

Evaluation in the future— the pivotal activities

Development of accountability criteria

Evaluation of health and welfare programs is needed to give governments, organisations and the community appropriate information to judge the efficacy of expenditure amounting to some 16 per cent of gross domestic product. Without this evaluation, money may be spent over a long period with no evidence of either success or failure. Indeed, failure may be evident only after the precipitation of some major crisis. Moreover, the crisis may take some time to manifest itself.

The conclusions of many recent health and welfare reports reinforce this point. History has shown that evaluation in Australia has consisted of one-off, ad hoc studies inadequate for the purpose of aiding decision making.

The thrust of this report is to make recommendations that will provide for systematic evaluation relevant to decision making, and thereby facilitate an increase in the accountability for government activities that become ever larger, more complex and more numerous.

Developing forward-planning and evaluation capacity

Governments need to improve their ability to anticipate social problems that may require specific governmental programs or services. We therefore make recommendations that will entail immediate consideration by governments of studies of likely future expenditures in health and welfare. These studies will in turn require identification of the extent of probable need and demand for health and welfare services.

We make further recommendations which endeavour to ensure that governments and organisations are required specifically to assess the impact of rapid social, economic and technological change on the need for particular programs or services. Such a requirement means that prior attention should be given to the adequacy of existing evaluation methodologies as they affect the assessment of need.

Establishment of social need

To improve the nation's ability to discern the needs of the community, we make recommendations to provide for a consistent and concerted attempt to develop efficient, understandable indicators of social need that might help governments to:

1. evaluate whether, and to what extent, existing programs are meeting real needs;
2. evaluate the overall impact of existing social welfare programs;
3. effect a rational allocation of resources to other levels of government and to voluntary organisations.

The information base required to establish such needs is lacking, and its development is a neglected part of Australia's data collecting. Consequently, we make recommendations that allow for:

1. continuous monitoring of demonstrated needs;
2. searching for needs as yet undemonstrated;

3. the first steps toward the development of a set of indicators of the health and welfare status of the community.

First, however, we need to explore the issues relevant to getting better access to data that currently may be collected but not released for use. We need also to develop agreed priorities for the identification of basic data.

Society looks to government for active leadership in discovering who in the community is in need, what the nature of that need is, and how it may be satisfied. Need is disparate and changing and must be monitored continually.

Goal setting based on definition of need

Goals based on the definition of need should be set for three main purposes:

1. to facilitate planning and co-ordination;
2. to provide guide-lines for workers at service level;
3. to make evaluation possible by enabling decisions to be made about what to monitor, and by serving as a reference point to permit a judgment of success or failure concerning what has been accomplished.

Goals should be flexible—and may be multiple—to account for changes in need and political perspectives and for advances in knowledge. Further, there are often hierarchies of goals which a single intervention may attempt to satisfy.

The Committee has recommended that all government and non-government health and welfare organisations state publicly, and in writing, both broad strategic goals and precise, testable objectives. Statements of this kind should also be included in legislation.

Statements of goals make programs and services more visible, more answerable and more accountable as it becomes clear what achievements are being pursued.

Standards in evaluation

Standards are the yardstick of achievement. They supply the means for the setting of realistic goals; they specify the dimensions that are to be considered in the evaluation process; and they provide a measure against which assessment can be made.

Further, standards play a vital role in the day-to-day running of services by providing a rationale for decisions, by guiding the individual worker and by facilitating inter-service co-operation and comparison.

In the main, Australia lacks precisely defined standards, and all involved groups need to develop and disseminate comprehensive standards of performance to guide their members and to protect the public. Australia needs a strategy to ensure that appropriate standards are developed, disseminated, accepted and reviewed regularly to maintain their suitability and effectiveness. Governments need to play a central role in facilitating these processes.

National data base for evaluation

Australia lacks basic health and welfare data. For organisations to be able to define and assess need accurately, and then make some judgment about the adequacy of their activities in satisfying need, certain data are required. Some data are now available but not all organisations are aware of them. Some are collected but not disseminated. However, many are not collected at all. We make recommendations for the establishment of priorities for the identification and collection of basic data, particularly outcome data. We also make recommendations that endeavour to gain the release of data currently 'locked in'.

Without the provision of appropriate data, evaluation can only perpetuate existing prejudice.

Priorities for program evaluation in health and welfare agencies

While recognising that the state of the art in evaluation does not yet allow rapid development of evaluation effort, we consider that a systematic review of acceptable evaluation approaches is long overdue. For effective evaluation in Australia, we need to identify clearly those evaluation methodologies that even now are applicable within Commonwealth agencies—in evaluations by various parliamentary committees and by central management agencies such as the Auditor-General's Office, the Public Service Board and the Department of the Prime Minister and Cabinet.

Specifically, we need to:

1. take systematic inventory of what is going on;
2. identify what is known from past evaluations;
3. identify what gaps exist in both the knowledge and the data required to achieve *specific* evaluation objectives;
4. evaluate the appropriateness of specific systems of management review to the improvement of program performance in the health and social welfare areas;
5. identify particular inadequacies in existing information systems; especially, we should examine the issues relating to information derived from program management data but not currently available for use;
6. identify what levels of funding are required to plug the information gaps;
7. identify the extent of any gaps in evaluation skills in the Commonwealth Public Service and in non-government health and welfare organisations;
8. take immediate action to upgrade evaluation knowledge and skills through appropriate training programs and/or technical assistance;
9. ensure that evaluation information is made public and shared widely.

The results of studies addressing themselves to these issues must be capable of being understood by the consumer and must be applicable at all levels of organisation.

Priorities for program evaluation within management

Not only must evaluation be carried out effectively; management must be capable of using the results.

Parliament has a role in managing vast health and welfare resources and has developed a number of mechanisms to serve it in this role. These include an extensive committee system. The parliamentary processes have a potential for both overlapping and leaving gaps and must be examined with a view to ensuring the adequacy of the Parliament's oversight capacity.

A number of critical issues must be examined:

1. the adequacy of Parliament's present capacities to acquire, produce, disseminate and use evaluation material;
2. the need for an alternative method of parliamentary oversight that will systematically review the development of programs and projects from start to finish; this should include the use of experimental techniques such as zero base budgeting and sunset legislation;
3. Parliament's relationships with organisations involved in the evaluation of different aspects of the effectiveness of health and welfare programs, including

the Department of the Prime Minister and Cabinet, the Department of Finance, the Treasury, the Auditor-General's Office, the Public Service Board, the Social Welfare Policy Secretariat, and other relevant individual departments and statutory authorities, as well as State and non-government organisations.

The Public Service has developed an extensive system of management hierarchies and techniques to cope with the immense problem of managing programs and services. A number of centralised overseer departments and authorities have developed a range of particular management functions. These central departments are important to the evaluation function now—and will remain so. They face significant problems in overseeing, or evaluating, an increasing range of government activities that become ever larger and more complex. Despite such central control, departments involved in the actual administration of programs have a large part to play in ensuring adequate evaluation.

The Public Service, then, must face a number of critical issues:

1. the quality and adequacy of the information flow to the central overseer departments;
2. the responsibility for ongoing evaluation in departments providing a program or service;
3. the role of central departments in ensuring adequate evaluation and in the interpretation of such evaluation;
4. the dissemination of designated information to the public;
5. the allocation of resources to evaluation activities;
6. new management techniques that may be required to facilitate evaluation and the use of evaluation results.

The management problems of the non-government health and welfare sector differ only in magnitude. No less than the public sector, non-government organisations need to examine their management capacities and techniques for undertaking evaluation and for incorporating evaluation results into organisational decision making.

Some critical issues that the non-government sector must face are:

1. the acquisition or diversion of resources for evaluation;
2. the setting of priorities between service delivery and evaluation;
3. the necessity for persuading workers and management of the need for appropriate evaluation;
4. the gaining of skills and knowledge necessary for evaluation;
5. the consolidation and accessibility of the considerable volume of data possessed by this sector;
6. the special problems of disseminating evaluation results and experience among the great variety of widely dispersed non-government organisations as well as among their often disparate sources of funds.

Parliament and management in all organisations in the health and welfare fields face the problems of developing appropriate skills for dealing with evaluation.

Conclusions

Accountability is a central theme of this report. Those who spend such large amounts of money as are now spent on health and welfare must be accountable, particularly as the expenditure has such a direct impact on people's lives.

Evaluation also makes good sense in terms of social policy. It allows for clearer definition of need, discovery of new or changing needs and more precise direction of social policy.

Effective, ongoing evaluation is difficult to undertake, and also difficult to incorporate into decision making. Evaluation requires forward planning.

The Committee does not underplay these difficulties; it does not underplay the lack at times of appropriate techniques for effective evaluation; it does not underplay the lack of skills and the resultant need for training and education.

However, the task is necessary. We cannot afford to delay any longer. Parliamentarians, public servants, managers and workers in the field will all have to learn as evaluation proceeds.

We have not been at all prescriptive in our view of evaluation processes. We have only identified certain necessary steps. Each organisation will have to select the evaluation process most effective for its own objectives and environment.

Evaluation, however, does not necessarily ensure accountability. Accountability needs to be facilitated by adequate documentation and dissemination of information. Only in this manner can responsibility become visible as the basic tenets of rational, informed argument are provided.