

Connecting with Canadians; Towards effective, web- based, citizen- focused performance reporting

**Christopher Hyde,
Deputy-Director of Research and
Capacity Development**

**For: Financial Management
Institute of Canada, Ontario
Chapter
October 21st, 2009**



CCAF-FCVI is a non-profit research and educational foundation supported by federal and provincial members ...

- ❖ **Founded in 1980 as Canadian Comprehensive Auditing Foundation**
- ❖ **A leader in research on public sector accountability**
- ❖ **Neutral forum for auditors, government managers, elected reps**

Our principal activities are research, education, and other capacity building activities ...

- Innovation, risk management and control
- Performance auditing
- Integrated (non-financial & financial) performance information used to report publicly
- Comptrollership and related management practices
- Training on accounting standards
- Program for Improved Public Performance Reporting

In 2001 CCAF developed 9 Principles for Public Performance Reporting

1. Focus on the few critical aspects of performance
2. Look forward as well as back
3. Explain key risk considerations
4. Explain key capacity considerations
5. Explain other factors critical to performance
6. Integrate financial and non-financial information
7. Provide comparative information
8. Present credible information, fairly interpreted
9. Disclose the basis for reporting

CCAF aims to to align performance reports with the needs of users (legislators, the media and the public)

Users:

- ❖ Find out how to improve the readability and usability of performance reports
- ❖ Stimulate demand for Public Performance Reports among users

Governments:

- ❖ Provide feedback on the readability and usability of reports
- ❖ Identify best practices

... in other words, to align supply (reports) with demand (user needs)

Performance reporting matters because...

- ❖ It is not enough to report on money spent
- ❖ The public wants to know what value is being received for taxes paid
- ❖ Taxpayers no longer trust the way that they once did
- they are well educated and ask questions
- ❖ Performance measurement and reporting are key parts of the overall accountability chain for elected officials and program managers

... and being open, transparent and accountable benefits the entire organization

Many reports suffer from the same problems ...

- ❖ Only telling a “good story”
- ❖ Written in bureaucratic language
- ❖ Too much and/or poorly aligned information
- ❖ Reports are not credible and can be difficult to access
- ❖ Reports are not relevant to stakeholders

CCAF has done a fair amount of recent research on what citizens want ...

1. Alberta User Consultation Groups
2. Increasing Media Use of Public Performance Reports Study
3. Good Practices in Public Performance Reporting Study

In Alberta, citizens told us ...

- ❖ Compare and contrast performance across reporting periods and between jurisdictions
- ❖ Reports would be more relevant if stakeholders were consulted on setting measures
- ❖ Readers want to engage through information technology
- ❖ Better graphs and charts

In Ontario, the media said ...

- ❖ Include anecdotes, stories, or pictures to relate performance to the audience
- ❖ Make information easily accessible and understandable
- ❖ Make performance newsworthy (timeliness, proximity, conflict, eminence and prominence, consequence and impact, human interest)
- ❖ Understand your audience: what do elected officials want to know?

Our five nations survey of best practices looked at reporting from the perspective of central agencies, auditors and elected officials ...

- ❖ Use formats that meet the needs of users
- ❖ Make reports understandable and relevant
- ❖ Report against explicit targets that users can understand
- ❖ Link performance to broader governmental performance

Users of performance information want to be engaged, not just reported to ...

- ❖ Must respect the capacity of the audience- especially of elected officials
- ❖ Make use of technology to reach out to stakeholders
- ❖ Citizens feel powerless but still want to be engaged
- ❖ Certain practices make this possible:

Moving Forward ...

- ❖ Performance reporting has advanced in the last 5 years
- ❖ Producers are beginning to grasp the idea of web-based reporting
- ❖ Private sector makes efficient use of the Internet
- ❖ Government is slower to catch up technology
- ❖ Rather than producing a paper report with a limited print run, they can produce a web-based report that can be accessed by millions

But things are changing very rapidly ...

- ❖ Producers grasping the idea of **web-based reporting**
 - ❖ **Private sector** uses the Internet well, but not government - yet
 - ❖ Rather than a paper report with a limited print run a web-based report is **accessed by millions**
 - ❖ Governments can:
 - **engage users** at the start, not just end-stage reporting
 - make reports **relevant** - How does it affect me?
 - provide **comparisons** to create context
- ... and we see an opportunity to help Canada leap frog**

We are developing seven digital-age, citizen-focused performance reporting principles ...

1. Make full use of electronic capacity and technology

- Design the report as a portal to engage users ([British National Library](#))
- A web-document can contain a lot of information and still be easy to use ([City of Melbourne Australia](#))

2. Use Web 2.0 to communicate both ways

- Public performance reports should allow for a two-way conversation
- Disclose input from stakeholders ([South Australia strategic plan](#) or [Government of Singapore Finance](#))
- Provide interactive tools for interested users ([City of Albuquerque Green Reporting](#))

We plan to have a consultation draft by the spring ...

3. Allow users to drill down and out of traditional performance reporting hierarchies

- Help users to find information outside the traditional reporting structure:
- Can link to other departments and agencies and (Expectmore.gov) ([Meat and Livestock Australia](#))
- Web based annual reporting allows stakeholders to drill down through information ([Project Rivershed](#))

4. Provide comparative and/or contextual performance information

- Design the Electronic Performance Reports should allow users to compare and contrast information
- E-reports can allow users to compare performance to other jurisdictions. Information should if possible connect to “my view of the world”
- ([Newfoundland Community Accounts](#), [National Health Service Choices](#))

5. Allow for customized reporting

- Allow users to modify reports to best suit their needs
- Allow users to build customized reports, using online and offline resources([National Film Board](#))

6. Initiate “evergreen” performance reporting

- Performance Reports are not always timely but electronic reporting can provide current information
- Providing users a snapshot of government performance ([Washington State Transportation Improvement Board](#))
- Keep citizens informed of government performance, changes to risk and current progress([Land Securities UK*](#))

7. Link to external assurance and sources of validated data

- Ensure the validity of data used
- Active reporting systems need assurance on the quality and validity of the data used ([BASF](#))

A few last thoughts ...

- ❖ These things are technically possible but public sector culture needs to catch up
- ❖ Governments need to better understand the capacity of Canadians to understand performance
- ❖ Stakeholders want the truth about performance. “Telling it like it is” is what they expect