

FPSI FISCAL POLICY STUDIES INSTITUTE

18 May 2010

Helen Backhouse
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Dear Helen,

I am sorry that you did not contact me before releasing the Illawarra Forum's February 2010 publication of "Practicing Social Justice" and in particular Report 3 of that monograph, "Made to measure." As described in this letter and in the more detailed attachment, Report 3 contains numerous errors regarding the Results-Based Accountability™ framework. I am writing to you in order to set the record straight.

First, Result-Based Accountability™ (RBA) is a trademarked, and not generic, name and should be referred to as such by the Forum in its publications. Results-Based Accountability™ (RBA), and Outcomes-Based Accountability™ (OBA) as it is known in the UK, is presented in the book "Trying Hard Is Not Good Enough" and in numerous papers that I have published over more than 15 years. All of this work is protected by international laws governing trademarks and intellectual property. (The acronym RBA refers to Result-Based Accountability™ in the remainder of this letter and attachment.)

Secondly and most importantly, the paper errs in attributing the problems encountered by the community partners in the Illawarra region to the RBA framework. There is an old saying, that when a carpenter hits his thumb with a hammer, it is not the fault of the hammer. In this case, the carpenter is NSW Community Services (CS), formerly the NSW Department of Community Services (DoCS) and their implementation partners in the Illawarra region. The paper describes the frustration of community people immersed in a process that is not serving their needs. Had RBA been implemented properly, these problems would not have occurred. There are many people around the world who have made proper use of RBA and their success stories are documented on the web.

A particularly egregious misuse of RBA is found in the paper's description of people being forced to identify community results and indicators as part of their funding requirements. RBA should never be forced on community members in this way. The process of identifying results and indicators is designed for people who come together voluntarily to improve the quality of life of their community. The same thing goes for performance measures. The point of performance measurement is first and foremost to improve performance. Performance measures should reflect what managers and clients see as important. It's not about whatever data happens to be available regardless of quality or importance. I have real sympathy for the community members who have been victimized by this poor implementation. But as with treating any ailment, there is no chance of making things better unless you get the diagnosis right. Paper 3 simply gets the diagnosis wrong.

The third major problem with Paper 3 is that it does not accurately represent the concepts of RBA. To name a few examples, it misconstrues the fundamental distinction between population and performance accountability, it fails to practice the language discipline central to RBA, it misses the parts of RBA where personal and community values and experience are used, and it fails to understand that RBA is a set of tools that must be used with effective community organizing and governance. These and other basic RBA principles are laid out in the first chapter of "Trying Hard Is Not Good Enough." By lumping my work in with the work of five other authors (Hatry, Van Houten, Planz, Greenway and Laverge), the Paper blurs the characteristics of RBA beyond recognition.

The fourth major problem has to do with simple fairness. The author of any paper that attempts to pass judgment on a body of work such as Results-Based Accountability™ has an obligation to do a thorough review of the field. This includes a thorough literature review, interviews with a range of experts in the field, and a careful reading of foundational works like "Trying Hard Is Not Good Enough." The authors of the paper have failed to do these things. RBA has been used in at least 10 countries around the world. There are numerous implementation examples. There are numerous studies and reports about RBA, easily accessed by a web search and from the RBA websites listed below, that do not appear in the paper's bibliography. One important study that the authors would have benefited from examining, for example, is the report "Better Outcomes for Children and Young People – From Talk to Action," commissioned by the United Kingdom Department for Children, Schools and Families (Crown copyright 2008). In this report Dr. Utting and three co-authors reviewed OBA work in 18 UK Local Authorities and described success stories and lessons about OBA implementation.

One additional matter of fairness must be addressed. The Illawarra Forum has done a disservice to five of its fellow organizations in NSW by referencing them on page 62 of the report and implying some guilt by association with RBA and its flawed implementation in the Illawarra Region. The paper does not examine the application of RBA by these organizations, which has been largely exemplary. The Illawarra Forum could learn a lot by studying their work. A written clarification or apology appears to be in order.

Finally, I think the report highlights the need for some concerted action to correct the problems with implementation of RBA by NSW Community Services (DoCS). I have done everything in my power to help CS/DoCS get this right, short of withdrawing permission for them to use my materials. I have been aided in this effort by many people and organisations at the state and local levels in NSW. In spite of these efforts NSW government misuse of RBA continues. I encourage you and your co-authors to join with your colleagues in working to correct these problems. It is a far better use of time for us to be working together to fix problems than write arguments and counterarguments about what is wrong.

I am asking you to make copies of this letter available to those who received the Forum's report, and to post this letter and the attachment on your website. I would be glad to answer questions about this or set up a time to talk.

Sincerely

Mark Friedman

FPSI Comments on
Illawarra Forum Paper 3 “Made to Measure”
(companion analysis to the letter to Helen Backhouse 18 May 2010)

This paper presents selected comments on Paper 3 “Made to Measure” of the monograph published by the Illawarra Forum in February 2010.

Contact and publication information for the monograph:

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Each comment below is preceded by a quote from the paper by page number. Paper 3 runs from page 57 to 84 of the larger monograph.

Page 57: “This paper provides the first critical analysis of Friedman’s (2005) RBA framework.”

Comment: In fact, there are numerous previous studies and reports about RBA that can be accessed from the RBA websites resultsaccountability.com and raguide.org. Important publications to date include the study conducted on behalf of the United Kingdom Department for Children, Schools and Families (DCSF) “Better Outcomes for Children and Young People – From Talk to Action by Dr. David Utting, Crown Copyright 2008. Other reports include “Turning Curves, Achieving Results” published by the Annie E. Casey Foundation in 2007, Children’s Report Cards produced in Atlanta, San Diego, Coventry, Portsmouth and North Lincolnshire to name only a few. Another notable article that could have informed this discussion is “It’s all about results,” by David Brindle of the London Guardian 1 November 2006.

The omission of a complete literature review is unfortunate. As will be seen below, numerous errors in the report suggest that the basic text on RBA, “Trying Hard Is Not Good Enough,” was either not read carefully or at all.

2. Page 57: “RBA in its various forms...”
Page 58: “Friedman’s version of RBA”

Comment: Result-Based Accountability™ (RBA) is a trademarked name and should be referred to as such by the Forum. Results-Based Accountability™ (RBA), and Outcomes-Based Accountability™ (OBA) as it is known in the UK, is presented in the book “Trying Hard Is Not Good Enough” and in numerous papers published over more than 15 years. All of this work is protected by international laws governing trademarks and intellectual property. There is, accordingly, only one version of RBA. The use of RBA as a generic category is incorrect usage. Other FPSI trademarks include Results Accountability™, and Outcomes Accountability™.

3. Pages 57 – 58: “RBA (Friedman 2005; Hatry, Van Houten, Planz & Greenway, 1996; Laverge, 2002) is broadly defined by three underpinning ideas:

- justifying service provision on the basis of outcomes
- demonstrating these outcomes by data-based evidence (Houlbrook & Losurdo, 2008), and
- assuming that setting target outcomes (results) and measuring progress will improve the system”

Comment: The fact that the paper references six different authors of what it calls “RBA” reveals that the paper is not an accurate critique of Results-Based Accountability™ (RBA), and Outcomes-Based Accountability™ (OBA). It is not clear what labels the other five authors use to describe their work. The three “underpinning ideas” do not apply as written to Results-Based Accountability™ (RBA), and Outcomes-Based Accountability™ (OBA). Before addressing each of the paper’s assertions, here are what should be considered true “underpinning ideas of Results-Based Accountability™ (RBA). RBA is used as shorthand for the legally protected framework.

- Population vs. Performance Accountability: This is the single most important distinction in RBA. Population Accountability is about the well-being of a population in a geographic area (community, city, county¹, state or nation). Performance Accountability is about how well a service, agency or service system is working
- Language Discipline: RBA presents three definitions (results or outcomes, indicators and performance measures) that are central to the understanding of the framework that follows
- Getting from talk to action: RBA presents a 7-step process that help people move from stating good intentions to taking the actions necessary to achieve those intentions.

Regrettably, these three ideas do not correspond to the three underpinning ideas that the authors of the paper ascribe to the collection of frameworks they purport to describe.

¹ Equivalent to Local Authorities in the UK and NZ.

The first of the three underpinning ideas in the Illawarra report is : “justifying service provision on the basis of outcomes” (page 58). The word “outcome” is used inconsistently here and throughout the paper. The first purpose of

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Performance Accountability is to improve performance, not “justify service provision.” Here is one of many possible quotes from “Trying Hard Is Not Good Enough” page 65: “Most managers know how their program (or service) works. They should be able to identify the three to five most important measures for their program, explain how the program is doing on those measures, and present what can be done to improve the program’s performance.” As defined in a later section of the book, the most important measures in RBA have to do with the customer or client’s quality of life and whether they are better off or not. It is not clear why the authors of Paper 3 would quarrel with the idea that services should have a beneficial effect for their customers.

The second underpinning concept in the report is: “demonstrating these outcomes by data-based evidence (Houlbrook & Losurdo, 2008).” It is notable that there is a reference here to only two of the six authors whose frameworks are being discussed. More important, on page 90 of “Trying Hard Is Not Good Enough,” the section “Is my program working?” presents a series of methods that managers can use to help present and defend their programs. In every case, RBA attempts to help managers of vulnerable programs do a better job of delivering service and telling their story to those in power who fund their services. This is an area where many managers of community services have trouble. People will always be required to justify the use of public funds. RBA presents a way for them to be effective in this effort. Finally, RBA presents on page 101 of “Trying Hard Is Not Good Enough” three ways to present progress: numbers, accomplishments and stories.” This is one of several places in RBA where peoples’ personal experiences and stories are valued and used. The assertion that RBA is about justification with data to the exclusion of everything else is simply wrong.

The third underpinning concept in the Illawarra report is: “- assuming that setting target outcomes (results) and measuring progress will improve the system” Again there is a problem with language discipline. By the definitions used in RBA the phrase “target outcomes (results)” is an oxymoron. In RBA the words “result” and “outcome” are reserved for quality of life conditions at the community or program levels. In RBA, the word “target” is defined as a desired future level of achievement for an indicator or performance measure. Contrary to the assertions of the paper’s authors, RBA takes a strong stand against the traditional punitive use of targets, commonly found in government practice in the US, UK and Australia. Instead, RBA puts forward the notion of “turning the curve” which is a more sophisticated but also fairer way to judge progress on measures. See page 87 of “Trying Hard Is Not Good Enough,” and the later section “Using baselines to set targets without creating fear of punishment.” I also recommend reading the Wharton School of Business’s “Goals Gone Wild!: How Goal Setting Can Lead to Disaster”²

² Knowledge@Wharton <http://knowledge.wharton.upenn.edu/article.cfm?articleid=2162>

The fact that the Paper's authors get these key points about wrong RBA makes all subsequent analysis in the Illawarra paper suspect. While the authors quote
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extensively from "Trying Hard Is Not Good Enough," their presentation reveals a very limited understanding of the RBA foundational material.

4. Page 58 "Using this framework, DoCS is introducing a new auditing process whereby the non-government organisations from which they purchase services are required to provide evidence that demonstrates how their work aligns with, and contributes to the attainment of DoCS results, presented in the results logic (Department of Community Services, 2007)"

Comment: There are numerous references throughout Paper 3 to DoCS use of what the authors describe as "results based accountability." DoCS implementation of Results-Based Accountability™ is seriously flawed, and does not represent the intended principles and best practices of RBA framework. The paper could have provided a valuable service by documenting the ways in which DoCS has failed to implement RBA properly, instead of attributing failure to the framework itself. Among the mistakes made by DoCS: they have failed to properly understand the differences between population and performance accountability, they have failed to understand the proper development and use of data and they have created burdensome and unnecessarily complicated reporting requirements for the non-government organisations from which they purchase services. It might also be worth mentioning that the NSW Treasury has also done a poor job of using RBA in what they call their "results logic" diagrams. Treasury's "results logic" is an example of another framework known as the "logic model" which is gradually losing credibility around the world due to its reliance on linear thinking and conceptual flaws about causality.

5. Page 61 "RBA tries to evaluate the results of practices without having to deal with the practices themselves."

Comment: Regrettably, this exemplifies the kind of vague and ambiguous assertions made all too often in the paper. Of course RBA deals with the practices of programs. Those very practices are what RBA addresses in understanding the purposes of the program, identifying the activities that describe what the program does, identifying useful measures, building organisational learning about the story behind current performance and the reaching agreement on actions (including changes in practice) that are necessary to improve the quality of life for customers.

Remainder of Paper 3

The problems in the remainder of the paper (pages 59 to 84) are more or less variations on the problems identified above. There is not much to be gained by rebutting each

instance. The reader is invited to address questions about these assertions to [xfpsi@aol.com](mailto:xfpsiaol.com).