Outcome Oriented Performance Management and Impact Assessments at the federal level of government in Austria

EUPAN WL Meeting - Vienna, 11 + 12 October 2018
The Federal Performance Management Office

Mission

- conceptual framework
- consultancy & training
- quality assurance
- ICT planning
- performance reporting

Outcome Orientation in Austria
Performance Management in Austria

- Outcome orientation was introduced in 2013 as a budgetary principle in the Austrian constitution
- Focus: managing public administration based on its contributions towards achieving outcomes in society
- Information: Outcome statements, outputs and indicators per budgeting chapter and for new regulation

Key Pillars
- Performance management (outcome orientation)
- Outcome oriented impact assessment
PERFORMANCE MANAGEMENT
Performance Information in the Budget

- Provides intended outcomes and outputs for all budget chapters
- Includes indicators and milestones to assess progress
- Reduced to max. five outcomes per budget chapter to focus on key issues
- Ministries (and Supreme Organs) have to provide information about goals, activities and key data for their policy fields
Budget and Performance Structure

**Budget structure**

- MTEF, Strategy Report
  - 5 headings
- Annual Budget
  - 33 budget chapters
- Supplements to Annual Budget
  - Global budgets
  - Detail budgets

**Performance structure**

- Mission, strategy, outcome statement
- Output statement
- Performance contracts
FROM STRUCTURE TO PROCESS
Performance management cycle

1. Strategic planning
2. Outcome statement
3. Output statement
4. Performance contracts
5. Management by objectives
6. Implementation
7. Evaluation of outputs & outcomes
8. Evaluation & reporting
9. Reporting
Outcome Orientation in Austria

**Planning**

- **Ministry of Finance**
  - Segmenting expenditure limits
  - Spec. Budgets for line ministries

- **Federal Chancellery**
  - HR resources framework

**Evaluation**

- **FP MO**
  - Collects evaluation of performance information
  - Compiles, visualizes and publishes information for public
  - Reports to parliament

- **Court of Audit**
  - Statement of Accounts

- **Line Ministry**
  - Ex-Post Evaluation of performance information

- **Budget Subcommittee**
  - Discusses all performance information reports (ex-post evaluations of annual budgets, ex-post evaluations of RIA)

- **Parliament**
  - Discussing all elements of budget proposal
  - Amends and enacts budget
  - Support by Parliamentary Budget Office

- **Council of Ministers**
  - Decision on final budget proposal

- **FPMO**
  - Collects evaluation of performance information
  - Compiles, visualizes and publishes information for public
  - Reports to parliament

- **Line Ministry**
  - Budget chapter
  - Expenditures
  - HR-resources
  - Performance information

- **MOF**
  - Quality Assurance for detail budgets
  - Quality Assurance and Feedback for performance inf.

- **Court of Audit**
  - Recommendation for budget chapter

- **FP MO**
  - Collects evaluation of performance information
  - Compiles, visualizes and publishes information for public
  - Reports to parliament

**Implementing**

- **Line Ministry**
  - Implements Budget (chapters)
  - Ex-Post Evaluation of performance information

- **MoF**
  - Financial controlling

- **FC**
  - HR controlling

- **Parliament**
  - Discussing all elements of budget proposal
  - Amends and enacts budget
  - Support by Parliamentary Budget Office

- **Council of Ministers**
  - Decision on final budget proposal
OUTCOME ORIENTED IMPACT ASSESSMENTS
Scope of RIA

- Impact Assessments mandatory for
  - new laws and regulations and
  - major projects (procurement activities, infrastructure projects…)

- No exceptions, but thresholds for in-depth assessments

- Key Features
  - Outcomes (incl. indicators)
  - Outputs (incl. Indicators)
  - Intended and unintended impacts in other policy fields
  - Financial information and connection to budget
System of Impact Assessments in Austria

Lead ministry designs new law, regulation or major project

Lead ministry conducts an impact assessment (key objectives, indicators, implementation measures, expected impacts…)

Support and quality assurance by Federal Performance Management Office and experts for specific impacts from other ministries

RIA additional document for consultation phase and parliamentary discussions

Ex-post evaluation within 5 years

Federal Performance Management Office compiles a report to Parliament
Parts of Regulatory Impact Assessment

1. Problem analysis
2. Outcome statement
3. Output statement
4. Impact assessment incl. Financial impacts
5. Planning of internal evaluation
Impact dimensions defined by law

- Public budgets
- Equality of women and men
- Social affairs
- Children and youth
- Consumer politics
- Administrative burden for citizens
- Administrative burden for businesses
- Businesses
- Economy
- Environment
EVALUATION & REPORTING
Why evaluating?

- **Transparency and legitimacy**
  - Accountability towards parliament and society

- **Effectiveness of policies for society**
  - Ex-Post Evaluations show the implications of the policies funded by the federal government on different demographic groups
  - Systematic data collection across all institutions allows horizontal analysis of all policies geared towards certain target groups

- **Basis for rational management, evidence-based policy making and continuous learning**
  - continuous development of policy fields
  - annual reporting on outcome and output statements
  - organizational learning (i.e. external factors, effectiveness and efficiency of measures taken)
  - basis for future planning (of outcome and output statements)
Annual Digital Reporting: Data Input & Data Output
Online Reporting I

Outcome Orientation in Austria

<table>
<thead>
<tr>
<th>Wirkungsziele 2015</th>
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</thead>
<tbody>
<tr>
<td>Wirkungsziele 2015</td>
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<tr>
<td>Wirkungsziele 2015</td>
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<tr>
<td>Wirkungsziekenzahlen</td>
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<tr>
<td>Maßnahmen</td>
</tr>
</tbody>
</table>

Statistische Daten des aktuellen Berichts zur Wirkungsoorientierung für das Jahr 2015

UG 13 Justiz (verantwortlich: Bundesministerium für Justiz)

13.1 Wirkungsziel 1 – Gewährleistung der Rechtssicherheit und des Rechtsfriedens

13.2 Wirkungsziel 2 – Zugang zum Recht

13.3 Wirkungsziel 3 – Objektive, faire, rasche und unabhängige Führung und Entscheidung von Verfahren

13.4 Wirkungsziel 4 – Moderne Justizverwaltung

13.5 Wirkungsziel 5 – Effektive Rechtsdurchsetzung

Available online www.wirkungsmonitoring.gv.at
Online Reporting II

Outcome Orientation in Austria
Online Reporting III

Kennzahlen des Wirkungsziels  › 1

1. Subjektives Sicherheitsgefühl [%]

AVAILABLE ONLINE
www.wirkungsmonitoring.gv.at
Impacts of digitalisation on reporting and visualisation with special regards to Performance Management

Natascha Fenz, Hannes Leo, Ursula Seethaler
Methodology and evidence

- Desk research
- Survey that started in August
  - 23 survey responses plus one written feedback that cover 21 countries and the Commission
  - Solid base for an overview of the direction of innovation in the public sector
- Workshops
Digital innovation in the public sector

- Digitalisation drives change in the public sector but other developments (e.g. change in societal values) demand restructuring too.
- (Technology induced) Innovations must go along with organisational changes and (re)training of employees to develop their full potential.
- The user perspective and involvement of stakeholder have also increased in recent years.
- Institutional change might also be a prerequisite for successful adaptations in the public sector (i.e. changing laws, redefining how public accountability is achieved).
- The innovation process overall might be more demanding than in the private sector.
Community based innovation systems

Digital Workflow

Digitalisation

Data collection
- ERP

Data processing
- Data warehousing

Data analysis
- Data mining/business analytics
- Big Data

Reporting and visualisation
- Open data portals
- New graphing tools
- Interactive online mapping

Innovation

Less red tape, increased productivity
Digital service delivery/government
Better dissemination of reporting data
Better informed and involved citizens
Transparency
Better decisions
Performance Management
Public sector provides:
- Services to citizens and companies (e.g. health, education, security)
- Infrastructures and investments
- Regulations
- Policies
- ...

Performance Management provides a framework to achieve these outputs and outcomes efficiently and effectively rather than focusing on inputs.

Performance Management:
- Finding factors that impact on performance of an activity/process/area
- Defining indicators needed to take decisions
- Developing a process how to measure these indicators
- Implementing the measurement of indicators
- Taking evidence based-decisions based on data collected
- Reviewing of outputs and outcomes
We´ve learned that...

- ...most countries have Performance Management and Performance Management organisation in place
- ...Performance Management is institutionalised centrally, i.e. at the central government level, although still strong deviations (40%)
- ...target setting is done in a decentralised way as this task is complex, comes with motivational aspects, etc. but may need coordination
- ...the automatization of the Performance Management workflow stretches across the whole spectrum, i.e. from 0 - 100%
- ...that reporting and visualisation might have not yet fully exploited the potential offered by digital technologies.
- But what is Performance Management about?
What are the activities and objectives of the Performance Management in your country? Please select all that apply.

- Build awareness of performance management in the public sector
- Advise ministries/public sector organisations on performance management
- Provide trainings, workshops, seminars, etc. on performance management for public sector organisations
- Support and coordinate public sector performance management projects
- Engage in public sector performance management experimentation
- Support performance management implementation
- Invest in public sector performance management projects
- Support networking for performance management in the public sector
- Support performance data for decision makers
- Set the targets for surveyed organisations
- Visualise performance management outcomes
- Communicate with the general public about all aspects of performance management
- Other (please specify):
PM reporting developments

Please indicate the importance of different channels in reporting Performance Management related issues between 2015 - 2017.

- Periodically distributed/emailed reports based on Word, Excel, Powerpoint (or equivalents) or pdf formats
  - 55% (+)
  - 25% (+ +)

- Internet website
  - 55% (+)
  - 20% (+)

- Periodically printed reports
  - 33% (+)
  - 38% (+)

- Oral presentations
  - 21% (+)
  - 37% (+)

- Cockpits and Dashboards
  - 6% (+)
  - 41% (+)

- Press information
  - 18% (+)
  - 29% (+)

- Events to communicate major new reports/data availability
  - 44% (+)

- Online reporting portals
  - 28% (+)
  - 11% (+)

- Reporting front ends that allow for customisable reports
  - 6% (+)
  - 31% (+)

- Reports including predictive analytics
  - 6% (+)
  - 25% (+)

- Reporting system with real time notifications
  - 13% (+)
  - 19% (+)

- Updates on Social Media
  - 7% (+)
  - 13% (+)

- Reports available on/optimised for mobile devices
  - 18% (+)

Community based innovation systems
PM reporting channels

Reports that analyse and communicate the outcome of Performance Management are released

- On a regular basis/Regularly: 45%
- Annually/annual reports: 23%
- Monthly/monthly reports: 18%
- Ad hoc messages: 9%
- Other (please specify): 5%
Please indicate the importance of different visualisation approaches in Performance Management between 2015 - 2017.

- **Single variable visualisation**: 12% + + 41% +
- **Two or more variable visualisation**: 18% + + 35% +
- **Interactive visualisation containing 2 or more variables**: 17% + + 22% +
- **Explanatory videos**: 0% + + 18% +
Use of visualisation tools

Which tools are used within your organisation for creating visualisations?

- In-house tool(s)
- Commercial tool(s)
- In-house tool(s) and commercial tool(s)
- I don’t know
- Other (please specify):
Objectives motivating information dissemination

Which of the following objectives motivate the information dissemination activities of the public sector with regard to specific stakeholders in your country?

<table>
<thead>
<tr>
<th>Objective</th>
<th>Government and Ministers</th>
<th>Public Administration</th>
<th>Members of the Parliament</th>
<th>Interest Groups (NGOs, Lobbies,…)</th>
<th>Media</th>
<th>Media</th>
<th>Media</th>
<th>Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase trust in government</td>
<td>11%</td>
<td>13%</td>
<td>12%</td>
<td>6%</td>
<td>14%</td>
<td>11%</td>
<td>14%</td>
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<tr>
<td>Be as transparent as possible</td>
<td>11%</td>
<td>11%</td>
<td>12%</td>
<td>10%</td>
<td>12%</td>
<td>10%</td>
<td>12%</td>
<td>10%</td>
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<tr>
<td>Demonstrate that government delivers services effectively and efficiently</td>
<td>14%</td>
<td>14%</td>
<td>15%</td>
<td>13%</td>
<td>15%</td>
<td>13%</td>
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<td>13%</td>
</tr>
<tr>
<td>Educate citizens on the services being provided</td>
<td>12%</td>
<td>12%</td>
<td>15%</td>
<td>12%</td>
<td>18%</td>
<td>12%</td>
<td>15%</td>
<td>13%</td>
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<tr>
<td>Allow government to be held accountable for decision-making</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
<td>15%</td>
<td>15%</td>
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<tr>
<td>Promote greater overall understanding of public services</td>
<td>14%</td>
<td>15%</td>
<td>16%</td>
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<td>18%</td>
<td>15%</td>
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</tbody>
</table>

Which of the following objectives motivate the information dissemination activities of the public sector with regard to specific stakeholders in your country?
Workshop methods

- Lean startup/Lean innovation approach
- What is it and what is your role in it?
- Why we like this approach?
Workshop methods

- Present untested hypothesis
- Add more hypothesis
- Validate the untested hypothesis
  - Develop criteria for validation
    - E.g. complexity, costs, political acceptance, citizen acceptance
    - Other categories
- Exchange of experiences and mutual learning
Workshop topics

- **Innovation management:** Is there innovation management? What are the main innovations and impacting factors for the reporting and visualisation workflow? Has digitalisation changed the overall workflow?

- **Decision making:** Digitalisation allows to measure everything. Has digitalisation improved the evidence base for decision makers/Performance Management and how can this be further promoted?
The Road Ahead

- Keep pushing
  - Improve skills throughout public administration
  - Improve technical infrastructure to collect and crunch data
  - Provide support and a centralized quality assurance
  - Support the necessary cultural change, that impacts are made transparent “by default”

- Keep publishing
  - New ways of visualizing data and reporting
  - Engage with public and parliament

- Be patient
  - Time lag (changing organizational structures and procedures)
Thank you for your interest

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