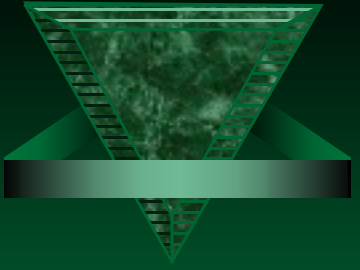




Results Based Management

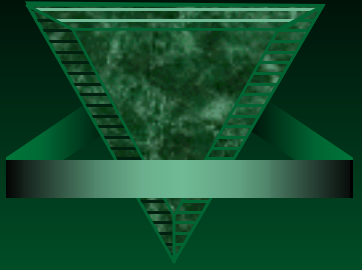
An Overview of its Applications in the Public Sector

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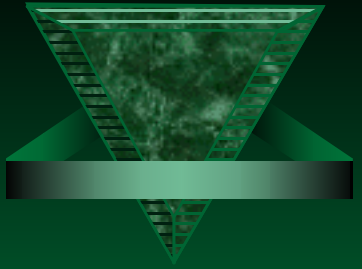
Some Pertinent Questions?

- ✔ What are the key elements of RBM?
- ✔ Is it simply a new fashion? Or does it bring about substantive change in how we manage government and public service?
- ✔ Why has it become so popular?



RBM In Developed Countries

- ✔ Began in UK, New Zealand, Australia in the 1980s
- ✔ Expanded to USA in early 1990s
- ✔ Encouraged by OECD among developed countries during the 1990s
- ✔ Pushed by USA (Bush Administration) as a policy for development aid starting early 2001
- ✔ Being increasingly adopted by developing countries in various forms



What does RBM bring to Public Sector Management?

✔ **Focus on Performance**

‘Performance’ defined as Outputs and Outcomes, not completion of Activities or Disbursement of allocated budgets

✔ **Emphasis on Efficiency and Effectiveness**

- Efficiency: how is the budget used to deliver Outputs
- Effectiveness: are the Outputs resulting in Outcomes for the people

✔ **Emphasis on ACCOUNTABILITY** for these Results



The Two Key Aspects of RBM

Accountability

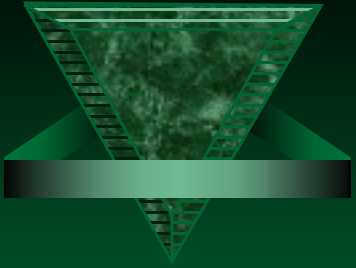


Results

Outputs

Outcomes

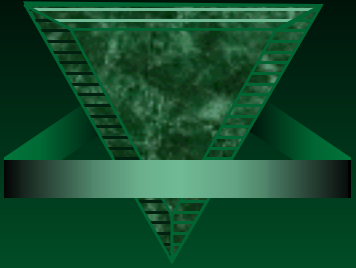
- 
- Clarity of Expected Results
 - Clarity of Accountability for those Results



RBM at Different Levels

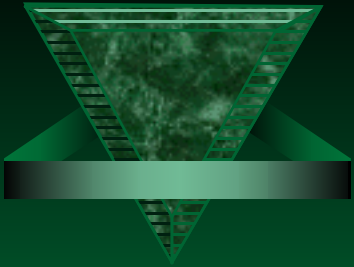
- ✔ National Level
- ✔ Sector Level
- ✔ Local Government Level

- ✔ Agency Level
- ✔ Policy, Program or Project Level

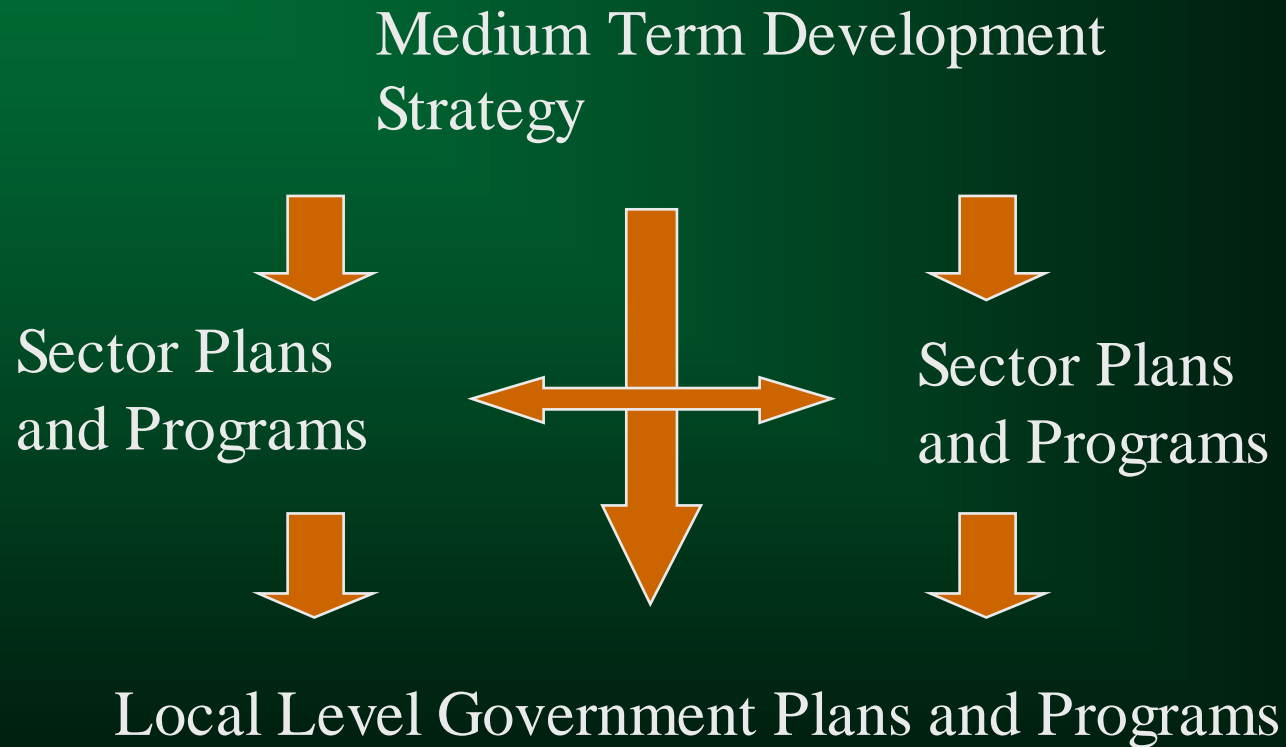


RBM at Different Levels

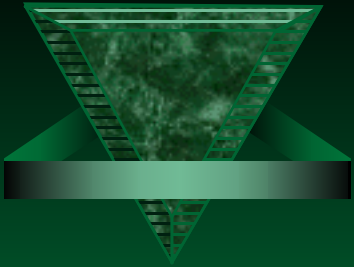
<u>Level of Govt</u>	<u>Level of Agency</u>	<u>Level of Policy/ Program/Project</u>
➤ National Level	National Agencies	Policy, Program & Projects
➤ Sector Level	Sector Agencies	Policy, Program & Projects
➤ Local Government Level	Local Govt. Agencies	Program & Projects



National, Sector, LLG Strategic Linkages



Multiple Outputs - Multiple Sectors/Agencies



Inputs

Outputs

Intermediate Outcomes

National Strategic Outcomes





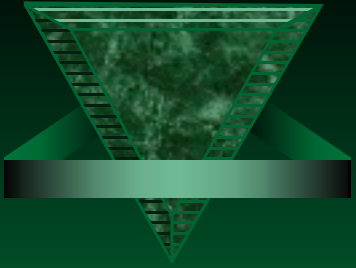
RBM as Related to the Budget

- ✔ Strategic Alignment
 - Link to Medium Term Development Strategy
 - Specify strategically critical outcomes

- ✔ Fiscal Discipline
 - Whole of Resource Envelope
 - Focus on ‘priority’ Outcomes/Outputs

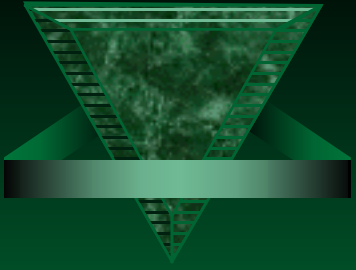
- ✔ Allocative Efficiency
 - Expenditure Framework
 - Focus on the ‘right’ outcomes

- ✔ Operational Efficiency
 - Sector and Agency Effectiveness
 - Focus on whether outputs and outcomes are being delivered



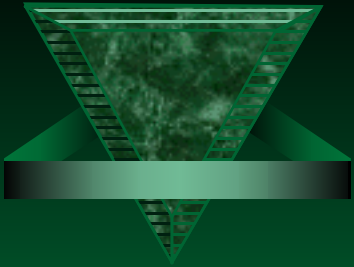
Potential Applications of RBM

- ✔ Annual Performance Planning, Monitoring and Reporting
- ✔ Outputs-linked Budgeting
- ✔ Delegation and Flexibility in use of Resources
- ✔ Meritocracy in Public Sector
- ✔ Sanction / Reward Systems

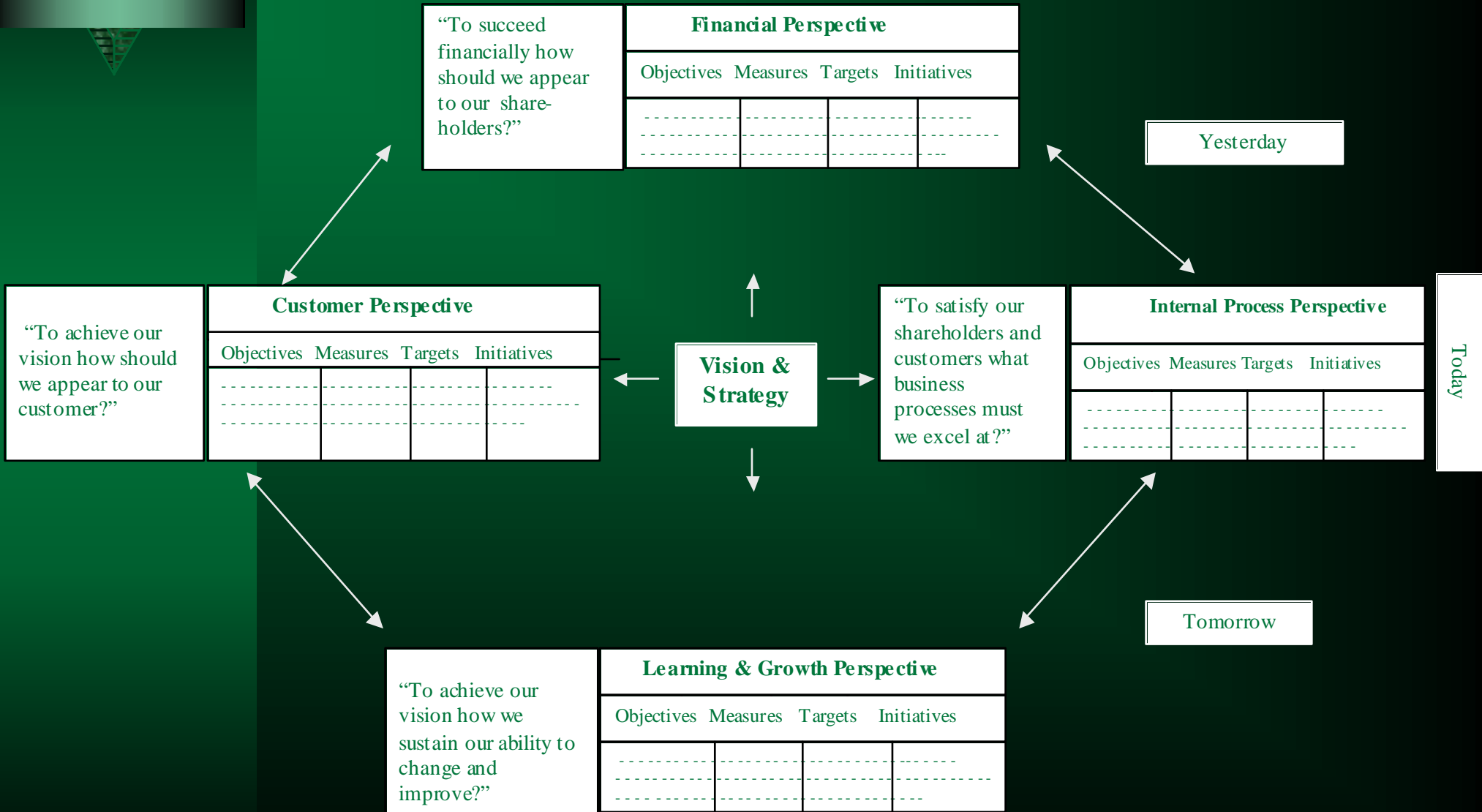


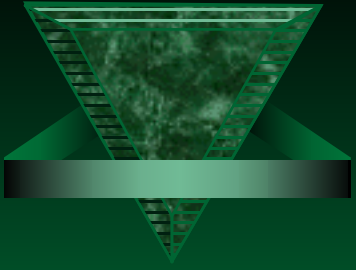
Tools for RBM

- ✔ Output-based Performance Plans and Performance Reports
- ✔ Output Based Budgeting
- ✔ Balanced Scorecard
- ✔ Quality Award Systems
- ✔ Benchmarking
- ✔ Performance Contracts and Pay



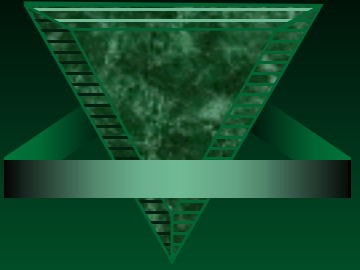
Balanced Scorecard





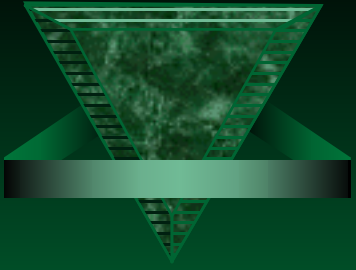
Benefits of RBM

- ✔ Greater accountability to the public
- ✔ Transparency
- ✔ Link between financial and performance indicators
- ✔ Focus on Outcomes – on service impacts
- ✔ Increase in efficiencies
- ✔ Connects the Dots – links National Policy and Strategy with Agency Plans and Budgets
- ✔ Easier coordination among agencies



Necessary Pre Conditions

- ✔ Political and Leadership Commitment
- ✔ Baseline performance information
- ✔ Information systems for monitoring
- ✔ Systems to act on performance reports



How to Begin?

- ✓ With the Performance Report
- ✓ Can even begin with a Section of Division
- ✓ Clarify “Expected Results” and related Targets
- ✓ If done seriously, the rest almost falls into place automatically