



PATHFINDER

Guidance on Outcomes Focused Management

Supporting Paper : Interagency Collaboration for Outcomes

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This document provides guidance for agencies integrating outcome information into their decision-making processes. The document was produced by New Zealand's Pathfinder Project. More guidance documents are available on <http://io.ssc.govt.nz/pathfinder>.

We hope other outcome-based initiatives continue to develop the material presented in this suite.

Interagency Collaboration for Outcomes

Purpose Statement

1 This paper identifies principles and success factors promoting effective collaboration or coordination between agencies in pursuit of shared outcomes.¹ Shared outcomes relate to situations where two or more agencies contribute to one or more outcomes that are common, similar or related in some way.

Management Overview

2 The primary purpose of interagency collaboration is to maximise benefits to New Zealanders from government services and activities. Focusing on improved outcomes drives greater recognition of the fact that agencies often contribute to shared outcomes, and must collaborate to achieve their goals.

3 Collaboration works best when agencies truly value interagency collaboration, and there is deep-seated interest in shared outcomes. This commitment is underpinned by a philosophy that recognises that interagency collaboration has the potential to improve significantly outcomes for citizens. Ministers and senior manager must buy-in to, and model, a collaborative approach.

4 To collaborate effectively each agency must have its own outcomes and intervention logic well defined and be clear about its own accountabilities and roles, priorities and resources, and the interests it shares with partner agencies. All agencies must commit time and resources.

5 Well-defined formal processes are required to facilitate effective collaboration. This includes a logic and interventions that are well specified, guiding committees, integration with other initiatives within each agency, and joint processes for gathering performance feedback.

6 Results must justify costs. Agencies should collaborate where outcomes for citizens can be improved, and integrated action is cost-effective. Collaboration can be expensive in dollars and lost opportunities. It can absorb significant management attention not just in meetings, but also in preparation, analysis, and organisational and system design.

Success Factors for Managers

7 Agencies currently collaborating well have identified the following success factors:

Get your own house in order – collaboration will be more effective when your agency has its own outcomes and intervention logic well defined. Collaborating towards common outcomes is less likely to be successful when participating agencies are not clear about their own outcomes and intervention logic.²

Ministerial and Stakeholder "buy-in" – all agencies should consult their Ministers as they progress interagency collaboration. Ministers should be comfortable about the proposed roles and how the outputs of individual agencies link to the outcomes sought. Significant stakeholders should be kept informed, and engaged where feasible.

Agreeing outcome(s) – shared outcomes must be defined and agreed. Working to different objectives (outcome goals or targets) is liable to lead to future conflict. The outcomes need to be strongly linked to the mission of each participating agency and linked back to their outputs, preferably through a coherent intervention logic.

¹ Further work on this subject is being undertaken as part of the managing for outcomes programme.

² *Doing Cross Agency Outcomes Better*, Unpublished paper, MFO Steering Group, 2003

Leadership – without active, open and consultative styles of leadership there is a risk that collaboration will not flourish. The particular leadership skills needed are:³

- a analytical skills that lead to consensus on the best intervention approach(es);
- b facilitation, including the ability to create an informal and positive atmosphere;
- c influencing skills particularly the ability to sell ideas, and to be seen as honest and transparent with no hidden agendas; and
- d organisational and planning skills.⁴

Role and Responsibilities – each agency working towards shared outcomes should be clear about its own role and responsibilities, and those of other agencies. Such clarity facilitates departmental accountability to the sector and minimises wasted time, effort and resource.

Time – it can take months or years just to build trust, knowledge and commitment across agencies and at several levels of management. Persistence may be required to produce results.

Terms of Reference – clarity of purpose is essential for any group. Terms of reference should specify roles, responsibilities, resources to be committed, decision-making processes, information sharing processes, and process management. Terms of reference should include dispute resolution processes.

Culture – participants should value and be actively committed to collaboration. This includes:

- a senior managers modelling the behaviours required to encourage and support collaboration;
- b participants working together to build a coherent sector intervention logic that enables prioritisation of outcomes, approaches, and outputs to maximise outcomes;
- c working in a way that reflects commitment to the joint approach; and
- d listening to other agencies that are not represented but have a legitimate role.

Size of groups – groups should not be too large. Canadian experience suggests that 6 – 10 individuals can work.⁵ This is supported by successful practice in New Zealand (e.g. the National Road Safety Committee contains 7 chief executives). Smaller groups may work even better.

Common Terminology – agreeing technical terms and basic concepts helps avoid misunderstandings⁶. Terminology should be agreed early in the collaboration process.

Good Practice Guidance

8 New Zealand agencies have, to varying degrees, worked together well in delivering outputs and therefore much of the following is not new. What is different is the explicit focus on shared outcomes.

When should agencies collaborate?

9 *Collaborate by choice, not chance*⁷. Collaborating in a formal “coalition” is expensive. It can absorb significant time, not just in meetings, but also in preparation, analysis, and organisational and system design. Choosing when and where to collaborate is a decision that should not be taken lightly.

³ Adapted from *Companion Guide – The Development of Results-based Management and Accountability Frameworks for Horizontal Initiatives*, Treasury Board of Canada, June 2002, http://www.tbs-sct.gc.ca/eval/tools_outils/comp-acc-PR_e.asp?printable=True

⁴ *Joining Up to Improve Public Services*, Report by the Comptroller and Auditor General, HC 383 Session 2001-2002, 7 December 2001, p 81, “Key Lessons”.

⁵ *Companion Guide*, Treasury Board of Canada.

⁶ *ibid.*

- 10 In general, agencies should only collaborate formally on shared outcomes if they meet these criteria:
- a *Impact*: outcomes for citizens can be improved by better coordinated government action;
 - b *Value*: the benefits of collaboration to New Zealanders outweigh the costs;
 - c *Accountability*: all agencies are accountable for their actions; and
 - d *Rationale*: there is a clear rationale for including all participants.

How should agencies collaborate?

11 Agency representatives should be senior enough to make decisions and commit the organisation. The following good management processes also underpin successful interagency collaboration:⁸

Form a senior guiding committee – Chief Executives or general managers should represent their agencies on guiding committees. Guiding committees should not generally include other managers or analysts unless they have decision-making rights or can obtain decisions in a timely and non-disruptive manner. Good committees have a very clear role and purpose⁹:

- a specified outcome based objectives;
- b a clear Memorandum of Understanding or Terms of Reference;
- c formal links to other committees such as stakeholders and user groups; and
- d clear roles.

The Canadian SUFA template outlines a detailed, systematic approach to documenting interagency collaboration agreements.

Early engagement – the formation of a guiding committee to oversee interagency collaboration should occur early in the outcome development processes of participating agencies. A good example of this is the ongoing development work by agencies in the “justice” sector. The Secretary for Justice has convened a Chief Executives Group (and other working groups) early in the Managing for Outcomes (MfO) process and this group is working towards:¹⁰

- a agreeing sector goals and priorities;
- b developing a prioritisation process for new [sector] initiatives; and
- c aligning agreed outcomes and priorities in agencies’ Statements of Intent (SOIs).

Exhibit 1. Early Engagement

The benefits of early engagement are highlighted in Justice’s Post Election Briefing 2002:

“This framework would assure Ministers that a sector perspective had been applied to the development of outcomes and priorities. It would facilitate communication and enable the recognition of links and interfaces, thereby improving the coordination of the sector. It would also enhance the implementation of sector strategies.”

⁷ Adapted from *The Federal Government as Partner: Six Steps to Successful Collaboration*, November 1995, Treasury Board of Canada.

⁸ The Canadian *SUFA Template*, Treasury Board of Canada, 11 April 2000, outlines a detailed, systematic approach to documenting interagency collaboration agreements. http://www.tbs-sct.gc.ca/rma/account/sufa-ecus/temp-mod_e.asp

⁹ <http://www.ltsa.govt.nz/about/who.html> The National Road Safety Committee is a good example of this.

¹⁰ Post Election Briefing, 2002, Ministry of Justice, <http://www.justice.govt.nz/pubs/reports/2002/post-election-brief-2002/chapter-1.html>

Engagement at multiple levels – both the Road Safety Sector and the Justice Sector have engaged at the chief executive level to oversee direction and progress, and at a managerial level to coordinate design work and implement co-ordinated activities, research and services. Coordination may occur at multiple levels through governance and working group committees.

Alignment of Outputs – clear intervention logic is needed to link outcomes to actions. For example, joint planning and reporting around outcomes is evident in both LTSA¹¹ and Police documentation. These agencies have been collaborating for several years¹²

Internal Management

12 While interagency collaboration may be externally focused, internal managements issues require attention. The Department of Labour has developed a framework for progressing joint outcomes with their key partner agencies. This highlights the need to consider alignment with the Department’s own outcome framework and to have clarity around the respective contributions of each agency and their related accountabilities.¹³

Engagement with the relevant parts of the agency. If interagency collaboration is to succeed then planning, policy and service delivery units of the agencies should be engaged early in the process. This is necessary to gain internal “buy-in”, and to ensure that outcome models and logic are suitable.

Information required by collaborating agencies is held centrally or made readily available. Access to outcome and performance information should be accessible not only to the relevant units, but also made available to managers responsible for maintaining relationships and reporting performance to collaborating agencies, whilst remaining within good practice guidelines for the management of information. Privacy issues must always be addressed. Agreement is required on what results will be monitored and reported.

Co-ordination of initiative. Agencies typically run multiple initiatives at any one time. As with internal initiatives it will be necessary to co-ordinate internal decision-making, resource allocation, and strategic planning to minimise conflict and maximise synergies.

Implementation

13 As agencies refine their intervention model and work towards service delivery they generally focus on a range of implementation issues:

Measurement and evaluation strategies – Sector managers will have to develop a monitoring and evaluation strategy that outlines how key performance indicators will be tracked. For each indicator, the monitoring strategy should show how information would be collected, by whom, and how often. Baseline information may need to be collected at the outset. Estimated costs for data collection and analysis should also be identified in these strategies.¹⁴

Remaining flexible. Each agency should ensure that services do not conflict, duplicate or clash with the activities of other sector agencies. A sector intervention logic should help agencies be clear about the services they deliver, and where or when services may need to change.

¹¹ See Table 4, *New Zealand Road Safety Programme, 2001 – 2002*, Land Transport Safety Authority, http://www.ltsa.govt.nz/publications/nz_rsp/nzrsp01_02.html

¹² “Output Class 12”, NZ Police Annual Report, 2002. <http://www.police.govt.nz/resources/2002/annualreport/annualreport.pdf>

¹³ Department of Labour: Agreed framework for progressing joint outcomes. October 2002

¹⁴ *Guide for the Development of Results-based Management and Accountability Frameworks*, Treasury Board of Canada, August 2001, http://www.tbs-sct.gc.ca/eval/pubs/RMAF-CGRR/rmafcgrr_e.asp

Overcoming barriers to engagement. Some agencies may find engaging with others difficult due to an apparent lack of interest. Often the issue is differing priorities, not lack of interest. An outcome that is a high priority (vital few) for one agency may not be as high a priority in another agency, resulting in an apparent reluctance to engage. In these situations agencies could try to engage on an *informal* basis (i.e. without formal documentation or agreement) but work together where interests are aligned and joint work is most productive.

14 Choosing when and where to collaborate is critical. Agencies should collaborate where outcomes for citizens can be improved by integrated government action and such action is cost-effective.