

Performance Measurement and Evaluation

Performance reports might play their most useful role in signalling to responsible decision-makers and to others the need to conduct more systematic and in-depth evaluations of policies and programs which do appear to be working very well based on the latest published performance evidence. In some ways, performance measurement represents the successor managerial approach to program evaluation which enjoyed great popularity during the 1960s and the 1970s. Evaluation promised better informed decision-making about programs based upon periodic, systematic and objective investigations into their economy, efficiency and effectiveness in serving their declared goals. Many countries, but particularly the United States, made evaluations of programs mandatory on a cyclical basis. A large community of professional evaluators developed both inside and outside of government. However, within a couple of decades, a certain amount of discouragement overcame the evaluation community based on the difficulty and expense of measuring the success of programs and the seemingly low levels of utilisation of evaluation findings by decision-makers. In addition to the analytical and financial problems, many in the evaluation community pointed to the role that politics played in limiting the impacts of the approach.

As budgets within governments became tighter from the late 1970s onwards, 'the evaluation industry' which had been growing rapidly both inside and outside of government began to decline. Rather than make evaluation mandatory on a calendar basis, governments adopted a more selective approach to the use of evaluations. Also, evaluations became less comprehensive and did not aspire to the same level of scientific validity as in the past. Performance measurement emerged in this context partly as a lower cost alternative to expensive, in-depth evaluations. Since the new approaches derive from the same disciplines and rely upon some of the same analytical techniques, professionals who were formerly evaluators became performance measurement specialists. However, most performance measures stop short of answering fundamental questions about why programs work or fail to work. At best they sound alarms that something is wrong, suggest questions about what has happened and prompt debate about what can be done to improve programs. On this basis, performance reports can support decision to undertake a more in-depth evaluation of the operations of a program. Evaluation findings can then ideally flow into the planning, budgeting and performance measurement systems.