

EVALUATION POLICY AND PRACTICE IN THE PROVINCIAL GOVERNMENT OF PRINCE EDWARD ISLAND

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Abstract: At the request of the Canadian Evaluation Society, the P.E.I. Chapter of that organization has compiled a status report of evaluation policy and practice in the Government of Prince Edward Island. The theme we have chosen is one of accountability and the progress towards managing for and reporting on results. The first half of the report is a chronology of the movement towards formalizing an accountability structure in the P.E.I. public sector, followed by examples of how four departments are utilizing performance measurement to report on achievement of stated goals.

Résumé: À la demande de la Société canadienne d'évaluation, la section de l'Î-P-É a rédigé un rapport de situation concernant la politique et les pratiques en place au gouvernement de l'Île-du-Prince-Édouard en matière d'évaluation. Le thème choisi est celui de l'obligation de rendre compte et du progrès orienté vers une gestion axée sur les résultats et la manière d'en rendre compte. La première moitié du rapport établit la chronologie de l'évolution vers l'officialisation d'une structure de responsabilisation à l'intérieur du secteur public de l'Î-P-É suivie d'exemples d'utilisation de la mesure de rendement dont se sont servis quatre

ministères afin de rendre compte de la réalisation d'objectifs définis.

The P.E.I. government is comprised of 10 departments and approximately 30 entities concerned with the broad sectors of health, education, and the civil service. There are approximately 7,300 full-time equivalent positions serving a provincial population of 138,900 (Statistics Canada, 2000). Priorities of the current administration, led by Premier Pat Binns, are the provision of quality health care and education, a clean healthy environment, sustainable economic development and job creation, and support for traditional industries and our communities (Premier's Office, 2000).

METHODOLOGY

Due to time constraints, the executive members of the P.E.I. Chapter, Canadian Evaluation Society, elected to undertake the project. A review of government documents augmented by personal accounts of past and current experiences in line departments provided by chapter members formed the basis of data collection. This article is not to be interpreted as an official position of the Government of Prince Edward Island.

FOCUS ON ACCOUNTABILITY

Accountability is defined as the obligation to report on a responsibility conferred (Auditor General's Office, 1995). Although there are various methods of evaluation — performance measurement, program and/or policy evaluation, and comprehensive audits — it can be argued that all methods have the objective of demonstrating accountability to facilitate continual improvement.

Governments distinguish themselves from the usual accountability relationship, as they are ultimately responsible/accountable to their citizens (as opposed to the business sector, which is accountable to shareholders). P.E.I. taxpayers have delegated the expenditures of public funds to the legislature. Executive Council (collectively and individually as ministers) is appointed to exercise the powers of the crown; they in turn hold their deputies and staff accountable for the administration of programs and expenditures of public funds.

Accountability and an appropriate framework for reporting to the Legislative Assembly have been deemed to be most effective when

government programs and services are managed for results and reporting information is focused on results.

EVOLUTION: THE 1990S

Over the previous two decades, Prince Edward Island has undergone significant modernization. The Federal/Provincial Comprehensive Development Plan transformed the provincial society and economy with unprecedented public-sector investments in physical infrastructure, health and education, and traditional resource industries. The civil service experienced corresponding growth in response to Islanders' ever-growing demand for services and programs. As the new millennium loomed, government recognized the need to rationalize its own activities and to stimulate private-sector development to bring about a more sustainable economic and social balance (*Reorganization of the Government of Prince Edward Island*, 1993).

A cabinet committee on government reform initiated an extensive review of the provincial government structure in 1990. Its objective was to streamline governmental operations to position the government to meet the social, economic, and fiscal realities of the future. Several internal task forces provided recommendations for changes internally that, together with the growing fiscal deficits, formed the basis and impetus for the reorganization of the public sector.

In 1993, a major reorganization of government was predicated on the management philosophy to provide departments/agencies with increased authority/empowerment in the delivery of programs and services balanced by greater accountability for results. The reorganization resulted in a substantial portion of government programs and expenditures being transferred to new agencies, with performance and accountability requirements entrenched in new education and health legislation.

Faced with major deficit(s) targets in 1993–95, the provincial treasurer, in his budget presentations, referred to the need to hold departments, corporations, and health and school boards accountable for meeting and reporting on agreed objectives.

Executive Council introduced in 1994 a process of “Key Results Areas” whereby departments were expected to prepare strategic plans with identified (measurable) targets for three to four years.

In his 1995 budget address, the provincial treasurer committed to having legislation introduced that would “improve accountability by holding departments, agencies, regional (health) authorities and school districts accountable for meeting agreed upon objectives and require annual reporting on program effectiveness and achievement of results” (Department of the Provincial Treasury, 1995, p. 14).

The Financial Administration Act was amended in 1996, introducing an accountability framework requiring government entities to prepare annual reports focusing on establishing goals and reporting on results achieved (Province of P.E.I., 1996).

Treasury Board in 1997 approved an internal government policy establishing specific guidelines to help ensure that annual reports form an integral part of the accountability framework for departments/agencies. A phase-in period of three years for full compliance was implemented.

AUDITOR GENERAL’S REPORTS

During the same period the auditor general emphasized the importance of formalizing the accountability structure: “The Legislative Assembly, government and managers cannot carry out their responsibilities without adequate performance information on government programs. This information is required and should be reported within an accountability framework that identifies what is to be achieved, what has been achieved, and who is responsible for results” (Auditor General’s Office, 1995, p. 6). His conclusion was that effectiveness reporting will never become a reality voluntarily and that legislation was required.

THE KRA PROCESS

With newly mandated departments/agencies established in the previous year, Executive Council in December 1994 adopted a Key Results Area (KRA) process whereby departments were requested to prepare strategic plans with short- to medium-term targets, essentially a statement of the areas in which it is critical to have acceptable results.

Over the next two to three years, the following criteria were used to guide the departments in the process: What results do we want to achieve (in measurable terms)? Why is it important (to assign re-

sources)? How will it be achieved (objectives, strategies, detailed work plans)? When will it be achieved (target dates)? Who is responsible (accountable for results)?

These key results/goals were developed in each ministry in discussion with employees (a bottom-up approach) and were intended to be a first step towards establishing an effective reporting system fully integrated with the budget and employee performance development. One notable flaw, however, was the absence of clearly formulated (stated) corporate goals.

Although most government entities have made progress in accounting for results, the auditor general recently observed that the greatest weakness in the most recent annual reports was the absence of documented goals and objectives and a clear link between results and objectives (Auditor General's Office, 2000, p. 5).

BUSINESS PLANS

Starting in fiscal year 1993–94, three-year budget deficit reduction plans were introduced for all newly formed departments. In fiscal year 1997–98, three-year business plans incorporating departments' goals, strategies, and budget targets were incorporated into the government's estimates of expenditures and revenue. The public release of ministries' multi-year plans was a positive step in support of the budget estimates. In 1998–99 these plans were revised, but were omitted in subsequent years. Consequently some departments have consistently updated and reported on ministry goals, and others have not. Reinstatement of multi-year business plans in the 2001–2002 budget process is under consideration.

LEGISLATION

In 1996 the provincial treasurer introduced amendments to the Financial Administration Act to improve reporting/accountability requirements to the Legislative Assembly and general public, summarized in the following section:

S.70 (5) Each reporting entity shall submit an annual report to the appropriate Minister in such a form as he may require which shall include an audited statement of accounts specified in subsection (2) and statement of

goals and results achieved during the reporting period.
(Province of P.E.I., 1996)

POLICY AND PROCEDURES: ACCOUNTABILITY AND GOVERNANCE MATTERS

The annual reporting framework policy, approved by Treasury Board in April 1997, provides guidelines for reporting entities on the principles, content, and process in the preparation of annual reports (Treasury Board, 1997). A three-year phase-in period for full compliance to meet the requirements of the 1996 amendments to the Financial Administration Act was established with the understanding that departments/entities would make best efforts to meet the spirit and intent of the framework as early as possible.

In March of this year, the auditor general of P.E.I. completed a review of the extent to which departments and agencies had complied with the requirements of the amendments to the Financial Administration Act and supporting Treasury Board policy. He concluded that progress is being made towards an increased focus on defined results: "The challenge is there for the future for government to fine tune the accountability reporting framework ... and go further to provide the leadership and commitment to develop a government wide performance report" (Auditor General's Office, 2000, p. 18).

BEST PRACTICES

The following are examples of the extent to which four P.E.I. government departments have been able to demonstrate progress towards measurement of and reporting on agreed-upon goals.

Department of Agriculture and Forestry

In January 2000 the Policy and Planning Section of the Planning and Development Division became the Strategic Planning and Measurement Division of the Department of Agriculture and Forestry. The division's role is to improve the quality of advice, assistance, and information provided to internal clients (mostly the minister and deputy minister and management), and on occasion to provide assistance to external clients. Division staff are committed to influencing the decisions of other departments and agencies, leading to improved outcomes for clients.

Division staff include the director, three policy analysts, a planning officer, and two administrative support staff. Depending on the nature of their work, the staff of the division are able to access assistance and expertise from other divisions.

The Department of Agriculture and Forestry had been following a five-year corporate and strategic plan since 1995 that included the following six measurable goals:

- increasing public satisfaction with the department
- improving the quality of advice, assistance, and information provided to clients in agriculture and forestry
- increasing catalytic influences on clients, resulting in strategic and value-added opportunities, and improving results with agencies and other government agencies who affect the department's clients
- improving the quality of legislation and enforcement
- improving clients' satisfaction with programs and services
- improving staff morale

The division is responsible for developing and testing data collection instruments to measure performance related to departmental goals, ensuring that appropriate data are collected internally or by consultants, and providing in-depth analysis of the data for the department and eventual posting on the department's internal web site.

The department has recently reviewed its corporate and strategic direction and, based on an analysis of the performance measurements from the previous five years and on emerging issues, has established a revised corporate and strategic plan for the next five years (2000–2005). Presently, the division is facilitating a process to ensure that each other division of the department establishes goals and activities that will result in achievement of the department's goals during the next five years.

Although the Department of Agriculture and Forestry has a corporate policy on strategic planning and performance measurement, it has yet to develop a policy on the evaluation of its programs and services. The responsibility for program evaluation rests with the Strategic Planning and Measurement Division; however, this division does not have the resources to undertake program evaluation except on an ad hoc basis. It routinely provides advice and consulta-

tion to other divisions and external clients regarding development of terms of reference for the evaluation of programs and services, and when time and resources permit, does undertake program evaluation upon the request of other divisions within the department.

The Department of Agriculture and Forestry is a leader among government departments in the areas of strategic planning and performance measurement. This has been in large part due to the commitment and leadership of senior management, and in particular the deputy minister. The Division of Strategic Planning and Measurement will continue to have a pivotal role in the development and facilitation of strategic planning and performance measurement within its department. Staff of this division have also been of assistance to other departments who wish to implement this planning and measurement system.

Department of Tourism

The Department of Tourism has a Research Section, currently within the Division of Corporate Services. The Research Section was transferred from Enterprise P.E.I. in January 1999, as much of the research being done was for the Department of Tourism.

Current staff consists of a senior research analyst and a research analyst. The position of Director of Policy, Planning and Research is vacant and will be filled in the near future. Once this position is filled, the research component will become part of the Policy, Planning and Research Division.

The role of the Research Section is to evaluate marketing and promotional initiatives and strategies of the Department of Tourism. Instruments include the annual tourism exit, motorcoach and Japanese surveys, focus groups, and in-depth interviews. External consultants are contracted as needed for field work and data collection. Research staff then input and analyze data and prepare final reports concerning whether the goals and objectives of the various marketing and promotional strategies have been attained. The data analysis is also an essential component in departmental planning.

The Research Section maintains links with other provincial, territorial, and federal governments through membership on the Canadian Tourism Commission's Research Committee and the Atlantic Canada Tourism Partnership's Research Committee. As well, the

Research Section maintains access to numerous on-line marketing and information databases.

Department of Health and Social Services: Performance Indicators

In response to feedback from the Canadian Council on Health Services Accreditation's accreditation process, regional CEOs and directors in the Department of Health and Social Services directed that program indicators be developed for the health and social services system.

The initial work is focused within five program areas: acute care, mental health, public health, home care, and child welfare. A three-person project team is collaborating on developing indicators with working groups in each of these five areas. The working groups include managers and front-line workers from each of the five provincial health regions and representatives from the department. The work is centred on developing indicators in five areas: client outcomes, accessibility, cost effectiveness, client satisfaction, and staff satisfaction.

The indicators identified will be provincial indicators, that is, each region will collect data for the same group of indicators (as a minimum). The indicator development process used is a collaborative one, which reviews provincial mission, vision, goals, and objectives for each working group. This information and client and service data are used as the base in ascertaining consistencies across the working groups, which then form the basis for the identification of specific potential indicators. The project team then researches these indicators, which are presented to each working group; selection is made based on preset criteria.

It is expected that the metrics of the selected indicators will be completed by September 2001, with data collection to follow. As well, a follow-up plan will be developed for each program area, which will identify the protocol for indicator development and address issues of implementation and use of the identified indicators.

Department of Education

Historically, the Department of Education has not adapted a formal program evaluation policy. However, in the fall of 1999 the depart-

ment established the Corporate Planning Division, which is responsible for strategic planning and program evaluation. The designation of a division that is responsible for the program evaluation function is intended to raise awareness of the importance of program evaluation, and to promote it as a best practice in the initiation and development of programs and projects as well as for ongoing operations.

The increasing importance of program evaluation within the Department of Education may largely be attributed to the introduction of common core curriculum throughout the Atlantic provinces, the implementation of a strategic planning initiative within the department since 1999, an increasing number of partnerships with community and funding organizations, and the requirement to be accountable to the public for results.

Within the area of curriculum development for Grades 1 to 12 in the public school system, program evaluation is useful for determining if curriculum programs are being implemented as intended and are meeting the stated learning outcomes. Evaluation should be performed at every stage in the development of curriculum, including field testing of a proposed course, selection of instructional resources, teacher in-services, and planning for implementation and maintenance of authorized curriculum. The 1993 introduction of common core curriculum for Grades 1–12 through the Atlantic Provinces Education Foundation has resulted in the need to evaluate curriculum in a consistent fashion throughout the Atlantic provinces. Systematic and consistent evaluation ensures that the curriculum, as well as implementation and maintenance practices, may be revised as required to meet student learning needs.

In the fall of 1998 the Department of Education initiated a strategic planning process. One critical success factor for the strategic planning process is the formalization and implementation of an integrated monitoring function. The primary purpose for monitoring performance is to facilitate the achievement of acceptable results in identified critical operating areas: monitoring results enables managers and staff to conduct formative evaluation of programs and activities. Monitoring provides the feedback to recognize successes in achieving results. It also provides information on whether change may be required to achieve the stated departmental goals.

Program evaluation is also considered an integral part of the strategic planning process, as it allows an independent and objective

assessment of the relevance and effectiveness of programs. The information obtained from the evaluations will enable informed decisions to be made about program content and delivery, to improve public and client satisfaction as well as the effectiveness and appropriateness of available lifelong learning opportunities.

Lastly, the Department of Education is more frequently participating in partnerships with community organizations and other funding organizations to increase lifelong learning opportunities throughout the province. To ensure accountability between partners, monitor the success of projects, and develop rationale for sustainable funding, it is necessary to collect information throughout the duration of projects and to conduct program evaluations.

Looking to the future, the department plans to integrate program evaluation, as a best practice, into the curriculum development process, into project definition and implementation phases, and into its overall decision-making framework. It is anticipated that all types of evaluation will be pursued, and that both qualitative and quantitative information will be collected, depending upon the reason for the evaluation and the program being evaluated. The Corporate Planning Division will play an active role in promoting, conducting, and supporting monitoring and program evaluation throughout the Department of Education.

CONCLUSION

We have described the continuing progress in the P.E.I. government's objective of integrating evaluation into the cyclical management process of planning, implementing, evaluating, and reporting on results. Where adopted, the process formalizes an accountability framework intended to better serve the citizens of Prince Edward Island.

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