

Results-based Management as a Quality System

Presentation to the Canadian Public Sector Quality Fair

Revised as per participant comments

February 4, 2014

Purpose

- ▶ To compare results-based management to a quality management system
- ▶ To test drive a model for results-based management
- ▶ Share tools for results-based management

Results-based Management vs Quality Management

Results-Based Management

- ▶ A comprehensive, lifecycle approach to management that integrates strategy, people, resources, processes and measurements to improve decision-making and drive change.
- ▶ The approach focuses on getting the right design early in a process, focussing on outcomes, implementing performance measurement, learning and changing, and reporting performance.

Quality Management Systems

- ▶ Management activities and functions involved in determination of quality policy and its implementation through means such as quality planning and quality assurance (including quality control)

Results-based Management vs Quality Management Principles

Results-based Management

- ▶ Citizen-focused Organization
- ▶ Executive Oversight
- ▶ Involvement of people at all levels of the Organization
- ▶ Process approach

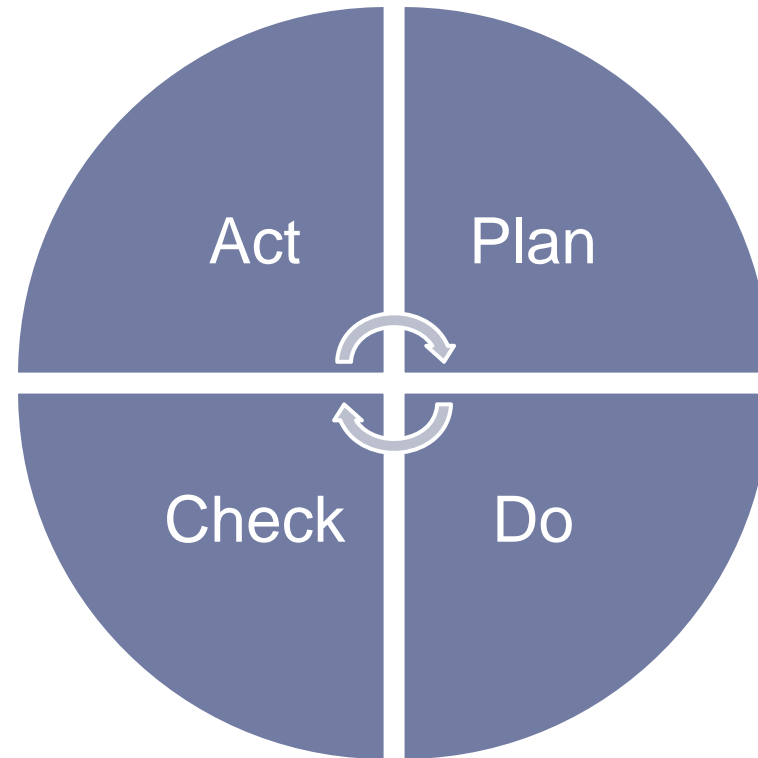
- ▶ Linking resources to results
- ▶ Continuous Improvement
- ▶ Results-based decision-making
- ▶ Integration with Planning, Risk, Evaluation and other Management Requirements

Quality Management Principles

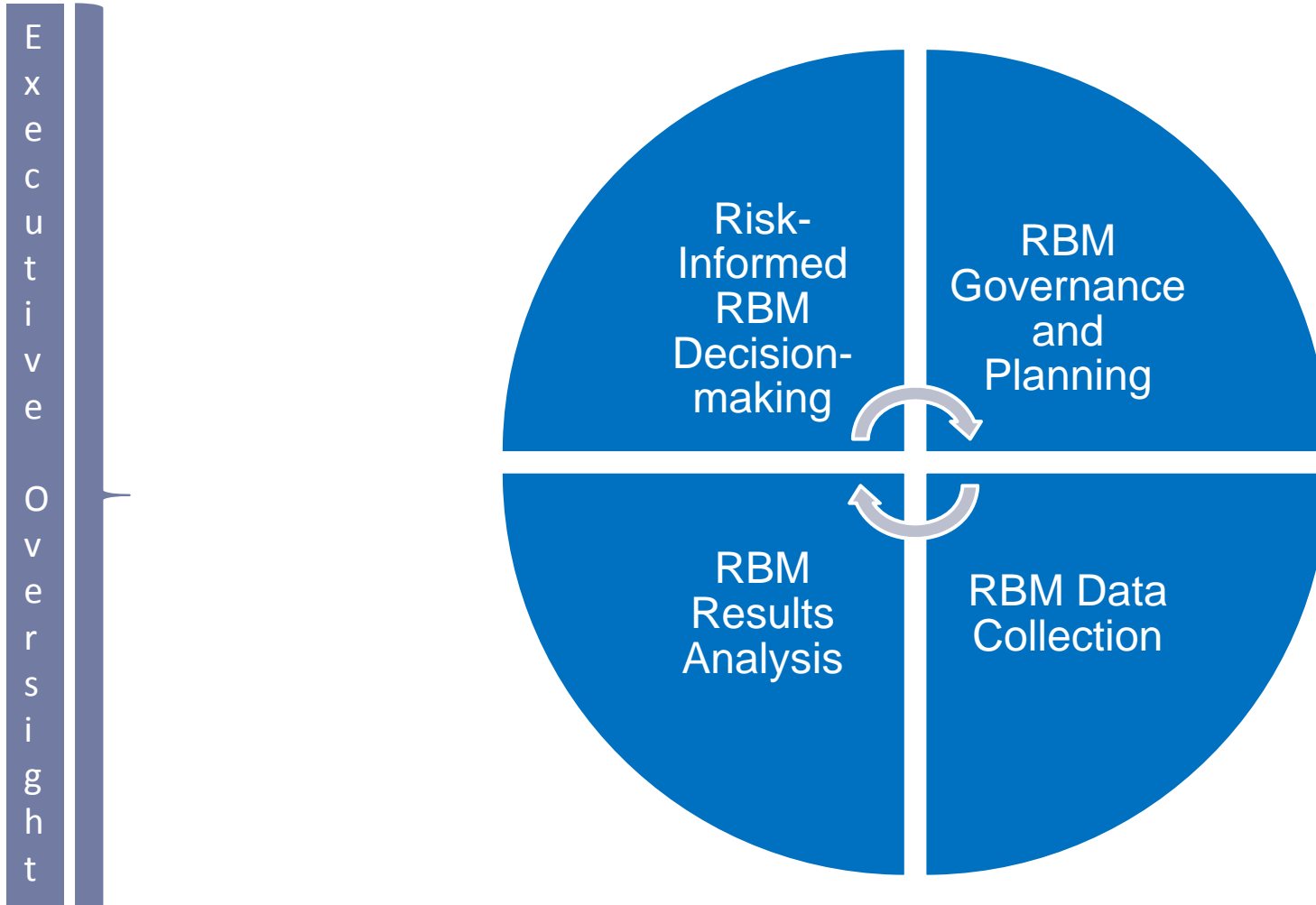
- ▶ Client-focused Organization
- ▶ Leadership
- ▶ Involvement of people at all levels of the organization
- ▶ Process Approach

- ▶ System Approach to Management
- ▶ Continual Improvement
- ▶ Factual Approach to decision-making
- ▶ Mutually Beneficial Supplier Relationships

The Classic Quality System



Results-based Management System

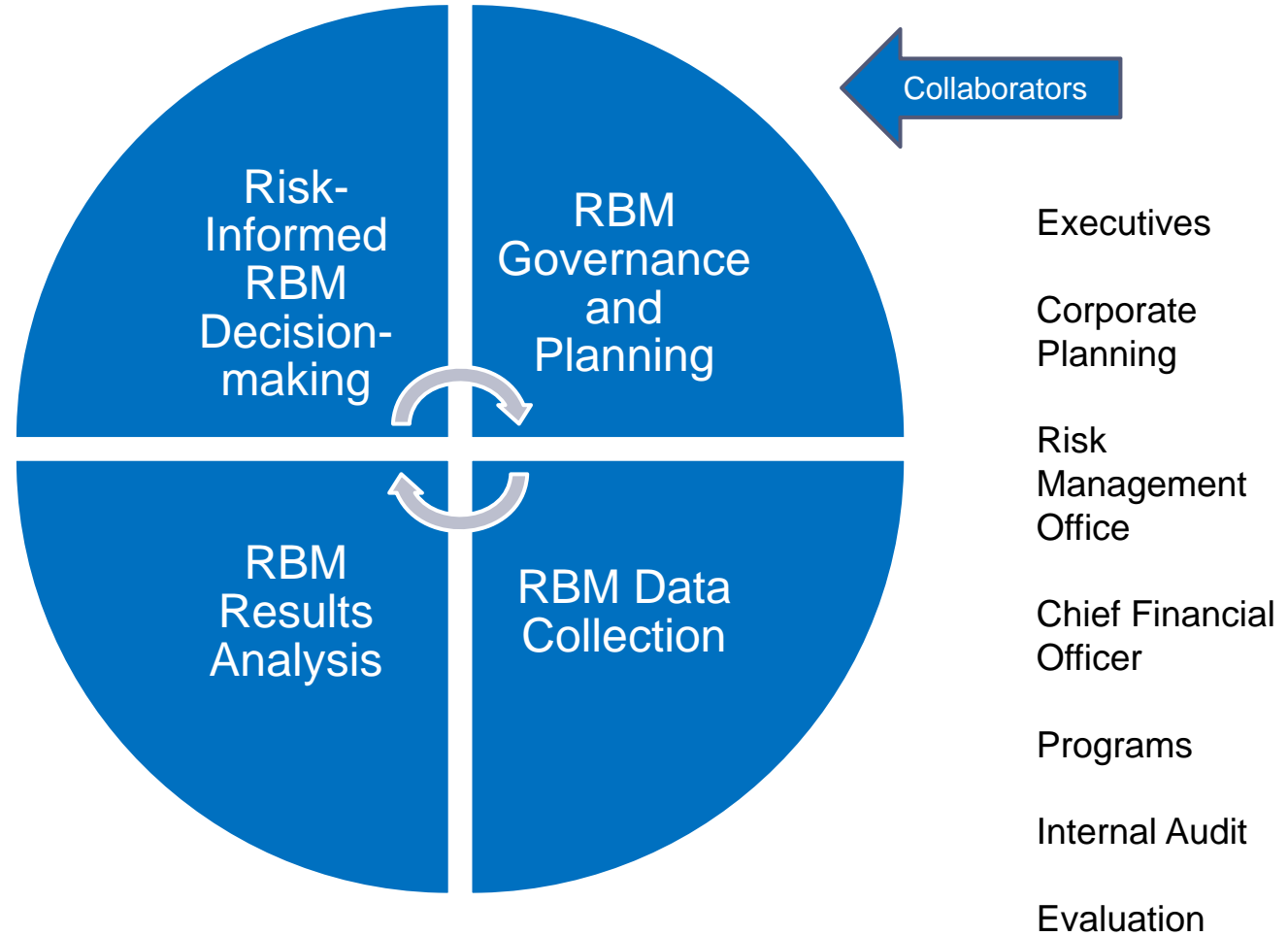


Executive Oversight

Key component of RBM. Required to achieve the following expected results:

- ▶ Stable Performance Measurement Framework and supporting strategies
- ▶ Timely collection and interpretation of data
- ▶ Demonstrated Executive accountability for performance measurement updates, implementation and alignment
- ▶ Decisions informed by results
- ▶ Performance information available to effectively support audits and program evaluations
- ▶ Effective results-based management system

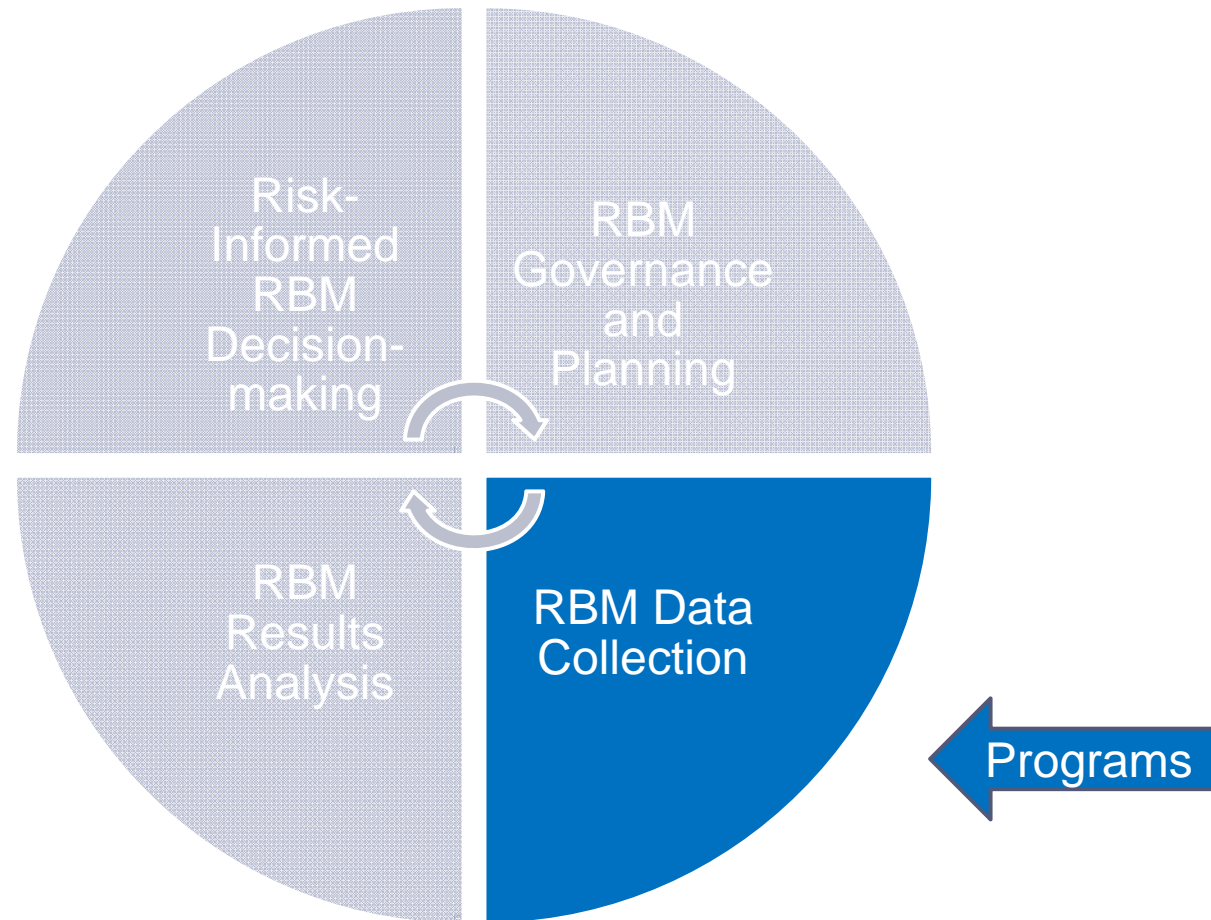
RBM Governance and Planning



RBM Governance and Planning

- ▶ Compliance with Treasury Board Policies and Guidelines
- ▶ Use of Governance mechanisms (Coordinating Committee)
- ▶ Process and tool development
- ▶ **Alignment of Measurement Frameworks**
 - ▶ Program Alignment Architecture (PAA)
 - ▶ Performance Measurement Framework
 - ▶ Performance Measurement Strategies
 - ▶ Program Budgets and Financial Coding
 - ▶ Corporate Risk Profile
- ▶ **Alignment of Plans to Measurement Frameworks**
 - ▶ Report on Plans and Priorities
 - ▶ Operational Plans
 - ▶ Investment Plan
 - ▶ Risk Management Plan
 - ▶ 5-Year Audit Plan
- ▶ 5-Year Evaluation Plan

RBM Data Collection



RBM Data Collection

▶ Program Delivery

- ▶ Data collection process, tools and infrastructure development

▶ Data Collection related to

- ▶ Agency and Program-level performance measures
- ▶ Risk treatments
- ▶ Investments

▶ Quality Assurance of Data

- ▶ Relevant
- ▶ Complete
- ▶ Accurate
- ▶ Timely

▶ Compilation of Data

- ▶ Real-time and in-year

RBM Results Analysis

With input from:

Programs

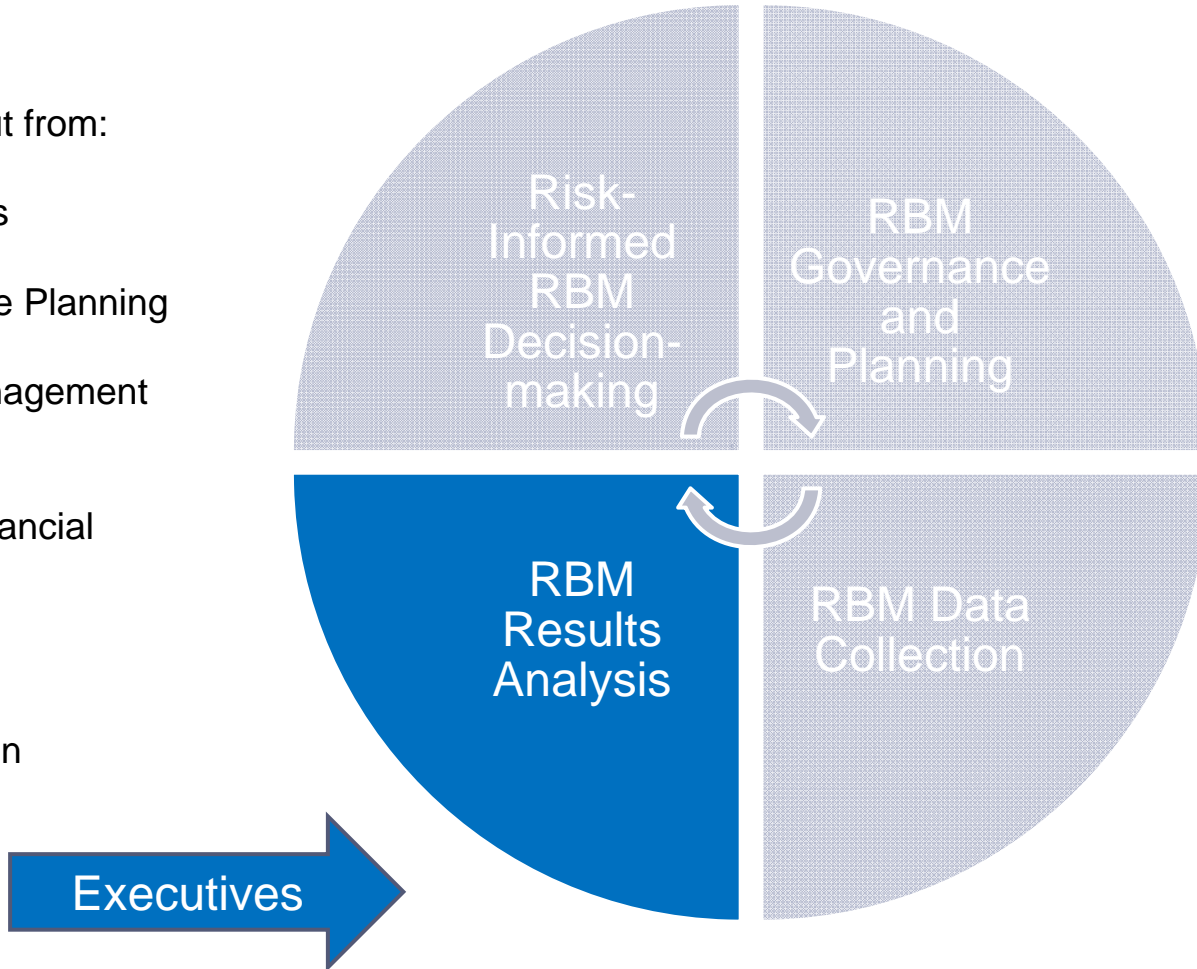
Corporate Planning

Risk Management Team

Chief Financial Officer

Audit

Evaluation



RBM Results Analysis

Integrated Branch Results Story

Complete and balanced information for decision-making
Analytical tool development

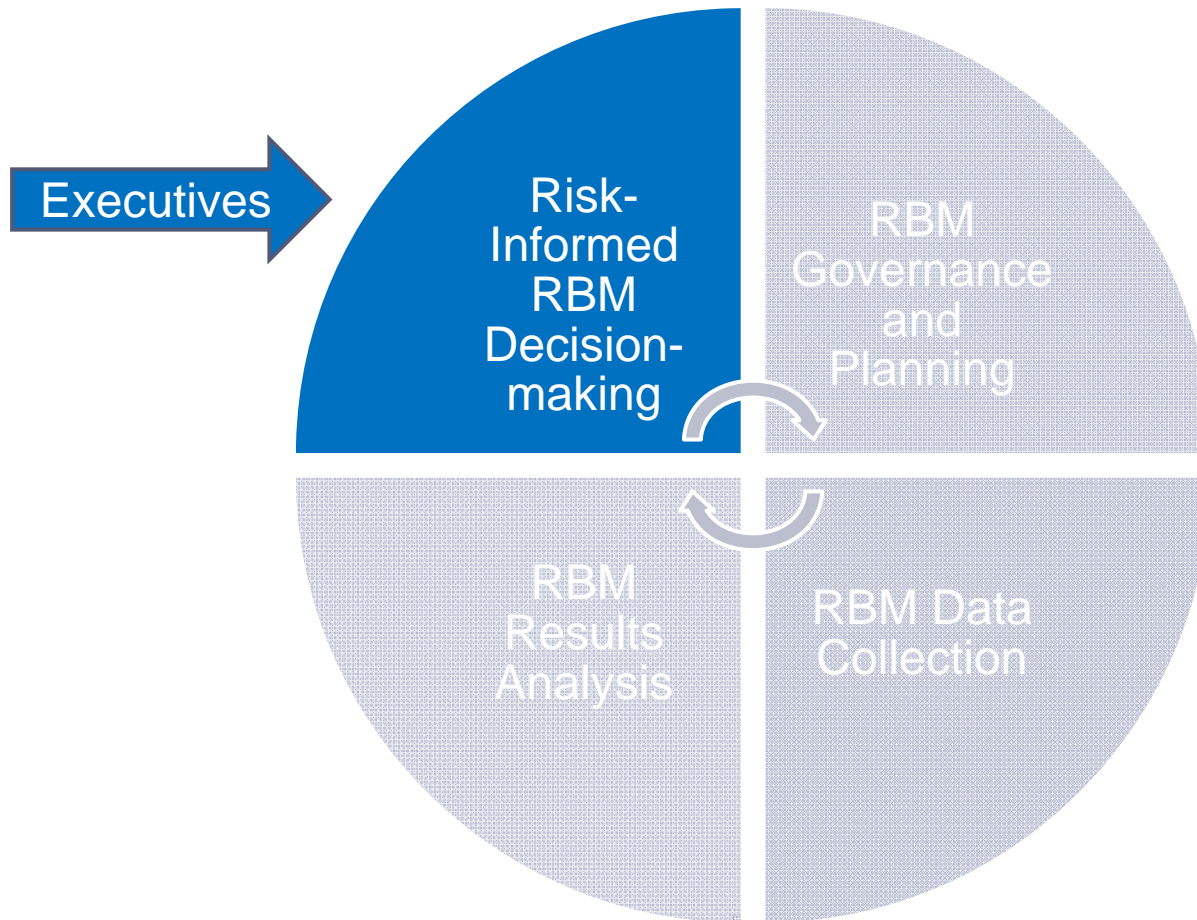
Data

- ▶ Status of Data Collection
 - ▶ Milestones
 - ▶ Issues
- ▶ Analysis of Data
 - ▶ Trend analysis
 - ▶ Benchmarking

Lessons Learned

- ▶ Program analyses
- ▶ Risk analyses
- ▶ Audits
- ▶ Evaluations

Risk-Informed RBM Decision-Making



Risk-informed RBM Decision-Making

▶ Decisions informed by results and risk analyses

- ▶ Setting priorities
- ▶ Course corrections
- ▶ Multi-year planning
- ▶ Transformation Initiatives
- ▶ Policy Proposals

▶ Integration of Financial, Risk and Results Information

- ▶ Funding Allocations based on Risk Analysis and Results
- ▶ Re-investing Savings based on Risk Analysis and Efficiencies
- ▶ Re-allocations based on Risk Analysis, Results and Efficiencies
- ▶ Treasury Board Submissions



Section II

A Sampling of Results-based Management Tools

RBM Governance and Planning Tool

Integrating PAA and Corporate Risks

Strategic Outcome											
Program			Program						Program		
Sub - Program	Sub - Program	Sub-Program	Sub - Program			Sub Program		Sub - Program	Sub - Program	Sub - Program	
	* Risk	*Risk							*Risk		
			Sub-Sub Program	Sub-Sub Program	Sub-Sub Program	Sub-Sub Program	Sub-Sub Program	Sub-Sub Program			
				*Risk	*Risk			*Risk			

RBM Governance and Planning Tool

Performance Measurement Worksheet

Program Name :

Responsibility Position: Person Responsible for Managing and Reporting on Results

Program Budget: Planned Expenditures

Program Description: Program Rationale including results for Canadians, Program Authorities, Main Method of Intervention, Target Groups, Associated Grants and Contributions. (2,000 character limit)

Expected Results	Performance Measures	Targets	Date to Achieve Target	Data Source	Frequency	Methodology
<p>An outcome the program is designed to achieve and that is attributable to at least part of management action</p> <p>1-3 only.</p> <p>18</p>	<p>Performance Indicator = Effectiveness Indicator at the Outcome level. (1-3 measures)</p> <p>Efficiency Indicator – A measure of efficiency at the Output level (1-2 measures)</p> <p>Strategic Measurable Aligned Relevant Time-Limited</p>	#, %	DD/MM/YY	<p>Specific</p> <p>Example : Particular Database or Survey Instrument.</p>	<p>3-5 Years, Annual, Semi-annual Quarterly Monthly</p>	<p>Rationale Baseline Definitions Calculations/Scale How to interpret this indicator</p> <p>The Methodology ensures consistency in the collection and interpretation of the indicator data</p>

RBM Governance and Planning Tool

Performance Measurement Example

Program Name : Public Health Laboratory Systems

Responsibility Position: ADM – Infectious Disease Prevention and Control

Program Budget: As communicated by Chief Financial Officer

Program Description: Highly specialized scientific and laboratory expertise and access to state of the art technologies to enable evidence-based decision making, public health research and reference laboratory services for Public Health Professionals, No grants or contribution funding offered to organizations.

Expected Results	Performance Measures	Targets	Date to Achieve Target	Data Source	Frequency	Methodology
Decisions and interventions to protect the health of Canadians are supported by research and reference/testing services	Percent of accredited reference laboratory tests that are conducted within the specific turnaround times (TATs).	95	31/03/15	Program Documentation gathered for the purpose of ISO Accreditation.	Annually	<p>Rationale: Error-free results to client labs within specified TATS</p> <p>Baseline: 99% (2012-13)</p> <p>Definitions: Reference laboratory tests include specialized diagnostic testing, confirmatory testing and special testing to characterize disease causing agents. Calculations/Scale: TATs are calculated in calendar days and begin the day the sample is received and ends the day the result is reported to the client.</p> <p>How to interpret this indicator: The indicator measures the timeliness of testing and reporting and should always meet or exceed the target.</p>

RBM Governance and Planning Tool

Quality Performance Measurement Strategies

▶ Logic Model

- ▶ Current and reasonable representation of program
- ▶ Appropriately linked to the Agency's PAA (expected results and strategic outcomes)
- ▶ Clear articulations of logic chain of results (program theory) and include outcomes sufficiently defined and characterised, so that progress against them can be measured effectively

▶ Performance Measurement Strategy / Performance Measurement and Evaluation Plan

- ▶ Linked to logic model's outputs and outcomes
- ▶ Linked to Agency's Performance Measurement Framework elements
- ▶ Supported by well-defined measures/indicators (clear methodology), which can show progress toward the achievement of expected results
- ▶ Balanced set of measures/indicators (not too many)
- ▶ Consistent where outcomes are similar

▶ Performance Data

- ▶ Accessible and collected on a regular basis
- ▶ Captured and consistently reported
- ▶ Used by managers for ongoing monitoring and reporting
- ▶ Support evaluations

RBM Governance and Planning Tool

Quality Risk Management Plan

Risk Management Plan includes a Risk Statement Sheet for each risk identified in the Corporate Risk Profile

- ▶ Statement of Residual Risk to the Organization
 - ▶ Key risk that may impact the achievement of the Organization's objectives
- ▶ Office of Primary Interest
 - ▶ Who takes ownership of the risk
- ▶ Organization's Authorities
 - ▶ Description of what is within the direct control of the organization
- ▶ Risk Drivers
- ▶ Risk Controls Currently in Place
- ▶ Risk Treatment (Mitigation Strategy) and Timelines
- ▶ Risk Performance Indicators
 - ▶ How we know if we have been able to move the risk.

RBM Governance and Planning Tool

ISO Certification

- ▶ **Public Health Agency of Canada has achieved ISO Certification**
 - ▶ ISO 17025 – reference testing and serotyping for the National Microbiology Laboratory and the Laboratory for Foodborne Zoonoses
 - ▶ ISO 15189 – accreditation for the HIV and Retrovirology laboratories
 - ▶ General requirements for the competence of testing and calibration services to ensure high quality and standardization
- ▶ **Benefits for results-based management**
 - ▶ Where Agency Programs are ISO certified, performance measures have been stable over time, providing good quality results information.

RBM Data Collection Tool

Status and Issues

Responsible Executive:

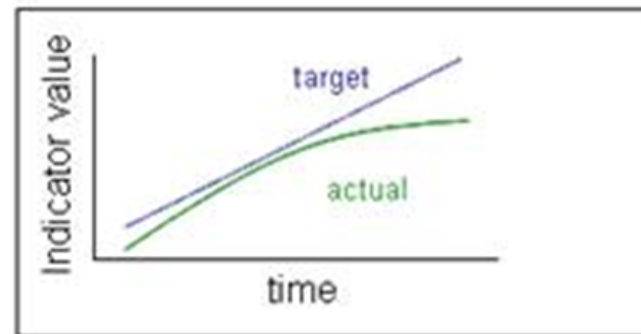
Program	Performance Indicator	Office of Primary Interest	Methodology in Place	Baseline Available	Data Collection Milestones Completed and Dates	Data Collection Issues
			√ or X	√ or X	Example: Survey Design MM/YY Survey Pilot MM/YY Final Survey MM/YY Survey Delivery MM/YY Survey Completion MM/YY Survey Compilation MM/YY	

RBM Results Analysis Tool

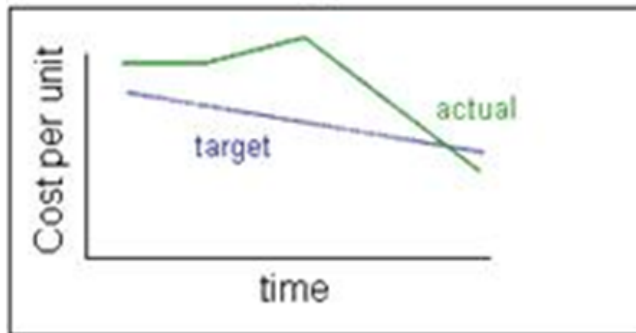
Outcome indicator 1



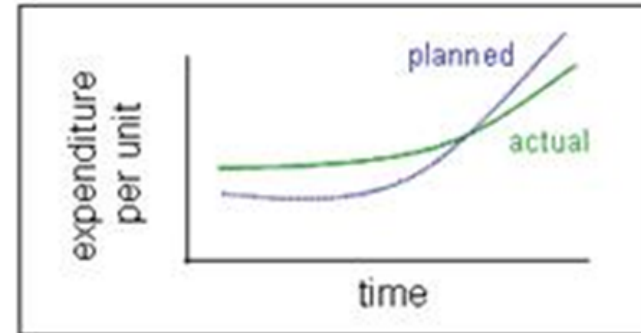
Outcome indicator 2



Efficiency indicator



Resources



Risk-informed RBM Decision-Making Tool

- ▶ **Treasury Board Submissions provide the following information for decision making:**
 - ▶ How the proposed initiative (instrument of choice) aligns with the current Program Alignment Architecture
 - ▶ Results achieved against relevant expected results in the current Performance Measurement Framework, the history of associated risks and results of relevant risk treatments
 - ▶ An explanation of gaps in the program that the proposed initiative addresses and identification of risks (initiative's complexity, program capacity to deliver and financial risks) to the achievement of the Initiative's expected results.
 - ▶ Description of steps the organization is taking to rectify any previous problems in collecting, analyzing and using performance information

RBM Executive Oversight Tool

- ▶ Example of a Maturity Model from HRDC for risk management that could be applied to the full RBM System.

Themes	1	2	3	4	5
Organizational Philosophy / Culture					
Leadership and Commitment					
Integration with Other Management Practices/Systems					
Capabilities					
Reporting and Control					

RBM Executive Oversight Tool

➤ TBS Managing for Results Self-Assessment Tool

	Awareness	Exploration	Transition	Fully Implemented	Continuous Learning
Use of Results Information in managing	<ul style="list-style-type: none"> • Activity and output information used by in a few programs to make decisions • Outcomes play no role in decision-making • Limited understanding of how values and ethics link to achievement of results 	<ul style="list-style-type: none"> • Activity and output information used by some programs to make decisions • Outcome information considered in a few Program decisions • Public Service values understood and linked to results 	<ul style="list-style-type: none"> • Activity and output information used frequently to make decisions • Some information on outcomes considered and used in corporate and program decisions to re-allocate resources and revised strategies 	<ul style="list-style-type: none"> • Information on outcomes and capacity to continue to deliver is frequently analyzed and used in decision making 	<ul style="list-style-type: none"> • Performance information on outcomes is routinely and consistently analyzed and used for decisions throughout the organization • The type of outcome and related performance information being gathered is reviewed for usefulness and adjusted.
27					



Section III

Conclusion

Expectations from an RBM System

Move away from ad hoc performance measurement

Change the focus from getting performance measures right to using results information for decision-making

Making integrated information from various sources available for ongoing decision-making (e.g., performance, risk, management reviews, audit and evaluation)

Alignment with New Developments

Government of Canada's Management Accountability Framework 2.0

Integration of planning, performance, reporting and risk

ISO 9001(2015)

Introduction of a risk-based approach to preventive action throughout the development and implementation of the quality management system

Identification of risks and use of a risk-based approach to determine the type and extent of control appropriate for achievement of objectives

Comments

▶ Questions/ suggestions/tools to share?

▶ Please Contact

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