

# Defining Performance

Given the multiple aims and multiple potential users of performance evidence, controversy can arise from the outset over how to define 'performance'. Much of the literature implies that performance is an objective phenomenon, consisting of a set of attributes of a program and its measurable impacts on society. It is as if 'performance' was 'out there', just waiting to be discovered and documented through a set of measures or indicators. In reality, however, performance is a social construct. The interpretations and the measures of performance arises as much, if not more, out of an interactive process among individuals and institutions, as they do out of theories of programs, data generation and analysis. As Rob Paton writes, 'Performance is what those people centrally involved in and concerned about an organisation agree, implicitly and explicitly, to be performance.'<sup>1</sup> Defining performance in this way, of course, detracts from the claim that performance measurement systems provide objective, reliable and scientifically valid evidence about what works and what doesn't in the public sector.

Performance will always remain a contested and evolving concept. Securing agreement on what constitutes performance, especially successful performance, is made more difficult by the nature of public sector activity. Most public programs have more than one goal and the goal statements tend to be vague, changeable, controversial and, at times, conflicting. Under these conditions, performance is a multi-faceted and subjective phenomenon. There are usually numerous stakeholders — that is, individuals and organisations who can affect or are affected by public programs — and therefore there can be widely divergent perspectives on what constitutes performance. Unlike private firms for which profits and returns on investment provide widely accepted measures of success, for public organisations the criteria of success are many and controversial.

There is also a significant symbolic component to the actions of government, consisting of the language and images used to describe what is taking place and the public's reactions to those messages.<sup>2</sup> Appearances matter almost as much as reality. The adoption of a performance measurement system, often accompanied by considerable fanfare, is itself meant to send the reassuring message that in the future government decision-making will be based more on objective evidence about longer-term impacts than on short-term political calculations. The implication is that we can get 'the politics' out of program management, allowing design and delivery of programs to be based upon well-informed professional judgements. There is also a 'performance art' aspect to performance measurement. Doing performance measurement can become a ritualistic activity intended to

satisfy or impress significant others — such as Treasury Boards, or funding agencies if outside organisations are involved.

In summary, the performance captured by a particular set of measures will always be partial and contextual, reflecting the fact that the measures have been selected, analysed and interpreted through the lenses of the organisations and individuals involved with the process. This is quite different from the claim that performance measurement systems can provide objective evidence about how well an organisation or program is operating. Given their inherently subjective nature, all measures should remain open to debate and possible replacement. When particular measures cease to be debatable, there are three possible explanations:

- the measures do not focus on significant dimensions of performance;
- or, a particular conception of the organisation's goals and how to achieve them has gained dominance to the extent that debate has been stifled; and
- or, the activity of performance measurement has become a routinised, ritualistic part of organisational life which is not taken seriously.

Regardless of which of these conditions apply, the result will be to impair organisational learning and improved performance. An acceptance of ambiguity, contingency, plurality, and controversy can be seen as signs of organisational health, not as signs of confusion, lack of clarity and poor performance. Finding an appropriate balance between confidence and commitment to a particular set of measures versus ongoing debate and revisions to the measures, is an important part of the art of performance measurement.

Two simplistic slogans appear frequently in the performance management literature. The first is that 'you can't manage what you can't measure.' If this were in fact true, the largest and most important parts of organisational life would not be subject to managerial direction and control. It is the 'softer', more submerged dimensions of organisational life which have been shown to be crucial to better performance. The second slogan exhorts leaders within organisations to 'manage by the numbers'. Exactly how this is to be done is not made clear, nor are the dangers of doing so identified. Setting performance targets and basing decisions on performance results may cause organisations to do the wrong things well if they become too committed to a particular understanding of policy problems.

## ENDNOTES

<sup>1</sup> Rob Paton. *Managing and Measuring Social Enterprises*. London: Sage, 2003. p. 5.

<sup>2</sup> See Murray Edelman. *Political Language: Words That Succeed, Policies That Fail*. New York: Academic Press, 1977.