

How Does Government Use Monitoring?

Kate McKegg - March 2001

What do we mean by “government”?

- Some central government stakeholders:
 - Ministers
 - Central Agencies - Department of Prime Minister and Cabinet, State Services Commission, The Treasury
 - Policy Agencies eg Social Policy Ministry, The Department of Labour, Population Ministries
 - Operational and Delivery Agencies
 - Contracted Providers of Services

Context.....

- Little certainly
- very little or no predictability
- technology that evolves faster than it can be integrated
- budget and schedule changes that defy understanding or prediction
- criteria for success that change without warning
- Too much work and too few hands or resources to do it

Context cont...

- Increasing pressure for “government” to be:
 - Accountable
 - Responsive
 - Fair
 - Innovative
 - Prudent

What does all this mean for the way monitoring is used by government?

- Strategic national monitoring
 - Consumer Price Index (inflation)
 - Interest rate changes
 - Economic activity (eg National Bank survey)
 - HLFs - unemployment
 - GDP
 - Consumer and business confidence

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Judgements about the state of the economy

Other strategic monitoring examples....

- Health indicators e.g. mortality and morbidity, life expectancy
- Education indicators
- Population e.g. census etc., etc.....

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Indicators and information that monitors or checks on the state of nation

Departmental/Operational Monitoring

- Machinery of Government - modelled on purchasing/contract relationship
- Primary Monitoring activity:
 - quantity and cost of outputs or activity
 - tracking of operational output targets
 - operational audit/variance reporting



What For?

- Focus on tracking contract (purchase agreement) “performance”
- Monitoring structured around contract specification (key output and activity indicators) = Primary use is performance management

What’s the problem as I see it?

“the more any ...indicator is used for...decision making, the greater the corruption pressures upon it” (Campbell,1988)

- If indicators become the objective (as in the case of “performance” targets)



Goal Displacement

- Used in isolation
- invariably encourages and rewards activity that doesn’t necessarily achieve outcomes being sought
- often indicators being monitored bear little relationship to what is actually happening
- “results” are really measures of activity, not outcomes
- chosen often because they can be measured
- but do not, cannot, meaningfully represent complex social reality

To require government or departmental goals to be clear, specific and measurable is to require government activity to attempt only those things that social scientists know how to measure!

“One cannot be successful on visible figures alone....the most important figures that one needs for management are unknown or unknowable” Deming (1986)

All is not lost for monitoring....

- **Monitoring/indicators play an important role :**
 - in raising questions about areas for exploration, pointing to where management attention may be required
 - when combined with multiple methods - improves the inherent flaws in every method of measurement - include process, output and outcome measures where possible
 - when thought about strategically - some things lend themselves to quantitative measurement and monitoring and others don’t - not all monitoring needs be quantitative - in fact in the public sector many activities are there precisely because measurement is difficult

- make sure monitoring efforts are made at a realistic level
- Always test measurements - it often takes time to get it right
- review, revise and update measures - few will be perfect first time around - and will also become outdated
- involve stakeholders in the development and revision of measures
- be patient - it takes expertise, resources and time to develop good monitoring and measurement