10 future directions for evaluation practice from Michael Quinn Patton (2013) #2: Applying systems thinking and complexity concepts

*Mark Friedman says (p146): "Systems thinkers see **social structures and government bureaucracies** as **fractal** entities with similar structures at progressively larger and smaller levels of magnification"*

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Twelve characteristics of living/open systems

#1 best practice means:

The Whole has properties that all of the parts do not have

#3 best practice means:

Every System Has Boundaries

#5 best practice means:

Clear feedback on common goals

#9 best practice means:

There are always hierarchical relationships within and between systems

#10 best practice means:

All parts of a system are interconnected

TWELVE CHARACTERISTICS OF SYSTEMS THINKING
12 Natural Laws of Living/Open Systems

Best Practices

I. THE WHOLE SYSTEM: "The whole is greater than the sum of its parts."

1. Holism
2. Open Systems
3. Boundaries
4. Inputs/Outputs
5. Feedback
6. Multiple Outcomes

II. THE INNER WORKINGS: Synergy, Relationships and Interdependence

7. Equifinality
8. Entropy
9. Hierarchies
10. Relationships-Related Parts
11. Dynamic Equilibrium
12. Internal Elaboration

In Systems Thinking, the whole is primary, and the parts are secondary
In Analytic Thinking, the parts are primary, and the whole is secondary

Source: Society for General Systems Research: American Management Journal, December 1972

Boundaries and Inter-Connectedness
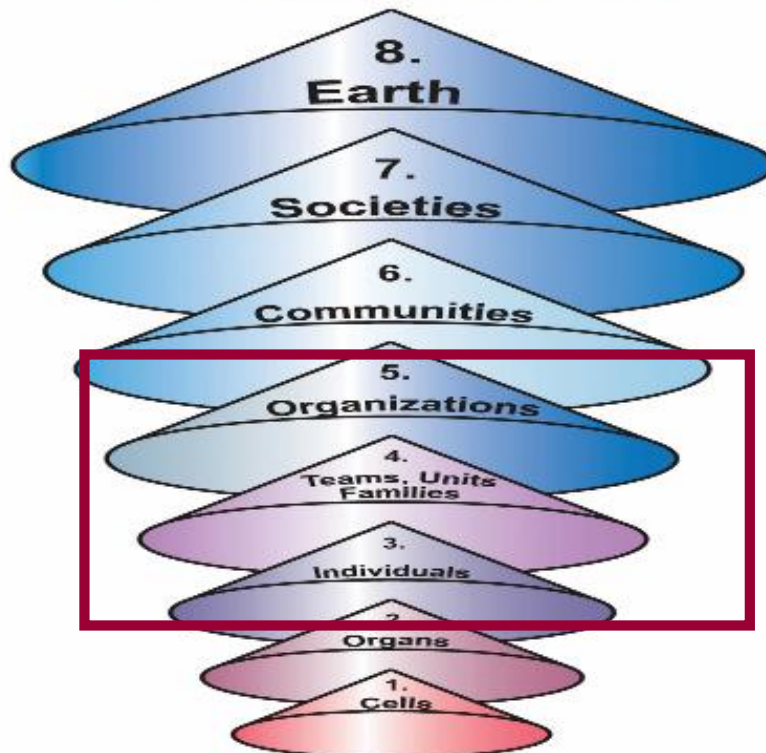**Nothing exists in isolation**
Relationships are everything!

EIGHT LEVELS OF LIVING AND OPEN SYSTEMS
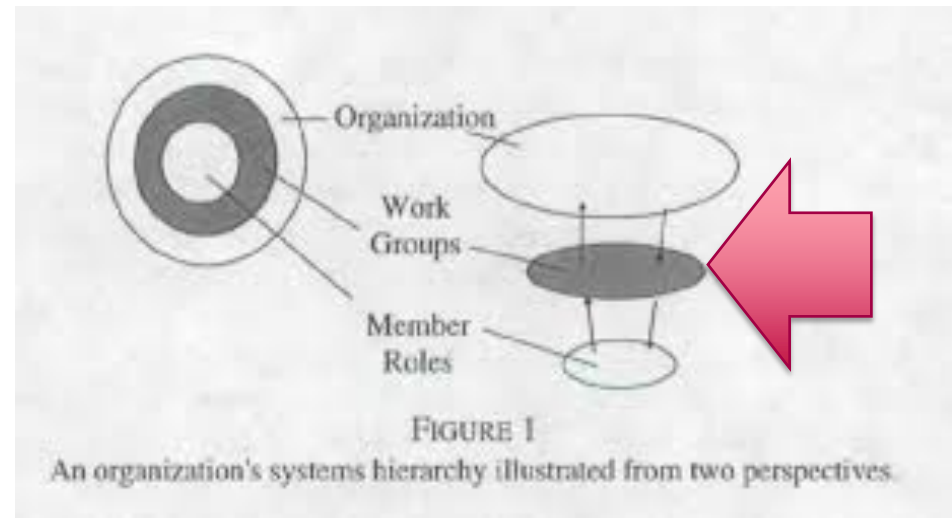
8. Earth
7. Societies
6. Communities
5. Organizations
4. Teams, Units Families
3. Individuals
2. Organs
1. Cells

Source: James Grier Miller, *Living Systems* (1978)

FIGURE I
An organization's systems hierarchy illustrated from two perspectives.

Theory of living human systems
Yvonne Agazarian

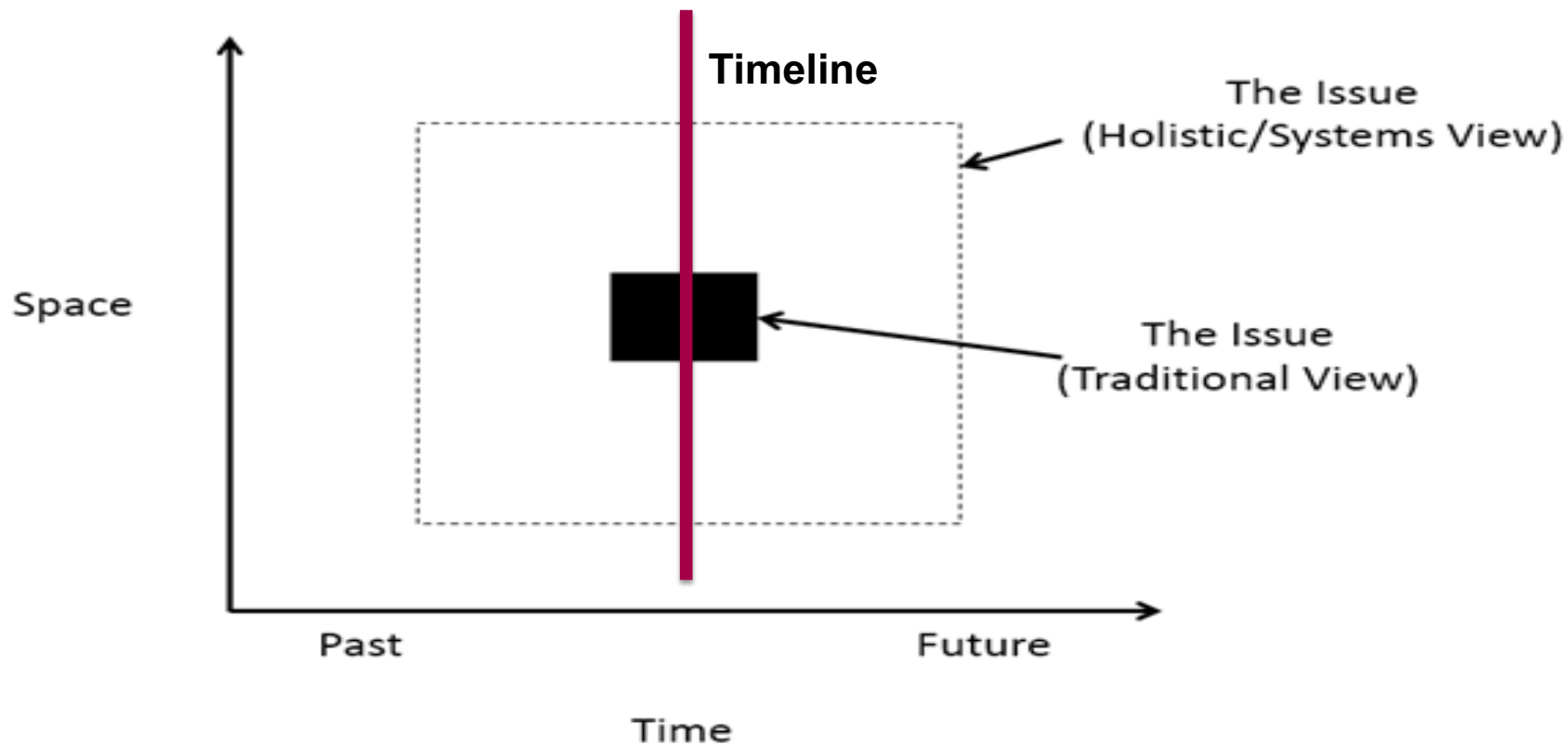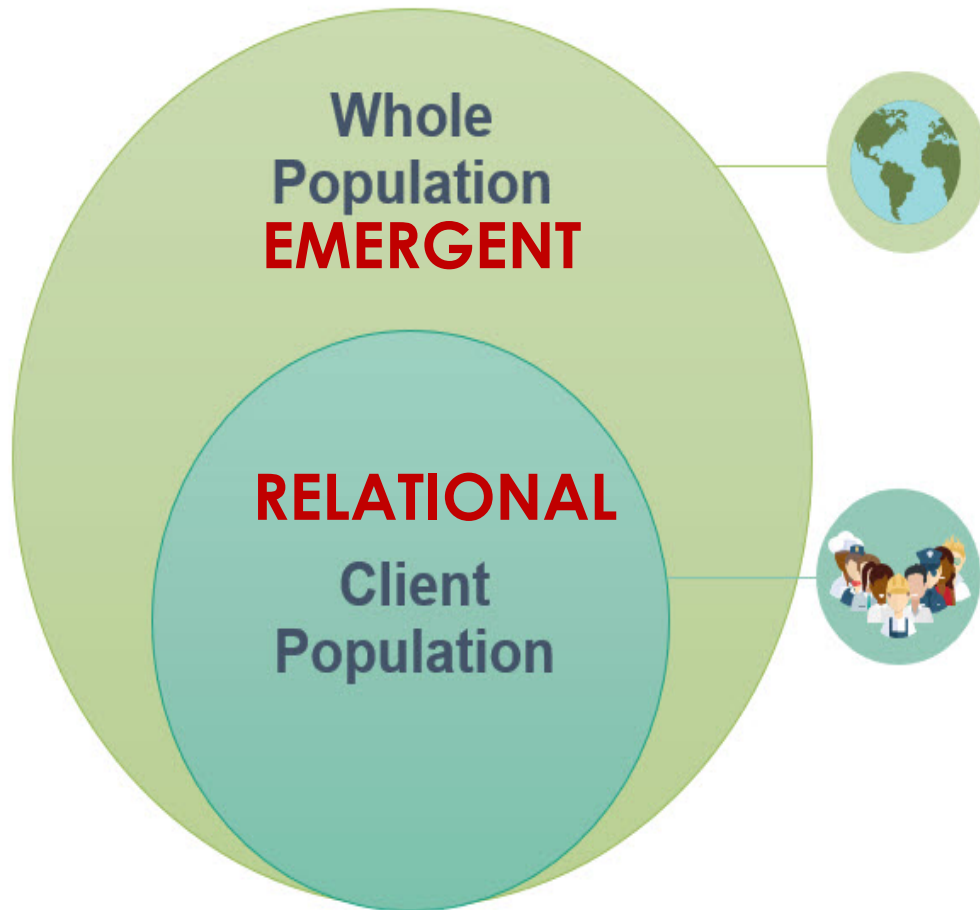**ORGANISATIONAL FOCUS**

*"**boundaries** define the difference between **outside and inside** between the **past and the present and the future"***

RBA & Boundaries in Space

Whole Population

EMERGENT

RELATIONAL

Client Population

Population Accountability
The well-being of Whole Populations
Communities, Cities, Counties,
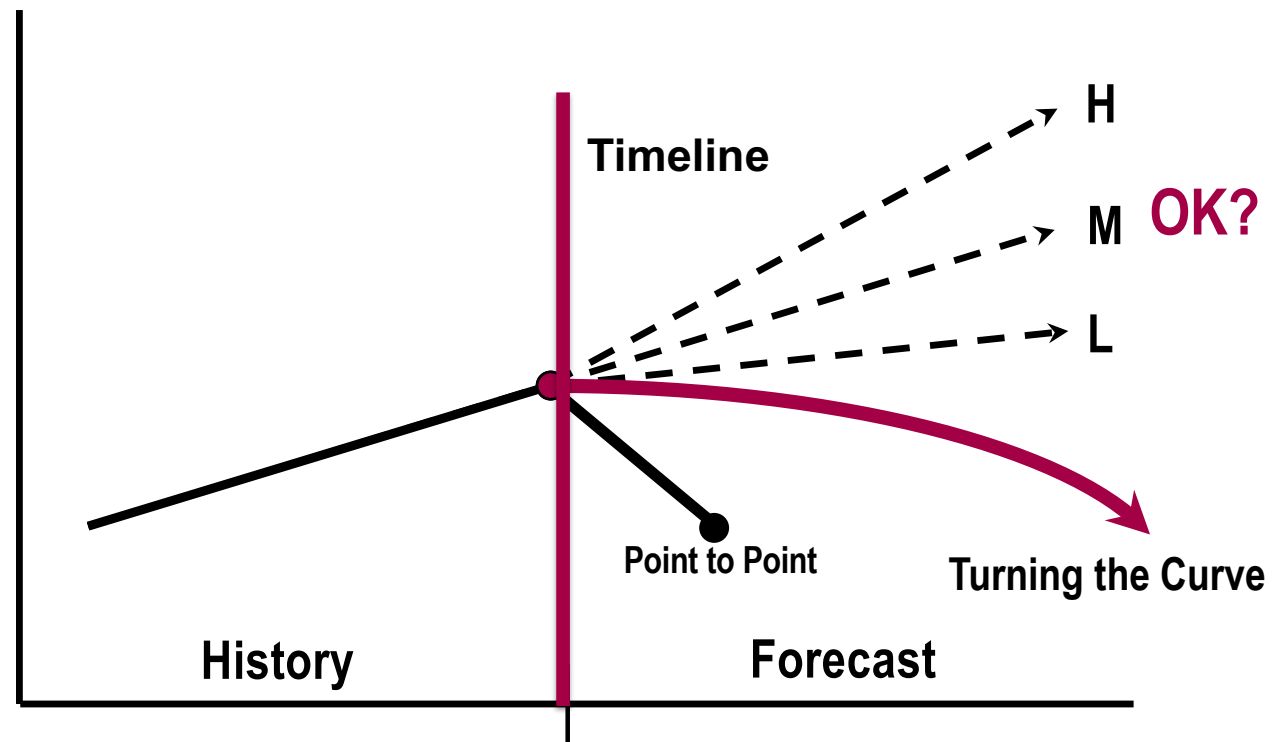States, Nations

Performance Accountability
The well-being of Client Populations
Programs, Organizations, Agencies,
Service Systems

Feedback loops effect system dynamics

RBA & Boundaries in Time

Baselines have two parts: history and forecast

RBA "in a nutshell" 2-3-7 + a "common language"

2 KINDS OF ACCOUNTABILITY PLUS A LANGUAGE DISCIPLINE

1. **Population Accountability**: RESULTS & INDICATORS ARE TRACKED @ THIS LEVEL

2. **Performance Accountability**: PERFORMANCE MEASURES FOR PROGRAMS &/or SERVICES ARE TRACKED @ THIS LEVEL
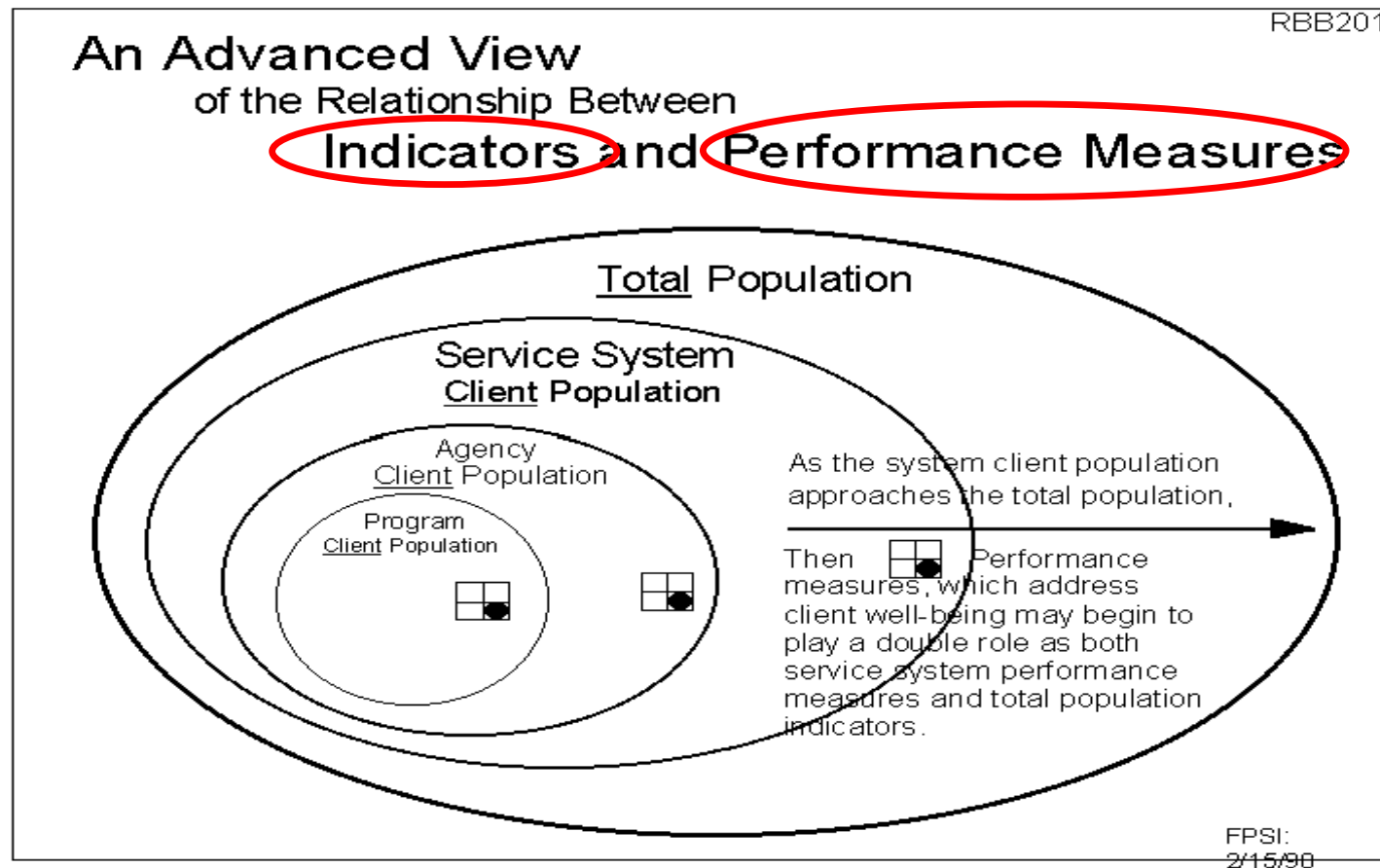
3 KINDS OF PERFORMANCE MEASURES FOR ANY PROGRAM &/or SERVICE

1. How much did we do?
2. How well did we do it?
3. Is anyone better off?

7 QUESTIONS FROM ENDS TO MEANS IN LESS THAN 1 HOUR

- For *getting from talk to action* at both **POPULATION** & **PROGRAM** levels

An Advanced View
of the Relationship Between
Indicators and **Performance Measures**

Total Population

Service System
Client Population

Agency
Client Population

Program
Client Population

As the system client population approaches the total population,

Then [grid icon] Performance measures, which address client well-being may begin to play a double role as both service system performance measures and total population indicators.
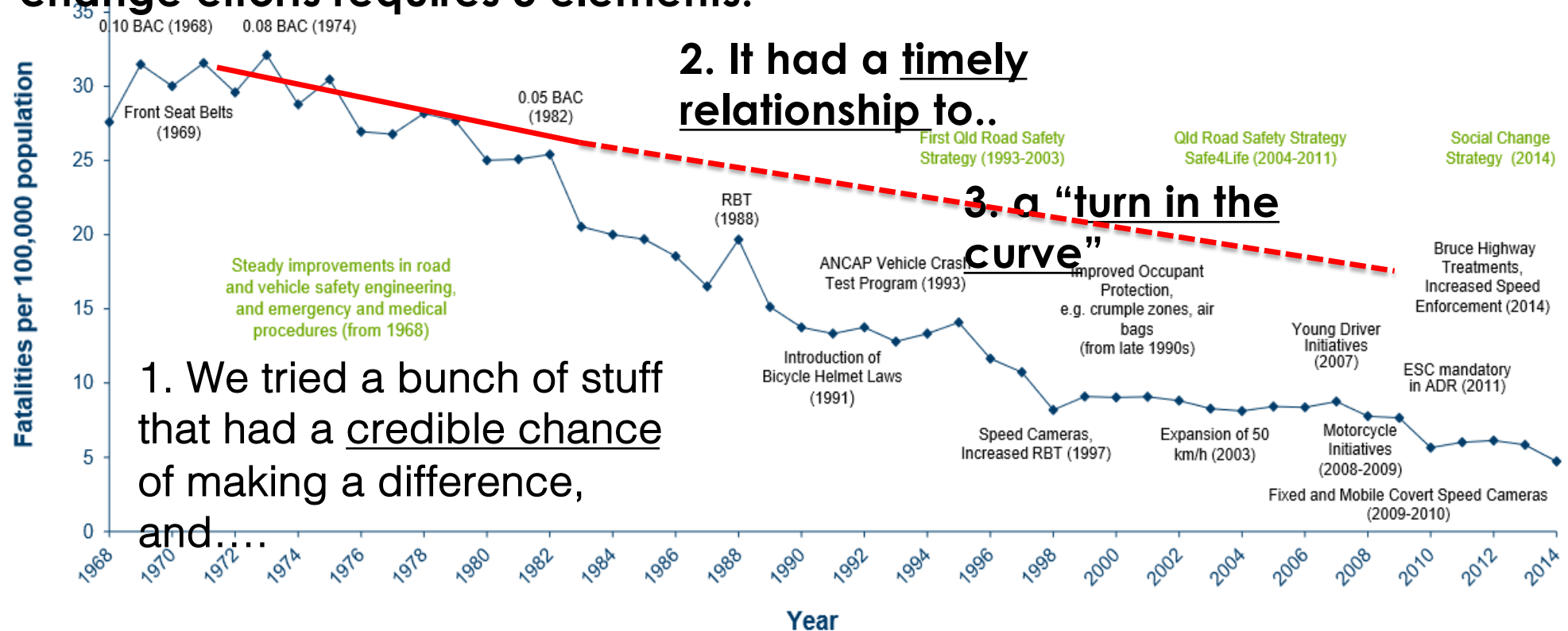
RBB201

FPSI: 2/15/90

"it is extremely rare that any one program can change population conditions…p 98"
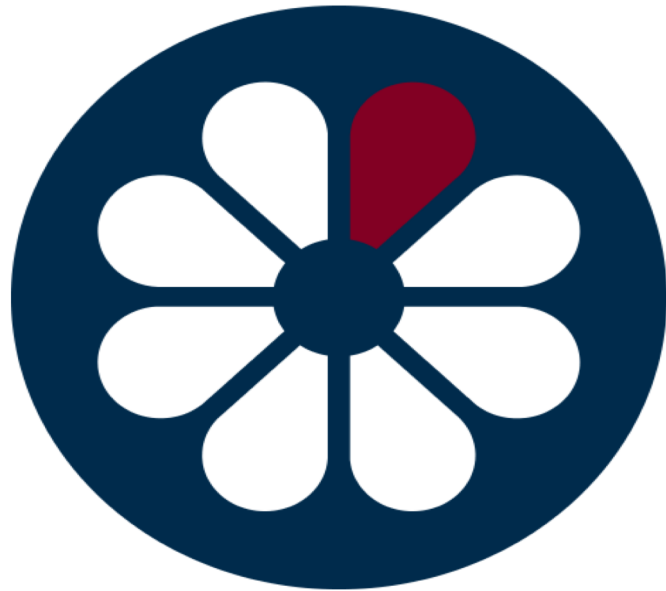
Looking back on where we've been

Demonstrating a CONTRIBUTON (aka. *the story behind the baseline*) to complex POPULATION LEVEL change efforts requires 3 elements:

2. It had a <u>timely</u> relationship to..

3. a "turn in the curve"

1. We tried a bunch of stuff that had a <u>credible chance</u> of making a difference, and….

- 0.10 BAC (1968)
- 0.08 BAC (1974)
- Front Seat Belts (1969)
- 0.05 BAC (1982)
- Steady improvements in road and vehicle safety engineering, and emergency and medical procedures (from 1968)
- RBT (1988)
- First Qld Road Safety Strategy (1993-2003)
- Qld Road Safety Strategy Safe4Life (2004-2011)
- Social Change Strategy (2014)
- ANCAP Vehicle Crash Test Program (1993)
- Improved Occupant Protection, e.g. crumple zones, air bags (from late 1990s)
- Bruce Highway Treatments, Increased Speed Enforcement (2014)
- Introduction of Bicycle Helmet Laws (1991)
- Speed Cameras, Increased RBT (1997)
- Expansion of 50 km/h (2003)
- Young Driver Initiatives (2007)
- ESC mandatory in ADR (2011)
- Motorcycle Initiatives (2008-2009)
- Fixed and Mobile Covert Speed Cameras (2009-2010)

Y-axis: **Fatalities per 100,000 population** (0, 5, 10, 15, 20, 25, 30, 35)

X-axis: **Year** (1968, 1970, 1972, 1974, 1976, 1978, 1980, 1982, 1984, 1986, 1988, 1990, 1992, 1994, 1996, 1998, 2000, 2002, 2004, 2006, 2008, 2010, 2012, 2014)

Coordinators Report MP AR 2012

"One day I received an email through our website from a person who wanted to assist us to look at our planning process through the lens of **Result Based Accountability**. *This is a planning approach that* **challenges us to develop the discipline of understanding the social issues we are addressing**, **while at the same time looking at where our programming and effort as one organisation fits into addressing the need**. *As a result, we've decided to implement and test the approach across our response to families and homelessness.*

ECB "Bottom-up" then "Top-down"

- To implement and test the results based accountability (RBA) approach across two "bottom-up" pilot projects:

  - Family, Women & Children Support Services (FWCSS)

  - Homelessness Support Services (HSS)

Case study link:

https://hainescentreaustralia.files.wordpress.com/2015/07/case-study_micah1.pdf

Case Study 3

MICAH PROJECTS INC
Breaking Social Isolation
Building Community

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Client: Micah Projects
Sector: Not-for-profit
Consultant: Dr Lewis Atkinson

Problem Statement
Working towards measuring outcomes - Micah Projects challenged themselves to develop the discipline of understanding the social issues they address and how their work makes a difference in the lives of the people that they support. Micah Projects were struggling measuring how they are doing better for somebody (i.e. measures of "betteroffness"). They needed to develop measures of program performance that can help to 'fill the gap' between reporting on program performance and reported contributions to changes in the headline indicators of population well-being over time.

Solution
Implement and test the results based accountability (RBA) approach across two pilot projects Family, Women & Children Support Services (FWCSS) & Homelessness Support Services (HSS).
Identify performance indicators to measure outcomes and what they would look like for the people and families that were supported by these programs. These measures of "betteroffness" for the Homelessness To Home Services were mapped to National Partnership Agreement on Homelessness Outcomes.

Implementation
Work with the leaders of each support team to facilitate two 'turning the curve' exercises for the POPULATION that was supported by the services provided by each team. Coaching of team leaders and work with a total of eight teams to facilitate a PROGRAM level "turning the curve" exercise for each of the programs supporting their target populations.
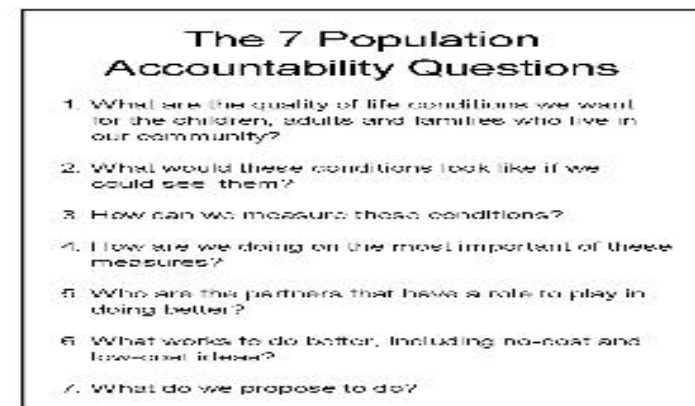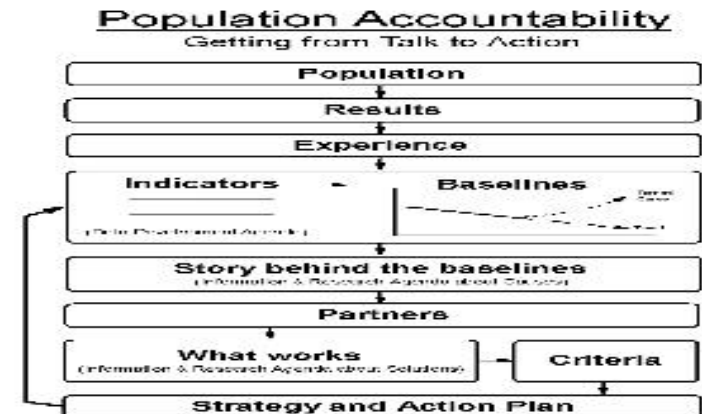
Lessons learned
The Micah Projects' team leaders have used the RBA methodology as part of the ongoing development of their Practice Framework.

The 'language' of the methodology has been adopted along with the '3 key questions' that are used to assess program performance. However 'turning the curve' process is not yet a part of the regular team meeting agenda.

The logical thinking behind the methodology has influenced Micah's journey to defining and measuring outcomes. They now know what is measureable and what is worth measuring as being critical to their mission.

They are exploring how to evolve from Service Record System data management tool used to record all aspects of their work to something that can make the connection between 'data' and 'what difference have we made'.
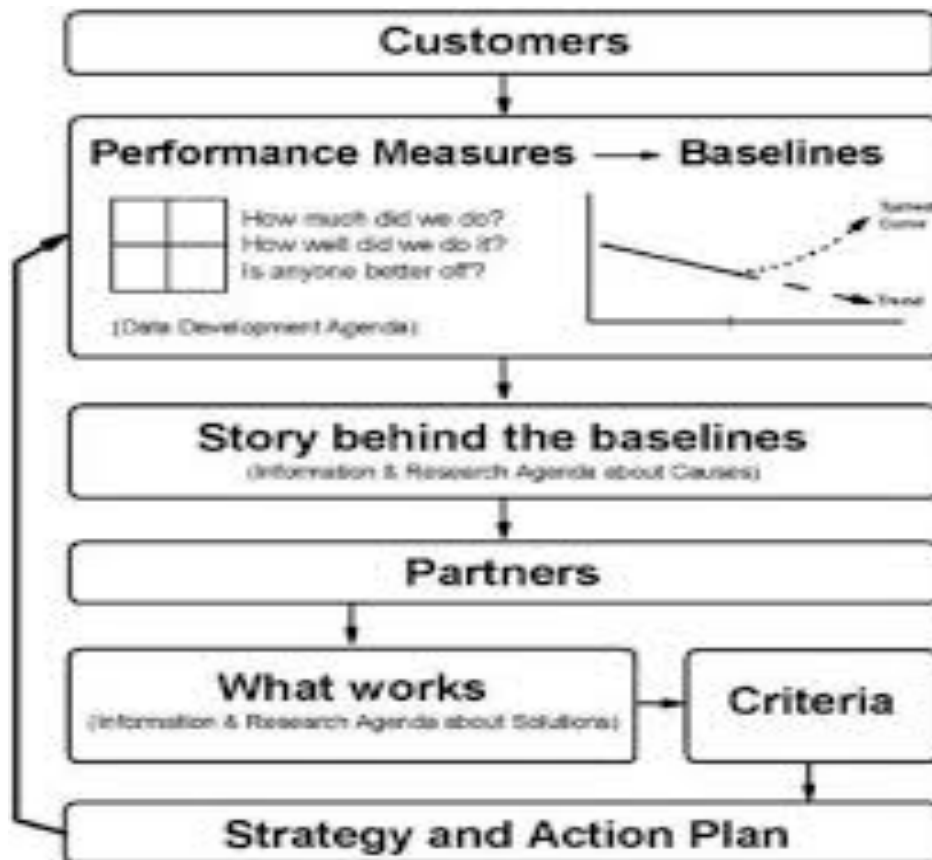
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Contact lewis@hainescentreaustralia.com.au; 0419 240 979
www.hainescentreaustralia.com.au

"bottom-up" Homelessness To Home Services team

- Worked **"bottom-up"** (8 x 2 hour sessions on flip charts):
    - **2 groups of leaders** from each support team to do 'turning the curve' exercises for the POPULATION that was covered by the services provided by each team.
    - **6 teams did PROGRAM level** "turning the curve" exercises for each of the programs supporting their target populations:
        1. Assessment & Referral
        2. Homeless Prevent
        3. Street to Home
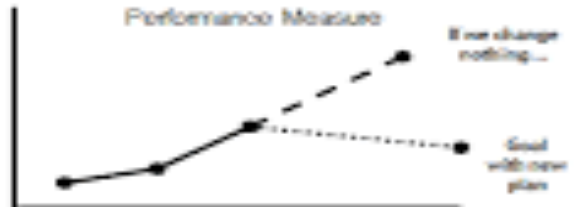   4. Brisbane Common Ground Outreach
        5. Homefront

Population Accountability
Getting from Talk to Action

Population
Results
Experience
Indicators — Baselines
Story behind the baselines
Partners
What works — Criteria
Strategy and Action Plan

The 7 Population Accountability Questions

1. What are the quality of life conditions we want for the children, adults and families who live in our community?
2. What would these conditions look like if we could see them?
3. How can we measure these conditions?
4. How are we doing on the most important of these measures?
5. Who are the partners that have a role to play in doing better?
6. What works to do better, including no-cost and low-cost ideas?
7. What do we propose to do?

- **Team Leader feedback on the process:**
  - TLs understood the principles etc
  - TLs had the perception that it may be 'extra work' on top of our current approach to capturing data etc instead of a complimentary process
  - TLs felt the 'turning the curve' process may be difficult to integrate into team meetings
  - TLs were more positive about the 'language' and '3 key questions'
  - The teams:
    - found the discussion a little bit "overwhelming"
    - it has triggered some important conversations within the team
   - more time is required to have these conversations about some big issues

Performance Measures

	Quantity	Quality
Input Effort	How much service did we deliver?	How well did we deliver it?
Output Effect	How much change / effect did we produce?	What quality of change / effect did we produce?

Performance Accountability
For Programs, Agencies and Service Systems

1. Who are our customers?

2. How can we measure if our customers are better off?

3. How can we measure if we are delivering service well?

4. How are we doing on the most important of these measures?

5. Who are the partners with a role to play in doing better?

6. What works, what could work, to do better?

7. What do we propose to do?

FPSI

- 52 -

"top down" to identify what is measureable and what is worth measuring

- TLs have used the methodology as part of the ongoing development of the Practice Framework at Micah Projects
- The 'language' of the methodology has been adopted along with the '3 key questions' that are used to assess program performance
  - But 'turning the curve' process is not yet a part of the regular team meeting agenda.
- The logical thinking behind the methodology has influenced Micah's journey to defining and measuring outcomes
- They are exploring how to evolve from Service Record System data management tool to something that can make the connection between 'data' and 'what difference have we made'
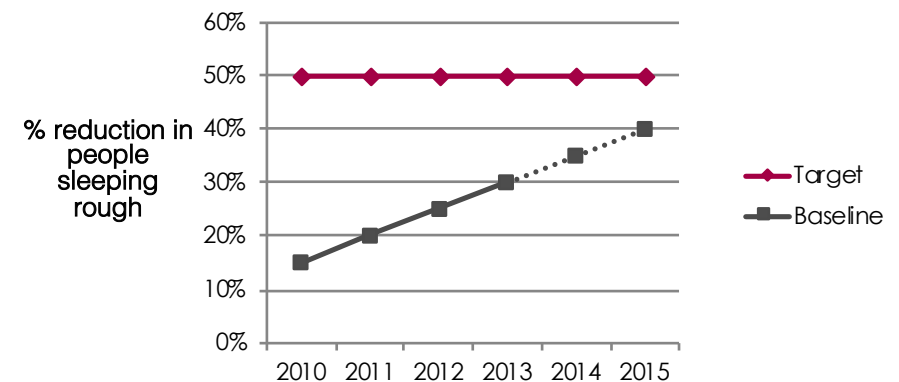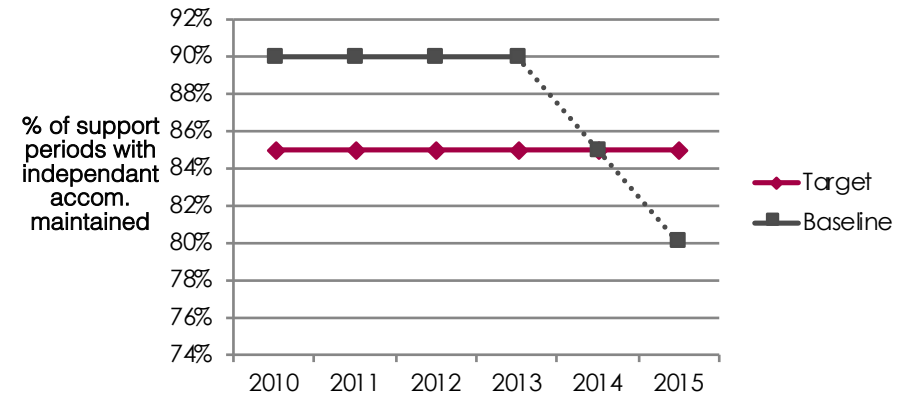
Example targets and baselines for "better-off-ness" for Street to Home Team

Mapping new measures of "better-off-ness" to NPAH

NPAH Outcome Area	Micah projects Programs Funded under NPAH		
	Street To Home	Homestay Support	Supportive Housing Team (BCG)
People will maintain or improve connections with their families and communities, and maintain or improve their education, training or employment participation	➢ % of people progressing through at least 1 CTI phase ➢ % of people connected to relevant community services	➢ 19.5% increase in the number of people employed (22 support periods) ➢ 18.4% increase in the number of adults and children in education and training (51 support periods) ➢ % of people connected to relevant community services	➢ 19.5% increase in the number of people employed (22 support periods) ➢ 18.4% increase in the number of adults and children in education and training (51 support periods) ➢ % of people connected to relevant community services ➢ % of tenants connected through participating in community activities
People at risk or experiencing homelessness will be supported by quality services, with improved access to sustainable housing	➢ 52% of all people supported were housed in secure and sustainable housing at the end of the support period (1,690 support periods). ➢ % of people in sustainable housing >12 months after the end of the support period	➢ 52% of all people supported were housed in secure and sustainable housing at the end of the support period (1,690 support periods). ➢ % of people in sustainable housing >12 months after the end of the support period	➢ 52% of all people supported were housed in secure and sustainable housing at the end of the support period (1,690 support periods). ➢ % of people in sustainable housing >12 months after the end of the support period ➢ % of people on sustainable tenancy plan ➢ % of tenants with support plan ➢ % of tenants with high level of engagement with relevant services

Measure provided in 2011-12
New measures proposed for 2012-13 and beyond

Every time you make a presentation, use a two-part approach

Population Accountability

Result: to which you contribute to most directly.

Indicators:

Story:

Partners:

What would it take?:

Your Role: as part of a larger strategy.

Performance Accountability

Program:

Performance measures:

Story:

Partners:

Action plan to get better:

ETO: Outcome data has a 'story'

What are the young women telling us?

What is the community telling us?

What does the 'data' tell us?

Where are we succeeding? Where are we not? and why not?

What is happening in the environment?

How can we improve/adapt?

The story is about what works for people in which context and why?

What are we learning and how can we improve?

©201

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"Top Down": RBA to report change

Proprietary Efforts-To-Outcomes (ETO®) data management system:

- Uses validated/accredited tools to capture outcomes

- Facilitates contract compliance

- Allows reflection on where they are succeeding or not…then take action

Contracts still use PLs & TOCs:

- Targeting right service population

- Gathering data on outcomes to validate TOC

- Check desired outcomes against company boundaries & scope of authority as defined by V/M/V

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<u>Qld DCCDS Outcomes Reporting Contract:</u>
<u>Young Mothers for Young Women</u>

- 1st 12 month pilot of an outcomes reporting contract in Qld
- Measurement practice is based on accredited evidence-based framework = Parents As Teachers (PAT) & 2 generation response
- Reporting how parents & children are **"being better-off"**
- This accredited tool captures data that feeds into ETO platform
- The 6 monthly report on **outcome indicators** is provided in the context of narrative "a story" providing a clear chain of reasoning that linked investment with results

Any Questions Please Contact:

- **Lewe Atkinson**:

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- lewis@hainescentreasia.com

- **Systems thinking resources & recordings**:

  https://hainescentreaustralia.com.au/resources-books/

- Twitter: https://twitter.com/LeweAtkinson

- LinkedIn: http://www.linkedin.com/in/leweatkinson

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