



Development of RBM based common outcome management system & Performance Metrics

Background

The African Medical and Research Foundation (AMREF) rebranded itself as “Amref Health Africa” in April 2014, is the largest international health development organization based in Africa. It is dedicated to finding African solutions for lasting health change in Africa. With its headquarters in Nairobi, Amref Health Africa has offices in Ethiopia, Kenya, Southern Africa, South Sudan, Tanzania, Uganda and West Africa and conducts training in over 30 African countries through its capacity building programmes. In addition, Amref Health Africa has offices in Austria, Canada, France, Germany, Italy, Monaco, Netherlands, Spain, Sweden, United Kingdom and the United States that support operations in Africa through marketing, fundraising and advocacy initiatives. Employing over 1000 staff across its operations in Africa, Amref Health Africa is a knowledge resource for governments, donors and partners. Amref Health Africa has successfully developed community based health care models and programmes with communities. The programmes focus on seeking solutions to priority public health challenges, such as maternal and reproductive health and rights, child health, HIV and AIDS, TB, sexually transmitted infections, malaria, safe water, basic sanitation and personal hygiene, and clinical and laboratory services.

Based on its Corporate Strategy 2007-2017, Amref Health Africa has a three-year Business Plan for the period 2011- 2014. The Business Plan seeks to strengthen Amref Health Africa’s role as the leading African health development organization in Africa. The Business Plan is structured around seven strategic directions (SDs) shown below.

1. Making pregnancy safer and expanding reproductive health
2. Reducing morbidity and mortality among children
3. Scaling up responses to HIV, TB and malaria
4. Preventing and controlling diseases related to water, sanitation and hygiene (WASH)
5. Increasing access by disadvantage communities to quality medical, surgical and diagnostic services
6. Developing a strong research and innovation base to contribute to health improvement in Africa
7. Developing a stronger and unified AMREF that will enable the delivery of our health priorities

Each Strategic Direction has a set of focus areas that are critical for achieving AMREF’s health priorities and enabling the organisation to become stronger and more effective. The focus areas are made up of health and institutional objectives and activities that are the most critical to achieving AMREF’s vision and mission. The Directorate of Human Resources (DHR) and the Monitoring & Evaluation (M&E) Unit are jointly responsible, under SD7, both for organizational assessments and for ensuring that staff performance is rewarded based on contributions to changes in health-related outputs and outcomes. SD7 focus is strengthening institutional capabilities in the areas of

- Performance management
- Learning and continuous improvement
- Securing financial positioning globally
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With respect to performance management the objective was to establish clear roles, responsibilities, accountabilities and objectives aligned with its identity and strategy, including targets linked to health priorities, so that programmatic progress and impact on women’s and children’s health can objectively be measured and reported.

This must ensure all staff and resources were explicitly and measurably linked to respective health programming (including field implementation, research and advocacy) indicators. The assessment and rewards were to be based on changes in health-related outputs and outcomes. Finally, they must be integrated with annual work plan framework and incorporate evidence from health programming and uses standardized tools throughout the organization.

Amref Health Africa floated engaged Browne & Mohan consultants to strengthen develop clear organizational performance indicators linked to measurements for individual staff. The objective of this consultancy study was to develop key performance indicators and tools for assessing organizational and employee performance. Browne & Mohan consultants were expected to develop an organizational dashboard/matrix and performance-based compensation criteria for staff. The dashboard/matrix and performance-based reward system must be based on objective metrics and integrated with each other.

Browne & Mohan consulting approach

Browne and Mohan consultants adopted a five stage approach as presented below

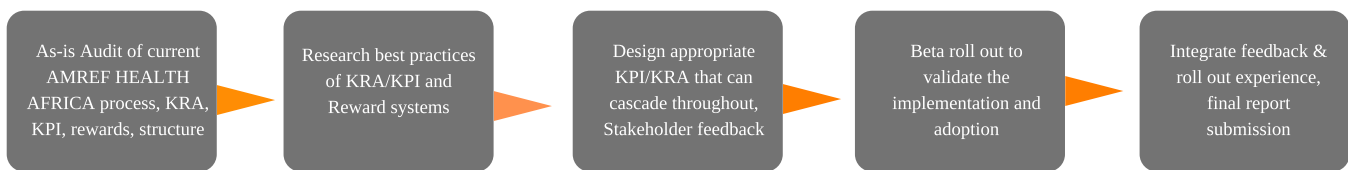


Figure 1: Strategic results based performance management system process

- The first stage, As-is analysis involved evaluation of Amref Health Africa current organization, directives and goals, strategic plan, business plan, structure, how employees are allocated tasks and measured for outcomes, appraisal tools, and other systems.
- In the second stage, Browne & Mohan consultants researched best practices and benchmark approaches adopted by other NGO's.
- Based on the as-is analysis and best practices, appropriate PMS framework was identified and shared with Amref Health Africa personnel for feedback. Once the approach was accepted, Browne & Mohan consultants developed detailed organizational, departmental and individual KRA/KPI..
- To validate the applicability, adoption, relevance and replicability issues at large, a beta roll out was conducted, comments and suggestions to improve the overall performance management system were obtained.
- Finally, based on the beta roll out and feedback from multiple sources within Amref Health Africa, KRA/KPI sheets were finalized. The KRA/KPI alignment with annual work and budget plan, and criteria to link performance and rewards for staff was submitted.

Browne & Mohan: Common Objective framework for Results based management

There are several approaches to KPI development in Not profit organizations (Epstein & McFarlan, 2011, Eichler et al., 2007, Kaplan 2001, Mayne 2007, The Urban Institute 2006). While each of these approaches their merits, there are certain challenges in adopting these frameworks for multi-program Nonprofits organizations. In some approaches, interlinking individual, departments and program level indicators becomes cumbersome and poses high cost of data collection and monitoring. Managing for results by directing right staff behavior and initiative taking is not facilitated. Some of these approaches do not support KPI for management learning and decision making, emphasizing more on reporting and fixing accountability. Based on our experience of working with Notprofit organizations, Browne & Mohan used the common KPI framework shown below.

Figure 2: Common KPI framework



Common objective approach is quite similar to Balanced Score Card (BSC), and uses common measures (individuals, departments and organization are mapped on the same parameters). The common goals could be related to business aspects (profitability, project fee which everyone in the NGO must be working for), standard routines by which the NGO would work (use of systems to attract donors and manage the programs so that human errors are minimized, leakages are arrested and knowledge management is facilitated), focus areas/activities (activities for which the donations/grans would be raised, say healthcare, children education, correction and rehabilitation, etc), training and developing down lines (knowledge and skill transfer, succession planning).

The common objectives may be identified based on research, or benchmarking other NGOs, or group discussions within the NGO or combinations of the above. Similar to BSC, it is a top down approach framework, wherein first the organizational objectives are determined. The departmental and individual responsibilities are later aligned to organizational objectives.

Browne & Mohan consultants have used an integrated approach consisting of United State Office of Personal Management (OPM, 2002) approach, and triangulation with management literature and benchmarking of other organizations to develop common objectives. OPM model focuses on aligning performance with organizational goals.

Advantages of using Common objective framework

- By linking individuals, departments and organization as a whole on common parameters, it facilitates interdepartmental working and co-ownership of outcomes.
- Is flexible like BSC, objectives are based on desired strategy and linked to long-term vision
- Aligns corporate strategy with performance measures and is non-prescriptive
- With common objectives, but different weightages across departments and individuals within, the rationale for the department/individual role can be explicit and the review and measurement be better aligned.
- Since the objectives are common, it brings a “process view of the organization” so that the strategy and actions across the complete organization can be aligned effectively.
- It helps in breaking down functional silos and fostering interconnected working as goals and outcomes are shared actions.
- Common objectives could include task, managerial and program responsibilities, thus it emerges as a comprehensive organizational management system.

Browne & Mohan consultants developed a comprehensive PMS, considering the stage of formalization in organization, deployment of process and creation of new entities, we propose the rolling out of be done in stages. For couple of years, all country offices, HQ and individuals would select 5-6 KPIS that are consistent with their role based after discussions with their reporting managers

- All key individuals and group leaders would fill RAWB goals in the PMS sheets
- H1 and H2 outcomes are also entered in the PMS sheet for all country directors and HQ directors
- Annual review would not only consider the RAWB’s outcomes but also objective based outcomes.

Reference

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