THE DETERMINANTS OF ORGANISATIONAL PERFORMANCE IN PARTS OF THE LOCAL BRITISH PUBLIC SERVICES USING CPA AND CAA

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Abstract

The research investigated the factors that are associated with organisational performance in British local public services using the national assessment frameworks of Comprehensive Performance Assessment (CPA) and Comprehensive Area Assessment (CAA). Performance measurement was said by Behn (1995) to be one of the big questions of public management and the literature demonstrates this remains the case. More generally performance management has been the subject of a large number of studies, many in the private sector, that often consider a narrow spectrum of explanatory factors. This research is unusual in studying a relatively large number of possible explanations of performance using three different methods of inquiry: longitudinal questionnaire surveys of four types of local public service organisations, a content analysis of strategic documents and the use of organisational profiles regarding the post bureaucratic construct (Kernaghan, 2000). The research relied on the CPA and CAA results to provide an independent assessment of organisational performance; such data is not usually available for public services. CPA has been found to have driven up local government performance (Boyne, James and John et al, 2010) and therefore its use is very appropriate.

The analysis used correlation to identify the significant (p<0.05) criteria which were then put through a principal component analysis (PCA). This resulted in the identification of 11 summary factors with the strongest five being Strategy, Performance management, Human resources, Culture and Engagement. Factors of lesser importance are Resources, Leadership, Reputation and Innovation. The term 'summary factors' has been used to denote that within each of these there are potentially a number of parts.

The research can be used practically by organisations, to improve, by comparing their results on the questionnaire with the criteria associated with high organisational performance. Further, the summary factors provide confidence regarding what may be the most critical areas to be addressed.

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Glossary and Abbreviations

In some cases these are taken directly from original sources.

Assessments of Policing and Community Safety (APACS) – The performance management framework which provided the Home Office and its partners with the capability to monitor and assess performance in policing and community safety by: geographic area - e.g. local, regional, national; organisation - e.g. police force; partnership - e.g. crime and disorder reduction partnerships and policy area - e.g. neighbourhood policing. The framework focused on key services delivered by the police, working on their own or in partnership based on performance and diagnostic indicators set nationally, professional judgements relevant to the police and locally selected indicators which reflect local priorities for improvement. (http://webarchive.nationalarchives.gov.uk/20070108123845/police.homeoffice.gov.uk/performance-and-measurement/assess-policing-community-safety/apacs-faqs-intro/, last accessed 12 August 2014).

Association of Chief Police Officers (ACPO) – Brings together the expertise and experience of chief police officers from the United Kingdom, providing a professional forum to share ideas and best practice, co-ordinate resources and help deliver effective policing. (http://www.acpo.police.uk/, last accessed 14 September 2014).

Audit Commission (AC) – The Audit Commission is a public corporation established in 1983 to protect the public purse. They appointed auditors to local authorities and had a key role in Best Value, CPA and CAA. Under CPA they inspected local authorities and fire services and were responsible for the ratings. Following the abolition of CAA in 2010 the Government announced that the Audit Commission would be abolished (scheduled for the end of March 2015) and its remaining duties either discontinued or given to other bodies. (http://www.audit-commission.gov.uk/Pages/default.aspx, last accessed 12 August 2014).

Audit Commission Performance Indicators (ACPI) – The Citizen's Charter initiative in the early 1990s gave the Audit Commission an important role in designing and overseeing the audit and publication of local authority performance indicators through the Audit Commission Performance indicators – ACPIs**.** These aimed to improve the quality of public services by equipping citizens with objective, comparable data on quality and costs. The first ACPIs were collected and

reported for local authorities in England and Wales for the 1993/94 financial year. Indicators for police and fire authorities were reported from 1996/97. (http://archive.audit-commission.gov.uk/auditcommission/performance-information/performance-data-collections-and-guidance/Pages/ac-performance-indicators.aspx.html, last accessed 12 August 2014).

Balanced Scorecard (BSC) – The concept of managing an organisation using a set of indicators covering all functional areas including financial, production, human resources and so on. Kaplan and Norton (1992) introduced the concept which has been developed considerably.

Beacon Scheme – A United Kingdom (UK) government scheme that recognised excellence in public services, especially applied to local government. Winners were allowed to display a logo and committed to share their experiences and good practice with others to raise standards. (http://webarchive.nationalarchives.gov.uk/20120919132719/www.communities.gov.uk/publications/localgovernment/learningandinnovation, last accessed 12 August 2014).

Benchmarking – The practice of comparing an organisation with others or part of an organisation with other parts of the same organisation. There are many kinds of benchmarking which at the simplest could just be the sharing of cost data but can be extended to processes and so on. Organisations may participate in benchmarking clubs to facilitate effective sharing. Examples are by CIPFA (http://www.cipfa.org/services/benchmarking, last accessed 12 August 2014), LG Inform (http://lginform.local.gov.uk/about-lg-inform/benchmarking-local-data-lg-inform, last accessed 12 August 2014) and the Improvement Service in Scotland (http://www.improvementservice.org.uk/benchmarking/, last accessed 12 August 2014).

Best Value (BV) – Best Value was designed to deliver better quality local services and real value for money. It placed a duty on local public services to secure continuous improvement. To support this, the Government established a performance management framework designed to enable best value authorities to assess and improve their services and ensure local people were better informed about the quality of the local service received. The duty of best value is still required and new statutory guidance was published in September 2011 (http://www.communities.gov.uk/publications/localgovernment/bestvalueconsultresp, last accessed 10 April 2014).

Best Value Performance Indicator (BVPI) – Introduced in 2000/01 and last reported for 2007/08. For a time they were reported alongside the earlier Audit Commission Performance Indicators that were subsumed. They were replaced by the National Indicator Set which came into effect from April 2008. (http://archive.audit-commission.gov.uk/auditcommission/performance-information/ performance-data-collections-and-guidance/Pages/best-value-performance-indicators.aspx.html, last accessed 3 October 2014).

Best Value Performance Plan (BVPP) – Under Best Value an annual plan published by a council by 30 June each year, containing specified content. The plan looked both backward at performance in the previous year and also set out plans for future performance. It reported performance against target for the full-set of BVPIs and details of reviews undertaken and planned. External auditors reviewed the plan and reported any omissions to the Audit Commission. Also known as the Local Performance Plan (LPP). (http://web.archive.org/web/20030228034959/http:// www.local-regions.odpm.gov.uk/bestvalue/legislation/ppreview/index.htm, last accessed 12 August 2014).

British Quality Foundation (BQF) – Founded in 1993 by the UK Government and leading UK businesses, the BQF is Europe's largest corporate membership organisation dedicated to performance improvement. Recommends use of the EFQM Excellence Model (http://www.bqf.org.uk/, last accessed 12 August 2014).

Business Excellence Model (BEM) – See EFQM Excellence Model.

Cardiff Studies – This five-year study evaluated the impact of the Best Value regime on local authorities in England between 2001 and 2006. The research team was asked to assess the effect that Best Value had on organisational and cultural changes in authorities and the economy, efficiency and effectiveness of the services they provide. (http://business.cardiff.ac.uk/research/groups/centre-local-and-regional-government-research/research-projects/long-term-impact-best-value-regime, last accessed 12 August 2104).

Care Quality Commission (**CQC)** – Regulation of health and social care by checking whether hospitals, care homes, GPs, dentists and other applicable services are meeting national standards. This is done by inspecting services and

publishing findings, helping people to make choices about the care they receive. (http://www.cqc.org.uk/, last accessed 12 August 2014).

Charter Mark – The Charter Mark introduced in 1992 was an award (http://www.publications.parliament.uk/pa/cm200708/cmselect/cmpubadm/411/41106.htm, last accessed 12 August 2014) demonstrating the achievement of national standard for excellence in customer service in United Kingdom public sector organisations. It was replaced in 2008 by the Customer Service Excellence standard open to all UK organisations (http://www.customerserviceexcellence.uk.com/, last accessed 12 August 2014).

Chartered Institute of Public Finance and Accountancy (CIPFA) – The professional body for people in public finance with 14,000 members throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed. They champion high performance in public services, translating experience and insight into clear advice and practical services. This includes information and guidance, courses and conferences, property and asset management solutions, consultancy and interim people for a range of public sector clients. (http://www.cipfa.org/, last accessed 12 August 2014).

Clinical Commissioning Group (CCG) – Replaced PCTs with responsibility for primary care in an area. CCGs have the freedom to commission (or buy) services for their local community from any service provider which meets NHS standards and costs. These could be NHS hospitals, social enterprises, voluntary organisations or private sector providers. This means care for patients, designed with knowledge of local services and commissioned in response to their needs. (For example, http://www.southteesccg.nhs.uk/, last accessed 12 August 2014).

Comprehensive Area Assessment (CAA) – A system introduced in 2009 developed by the Audit Commission and other inspectorates to determine the performance of public services in localities. It replaced CPA. (http://archive.audit-commission.gov.uk/auditcommission/inspection-assessment/caa/pages/default.aspx.html, last accessed 12 August 2014).

Comprehensive Performance Assessment (CPA) – A system designed and administered from 2002 by the Audit Commission to rate local authorities and fire services on their performance at delivering services. It underwent a number of

iterations, most notably the 'Harder Test' in 2005, with the last ratings produced in 2008 and then replaced by CAA. (http://archive.audit-commission.gov.uk/auditcommission/inspection-assessment/cpa/pages/default.aspx.html, last accessed 23 September 2014).

Compulsory Competitive Tendering (CCT) – The requirement on local authorities to submit defined council services to competitive tender under the Local Government Acts of 1988 and 1992. It started with blue-collar services such as street cleaning and refuse collection and expanded to encompass white-collar services such as information and communications technology, finance and personnel. CCT was replaced by Best Value following the election of a new government in 1997.

Corporate Assessment (CA) – Comprehensive Performance Assessment Corporate Assessment; a derived figure expressed as a percentage or between one and four (four best) from Audit Commission data that expresses the capability and capacity for the authority to operate corporately. Contributes to CPA Rating awarded.

CPA Rating (CPAR) – Comprehensive Performance Assessment Rating; the overall score given to a council under CPA (also known as CPA Category). The rating was initially Poor, Weak, Fair, Good and Excellent and this changed to a rating between zero stars and four stars in 2005 when the 'Harder Test' was introduced. The CPA Rating combined a number of different judgements on overall performance, corporate capability and performance at delivering services.

Crime and Disorder Reduction Partnership (CDRP) – The Crime and Disorder Act 1998 established the formation of statutory CDRPs in recognition of the idea that crime reduction cannot be the responsibility of just one agency, such as the police and should be tackled by a variety of agencies working together in partnership.

Department for Communities and Local Government (DCLG) – Central government department with national responsibility for local government from 2006 to date. (https://www.gov.uk/government/organisations/department-for-communities-and-local-government, last accessed 12 August 2014).

Department of the Environment, Transport and the Regions (DETR) – Central government department with national responsibility for local government 1997-2002.

EFQM Excellence Model – A non-prescriptive framework that can be used to gain a holistic view of any organisation regardless of size, sector or maturity. Over the past 20 years, the EFQM Excellence Model has been a blueprint for EFQM members and organisations across and beyond Europe to develop a culture of excellence, access good practices, drive innovation and improve their results. The EFQM Excellence Model is based on nine criteria. Five of these are "Enablers" and four are "Results". The "Enabler" criteria cover what an organisation does and how it does it. The "Results" criteria cover what an organisation achieves. Originally known as the Business Excellence Model (BEM). (http://www.efqm.org/the-efqm-excellence-model, last accessed 12 August 2014).

EU A8 – Eight countries that joined the European Union in May 2004: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

European Foundation for Quality Management (EFQM) – A not for profit membership foundation to share what works between member organisations as a way to help implementation of their strategies. EFQM brings together organisations striving for Sustainable Excellence. Members comprise private and public organisations of every size and sector, many active around the world; EFQM applies its know-how and extracts outstanding approaches by engaging with executives and front-line managers. EFQM is the custodian of the EFQM Excellence Model (http://www.efqm.org/, last accessed 12 August 2014).

Excellence Model (EM) – See EFQM Excellence Model

Health & Social Care Information Centre (HSCIC) – Was set up as an Executive Non Departmental Public Body in April 2013. The Health and Social Care Act 2012 set out their responsibilities, which include: collecting, analysing and presenting national health and social care data. Setting up and managing national IT systems for transferring, collecting and analysing information. Publishing a set of rules (called a Code of Practice) to set out how the personal confidential information of patients should be handled and managed by health and care staff and organisations. Building-up a library of 'indicators' that can be used to measure the quality of health and care services provided to the public Acting to reduce how

much paperwork doctors, nurses and care workers have to complete by ensuring that only essential data is collected. Helping health and care organisations improve the quality of the data they collect. Creating a register of all the information produced, and publishing that information in a range of different formats so that it will be useful to as many people as possible while safeguarding the personal confidential data of individuals. (http://www.hscic.gov.uk/home, last accessed 23 September 2014).

Healthcare Commission – The Commission for Healthcare Audit and Inspection, also known as the Healthcare Commission was created in 2004. It was responsible for assessing standards of care provided by the NHS. Its responsibilities were taken over by the Care Quality Commission (CQC) in 2009 (https://www.gov.uk/government/organisations/healthcare-commission, last accessed 12 August 2014).

Her Majesty's Inspectorate of Constabulary (HMIC) – Independently assesses police forces and policing across activity from neighbourhood teams to serious crime and the fight against terrorism (http://www.hmic.gov.uk/, last accessed 14 August 2014).

Her Majesty's Revenue and Customs (HMRC) – The UK's tax authority responsible for making sure that the money is available to fund the UK's public services and for helping families and individuals with targeted financial support (http://www.hmrc.gov.uk/, last accessed 14 August 2014).

High Performance Work System (HPWS) – Typically HPWS comprise strategic human resource management, workplace partnership, and equality and diversity systems to enable employees to deliver high performance.

Human Resources (Management) (HR(M)) – Policies and processes for the effective management of an organisation's people. Includes such as training, appraisal and effective line management often as part of a strategic approach.

Improvement and Development Agency (I&DeA) – Part of the LGA, formed in 1998 to work in partnership with all councils in England and Wales, to serve people and places better, to enhance the performance of the best local government authorities, accelerate the speed of improvement of the rest, and develop the sector as a whole. It was renamed Local Government Improvement and

Development (LGID) in July 2010 although appears now subsumed within the LGA. (http://webarchive.nationalarchives.gov.uk/20100503135839/http://idea.gov.uk/idk/core/page.do?pageid=1, last accessed 12 August 2014).

Investors in People (IIP) – Investors in People is owned by the UK government and managed nationally at Head Office by the UK Commission for Employment and Skills (UKCES). At Investors in People, one principle is key: good people make a great business. People's strengths, people's ambitions and people's ideas are the engine of success. Accredited organisations can use the logo (http://www.investorsinpeople.co.uk/, last accessed 12 August 2014).

Key performance indicator (KPI) – One definition is: Key Performance Indicators (KPIs) can be defined as measures that provide managers with the most important performance information to enable them or their stakeholders to understand the performance level of the organisation. KPIs should clearly link to the strategic objectives of the organisation and therefore help monitor the execution of the business strategy. (http://www.ap-institute.com/Key%20Performance%20Indicators .html, last accessed 12 August 2014).

Lean – The core idea of lean is to maximize customer value while minimising waste. Simply, lean means creating more value for customers with fewer resources. It consists of a variety of techniques. (http://www.lean.org/, last accessed 12 August 2014).

LG Inform – Operated by the LGA, LG Inform presents up-to-date published data about local areas and the performance of councils and fire services. Some content is restricted to registered users (http://lginform.local.gov.uk/, accessed 12 August 2014).

Local Area Agreement (LAA) – Introduced in 2004, a three year agreement between government and a local area working through its Local Strategic Partnership. It contained a set of improvement targets which local organisations were committed to achieving and a delivery plan setting out what each partner was intending to do to achieve those targets. The meeting of agreed targets was associated with financial payments (LAA reward grant) by government. They were abolished in 2010.

Local Government – Organisations in the UK created by statute and democratically elected to oversee areas. Such bodies are known as local authorities or local councils. In England there are a number of classes and in some areas there are two tiers which cover the same area but have different responsibilities, providing different services. Some areas have a single tier especially, but not exclusively, in large urban areas. There has been a trend towards more of these unitary authorities. Scotland and Wales are completely unitary. These councils are known as principal councils to distinguish them from parish and town councils. (http://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/ administrative/our-changing-geography/local-government-restructuring/index.html, last accessed 12 August 2014).

Local Government Association (LGA) – The national voice of local government in England and Wales working with councils to support, promote and improve local government. They are a politically-led, cross-party membership organisation that works on behalf of councils to ensure local government has a strong, credible voice with national government. In total, 415 authorities are members of the LGA for 2014/15. These members include 351 English councils, the 22 Welsh councils via the Welsh LGA, 31 fire authorities, 10 national parks via corporate membership through the English National Park Authorities Association and one town council (http://www.local.gov.uk/home, last accessed 12 August 2014).

Local Government Improvement Programme (LGIP) – Developed by the I&DeA and introduced in 1999 with the aim of providing a systematic process by which councils could learn from each other, principally through peer review. The programme was voluntary and used a model of the 'ideal' council; in effect a benchmarking of effectiveness characteristics. Replaced by peer challenge (http://www.local.gov.uk/peer-challenge, last accessed 12 August 2014).

Local Performance Indicator (LPI) – Indicators adopted locally by an organisation to measure, and hence enable it to manage, its performance at delivering against its aims and objectives. For example local authorities were expected to supplement nationally specified indicators with a set of LPIs.

Local Strategic Partnership (LSP) – Introduced by the Government in 2000 as part of the national strategy to tackle problems in some of England's most

deprived areas. Extended to all areas as partnership working became regarded as a key element in addressing cross-cutting issues faced by society.

National Audit Office (NAO) – Scrutinises public spending on behalf of Parliament. The audit of central government has two main aims. By reporting the results of audits to Parliament, government departments and bodies are held to account for the way they use public money, thereby safeguarding the interests of taxpayers. In addition, they work to help public service managers improve performance and service delivery (http://www.nao.org.uk/, last accessed 12 August 2014).

National Health Service (NHS) – The national health care system in the United Kingdom (http://www.nhs.uk/Pages/HomePage.aspx, last accessed 12 August 2014).

National Indicator (NI) – The single set of National Indicators (National Indicator Set, NIS) was announced by the Department for Communities and Local Government following the Government's Comprehensive Spending Review 2007. Effective from April 2008 to March 2011, implemented as the only set of indicators on which central government performance managed local government (http://archive.audit-commission.gov.uk/auditcommission/performance-information/ performance-data-collections-and-guidance/nis/pages/default.aspx.html, last accessed 12 August 2014).

New Public Management (NPM) – The concept that public services (providers) have had to become more like the private sector in order to deliver improved services and better meet people's needs.

Office of the Deputy Prime Minister (ODPM) – Central government department with national responsibility for local government 2002-2006.

Office for Standards in Education, Children's Services and Skills (OFSTED) – Inspect and regulate services which care for children and young people, and those providing education and skills for learners of all ages. Report directly to Parliament and are independent and impartial. Every week, they undertake hundreds of inspections and regulatory visits throughout England, and publish the results on their website. They work with providers which are not yet good to

promote their improvement, monitoring their progress and sharing with them the best practice (http://www.ofsted.gov.uk/, last accessed 12 August 2014).

oneplace – The website established for the reporting and dissemination of CAA results. (http://archive.audit-commission.gov.uk/oneplace/Pages/default.aspx.html, last accessed 12 August 2014).

Peer Challenge – A process commissioned by a council involving a small team of local government peers spending time at the council to provide challenge and share learning (www.local.goc.uk/peer-challenge, last accessed 12 August 2014).

Performance Assessment Framework (PAF) – The NHS Performance Assessment Framework (PAF) was published in April 1999, following a period of consultation, and is based on the balanced scorecard approach. The use of the balanced scorecard allows organisations to get a more rounded view of performance by identifying different key elements of performance and understanding how changes in them may have implications for others. The PAF is supported by a set of national headline NHS Performance Indicators. An annual development cycle was instigated in 2001 to improve the coverage of indicators across each area. (http://webarchive.nationalarchives.gov.uk/+/www.dh.gov.uk/en/Publicationsandstatistics/Publications/AnnualReports/Browsable/DH_4992217, last accessed 12 August 2014). The latest variant is the NHS Outcomes Framework (https://www.gov.uk/government/publications/nhs-outcomes-framework-2014-to-2015, last accessed 12 August 2014).

Performance Indicator (PI) – A measure of an aspect of an organisation's operations such that they can be effectively managed, perhaps to meet a target. Sets of indicators include the ACPIs, APACS, BVPIs and NIs.

Performance Management Framework (PMF) – A system to enable an organisation to manage its performance to achieve objectives. It typically consists of documentation including plans, processes and guidance, PIs and targets to be achieved. Also known as performance management system.

Performance Management Score (PMS) – Comprehensive Performance Assessment Performance Management Score; a score between one and four (four

best) given by the Audit Commission to local authorities under CPA that expresses the capability and capacity for effective performance management. Contributes to CPA Rating awarded.

Police Performance Assessment Framework (PPAF) – A police national PMF operating prior to APACS (http://tna.europarchive.org/20100419081706/ http:/www.police.homeoffice.gov.uk/performance-and-measurement/performace-assessment-framework/index.html, last accessed 12 August 2014).

Primary Care Trust (PCT) – PCTs were responsible for commissioning health services from providers. Until 31 May 2011 they also provided community health services directly. They were abolished on 31 March 2013 with their work taken over by Clinical Commissioning Groups.

Public Services Programme – The aim of the Public Services Programme was to foster an interdisciplinary research community with a multi-faceted approach to addressing key public service provision issues. They brought together nearly 100 researchers from across the social sciences, and all four countries of the United Kingdom, to address the problems of public service performance. The programme was funded by the Economic and Social Research Council and led by Professor Christopher Hood of Oxford University (http://www.publicservices.ac.uk/, last accessed 11 September 2014).

Quality of Life (QoL) – In August 2005, as part of the Audit Commission Area Profiles project, a revised set of local quality of life indicators – supporting local communities to be sustainable was published. In line with other information presented through Area Profiles, all the indicators were drawn from published sources. Especially for use by LSPs. (http://archive.audit-commission.gov.uk/auditcommission/performance-information/using-performance-information/pages/quality-of-life-indicators.aspx.html, last accessed 12 August 2014).

Red Amber Green (RAG) rating – A traffic light system for monitoring performance against targets using performance indicators.

Service Score (SS) – Comprehensive Performance Assessment Service Score; a score between one and four (four best) given by the Audit Commission to a range of services provided by local authorities under CPA that expresses the performance at delivering those services. Contributes to CPA Rating awarded.

Single data list (SDL) – A list of all the datasets that local government must submit to central government. If a data requirement is not on the list, councils won't have to collect and provide it without receiving extra funding (https://www.gov.uk/government/policies/making-local-councils-more-transparent-and-accountable-to-local-people/supporting-pages/peoples-rights-to-see-council-accounts, last accessed 12 August 2014).

Six Sigma – Six Sigma was developed by Motorola in 1986 and is a highly disciplined, structured programme aimed at delivering near perfect products and services by improving processes. It is used to analyse processes to discover where and how defects occur, measure them and eliminate the problem areas. (http://www.bqf.org.uk/performance-improvement/about-lean-six-sigma, last accessed 12 August 2014).

Total Quality Management (TQM) – Total quality management can be summarised as a management system for a customer-focused organisation that involves all employees in continual improvement. It uses strategy, data, and effective communications to integrate the quality discipline into the culture and activities of the organisation. (http://asq.org/learn-about-quality/total-quality-management/ overview/overview.html, last accessed 12 August 2014).

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> Scholarly virtue is more a struggle than an achievement, and seeking knowledge about historically ambiguous phenomena such as organizational performance is more a necessary form of disciplined self-flagellation than a pursuit of happiness.
>
> (March and Sutton, 1997, p. 705)

1. Introduction

1.1 The Big Question

What are the big questions of public management? Behn (1995) considered this using as an analogy the kind of questions physicists ask, such as on the universe, the composition of matter and the theory of the formulation of galaxies. He goes on to consider how scientists try to answer these big questions suggesting it involves wisdom, hard work and sometimes luck but:

> As scholars of public management aspire to make their field a science, they, too, need to focus on big questions. Unfortunately, the effort to create a science of administration – to make management look more like physics (or, at least, more like economics) – has led to an emphasis on methodology, on the manipulation of data. After all, real scientists work with real data, that is, numbers (preferably numbers with many significant digits). Too often, the result is methodologically sophisticated research that address small, trivial issues.
>
> A reverence for methodology is not, however, what makes an endeavour scientific. It is an effort to answer major questions in a systematic way. What systematic means depends upon the question and upon the type of data and corresponding methodologies that are available to help answer the question. The work is driven by the question, not by the data or methodology….'
>
> (Behn, 1995, p. 315)

Of the three big questions Behn identifies this research is concerned with the third, 'Measurement: *How* can public managers measure the achievements of their agencies in ways that help to increase those achievements?' (Behn, 1995, p. 315).

This research is a contribution to the measurement big question that is part of the wider discipline of performance management. Literally, this is the management of organisational performance to deliver specified outcomes. The delivery of outcomes requires inputs, processes and outputs. How do we know when an outcome, or an intermediate stage in its attainment, has been reached? The answer is through measurement with or without a target. However, measurement in itself is of little consequence without the supporting 'infrastructure' of performance management.

The key research question is quite simple: what factors drive organisational performance? Although, the question appears simple, as the literature (Chapter three) demonstrates the answer is anything but simple. An innovative and unusual approach is adopted testing a large number of criteria with those statistically significant (p<0.05) being put through a principal component analysis (PCA) to explore the data and highlight the most important factors.

1.2 Performance Management

The management of performance is generally regarded as a key activity for organisations to achieve their objectives. This implies the activity is consciously determined and pursued at all levels in the organisation. Performance management is important, whatever the nature of the organisation, and whatever the sector. It is varied, applies at any level in an organisation, may in itself be simple or complex and is rigorously applied or not. This could qualify the earlier comment in that the activity may not be consciously determined but is it therefore performance management? The term 'management' surely implies an active intent therefore; perhaps not all organisations actually practice performance management in the strict sense.

What is performance management? What characterises it as a distinct activity and what are its key features? Critically what is important for determining organisational performance and does the setting or context influence the contribution(s)?

1.3 Methodology

The scope of this research is primarily English local public services, with some data available for Scottish and Welsh councils. Data was collected in 2005 from councils only, as part of an MBA (Goodchild, 2005) and only partially employed with the intention of applying it in longitudinal research. In 2009 and 2010 data was collected, in England only, from councils, fire services, police forces and, the now abolished, Primary Care Trusts (PCTs).

Desk research and a literature review identified criteria that may be associated with performance. The literature considered was wide-ranging covering all sectors and not restricted to the United Kingdom (UK).

Initially, it was considered CPA reports published by the Audit Commission could be used. However, it was soon realised this approach would not give the detail

required, nor allow criteria to be given a score. Consequently it was decided a survey approach would be employed but was it best to do a few organisations in detail (case studies) or use a questionnaire to obtain data from many organisations? Given the key research question, it was decided the appropriate methodology was to gather data from a larger number of organisations to enhance wide applicability.

The Comprehensive Performance Assessment (CPA) rated principal English councils and fire services between 2002 and 2008. From 2009 the CPA was replaced by the Comprehensive Area Assessment (CAA) that included an assessment of the performance of councils, police forces, fire services and PCTs.

A questionnaire survey was undertaken in 2005, 2009 and 2010 to be completed by a very senior officer at the corporate centre of each organisation. Case studies were undertaken in three organisations in 2005; and interviews took place in five organisations, after the analysis of the questionnaires. This qualitative data collection was designed to validate the questionnaire and promote a richer understanding.

A content analysis was undertaken of English councils' best value performance plans (BVPP). The BVPP was a statutory audited document in which a council had to report its planning, reviews and performance. It was hypothesised the quality of the content of the BVPP would be associated with the organisation's performance.

One of the tenets of new public management (NPM) is bureaucracy reduces as public organisations take on more private sector practices. Kernaghan (2000) developed an organisational profile to evaluate the extent to which an organisation had become post-bureaucratic. The extent to which this is the case and the relationship to organisational performance is tested.

These different approaches served to triangulate the results thereby increasing confidence in answering the key research question.

1.4 Process

The Labour Government elected in 1997 introduced the BV regime to replace the previous Conservative's compulsory competitive tendering (CCT) policy. In 2002 the CPA was introduced with the purpose of rating principal English councils (and

later fire services) on their performance. The CPA provided an objective assessment of organisations' performance to be correlated with responses to the questionnaires. The analysis for the other public service organisations used ratings data provided by the Healthcare Commission for PCTs and Her Majesty's Inspectorate of Constabulary **(**HMIC) for police. Audit Commission data on use of resources and audit was also used.

The intention was to undertake surveys in 2009, 2010 and 2011, and also use the data collected in 2005. It was appreciated, when the research commenced, that the national framework could change, as CPA evolved to the harder test from 2005. Indeed, CPA was replaced by CAA from 2009 as flagged two years earlier. The CAA did not rate organisations in the same way as CPA but an overall rating could be calculated. However, CAA was abolished by the Government elected in May 2010 and no equivalent national framework replaced it. The survey work was therefore curtailed. In the event the response to a paper (Goodchild, 2011) presented at the British Academy of Management (BAM) conference in 2011 proffered the view sufficient data had been collected to answer the research question.

In a review of sources of public service improvement Boyne (2003a) noted that the determinants of performance in the public sector was a small but growing area of research. This was promoted by the increasing availability of performance data due to the demands of government under the influence of NPM and in Britain the so called modernisation agenda. For example, although local government had been required for many years to submit various statistics to central government it is only more recently there has been a statutory duty to submit performance data (Carter, 1991). This began with the Audit Commission Performance Indicators (ACPI) and evolved through the BV regime. There were also other sets such as the Social Services/Health Performance Assessment Framework (PAF) indicators, Education Form 4, police Assessments of Policing and Community Safety (APACS) and Quality of Life (QoL) indicators. Some were statutory whilst others were collected on a voluntary basis, often encouraged by such as the Audit Commission. A national indicator set (NIS) was introduced from April 2008, in theory replacing all other sets applied to local strategic partnerships (LSPs). Details of the successive sets of indicators are available from the Audit Commission's archive website (Audit Commission, 2013a). Other sets are available from the UK Government's data.gov website (HM Government, 2014).

The key point about the ACPIs, and later BVPIs (and other national indicators), is they were externally audited and thus (in theory) not susceptible to manipulation by individual organisations.

The CPA was not without its critics (Broadbent, 2003), for example Andrews, Boyne and Walker et al (2003) considered external factors that may result in a council being wrongly graded in CPA. They used correlation (used in this study) to identify whether deprivation, diversity, financial capacity, population and sparsity have an impact on CPA scores. They note the Audit Commission (2000b) argued CPA is based not on the external conditions that authorities face but how they are managed. They conclude:

> The CPA process is flawed by its failure to take account of external circumstances beyond the control of local policy makers. Although external constraints were significant only in London and county councils, their effects have distorted the rankings in the CPA league table as a whole. Some councils have been falsely lauded for operating in favourable circumstances, whereas others have been wrongly criticised for the performance effects of difficult local conditions.
>
> (Andrews, Boyne and Walker et al, 2003, pp. 26-27)

Although CPA (eventually) takes deprivation into account; in some services principally education other factors noted by Andrews, Boyne and Walker et al (2003) were not. From 2005 the CPA process changed (the harder test) with more importance being given to PIs and value for money (vfm) (Audit Commission, 2005).

CPA was replaced from 2009 with CAA that only lasted one year, being abolished very quickly by the new Government. There is now no national framework for councils although a voluntary process is coordinated by the Local Government Association (LGA), whilst fire services still have a national framework. PCTs were abolished in 2013 and replaced by CCGs. The police still have a national framework operated by HMIC but as before with powerful input from the Association of Chief Police Officers (ACPO). The health and social care sector is regulated and inspected by the Care Quality Commission (CQC) with a wide

range of indicators being reported through the Health & Social Care Information Centre (HSCIC).

1.5 Contribution to Knowledge

The key contribution to knowledge is the ranked identification of summary factors associated with organisational performance. In particular the results can be used by organisations to identify and target specific areas to improve performance.

1.6 Thesis Outline

Following this introduction there is a brief review of the legal and policy framework. Then a literature review provides a brief history of performance management, definitions, considers various factors and also highlights the complexities of attributing performance. Given the multi-disciplinary nature of performance management it was necessary to carefully bound the review, whilst not neglecting key issues. It includes frameworks and models that have been utilised, including Total Quality Management (TQM), the Excellence Model (EM), Balanced Scorecard (BSC), Best Value (BV), Comprehensive Performance Assessment (CPA) and Comprehensive Area Assessment (CAA) as well as consideration of matters such as strategy and human resources (HR). The problems of measuring performance and what performance may mean to differing stakeholders are considered, as well as the importance of context.

Chapter four covers methodology with successive chapters dealing with the results pertaining to CPA, CAA, the BVPP content analysis, organisational profiles and the case studies/interviews. A further chapter then brings the mutually supportive results together.

There is then a discussion regarding the research with reflection. Finally, conclusions are presented addressing the findings from theoretical and practical stances, whilst emphasising the contribution to knowledge and with recommendations for future research.

2. Legal and Policy Framework

This chapter briefly outlines the legal and policy framework of Best Value, CPA and CAA.

2.1 Best Value

The duty of BV is owed to local citizens and was introduced by the Labour Government, elected in 1997, ostensibly to replace CCT, although externalisation of services was still regarded as possible (Department of Environment, Transport and the Regions, 1998a and 1998b). BV was supported by a suite of BVPIs and councils were required to publish an annual BVPP outlining their policies, priorities and achievements. An initial requirement was to achieve best quartile performance for the BVPIs within five years.

The requirements as to content of the BVPP varied since it was a statutory duty in 2000 and also, latterly, according to the rating an authority achieved in CPA: those rated excellent and good were permitted to reduce the scope. The statutory requirement ceased after 2008.

Entwistle and Laffin (2005) reviewed the prehistory of BV and noted its origins in the drive to renew the Labour party and reduce its vulnerability to public sector unions in government. So BV was very much driven by political considerations as indeed was CPA. They state, 'For those unversed in Labour's problems with local government, the regime seemed like an excessively prescriptive and bureaucratic way of improving performance.' (Entwistle and Laffin, 2005, p. 216). It is argued the review of BV in 2001 changed things considerably, so the 2004 regime was rather different to that launched in 1999. Through the LSP police and health were drawn in, although they also had their own requirements.

BV was overshadowed by CPA from 2002 and although slimmed down it remains in force (Department for Communities and Local Government, 2011).

2.2 Comprehensive Performance Assessment (CPA)

CPA was announced by the Labour Government in the local government white paper, *Strong Local Leadership - Quality Public Services*, published in December 2001 (Department of Transport, Local Government and the Regions, 2001). The white paper stated:

> The Government will put in place a comprehensive and integrated performance framework to help councils deliver better services for their communities. This will include:
> - clearly defined priorities and exacting performance standards;
> - a framework for performance assessment and proportionate and co-ordinated inspection including regular comprehensive assessments of each council's overall performance;
> - extra freedoms and flexibilities for councils which are able to use them to make a real difference for their communities, over and above the universal deregulation described in chapter 4;
> - local PSAs to deliver accelerated improvements in priority services supported by additional freedoms; and a streamlined and reformed best value framework to help councils manage improvement across all services.
>
> (Department of Transport, Local Government and the Regions, 2001, pp. 23-24)

Considerable information on CPA, including council scores, is available from the Audit Commission's archived website (Audit Commission, 2013b)

2.3 Comprehensive Area Assessment (CAA)

The local government white paper *Strong and prosperous communities* stated:

> From April 2009, we will build on CPA with a system based on a combination of risk assessment, largely risk-triggered inspection, and audit. The new regime will be known as the Comprehensive Area Assessment (CAA). Children's Services Joint Area Reviews and Annual Performance Assessments, and social care star ratings will not continue beyond March 2009.
>
> (Department for Communities and Local Government, 2006, p. 133)

The CAA was a performance assessment system similar to CPA, yet with important differences as the consultation (Audit Commission, 2007b), feedback and next steps (Audit Commission, 2008b) suggested: relevant to local people, area and outcome focused, constructive and forward-looking and joint and participative. It brought together the work of several inspectorates with the aim of giving an overall view of the performance of an area. Full details are available from the Audit Commission archive website (Audit Commission, 2013c). A website was specifically designed to

report CAA results, ‘oneplace – for an independent overview of local public services’ which is again available archived (Audit Commission, 2013d). The Audit Commission (2009a), with the other inspectorates, published the final framework document for the first year of CAA which highlighted the flexibility and re-focusing of inspection effort. The evidence from inspections and other sources and the (originally) 198 national indicator set (see Department for Communities and Local Government, 2007b, for details of the indicators) fed into both the organisational assessments and the area assessment.

3. Literature Review

3.1 Introduction

This review is concerned with performance management specifically the factors associated with organisational performance. It provides context since the topic is extremely large and multi-disciplinary. Performance management in the public services is identified as being within NPM and the profound changes in the last two decades or so.

The Centre for Business Performance (2004) noted that between 1994 and 1996 one new article on business performance measurement appeared every five hours of every working day. In 1997 there were over 170,000 references to the topic on the web and this increased to 37,300,000 when checked on 24 July 2014. They did a literature review (Centre for Business Performance, 2005) covering similar topics. Its conclusions confirm the factors investigated through this research are those that may impact on performance.

Andrews and Entwistle (2014a) review public service efficiency under NPM which is an integral component of organisational performance. They suggest that efficiency is a core concept that public services should address outlining the four faces of efficiency and the importance of managing the tensions between them and other factors of importance. Boyne (2003a) considering the determinants of public service performance found that this was most likely due to extra resources and better management.

Ashworth, Boyne and Entwistle (2010) edited a book considering theories of performance and how they related to public service performance. They suggested the nature of the organisation's environment, the degree of regulation and the extent of strategic planning can be most likely linked to organisational improvement. The link between organisational culture and performance was more problematic, requiring further work. The transfer between sectors may or may not be appropriate but caution should be exercised on the transfer of private sector models to the public sector. The determination of causality is a real issue since the direction is often not clear. External constraints may be significant and more important than internal factors. Table 3.1 provides a summary.

Table 3.1: Summary of factors linked to organisational performance (tabulated from Ashworth, Boyne and Entwistle, 2010, pp. 205-217)

Linked to service improvement	Maybe linked to service improvement
Organisation environment	Innovation
Human resources management	Organisational learning
Strategic planning	Culture
Collaboration	Leadership
Regulation	
Placed within context	

They go on to explain much more work has been done in the private sector and empirical studies on the public sector have mainly been done in the USA, UK and other Western countries. Most studies are quantitative; those qualitative tend not to consider performance and longitudinal studies are necessary. Most longitudinal data in the UK came from the Cardiff University studies considering mainly efficiency and effectiveness. They suggest a lack of research in this area is worrying because policy should be informed by what makes a difference to services. This research gap is partly addressed by the current research, in particular providing a mechanism for organisations to identify where to improve to have an impact.

The research is also about the nature of performance management including strategy and implementation, in particular has performance management led to superior performance for processes, service delivery and importantly outcomes? Van Thiel and Leeuw (2002) noted the distinctive nature of the public sector and how NPM has had unintended consequences.

3.2 Context – New Public Management (NPM)

Falconer outlined the key elements of NPM and as regards the Labour Party's (then in government) agenda, identifies performance management as important in delivering responsive, quality public services, a strong public service ethos and the use of information technology (Falconer, 1999, p. 11). Lawton, McKevitt and Millar (2000) identified performance management as a key component of NPM with ambiguity, external legitimacy and implementation issues as key.

Dunsire, Hartley and Parker tested the impact of ownership on performance, noting the 'prevailing' view government setting up 'arms-length' agencies or privatisation improved performance. However, change does not have to be public to private it

could be from one kind of public to another. It's not the act in itself that causes the supposed increase in performance rather factors such as the role of the market, competition and/or an increase in management incentives. Their research gives conflicting results concluding, '….there was no clear relationship between enterprise performance and status change, change in competition, or change in control mode, singly or in combination.' (Dunsire, Hartley and Parker, 1991, p. 38).

Before moving on to a detailed review of some of the literature on performance management we should mention the impact of the so-called management gurus, for example Peters and Waterman (1982), Peters (1988), Crosby (1988) and Osborne and Gaebler (1992). Generally these have suggested new ways of working, particularly quality programmes and putting the customer at the centre of the organisation. Others suggest their impact has been less.

Hood (1991) considered NPM from the perspective of doctrine; the intellectual case explained why its content was prominent in the 1980s and growing in the early part of the following decade. One of the doctrinal components of NPM was explicit standards and measures of performance. The justification for this is that accountability needs a clear statement of goals and efficiency requires a hard look at objectives (Hood, 1991, p.4). Talbot (1999) considered how performance has become a dominant theme in the majority of OECD countries. He asks some fundamental questions about performance and looks briefly at how developments in the use and understanding of performance have been changing in the private sector, especially the emergence of models such as the BSC. It was suggested while there is much to learn there are also key areas of difference between the private and public sectors.

Within the UK, NPM began to have a significant impact with the election of a Conservative government in 1979 although prior to then the practical impact was limited (Ferlie, 1998, p. 3). Pratchett and Leach noted CPA took the importance of performance management to a new level (Pratchett and Leach, 2003, pp. 264-267). Pollitt (2000) also notes NPM as being performance-driven and the influence of published targets has improved performance in certain areas but then questions whether its impact is, in practice, as large as is often stated. Seddon (2003) is highly critical of the imposition of targets and claims 'command and control' thinking is sub-optimal (measurement being the dominant problem) and what is needed is 'systems thinking'.

Kernaghan (2000, pp. 92-93) charted the move from bureaucratic to post-bureaucratic organisations and the shift from concern with process to results. Goodchild (2003, p. 11) used this method to illustrate the shift of Darlington Borough Council from 1988, as primarily a bureaucratic organisation to more post-bureaucratic in 2003. Interestingly, the largest shift was from process oriented to results oriented, suggesting a large rise in performance management. Chapter eight uses Kernaghan's model to investigate bureaucracy and organisational performance. Budd (2007) critiques this post-bureaucratic concept suggesting a continuity of practice rather than a distinct difference and further, may not lead to greater efficiencies.

Davies, Nutley and Smith (1999, p. 3) suggest, apart from in health care, research on effectiveness has been less visible despite the considerable research activity in areas such as education, social services and criminal justice. They put this down to the lack of consensus regarding methodology and 'little agreement on how to use the research evidence to inform policy and practice'.

3.3 Performance Management - Definitions and what is it?

Before considering some definitions in detail we can observe performance management may have a word before it such as: *integrated* (Verweire and Van den Berghe, 2003), *contingent* (Molleman and Timmerman, 2003), *team* (MacBryde and Mendibil, 2003), *strategic* (Kloot and Martin, 2000), *corporate* (Bourne, Franco and Wilkes, 2003; Lawrie, Gobbold and Marshall, 2004), *total* (Masterson and Taylor, 1996), *business* (Bourne, 2003 and Marr and Schiuma, 2003). Generally these words add some self-explanatory context, although indicative of the wide-ranging nature of performance management. Performance management may also have a following word typically when describing the overall process or system, framework or model and as noted by Rouse and Putterill (2003, p. 791) these terms are often used interchangeably.

The I&DeA produced a glossary of performance terms with the following definition:

> Performance is about contributing to agreed needs and objectives, rather than just assuming this is just "the way things generally are" or "the way the world is". It's about making a difference and doing things well, instead of just "churning out" activity for the sake of it.
>
> (Goddard, 2004)

Another definition of performance states:

> …performance is about deploying and managing well the components of the causal model(s) that lead to the timely attainment of stated objectives within constraints specific to the firm and to the situation. Performance is therefore case specific and decision-maker specific. Achieving congruence as to the definition of the parameters of performance and the causal model(s) that lead to it is one of the essential functions of management.
>
> (Lebas, 1995, p. 29)

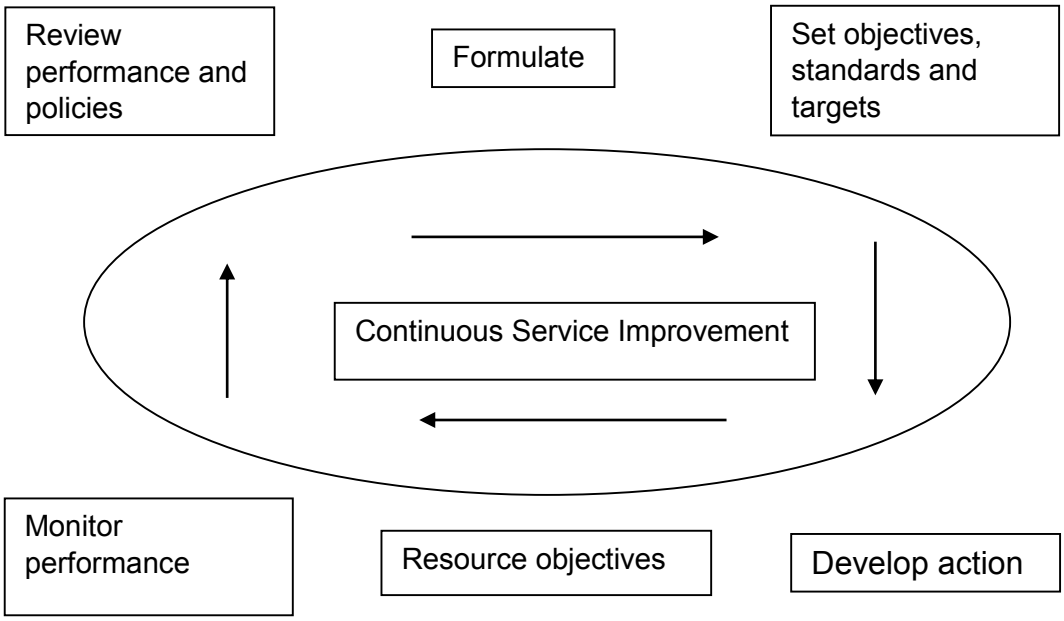
He quotes Sink (1991), 'Measurement is complex, frustrating, difficult, challenging, important, abused and misused' and then Lord Kelvin, 'If you cannot measure it, it does not exist' (Lebas, 1995, p. 23).

It is clear from the outset, whilst there is a large element of imprecision around the term *performance management* there's a commonality inherent in the concept. Armstrong and Baron (1998) allude to the difficulty of definition but go on to suggest performance management is both a strategic and integrated approach to achieve success by improving individual and organisational performance. The *convergence* of what we may regard as two approaches to performance management, people-focused and system-based, is evident.

An influential document on performance management, *Choosing the Right FABRIC: A Framework for Performance Information*, concentrates on the provision of performance information and suggests a framework (HM Treasury, 2001). Public services had been increasingly taking performance management seriously (in line with the requirements of NPM and demanded by central government), a process perhaps given impetus with the introduction of the PIs specified by the Audit Commission from 1993/94. Figure 3.1 illustrates the performance cycle showing directed action to achieve desired aims or outcomes.

To summarise there is a great deal of commonality in definitions of performance management. The common elements appear to be; to have a system (with appropriate processes) enabling an organisation (and individuals within the organisation) to move towards the achievement of its aims and objectives (and know when it is moving in that direction). In order to do this an appropriate culture is necessary (performance management *fits*) with a sufficient quantity and quality of information. This summarises the working definition used in this research.

Figure 3.1: The performance management framework (from Goddard, 2004)



3.4 Performance Management – History

In their book *Performance Management: The New Realities*, Armstrong and Baron (1998) devote chapter three to a short history of performance management. The Wei dynasty (AD 221-265) emperors had an 'Imperial Rater' whose job was to evaluate the performance of the official family. In the 14th century the Jesuits developed a formal rating system for their members (Koontz, 1971). The first formal monitoring systems came about through the work of Taylor prior to World War One and officers in the US armed forces were rated in the 1920s and this 'scientific management' spread into American factories. Performance appraisal (of individuals) became important in the 1950s and 1960s (merit systems). Management by Objectives (MBO) was influential in the 1960s and 1970s and at the about the same time the critical incident technique and behaviour rating scales became known but relatively unused. Subsequently, a reformed appraisal process emerged and this is current practice. This is usefully summarised in Table 3.2 adapted from Armstrong and Baron (Table 1 and text in chapter 3), by the inclusion of merit rating and a timeline (p. 48).

Table 3.2: The genesis of performance management in summary (after Armstrong and Baron, 1998, pp. 30-48 with some additions from other literature)

1920-current (large variant)	1955-1980 (assimilated)	1970s-current (variant and assimilated)	1980-current
Merit Rating	**Management by objectives**	**Performance appraisal**	**Performance management**
Packaged system	Packaged system	Usually tailor made	Tailor made
Applied to employees	Applied to managers	Applied to all staff	Applied to all staff
Emphasis on work rate	Emphasis on individual objectives	Individual objectives may be included	Emphasis on integrating corporate, team and individual objectives
Emphasis on work standards	Emphasis on quantified performance measures	Some qualitative performance indicators may also be included	Competence requirements often included as well as quantified measures
Regular appraisal	Annual appraisal	Annual appraisal	Continuous review with one or more formal reviews
Top down system with ratings	Top-down system with ratings	Top-down system with ratings	Joint process, ratings less common
More than not direct link to pay	May not be a direct link with pay	Often linked to pay	May not be a direct link to pay
Monolithic system	Monolithic system	Monolithic system	Flexible process
Essential but limited paperwork	Complex paper work	Complex paper work	Documentation often minimised and increasing computerisation
Owned by personnel department	Owned by line managers and personnel department	Owned by personnel department	Owned by line management and the corporate centre jointly

Performance management as a recorded practice was first named by Beer and Ruh (1976) who considered 'performance is best developed through practical challenges and experiences on the job with guidance and feedback from superiors'. This differs from a *purist* definition of performance management in not having a link with corporate objectives. They go on to explain it was in the 1980s that performance

management became a coherent discipline and one of the first books (Plachy and Plachy, 1988) on performance management was published. There is however a contrary view that performance management is not really new at all. Rather, it is old theories re-packaged and re-presented; for example the BSC is effectively MBO (Dinesh and Palmer, 1998).

There is also a view performance management is not only difficult (the literature tends to agree) but also well-nigh impossible (the literature tends to disagree). Burke (2004) suggests the belief performance can be controlled (as opposed to measured or managed?) is a myth and this myth has developed into a cult. Therefore, can performance management do no more than give a retrospective understanding or can it be used to improve performance and to what extent? There is surely an implication in Burke's bleak prognosis that attempting to manage performance is not entirely a wasted endeavour. One aim of this research is to evaluate performance management's contribution to organisational performance.

Marr and Schiuma (2003) demonstrated the dominance of the BSC, arising from Kaplan and Norton, (1992, 1996a, 1996b and 2000a). McKevitt and Lawton noted the distinction between practitioners striving for a PMF that works and some academics, who find, '…the systems do not meet their expectations of responsiveness and equity.' (McKevitt and Lawton, 1996, p. 49). Barrett (2004) suggests performance management was in a period of rapid transformation due to a variety of factors coming together, including competitive and regulatory pressures and increasing availability of sophisticated software. Neely (2003) suggested, if in the 1980s organisations were criticised for measuring the wrong things (Johnson and Kaplan, 1987) then now they are measuring too much and obsessed with quantification. Talbot (2000) too noted public services in the UK awash with performance data providing little insight.

Boyne (2003b) stated, 'Academic researchers remain largely at the stage of clarifying questions rather than providing empirical answers….definitions of improvement are not technical and universal but politically constructed and contingent on a variety of circumstances….improvement is not a single phenomenon with a uniform interpretation….you can (temporarily) take improvement out of politics, but you can't take politics out of improvement.' (Boyne, 2003b, p. 224). These are important points which emphasise the contested nature of organisational performance in the public services.

The following sections consider key issues in performance management starting with the quantification and systematic approach or scientific management.

3.5 Scientific Management

Houck (1979) gives a brief history of scientific management and notes the early writings were with respect to engineering. Metcalf was the head of Frankford Arsenal who felt the managerial methods in place were wasteful and ineffective, stressing "systematizing functional operations and controlling their results." Fredrick W. Taylor, regarded as the father of scientific management, published his *Principles of Scientific Management* in 1911. Houck also mentions the contribution of Henri Fayol who published, *General and Industrial Management*, in 1929. Houck notes scientific management provided the foundations for modern management planning and control, including accounting, which he suggests only came into its own with the industrial boom of the 1950s.

Scientific management led directly to the work study movement, with the development of activity standards and the work effort required for the delivery of such activities to a standard. We can see a link to systems, quality, having a selection of activities with monitoring and control of activities and the work force. In theory, this is but a small step to PIs of those activities and selecting a basket to measure (a proto-BSC) with consideration of the contribution of different components of the system (an excellence model) with a quality component also present (TQM). Consideration of the whole brings in systems thinking. Many of today's techniques and systems owe their genesis to scientific management.

Money is a means of exchange and represents the purchase of 'real' resources and so budgeting is next.

3.6 Budgeting

Budgeting is principally the means by which financial resources are deployed to meet objectives, by providing other 'material' such as buildings, equipment and people. The amount of money can be monitored and ultimately controlled. Traditional budgeting is largely incremental, which recognises many activities continue period on period, with perhaps minor changes in the quantity delivered and adjustment for inflation. Zero based budgeting (ZBB) attempts to move from this incremental approach building services afresh each period, perhaps linked to

activity based costing, linking specific activity to unit costs. Jowett and Rothwell note the use of Programme Planning and Budgeting System (PPBS) in local government in the 1960s and 1970s, '…which defined overall objectives and identified methods by which these might be achieved, and ZBB which required justification for expenditure afresh each year.' (Jowett and Rothwell, 1988, p. 21). Budgets lead to financial indicators which are a subset of PIs.

3.7 Performance Indicators (PIs)

PIs too have a long history. Jowett and Rothwell (1988, p. 6) provide a chronology of the main events in the measurement of health care starting at 1732 with Dr Clifton suggesting the collection of basic data for health evaluation. Smith (1990) described the use of PIs in the public sector noting their ubiquitous nature. One conclusion is that whilst the literature debates the difficulty of interpreting financial measures this is, '….dwarfed by the problems posed in presenting and understanding information about the performance of the non-trading public sector.' (Smith, 1990, p. 70). In a later paper, Smith (1995) suggested indicators were being developed without a clear idea of final outcomes. Midwinter (1994) described the state of the art of developing indicators as 'primitive and fraught with methodological problems'.

A textbook on business performance measurement published in 1986 contained few non-financial PIs, although a variety of ratios were discussed, for example market share (Whiting, 1986). A number of academic papers in the 1990s were concerned with setting out the requirements for performance measurement (management). Palmer (1993) notes some requirements for performance measurement included consistency, comparability, clarity, controllability, contingency, comprehensiveness, boundedness, relevance and feasibility (after Jackson, 1988). She paints a picture of councils as poor at performance management with only 8% having a PMF similar to the private sector. There is a common saying as regards performance measurement, "what gets measured gets done/managed", that seems to make rational sense. This is disputed by Emiliani (2000) as not applying in all circumstances, who has shown mathematically it is false when presented as an axiom.

Stewart and Walsh (1994) noted the development of PIs poses difficult problems for the public sector; a focus on measurement could ignore quality, although surely not unique to the public sector. They suggested PIs need to be used to inform political

judgement; used almost as intelligence and individual indicators should not be considered in isolation. They note performance assessment is ultimately a judgement and must be placed within context – 'an exercise in practical wisdom not measurement'. Public management is often ambiguous with obvious implications for performance management (Noordegraaf and Abma, 2003).

Boyne (1997) used the ACPIs to compare the performance of councils. He found this difficult as only a small number corresponded with the concept of performance. He suggested external constraints on councils could explain some variation in performance. The Audit Commission (2000a) published a report explaining the practice of PIs, highlighting the introduction of BV and health PAF. They emphasised indicators should be used in a wider framework through a strategic approach. Propper and Wilson (2003) suggested there had been little assessment of whether the use of indicators brings about service improvements. Bevan and Hood (2006) examined indicators in the National Health Service (NHS), suggesting extensive gaming, partly or mainly, obscured the improvements or resulted in falling performance in areas of the service with no targets.

Lemieux-Charles, McGuire and Champagne et al (2003) considered the factors affecting performance indicator (PI) development and use in healthcare (Table 3.3). Using institutional and rational/goal theories, 'The presence of a performance system is an insufficient condition for using indicators both for improvement purposes and accountability. Resources are needed to build both analytic capacity to understand the information and an ability to act on the information.' (Lemieux-Charles, McGuire and Champagne et al, 2003, p. 769).

Greener (2003) considered the evolution of indicators in the NHS and concluded the regime implemented by the Labour government poorly conceived and in danger of causing distortions in healthcare. Comparing the public health services in the UK and Sweden; Ballantine, Brignall and Modell (1998) noted issues regarding the balance between financial and non-financial PIs.

Marr and Creelman presented a case study of Northumbria Healthcare NHS Foundation Trust that combined clinical performance, customer service and financial control. They noted, 'Understanding healthcare performance requires relevant performance metrics as well as the ability to integrate clinical data with administrative and financial data….' (Marr and Creelman, 2010, p. 3). Bevan

(2006) rehearsed the problems of setting targets for healthcare PIs in which the centre creates a uniform set that process into the star ratings. Three key assumptions were noted: a scoring system can prioritise what matters, failures of performance not related to the scoring system do not matter and gaming can be ignored. Severe problems are noted developing indicators and targets to overcome these assumptions.

Table 3.3: Summary of factors influencing indicator development and use (Lemieux-Charles, McGuire and Champagne et al, 2003, p. 764)

	Organisation level
Quest for rationality	
Accreditation process	Technical/managerial
Corporate goals and requirements	Technical/managerial
Quality program structure	Technical/managerial
Intent to benchmark	Technical/managerial and institutional
Internal and external; benchmarking	Technical/managerial and institutional
Resources (human, technical, financial)	Technical/managerial and institutional
Quest for legitimacy	
Professional associations and literature	Technical/managerial
Legislative requirements	Technical/managerial
Accreditation standards	Technical/managerial and institutional
Public accountability	Institutional
Provincial/regional measurement frameworks	Institutional
Corporate measurement framework	Institutional

Taylor and Godfrey (2003) considered the benchmarking of PIs in sports facilities in an English council suggesting it encouraged a positive attitude towards evidence-based decision making. Kemp (1995) researched the performance of housing management and described the welfare approach as providing a way of examining performance. It was argued without an 'underpinning', '….there is a danger that research on housing management will amount to little more than a

description of activities, workload, policies and procedures.' (Kemp, 1995, p. 788). It may be added that this probably applies to most if not all services.

Collier (2006) considered the police service in England and Wales. Police PIs are tied to the objectives of policing and the change in indicators reflected political priorities with a continual movement in focus. Hume and Wright (2006) made the point, in researching the Youth Justice Board in England that measurement in itself does not necessarily lead to improvement.

Marr and Creelman (2009) described the improvement journey of North East Lincolnshire Council. The council had been assessed as 'poor' or 'weak' in CPA for a number of years with eventual government intervention. Strategic priorities were agreed but as important, data quality weaknesses were addressed making PI data reliable.

In summary the literature describes a struggle in the public services to develop meaningful PIs and then integrate these within a formal PMF. Practice imported uncritically from the private sector is not always successful.

3.8 Investors in People (IIP)

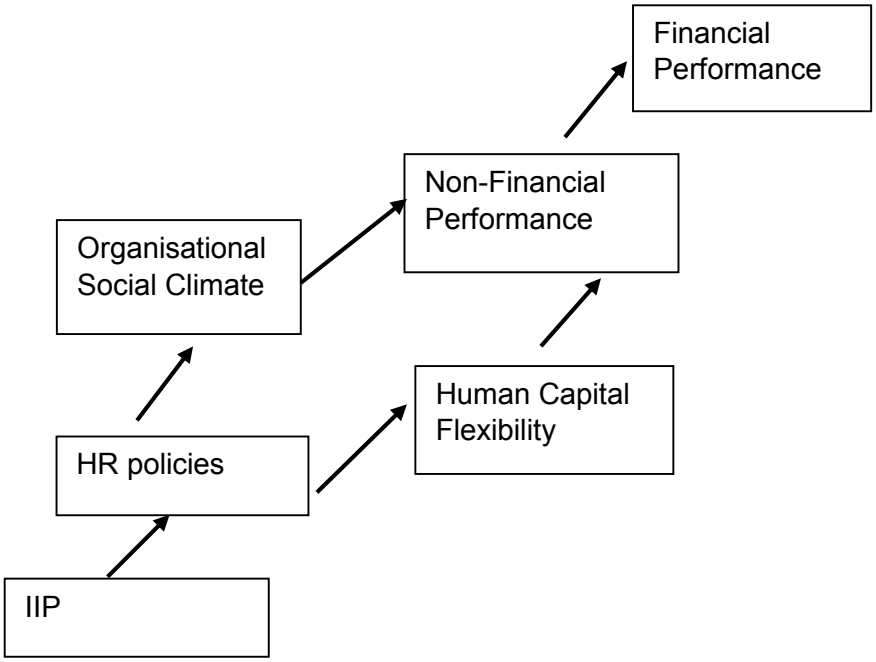
IIP is a 'kitemark' which is validated every few years. Paton (2003, pp.102-103) gives a short introduction to IIP noting it was developed with leading private and public sector organisations in the UK, launched in 1991 and promoted by the British Government to improve economic performance. It is essentially about developing the capabilities and capacity of employees.

Bourne, Franco-Santos and Pavlov et al (2008) report on the impact of IIP on performance and suggest a link between the adoption of IIP and business performance as illustrated in Figure 3.2. They state, 'Our research finds that adopting IIP sets up a chain of impact ending in better financial performance' (p. 5). HR policies create trust and cooperation and increase the skills and behaviours needed for change.

Bourne and Franco-Santos (2010) considered the link between IIP, managerial capabilities and performance. They found evidence IIP enhances managerial capabilities, supports learning, improves management development practices, facilitates a high-performing environment and increases managers' performance. Franco-Santos, Khilji and Bourne (2011) consider a social exchange approach to

the performance impact of IIP, noting it produces benefits for organisations due to the enhancement of long-term skills and employability. However, potential negatives of cost, bureaucracy, cultural damage and inhibition of experimental/unorganised learning were highlighted.

Figure 3.2: How the IIP Standard affects business performance (Bourne, Franco-Santos and Pavlov et al, 2008, p. 5)



Cox, Higgins and Tamkin (2012) used case studies to investigate the engagement of firms with IIP. In adopting IIP firms introduce or modify appraisal systems, introduce a broader range of training and communicate much more around the business strategy. Major barriers were said to be a lack of people management expertise, limited management commitment, reluctance to delegate and the understanding of business strategy.

3.9 International Organization for Standardization ISO9000 Standard

ISO9000 like IIP is a 'kitemark', although with a different emphasis, being:

> ….a set of procedural standards for quality management systems (also referred to as 'quality assurance'). Such systems are based on a comprehensive set of documented procedures to which staff are expected to conform….the ISO9000 standards embody a conception of product and service quality in terms of consistent conformity with an explicit specification. It is up to

> organisations and/or their customers to set these specifications, which may be high or low.
>
> (Paton, 2003, p. 101)

Again, accreditation is done by an external body and audits are carried out periodically to ensure the procedures continue to be followed. Paton (2003) notes the 'pros and cons' of kitemarks and suggests a key issue is the extent to which the award improves performance; is such improvement sustainable and do the benefit(s) outweigh the cost.

3.10 Management by Objectives (MBO)

The term MBO was coined by Drucker (1955) who stated to be effective management must be directed towards a goal which employees share. A key part of the theory is self-control that means wanting to achieve the best rather than just okay. McGregor (1960) contributed to MBO through his Theory Y:

> The central principle that derives from Theory Y is that of integration: the creation of conditions such that the members of the organisation can achieve their own goals best by directing their efforts towards the success of the organisation.
>
> (McGregor, 1960, quoted in Armstrong and Baron, 1998, p. 34)

McGregor's concept was not bureaucratic, rather practical and was contrary to a programme of target-setting and standardised forms and procedures he felt would inhibit management by integration and control. This echoes the views of Seddon (2003) over forty years later.

Vedung (1997) noted three features of MBO as good practice: setting clear goals, participation in making decisions and objective feedback of results. MBO suffered a large decline after the euphoria of the 1970s and was subject to much criticism. The view is it's impossible to manage by goals or results in government. Politicians are unable to determine clear goals because they lack knowledge or do not reveal their motivations.

3.11 Organisation Report Cards and (Annual) Reports

The literature generally considers annual reports from the perspective of accountability. However, the annual report can be used to assess performance.

The hypothesis being an organisation's performance will be reflected in the content, which was tested using the BVPP (Chapter seven).

Boyne and Law (1991) considered Welsh district council reports and found them of poor quality. Many indicators measured inputs and information about spending and staffing, so as Boyne and Law (1991, p. 192) comment: 'If councils' reports reflect their own views on the most important aspects of performance, then it might be inferred that they wish to be judged by their capacity to spend money and employ staff.' They concluded consumerism in local government was weak and had not enhanced the concept of accountability for service standards.

Thompson (1995) reports on the introduction of New Zealand's accounting regulations to import private sector accounting into the public sector and include service performance as part of the annual report. He concludes quoting a paper by Broadbent and Guthrie (1992, p. 26), '….unevaluated reforms are being implemented with impunity and using the name of accounting as legitimation….' (Thompson, 1995, p. 347). In England the BVPP was tightly specified by government and policed by external auditors, providing in principle a level of accountability (Audit Commission, 2000c).

Simply producing information does not guarantee it is read, least of all understood. Therefore, it is important communication and dissemination are considered and education is part of the agenda. Wall and Martin (2003, p. 507) considered public sector organisations were providing an, '….impressive amount of information which could be used to hold them to account.' On the other hand, Steccolini (2004) viewing annual reports of Italian local government concluded they are prepared to comply with legal requirements and for internal stakeholders.

3.12 Business Process Reengineering (BPR)

BPR is '….the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service and speed.' Hammer and Champy (1994, pp. 32-36) then highlight four key words: fundamental, dramatic, radical and processes. Thus asking fundamental questions about the business; getting to the root of things – not superficial or tinkering and so radical. The changes required are not marginal or incremental so dramatic and finally processes which they describe as important, creating the most difficulty in organisations.

Guha, Grover and Kettinger et al (1997) considered factors important in successful BPR and use a framework suggesting a strategic approach with top management leadership. They emphasise successful reengineering only happens by providing employees with quality work and actively engaging them in the change process.
Altinkemer, Chaturvedi and Kondareddy considered the issues around BPR and organisational performance using content analysis of company annual reports. 'The results suggest that many companies were not implementing BPR alone but as one of the components of a set of change approaches that included less radical process improvement.' (Altinkemer, Chaturvedi and Kondareddy, 1998, p. 382). Few companies sustained improvement in all performance measures, and in many cases improvements were short-lived.

BPR was often portrayed at its purist level as the need for fundamental change, almost a clean-break with the past. This has, with time, given way to the recognition that it is not usually possible to dissolve an organisation and start afresh and therefore the present situation must be worked upon to a lesser or greater degree.

3.13 Lean

The underlying assumption of lean is organisations are made up of processes and acting on these is a route to efficiency. Further, a distinction is often made between lean thinking at the strategic and operational levels, with the former concerned with principles and the latter tools and techniques (Hines, Holweg and Rich, 2004). A literature review on lean thinking in the public services concluded, 'There is little doubt of the applicability of Lean to the public sector…many of the processes and services in the public sector can gain greater efficiency by considering and implementing aspects of Lean' (Radnor, Walley and Stephens et al, 2006, p. 85).

Lean thinking has been said to draw from other quality 'models' such as just in time (JIT), TQM and BPR. TQM is described as a bottom-up approach and BPR top-down and therefore which way does lean (predominantly) operate? Lean needs to be looked at from various perspectives including organisational change, sustainability of change, organisational learning and people issues. The link between the systems approach and lean thinking is evident since both are holistic and focused on processes, although the system level achieves far more (Seddon and Brand, 2008, p. 8).

Antony (2011) compared lean and six sigma finding whilst both are focused on process and improvement, lean is a formalisation of experience and judgement. Six sigma focuses on variation and defects whilst lean emphasises speed and waste. Which may potentially produce higher performance is not considered. Orme and Clegg (2011) consider a systems approach for a deployment model to combine lean and six sigma, noting organisations tend to deploy lean or six sigma, rarely both.

Robinson, Radnor and Burgess et al (2011) suggested lean and simulation could usefully be applied to healthcare services (SimLean). They noted simulation has a long history (from 1970s) in healthcare whilst lean has become more widespread since the turn of the century. Performance is not explicitly addressed but the purpose is clearly to produce superior outputs compared to the implementation of lean or simulation separately.

Radnor and Holweg (2011) considered the use of lean in the UK public sector primarily to increase efficiency and reduce cost. They show implementations are mainly at the tool level but hit problems when more complex processes are addressed. The key difference in the public sector may be manifest, namely in the private sector customer and commissioner are the same so defining customer value is relatively easy.

Carter, Danford and Howcroft et al (2011) considered the introduction of lean in Her Majesty's Revenue and Customs **(**HMRC) and found it was leading to fragmentation of work, de-skilling and workforce demoralisation. It was compared to early 20th century factories under the 'full assault' of Taylorism. They conclude, 'If government plans to extend lean across the UK public service organisations come to fruition then "all they lack is a chain", might seem an apt twenty first century refrain for a "modernised" public sector workforce.' (Carter, Danford and Howcroft et al, 2011, p. 95). Radnor and Procter (2012) develop the arguments regarding the limits to lean in the public sector observing clear task segmentation as well as the expected horizontal integration across tasks. Lower level staff were not really involved in the service redesign. Although processes were mapped the emphasis was still very much on the individual, as in classic scientific management.

Pedersen and Huniche (2011) investigated how negotiations between the different actors impacted on the implementation of lean in the Danish public sector. They

state, ‘Lean is not a neutral and value-free endeavour; rather it is a political process with interaction between numerous parties and resulting in multiple lean practices.’ (Pedersen and Huniche, 2011, p. 562).

If the principles and practice of lean are so powerful, Bagley and Lewis (2008) pose the question: Why aren’t we all lean? They suggest ‘why’ include a lack of appreciation, limited understanding, unclear strategic priorities, cost-cutting rather than cost reduction, management and staff resistance. They caution lean is not a magic technique that will fix everything and anything; rather it should be seen as one component. It will also be noted that often improved organisational performance in implementations is pre-assumed and not (subsequently) demonstrated.

3.14 Balanced Scorecard (BSC)

Information on the BSC is available from the Palladium Group (2014). Kaplan and Norton (1992) are credited with introducing the BSC. In principle the concept is simple; having a balanced set of measures (financial, customer, production, etc.) to cover all activities of the organisation. In a further paper Kaplan and Norton (1996b) note BSC as a strategic management system to focus on more than just short-term financial results. They continue this theme (Kaplan and Norton, 2001) by way of elaboration, including a section on not-for-profit organisations and usefully repeat that a strategy is not just what an organisation intends to do but *also* what it intends not to do. Zanini (2003) reviewed the evolution of the BSC and found whilst the concept was widely accepted adoption trailed. De Waal (2003a) interviewed Robert Kaplan who attributed the success of the BSC as being down to the huge gap between the vision and strategy at the top and people on the frontline. He commented this was not new as Peter Drucker had recognised it 50 years earlier, hence MBO.

Franco and Bourne (2003) interviewed 24 performance management practitioners considering factors that differentiate an organisation that manages through measures from one that doesn’t. Key factors were culture, management leadership/ commitment, linking measures to pay, education and understanding, communication and reporting, review and update, data processes and information technology (IT), the performance framework, the environment, development, involvement, accountability and people behaviours. Soderberg, Kalagnanam and Sheehan et al (2011) investigated the understanding of the BSC in 149 Canadian organisations.

They found the term was understood differently within, as well as across, organisations. They established different levels of implementation using a five level scheme, with 74.5% of organisations at level one (basic) whilst 24.2% were at level five (fully developed). So performance may vary depending on the level the organisation is at, which complicates interpretation. The same may also apply to other approaches.

Malmi (2001) in Finland found the BSC was used in two ways; for MBO and as an information system. Early adopters did not appreciate the importance of linking measures together based on (assumed) cause and effect. Chang, Lin and Northcott debated whether the NHS PAF is an example of a BSC. They state, 'The PAF reflects both outcome and process measures, aiming to achieve long-term health improvement via efforts put into raising results for process measures….However, the PAF is not identical to the BSC, rather the BSC approach has been transformed to suit the unique context of the NHS.' (Chang, Lin and Northcott, 2002, p. 356). Radnor and Lovell (2003) noted use of the BSC in the NHS was rare although its general popularity is undoubted. Working with the NHS in Bradford they noted a number of pitfalls: conceptual barriers to adoption need to be addressed, resource and time issues must be considered and BSC implementation work needs reducing through a link with business plans but BSC must be the primary strategic management system.

McAdam and Walker (2003) explored BSC as an approach by local government, in implementing BV, noting the Cabinet Office (2001) had identified BSC as a key public sector performance framework. They found BSC was often used with other techniques such as the (B)EM. The use of BSC led to improved strategic planning whilst the (B)EM provided a service level approach. Woods and Grubnic (2008) considered the linking of CPA to BSC using evidence from Hertfordshire CC, suggesting linkages as in Table 3.4. CPA provided focus especially on complex issues whilst BSC provided the mechanism to concentrate on outcomes rather than outputs.

Hoque and James (2000) considered linkages of BSC to size and market factors and the potential impact on organisational performance in Australian manufacturing firms and find use of BSC associated with higher performance. De Geuser, Mooraj and Oyon (2009) showed BSC has a positive impact on

organisational performance, particularly improving the integration of management processes and empowering people. Wilson, Hagarty and Gauthier (2003) emphasised the strategic nature of BSC and note a common error is to view BSC as an operations level reporting mechanism.

Aidemark (2001) considered the BSC in healthcare in Sweden and noted the financial perspective a constraint for not-for-profit organisations. Kollberg and Elg (2011) identified the main characteristics of BSC practice in Swedish healthcare, with BSC used for different purposes: clearer strategic direction, to structure management meetings and to make strategies more comprehensive.

Table 3.4: Linking CPA Components to the Balanced Scorecard (Woods and Grubnic, 2008, p. 351)

CPA Components	**BSC Components**
Corporate Assessment	Mission Value/benefit of service Internal processes Support of voters/tax payers
Service Assessments	Value/benefit of service Operational efficiency Support of legislature, voters/tax payers Learning and growth
Use of Resources	Operational efficiency Internal processes
Direction of Travel	Learning and growth Internal processes Support of voters/tax payers Support of legislature

Kloot and Martin (2000) found support in the literature for a strong link between strategic plans and performance measures. They found concentration on the results of council work, financial performance and to a lesser degree community views on

performance but less attention to the other parts of the BSC, such as innovation, learning and internal business processes.

The literature demonstrates BSC has much to commend it as the defining characteristic of a PMF. However, it must still be designed and implemented in a holistic manner taking into consideration all the relevant factors inherent in the internal and external environments.

3.15 Total Quality Management (TQM)

'Quality management' covers a variety of approaches including TQM, total quality control, value adding management, common interest programme, employee involvement program, etc., so says Fisher (1990). Fisher was writing from an Australian perspective studying three companies implementing quality management, suggesting improvements were marginal in the short-term when compared to other factors such as financial control and product rationalisation.

Rouse (1999, p. 2) explicitly linked performance and quality noting, '…the existence of multiple stakeholders and conflicting values within the public domain means the concept of good performance as "effectiveness" and "quality" becomes problematic'. Shrivastava, Mohanty and Lakhe (2006) considered the linkages between TQM and organisational performance in Indian firms using PCA with varimax rotation extracting five components (Table 3.5).

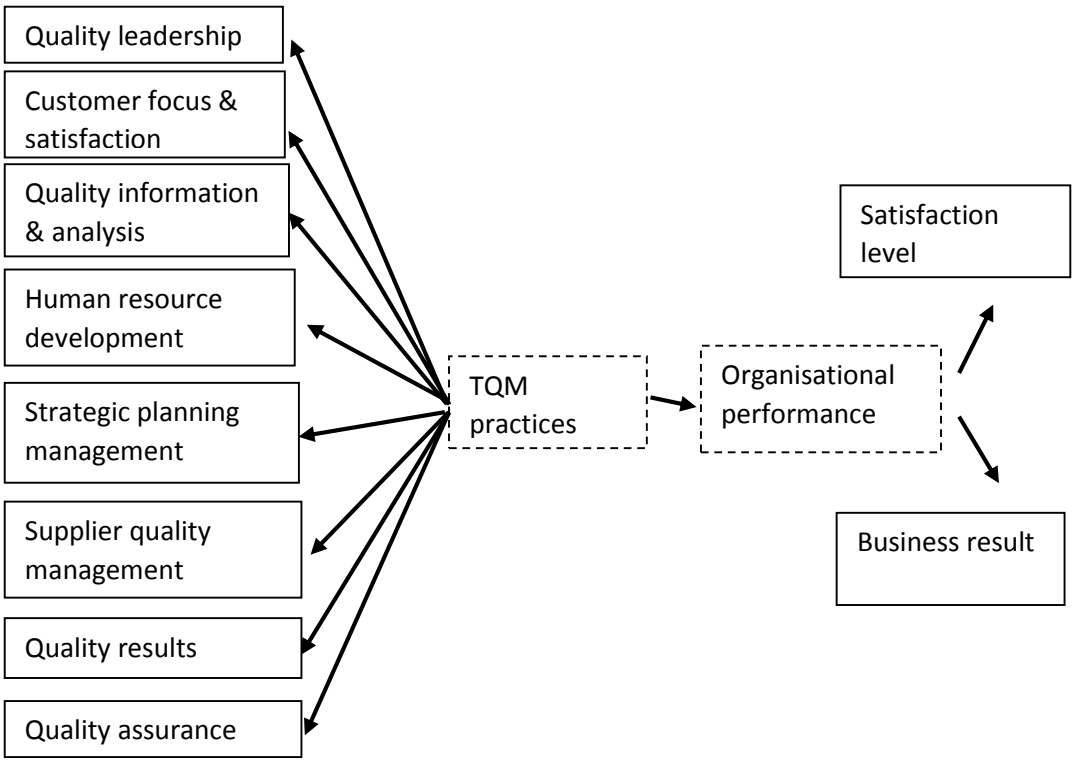
Table 3.5: Correlation matrix of organisation's performance with TQM factors (Shrivastava, Mohanty and Lakhe, 2006, p. 23)

TQM Factors → / **Organisation performance ↓**	**Pro-active business orientation**	**Internal support**	**Competitive assessment**	**Participatory orientation**
1. Quality	0.250**	0.008	0.170*	0.010
2. Customer satisfaction	0.080*	0.040*	0.009	0.210**
3. Business results	0.007	0.251**	0.005	0.008
4.Human resource	0.008	0.053*	-0.004	0.090*
5.Time	0.011	0.081*	0.062*	0.009
* $p<0.05$; ** $p<0.01$				

Zakuan, Yusof and Laosirihongthong et al (2010) proposed a relationship between TQM and organisational performance in a conceptual model (Figure 3.3). Organisational performance is measured using satisfaction (customer and employee) and business results (productivity, number of successful new products, cost performance and profitability). This model is similar to others although the detail varies.

Al-Dhaafri, Yusoff and Al-Swidi (2013) reviewed the literature on organisational performance and consider the potential effects of TQM, enterprise resource planning (ERP) and organisational excellence (OE). They suggest, '….the effects of TQM, ERP and OE on the Organisational Performance are still inconsistent.' (Al-Dhaafri, Yusoff and Al-Swidi, 2013, p. 78). Given organisational complexity and the 'slippery' nature of many of the concepts this inconsistency seems unsurprising.

Figure 3.3: A proposed conceptual model of TQM practices (Zakuan, Yusof and Laosirihongthong et al, 2010, p. 196)



Skelcher (1992) noted councils changed their relationships with customers, since the mid-1980s, to more like the commercial sector but remained distinct (Table 3.6). These differences were also said to create difficulties in becoming more customer

oriented. He concludes by suggesting strong parallels between the sectors in that getting it right for employees is as important as getting it right for customers.

Table 3.6: Comparison of local government and commercial sectors (Skelcher, 1992, p. 464)

	Local Government	**Commercial**
Accountability	Extensive Openness	Limited Closed
Choice	Wide value base Political process Customer also citizen	Narrow value base Managerial process Limited influence of customer
Purpose	Multiple	Narrow

Lambert and Ouedraogo (2008) studied the impact of ISO9001 on organisational learning in French firms and the impacts on process performance. They note the differences between ISO9001 and TQM, with the latter having a much larger cultural dimension and less prescriptive. Sharma and Gadenne (2008) showed quality management factors (e.g. top management philosophy) have significant associations with business competitive position whilst market process improvement and training have significant associations with customer satisfaction. Tanninen, Puumalaimen and Sandström (2010) considered the power of TQM on profitability, productivity and customer satisfaction in a manufacturing firm and found TQM had a positive impact on all three.

Soltani, Singh and Liao et al (2010) noted one of the 'purposes' of TQM is to control processes but the extent to which this is done by controlling the workforce is open to question. They showed control over the workforce is part of the mechanism by which processes are controlled, '….managers at various organisational levels in quality driven organisations do seek to tighten their managerial control in the name of TQM and follow the steps proposed by earlier management schools.' (Soltani, Singh and Liao et al, 2010 p. 75). They noted academic and business-led research may effectively be 'muddled' in terms of what practitioners see as TQM and its purpose. Many managers, they comment, do not appear to see a quality workforce as a key determinant of TQM success.

Cowling and Newman (1995) used the case study approach to examine TQM in UK banks and noted the early nature of the change programmes. They identified key factors necessary for success as communications, recognition, motivation, involvement and leadership.

Rahman and Bullock (2005) investigated the impact of hard and soft TQM on performance. They suggested soft TQM creates the environment for hard TQM to operate successfully. They conclude, generally, elements of soft TQM (workforce commitment, shared vision, customer focus, use of teams and cooperative supplier arrangements) are significantly related to organisational performance. For hard TQM; just in time principles, technology utilisation and continuous improvement enablers have significant relationships with soft TQM elements.

Leonard and McAdam (2004) researched TQM and corporate strategy and suggested this relationship is key if TQM is to progress beyond an incremental contribution to performance. Moura e Sá and Kanji (2003) suggested TQM principles and core concepts are drivers of organisational excellence.

Pannirselvam and Ferguson (2001) studied the relationships between the Malcolm Baldrige National Quality Award categories (leadership, information and analysis, strategic quality planning, HR management, management of process quality, business results and customer focus and satisfaction) and how these related to organisational performance. The results indicated leadership is significantly associated with performance but the greatest contribution was customer focus and relationship management.

Boyne and Walker (2002, p. 127) considered the need for research on TQM and performance. They state, '….there is no systematic evidence on the validity of the TQM-performance hypothesis…the available evidence does not offer comprehensive support for the view that TQM is positively related to organizational success.' They suggest there is an urgent need for longitudinal research.

Soltani, Van der Meer and Gennard (2003) highlight the links between TQM and human resources management (HRM) supporting Krüger's (2001) views regarding the importance of the individual to TQM. However, Soltani (2003) suggests, although performance evaluation (of individuals) is high in most organisations its impact on TQM programmes is low. Given this perspective Masterson and Taylor

(1996) note many proponents of TQM advocate the elimination of individual performance appraisal but other workers and many practitioners are not in favour. They argue TQM and appraisal are complementary. This seems in being with the concept of performance management as being an integrative force in organisations, encompassing many different perspectives. If TQM is really a PMF and the 'gurus' underplayed the importance of individuals' role then given the encompassing nature of performance management their views need to be modified.

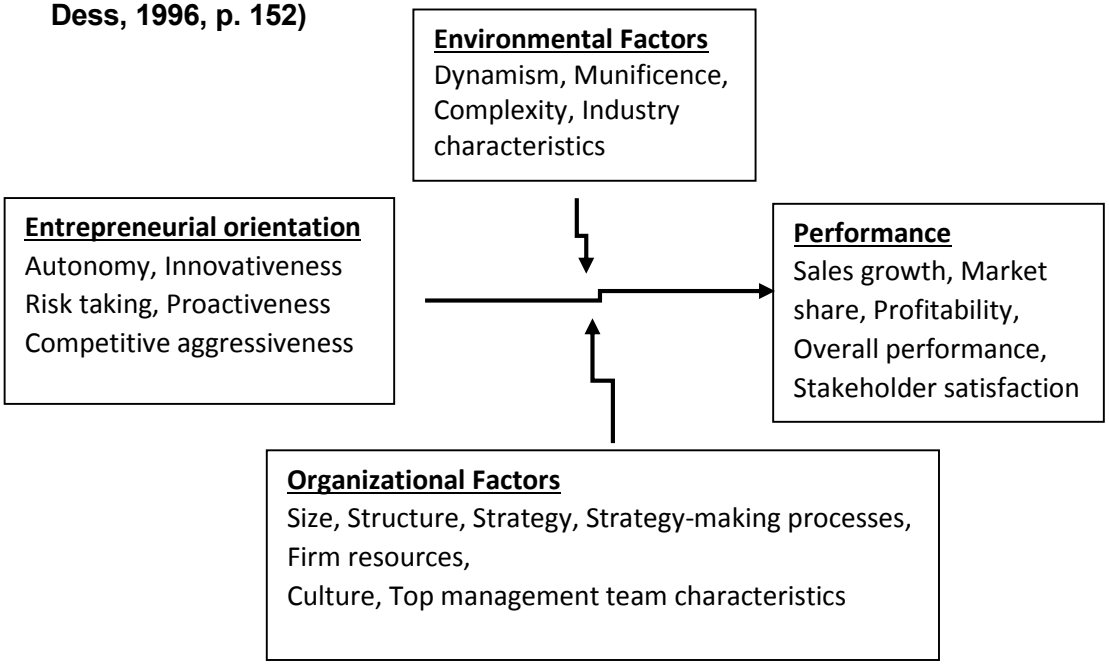
Iaquinto (1999) explored the relationship between winning a quality award and organisational performance and suggests for Japanese firms that have won the Deming award a negative association. Mann and Kehoe (1994) describe research on how quality initiatives impact on business performance and concluded all quality activities, especially TQM, had a beneficial impact on performance.

Samson and Terziovski (1999) researched the effectiveness and validity of quality management systems in explaining variances in operational performance of 1,200 Australian and New Zealand manufacturing firms. They found a positive relationship between TQM practice and organisational performance with the strongest significant predictors of performance being leadership, the management of people and customer focus. They conclude their results are consistent with the literature which suggests behavioural factors generate stronger performance than TQM.

3.16 Innovation

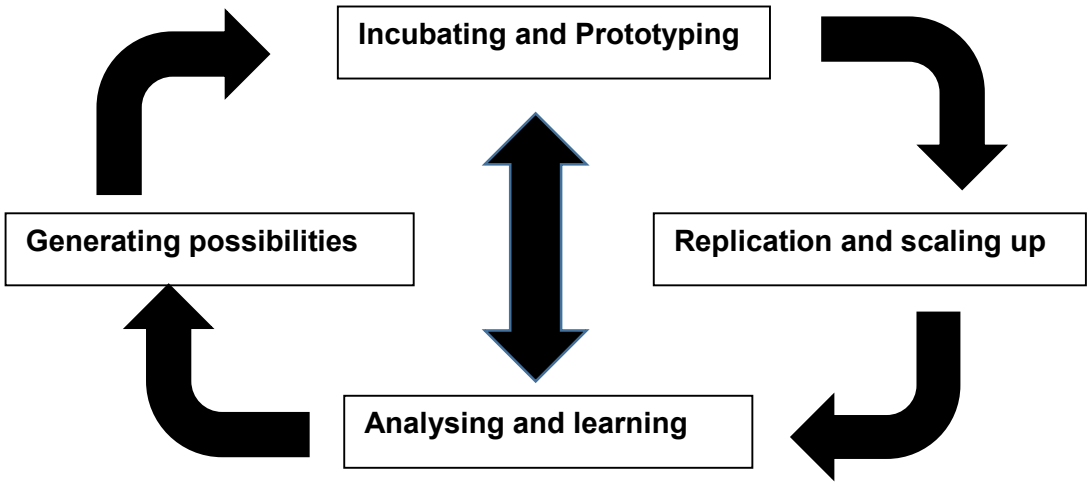
Innovation is often suggested as one means by which organisational performance can be improved and Lumpkin and Dess (1996) proposed a framework for investigation (Figure 3.4).

Figure 3.4 Conceptual framework of entrepreneurial orientation (Lumpkin and Dess, 1996, p. 152)



Macpherson (2001) notes public sector organisations are traditionally risk averse and process constrained and may find it difficult to innovate as this requires risk-taking. It is suggested the use of excellence models (EFQM, Baldrige, BSC) provide a mechanism to promote innovation. The Strategy Unit of the Cabinet Office (2003) presented a framework for public sector organisations in promoting, implementing and the diffusion of innovation as shown in Figure 3.5. Whilst this is all relevant it neglects the point that typically the rewards for successful innovation in much of the public services are meagre whereas failures may be heavily punished.

Figure 3.5: Framework to help understand how to foster innovation (Cabinet Office, 2003, p. 12)



Walker, Damanpour and Devece (2011) suggested management innovations are little researched in the public sector. Echoing earlier research the relationship between innovation and performance is complex and depends on many other characteristics of the organisation. Using English councils they found the impact of innovation is mediated by performance management that has a positive association with organisational performance. They find innovation itself does not have a direct impact on organisational performance, contrary to much of the literature.

3.17 Organisational Culture/Climate

Culture has been noted as important for organisational performance. Kangis, Gordon and Williams (2000) studied organisational climate and corporate performance and concluded a better climate resulted in better performance but were reluctant to claim a causal relationship and if so in which direction. Chew and Sharma (2005) considered the effects of culture and HR on firm performance in Singapore finding the type of leadership and HR practices influenced financial performance.

Bititci, Mendibil and Nudurupati et al (2006) modelled the relationship between performance measurement, management styles and organisational culture. They found culture and management style were interdependent throughout the life of the PMF. An authoritative management style was critical in the initial implementation but changed as the system matured. Appiah-Adu and Singh (1999) researched marketing culture and performance of UK service firms and suggested the success of marketing leads to increased customer satisfaction. Toaldo and Luce (2011) considered the impact of the marketing strategy process (Brazilian medium and large firms) on organisational performance and found it had a significant impact on the strategy leading to increased market share and customer satisfaction. Studies by Tortosa, Moliner and Sánchez (2008) and Lings and Greenley (2009) suggest internal marketing has a positive influence on employees leading to improved organisational performance, including customer satisfaction.

Den Hartog and Verburg (2004) state the HRM literature emphasises the importance of people in increasing performance and consider this further using a survey of high performance work systems (HPWS) and organisational performance in Dutch firms. They pose the question as to whether higher performance results in stronger, more coherent cultures and the extent to which different HR practices act in varying cultures. Pandey, Coursey and Moynihan (2007) considered how a model of

organisational effectiveness accounts for red tape and the effect of organisational culture, where a high development culture results in higher organisational performance and is less affected by increasing red tape.

Lawson, Hatch and Desroches (2013) found three of six performance cultural criteria (taken from Dresner, 2010) were significant for organisational performance: alignment of the organisation with its vision and mission, the presence of transparency and accountability and effective conflict resolution. Mulgan (2012) reported on transparency and public sector performance suggesting, in particular settings, higher levels of transparency can improve performance.

3.18 Leadership

Hartley and Allison (2000) considered leadership in the government's drive for local government modernisation and improvement following the election of a Labour government in 1997. They found a leadership role for certain individuals in shaping council visions; not always the leader of the council or chief executive, rather others may have been nominated to lead, that can vary over time.

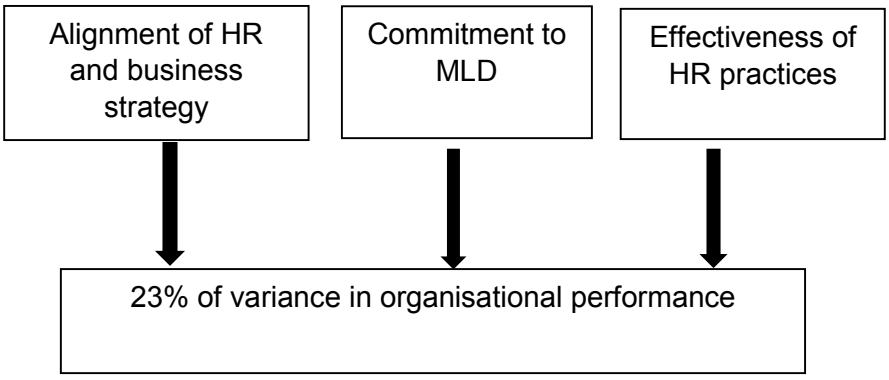
Joyce (2004) considered the role of leadership in turning around a poorly performing council (Newham London Borough Council). The appointment of a new chief executive who led or ensured leadership on three major issues; strategy, performance management and HR/organisational development was a significant reason for the large improvement in three years.

Boyne and Meier (2005) developed a turnaround model that added luck. They considered luck plays a significant role in organisational turnaround, often due to external factors. Andrews, Boyne and Enticott (2006) followed this up by suggesting performance regimes (e.g. CPA) assume poor performance is down to the organisation rather than external circumstances. Their analysis shows organisational failure may be attributable to difficult circumstances *and* management characteristics – misfortune and mismanagement. Of course it may be added it depends on the organisation, the environment and time; each acting in a complex mix making disentanglement tricky. Arikibe (2011) studying public service performance in Nigeria suggested executive leadership had a moderate positive relationship with organisational performance moderated by environmental factors.

Peterson, Smith and Martorana et al (2003) considered how the personality of leaders (often termed leadership charisma) may be related to organisational performance through top management teams. They find a positive relationship but suggest more research to explore the mediation role of top management team members. Entwistle, Martin and Enticott (2005) note the importance of leadership in public service modernisation and explore the potential conflict between political and managerial leadership. Andrews and Boyne (2010) suggest that leadership can further improve an already good management system; that is also linked to capacity. Michailidis and Charalamous (2012) examined the importance of leadership in the police and found leadership skills tended to increase police officers' motivation leading to higher performance.

Parry and Proctor-Thomson (2003) tested the relationship between leadership, culture and effectiveness in the public sector in New Zealand. They found transformational leadership had a direct and indirect impact on performance through affecting organisational culture and influence on innovation. McBain, Ghobadian and Switzer et al (2012) considered the business benefits of management and leadership development (MLD) and concluded there are strong links between management development and organisational performance. They showed 23% of the variance in organisational performance is explained by three factors (Figure 3.6).

Figure 3.6: Factors which explain 23% variance in organisational performance (McBain, Ghobadian and Switzer et al, 2012, p. 56)



Partnership working became increasingly important for local public services, perhaps best manifested by local area agreements (LAAs). Morgan and Djebarni (2012) investigated the leadership of community partnerships as predictors of performance finding both vertical and shared leadership were predictors of

partnership effectiveness. Earlier, Sullivan, Downe and Entwistle et al (2006) noted the requirements for local government to fulfil the community leadership role: engage citizens, strategic leadership and the development of the collaborative potential of other agencies. Meier and O'Toole (2002) researching Texas school districts concluded managerial quality (of which leadership is part) was positively correlated with ten of 11 PIs.

De Waal (2003b and 2004) considered the behavioural factors important for the successful implementation and use of PMFs and concluded there are critical factors. In addition the 'use' stage in implementation has to be performed well to ensure the PMF is used. The present research tests some of these influences.

Watson (2001) considered the psychological contract under NPM and concluded improved employee/employer relationships were important for the success of modernisation and change programmes, such as introducing performance management. O'Donnell and Shields (2002) carried out similar research in the Australian public sector with an emphasis on performance management. They suggested maintaining a positive psychological contract requires the employer to deploy a full range of HR techniques including good communications.

3.19 Benchmarking

Benchmarking is comparing features of an organisation with features in other organisation(s), or different parts of the same organisation. Longbottom (2000, p. 113) undertook a questionnaire study to investigate benchmarking in the UK showing a large interest amongst practitioners, especially the public sector, with a high proportion of projects showing positive links to performance.

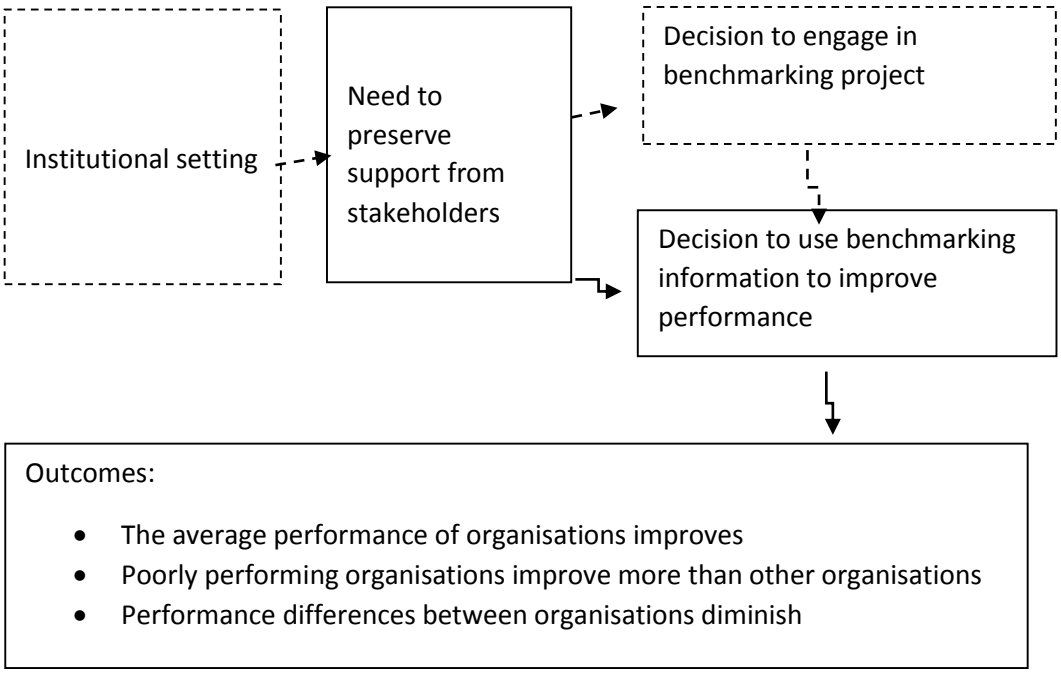
Davis (1998) described the increasing use of benchmarking in British councils noting its rise parallels the use of strategic management and TQM. The use of strategic benchmarking to improve effectiveness was highlighted, 'Strategic benchmarking can prompt the "unlearning" that is at the core of the scrutiny process. This unlearning requires challenging the implicit assumptions in current policy.' (Davis, 1998, p. 264). This may be important in allowing criteria that contribute to high performance to operate. Davis (1998, p. 266) also highlights the view expounded by such as Cox and Thompson (1998) that benchmarking is actually sub-optimal in not promoting market leadership or competitive advantage.

Holloway, Francis and Hinton (1999) critiqued the notion that a single approach, such as benchmarking, can transform an organisation's performance. They studied the NHS ambulance service in Warwickshire that was active in benchmarking including with the fire service and police, although not with the private sector due to commerciality issues. They suggest techniques such as benchmarking are only as good as the people who apply them and their compatibility with the organisational context.

The Audit Commission (2000a) produced a guide to benchmarking identifying two characteristics leading to successful change: top management support and staff involvement. In 2001 the UK government launched the public sector benchmarking service producing a guide setting out its ethos to promote effective benchmarking, broker learning through shared practice and supply practical advice and information (Cabinet Office/HM Customs and Excise, 2001). Benchmarking is still facilitated for example by CIPFA for councils and fire services (Chartered Institute of Public Finance and Accountancy, 2014), for health through the Health & Social Care Information Centre (2014) and for police through Her Majesty's Inspectorate of Constabulary (2014). Co-ordination of benchmarking is undertaken by the local authority association in Scotland (Improvement Service, 2014).

Bowerman and Ball (2000) reviewed some of the history of benchmarking in local government and cast doubt on the usefulness of much of it. They noted it predates the popularity of the technique in the private sector; principally cross-council that was given an impetus by the establishment of the Audit Commission in 1983. Later, Bowerman, Francis and Ball et al (2002) argued the practice of benchmarking in councils was different, to in the private sector, used predominantly for defensive reasons (in response to central government imposition) rather than improve performance. They contend the compulsory approach is flawed and, '…yet despite the failure of benchmarks to drive performance, the government's response is for more of the same.' (Bowerman, Francis and Ball et al, 2002, p. 446).

Figure 3.7: Framework combining economic and institutional benchmarking theories (Van Helden and Tillema, 2005, p. 342)



Van Helden and Tillema (2005) suggest benchmarking is based on particular ideas about managing organisations and improving their performance. They develop a theoretical framework (Figure 3.7) which includes economic and institutional theories where the outcomes are improved organisational performance.

Fong, Cheng and Ho (1998) considered benchmarking from the practical aspect by clarifying the term and describing the procedures for benchmarking (Table 3.7).

Magd and Curry (2003) place benchmarking as an essential public sector tool but state to be successful there must be commitment to continuous improvement, an ability to learn from others and a willingness to implement. They discuss NHS trusts using benchmarking prior to market testing as a means to demonstrate vfm or to identify areas of competitive weakness in terms of cost.

Triantafillou (2007) conceptualises benchmarking as a 'normalising governing technology' so the relations between different actors can be examined. He suggests the most important danger of benchmarking may not be its potentially 'perverse' effects, or the potential to allow control by others, rather benchmarked

organisations are subject to constant change in ‘a game’ some participants are bound to lose.

Table 3.7: Classification of benchmarking (Fong, Cheng and Ho, 1998, p. 410)

Classification	Type	Meaning
Nature of referent other	Internal	Comparing within one organisation about the performance of similar business units or processes
	Competitor	Comparing with direct competitors, catch up or even surpass their performance
	Industry	Comparing with company in the same industry, including non-competitors
	Generic	Comparing with an organisation that extends beyond industry boundaries
	Global	Comparing with an organisation where its geographical location extends beyond country boundaries
Content of benchmarking	Process	Pertaining to discreet work processes and operating systems
	Functional	Application of the process benchmarking that compares particular business functions at two or more organisations
	Performance	Concerning outcome characteristics, quantifiable in terms of price, speed, reliability, etc.
	Strategic	Involving assessment of strategic rather than operational matters
Purpose for the relationship	Competitive	Comparison for gaining superiority over others
	Collaborative	Comparison for developing a learning atmosphere and sharing knowledge

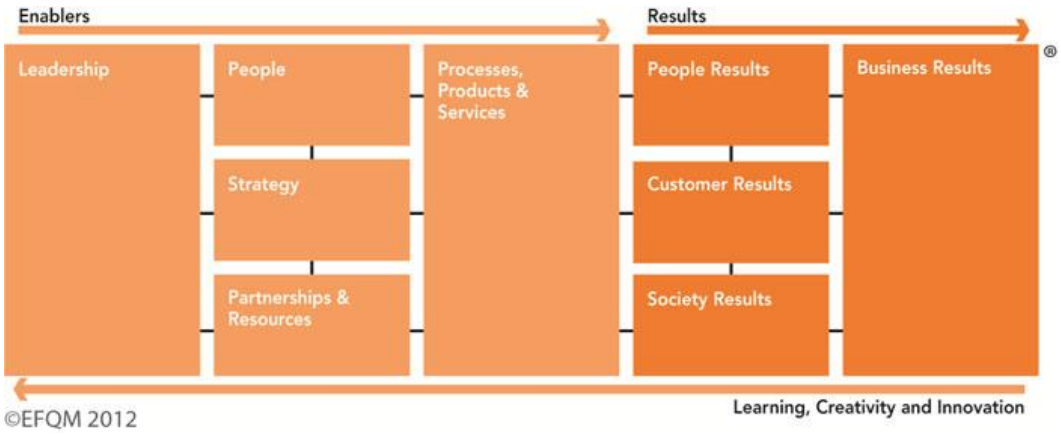
Maiga and Jacobs (2004) considered the association between benchmarking and performance in a study of US manufacturing. They established prior experience

with benchmarking, the commitment to benchmarking and preliminary competitive analysis are statistically associated with increased organisational performance.

3.20 (Business) Excellence Model ((B)EM)

The European Foundation for Quality Management (EFQM) BEM was introduced in 1991. It was renamed the EM to reflect its use in many organisations, not just private business. Detail on the EM is available from the EFQM (2014). The EM is based on nine criteria in two parts: Enablers and Results as shown in Figure 3.8.

Figure 3.8 The EFQM Excellence Model (EFQM, 2014)



Moeller, Breinlinger-O'Reilly and Elser (2000) highlighted the use of the EM in the German health sector and conclude it offers the potential to improve healthcare but caution on the effort needed. This mirrors Darlington BC's experience, in using it as a framework for BV reviews, where it simply became too onerous to resource even in a simplified form. It was not clear what was lost as no evaluation was undertaken.

Stahr, Bulman and Stead (2000) edited a book on the use of the EM in the health sector that illustrates successful implementation to drive service improvement. Zairi and Jarrar (2001) suggested self-assessment models such as the EM are useful in determining high performance but are unable to highlight best practices that deliver it.

Eskildsen, Kristensen and Juhl (2004) considered how private and public sector organisations in Denmark achieve excellent results through holistic management models. They show public organisations use holistic management more and excellent results are not achieved in the same way in both sectors. Private companies emphasise 'systems' whereas public emphasise 'people'. In particular

for the EM; private sector organisations place more emphasis on 'leadership' whereas for the public sector it is 'policy and strategy'.

Jacobs and Suckling (2007) researched the use of the EM in an English council (South Staffordshire), in particular as regards the assessment of customer focus. The EM enabled managers to accurately assess critical performance issues. The work was also linked to the Council's use of the BSC to manage its performance and to score highly in CPA. Larsen (2001) notes the EM supports customer satisfaction surveys to promote continuous improvement and this is also true of other initiatives such as ISO9000. We may add appropriate information is necessary for evaluation and Larsen provides a useful reminder that measurements are not necessarily better than opinions since a great deal depends on interpretation. Therefore, the lack of appropriate analysis capacity can be a serious shortcoming. Not all of the quality/performance systems are equally applicable and context is likely to be important.

3.21 Systems Thinking

Boland and Fowler provide a systems perspective of performance management in public sector organisations. They suggest, '….that a fundamental framework based on systems-theory should underpin management issues such as performance improvement, using the terminology and tools of "systems thinking".' (Boland and Fowler, 2000, p. 418). They explore this using health, education and police. The control locations and resultant action model is represented by a matrix (Table 3.8). This has two dimensions, the first as to whether the control is exercised internally or externally. The second concerns the controlling action taken. Negative implies poor performance and the organisation is at fault whilst positive assumes good performance. They argue quadrant one is the preferred position for a public sector organisation. From our perspective it can be argued what determines an organisation's performance may vary depending upon the level of external control. Not meeting externally composed targets, for example in councils not achieving standards for the speed at processing planning applications. Or more generally, under BV, the initial requirement to reach best quartile performance within five years. Similarly, for health and police in achieving targets and meeting standards.

Table 3.8: Control locations and resultant action matrix model (Boland and Fowler, 2000, p. 422)

RESULTANT ACTION CONTROL LOCATION	Positive action	Negative action
Internal controls	**1**	**3**
External controls	**2**	**4**

Seddon and Brand (2008) reviewed systems thinking and public sector performance noting the difference from manufacturing with the customer involved in service delivery. They identify two major types of demand in services: value demand – can I have a service? Failure demand – it hasn't happened! For example, it is contended in council call centres 80% of demand is of the failure kind. PIs and targets are causes of waste because managers are forced to focus on these at the expense of what they are trying to do.

Table 3.9 shows the distinction between systems thinking and the conventional approach. Systems thinking is more integrative and 'enables' those who do the work. The distinction is economies of flow rather than economies of scale. In practice this would require frontline staff have the means to deal with demand.

The proponents of systems thinking believe it has the potential to produce great efficiencies in public services, whilst improving customer experience and satisfaction. However, the systems approach is not widely practised and the question is, if the benefits are potentially so large, why? Under the NPM label performance management with a host of indicators and targets has been prioritised. It is not that government was blind to the systems approach. For example, the ODPM sponsored pilots and research to evaluate the use of systems thinking in social housing (Office of the Deputy Prime Minister, 2005).

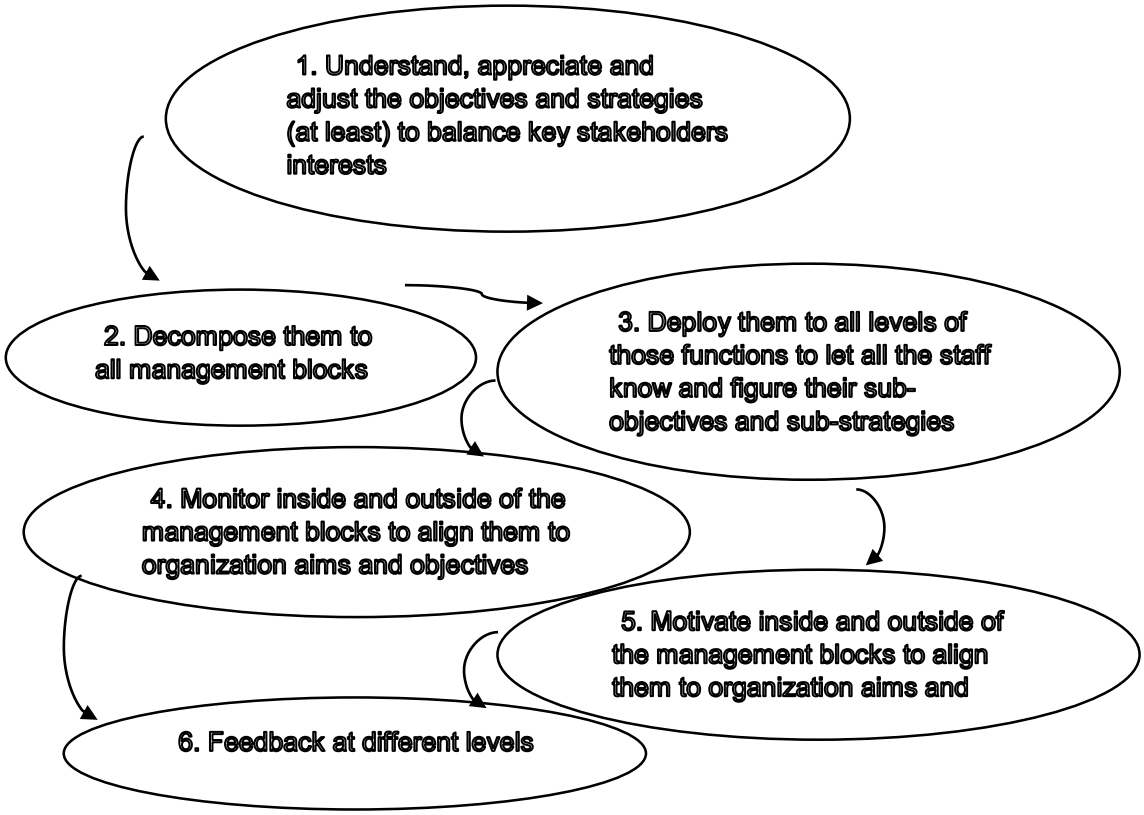
Table 3.9: Command and control versus systems thinking (Seddon, 2003, p. 11)

Command and control thinking		**Systems thinking**
Top-down, hierarchy	**Perspective**	Outside-in, system
Functional	**Design**	Demand, value and flow
Separated from work	**Decision making**	Integrated with work
Outputs, targets, standards: related to budget	**Measurement**	Capability, variation: related to purpose
Contractual	**Attitude to customers**	What matters?
Contractual	**Attitude to suppliers**	Cooperative
Manage people and budgets	**Role of management**	Act on the system
Control	**Ethos**	Learning
Reactive	**Change**	Adaptive
Extrinsic	**Motivation**	Intrinsic

There is a variant of the systems approach, developed by Peter Checkland and co-workers at Lancaster University, which is generally known as soft systems methodology (SSM) (Checkland, 2000). Jacobs (2004) considered the use of SSM for performance improvement in the English NHS. Crawford, Costello and Polack et al (2003) promoted the virtues of the SSM approach and described an example from Australia. They conclude, 'Systems thinking in general and SSM in particular were found to offer a rich source of theoretical and model-based contributions to development of project management practice….' (Crawford, Costello and Polack et al, 2003, p. 447).

Liu, Meng and Mingers et al (2012) developed a PMF using SSM. Figure 3.9 shows a conceptual model of performance management identifying the activities needed to specify the transformation that would be in the root definition. The key feature of the methodology was the, '….decomposition process from strategic goals right down to key performance indicators (KPIs) at low level of activity….these compositions are based on SSM…' (Liu, Meng and Mingers et al, 2012, p. 539).

Figure 3.9: A conceptual model of performance management (Liu, Meng and Mingers et al, 2012, p. 531)



3.22 Strategy

Nandakumar, Ghobadian and O'Regan (2012) summarise the studies on strategic planning and organisational performance (Table 3.10) with the majority supporting a positive relationship. The relationship between strategic planning and the environment perhaps depends on the operating environment or other factors (e.g. Nandakumar, Ghobadian and O'Regan, 2010).

Table 3.10: Studies investigating the link between strategic planning and performance (after Nandakumar, Ghobadian and O'Regan, 2012, p. 8)

Nature of Relationship	**Number of Studies**	**% of studies**
Positive impact of strategic planning on performance	46	68
Partially supports the relationship	8	12
No impact of strategic planning on performance	11	16
Other results	3	4
Total	**68**	**100**

Snow and Hrebiniak (1980) considered strategic approaches and organisational performance using managerial perceptions from four industries and placed them within four strategy types: Defender, Prospector, Analyser and Reactor suggesting Defenders, Prospectors and Analysers (Miles and Snow, 1978) consistently outperform Reactors but not in a highly regulated industry. Porter (1980) developed generic strategies: differentiation, low cost and focus and Dess and Davis (1984) investigated these as a determinant of organisational performance concluding:

> ….the research findings are generally consistent with Porter's contention that commitment to at least one of the three generic strategies will result in higher performance than if the firm fails to develop a generic strategy (i.e., becomes stuck in the middle).
>
> (Dess and Davis, 1984, p. 484)

Zajac and Shortell (1989) continued the theme using the Miles and Snow (1978) classification as to the extent to which changing generic strategies impact on performance. A change of strategy may be needed if the environment changes and organisations tend to change their strategy in response to major environmental changes, which can cause organisations to shift en masse. However, *simply* changing strategy does not maintain or improve performance over organisations that don't change.

Wooldridge and Floyd (1990) suggested middle manager involvement in the formation of strategy is associated with improved organisational performance. Thomas, Clark and Gioia (1993) considered the relationship between organisational performance and strategic sense-making noting the complex links. Walker, Andrews and Boyne et al (2010) suggest that service performance is shaped by the strategies used by the organisation and the networking behaviour of their managers.

Pehrsson (2001) argues there is an optimum business strategy in each (strategic) state to reach high performance. Strategic states are a combination of dimensions and strategies leading to convergence or divergence and standardisation or adaptation. At any one time a firm will have a particular strategic state. Ittner and Larcker (1997) considered the impact of 'quality control' of strategic plans and found organisational performance consequences varied by industry. Several strategic control practices (formal/rigid plans, incomplete/incorrect goals, bureaucracy) appeared to be negatively associated with higher performance.

Miller and Cardinal (1994) evaluated the impact of strategic planning on firm performance by synthesising over two decades of research. There has been criticism planning can be too rigid, given future uncertainties and perhaps the same can be said of the PMF. They conclude strategic planning does positively affect the performance of firms disputing the findings of other literature, for example Greenley (1986) and Mintzberg (1990).

Phillips, Davies and Moutinho (1999) considered the effects of strategic planning on hotel performance and concluded competitive advantage is most improved when the planning is done close to the frontline. A point was that successful strategic plans didn't rely solely on finance and marketing but were multi-disciplinary, 'Accounting myopia can seriously damage a company' (Phillips, Davies and Moutinho, 1999, p. 284).

Ghobadian, O'Regan and Thomas et al (2008) suggested links between the formality of strategic planning and organisational performance are tenuous. Rather, such planning enhances the firm's survival not necessarily short-term performance. However, alignment of key strategies is regarded essential for consistent and higher organisational performance (Schniederjans and Cao, 2009). Gani and Jermias (2012) investigated the alignment of management control systems with strategy and confirm, as in other areas of strategy, misalignment demonstrates a negative correlation with organisational performance. Alavi and Karami (2009) considered the impact of mission statement in small and medium sized enterprises (SMEs) finding the existence of such statements positively associated with performance. Zbierowski and Bratnicki (2011) investigated the characteristics of SMEs associated with high performance. They found such firms had a clear vision, committed leadership and a flexible structure whilst balancing short- and long-term performance.

Boyne and Gould-Williams (2003) found statistical evidence that favourable attitudes to planning are associated with higher organisational performance but performance is negatively related to the number of targets set. Boyne (2004) posed the question as to whether management matters in explaining public service performance. He suggests the evidence is '….thin and, in some respects rudimentary….' but most statistical studies point to, 'a significant impact of management on dimensions of public services such as quality, effectiveness and consumer satisfaction' (Boyne, 2004, p. 27).

Ramaswamy, Thomas and Litschert (1994) investigated the influence of government regulation on organisational strategy and performance using the Miles and Snow (1978) typology in the US airline industry. They found *despite* regulation it was the managers of the organisation that ultimately determined performance. However, Porter (1996) stated operational effectiveness in itself is not a strategy and bemoans the fact management tools (TQM, benchmarking, etc.) have taken the place of strategy. He suggests all strategic positions require trade-offs and limit what a firm can do. Leadership is critical to developing a clear strategy that must be driven from the top.

Sheaffer, Carmeli and Steiner-Revivo et al (2009) found downsizing strategies had a positive impact on short-term performance and a negative impact on long-term performance. Byrd and Marshall (1997) investigated the relationship between information technology investment and organisational performance and found a mixed picture. There was no significant relationship between the amount spent on IT staff training and organisational performance. Melville, Kraemer and Gurbaxani (2004) noted the uncertainty about the contribution of IT to organisational performance and developed an IT business model using the resource based view (RBV). They found IT is valuable, although dependent on a range of internal and external factors including other forms of resources and the competitive environment. Mithas, Ramasubbu and Sambamurthy (2011) undertook similar research and found IT positively developed three other attributes: customer management, process management and performance management, which are associated with organisational performance.

A number of workers have considered the impact of knowledge management on organisational performance. Lee and Choi (2000) noted enablers of knowledge management and find variables such as organisational structure and organisational culture are significant in predicting the creation of knowledge. Van de Walle and Bovaird (2007) undertook a literature review for the Audit Commission on the use of information to drive improvement in local public services. They suggested four areas to be considered further: diffusion of information, information beliefs and assessment, environmental scanning and how can information be used productively? The effective use of knowledge management is therefore positively associated with organisational performance

As part of the Public Services Programme, Walshe, Harvey and Skelcher et al (2009) considered the manner in which organisations respond to evidence about poor performance. They showed one of the reasons organisations perform poorly is the way they learn or rather, fail to learn. It was found knowledge acquisition was less of an issue in part because there is much about 'performance' available, although collection was often narrow and poor. For improvement the organisation must have the means to collect and use knowledge and be able to learn.

Sawalha (2013) considered the role of business continuity management and organisational performance in Jordanian banks and suggested continuity is associated with higher performance.

Labroukos, Lioukas and Chambers (1995) investigated the relationship between planning (decentralisation, formalisation, depth of analysis, monitoring/reviewing and plan content) and performance in state owned enterprises in Greece. They showed significant associations between specific aspects of planning and measures of process and output performance. However, planning also showed a negative association with innovation. Bolton and Leach (2002) noted strategic planning had experienced a revival in the British public sector. They studied Cardiff City Council's introduction of strategic plans noting the impact was 'reduced' initially due to departmentalism. Poister, Edwards and Pasha et al (2013) researching public transport organisations in the US found strategic planning had a positive effect on performance. Nasimiyu (2013) considered the impact of strategic change on the performance of the Kenyan Revenue Authority and reported an influence.

Boyne and Walker (2004) suggested there was a lack of understanding of the strategies of public service organisations with a confusion of strategy content and processes, as well as a lack of consideration of the constraints. They proposed a matrix classification of strategic stance (Prospector, Defender and Reactor) and strategic action (Change markets, Change services, Seeking revenues, External organisation and Internal organisation). They then test a number of hypotheses suggesting that public organisations have a narrow range of strategic positions, in particular Reactors rather than Prospectors or Defenders. Andrews, Boyne and Walker (2006) tested the proposition strategy content is a key determinant of organisational performance in the public sector using the dimensions: strategic stance and strategic actions. Their results suggest organisational performance is positively correlated with a Prospector stance and negatively correlated to a Reactor

stance and '….organisations that adopt a Defender stance are likely to face a rocky path to service improvement, and a Reactor stance is likely to result in performance that lags that of both Defenders and Prospectors.' (Andrews, Boyne and Walker, 2006, p. 58).

Similarly, Walker and Boyne (2006) studied 117 English councils and concluded planning, organisational flexibility and user choice associated with higher performance. Andrews, Boyne and Law et al (2007) tested the joint effects of strategy and regulation on organisational performance in Welsh councils. They concluded a Prospector stance gives higher performance than Defender or Reactor. Further, regulation that is supportive strengthens the relationship but inspection events may be disruptive. The efficacy of strategies in the public sector, they suggest, are dependent upon regulatory frameworks. Meier, O'Toole and Boyne et al (2007) found that Defender is most effective for the primary mission of an organisation whilst Prospector and Reactor are superior for the powerful political elements of organisations' environment.

Further, developing their ideas, using Welsh local government, Andrews, Boyne and Law et al (2009) considered the effects of strategy formulation and strategy content. They find Prospector and Defender strategies are associated with higher organisational performance. An absence of strategy and an incremental approach are associated with lower performance. Boyne and Meier (2009) noted a turbulent environment is likely to adversely affect public sector performance. As turbulence often causes organisations to respond by restructuring they tested the links between turbulence, structural stability and organisational performance using a sample of public sector organisations. They found turbulence has a negative effect on performance, which is worsened by internal structural change, suggesting in times of turbulence managers should aim for structural stability. Ebinger, Grohs and Reiter (2011) investigated the effects of decentralisation strategies on performance in European localities finding:

> Direct relations between decentralisation strategies and performance effects on certain dimensions are not warranted. To the contrary, it became apparent that some classic hypotheses concerning the effects of certain decentralisation strategies have to be questioned….
>
> (Ebinger, Grohs and Reiter, 2011, p. 572)

Walker, Brewer and Boyne et al (2011) considered market orientation and public sector performance in English local government in terms of three stakeholder groups: citizens, officials and the Audit Commission. They found market orientation works best for enhancing citizen satisfaction with local services but impacts on performance judgements of local managers and the Audit Commission are very weak. Andrews, Boyne and Walker (2011) found that administrative performance data reflect the views of regulators and government whilst survey data reflect the views of public managers, service users and citizens. However, as regards citizen satisfaction, Stipak (1979) suggested there is potential for misuse as a PI since responses to surveys may not reflect actual service performance.

The literature considers performance management ought to be most effective when it is introduced as part of an overall strategy. Almost by implication such a strategy has top management support and is seen as important throughout the organisation. It might be expected the literature would demonstrate a strong association between strategy and performance management (i.e. appropriateness in context).

Bititci, Carrie and McDevitt (1997) argue performance management is a closed loop system which deploys policy and strategy and produces feedback to manage the business but also feed policy and strategy, to ensure things are on track. De Haas and Kleingeld (1999) see performance management as enhancing strategic dialogue throughout organisations and the development of a 'collective mind' can provide *steer* and *glue* to keep the organisation on track and together.

The literature contends culture is important for performance management and Williams (2002) suggests embodied values are important for strategic direction. Also culture appears to be a major determinant of the success of performance management. It is clear from the literature performance management and strategy/policy are linked but the relationship is complex.

3.23 Human Resources

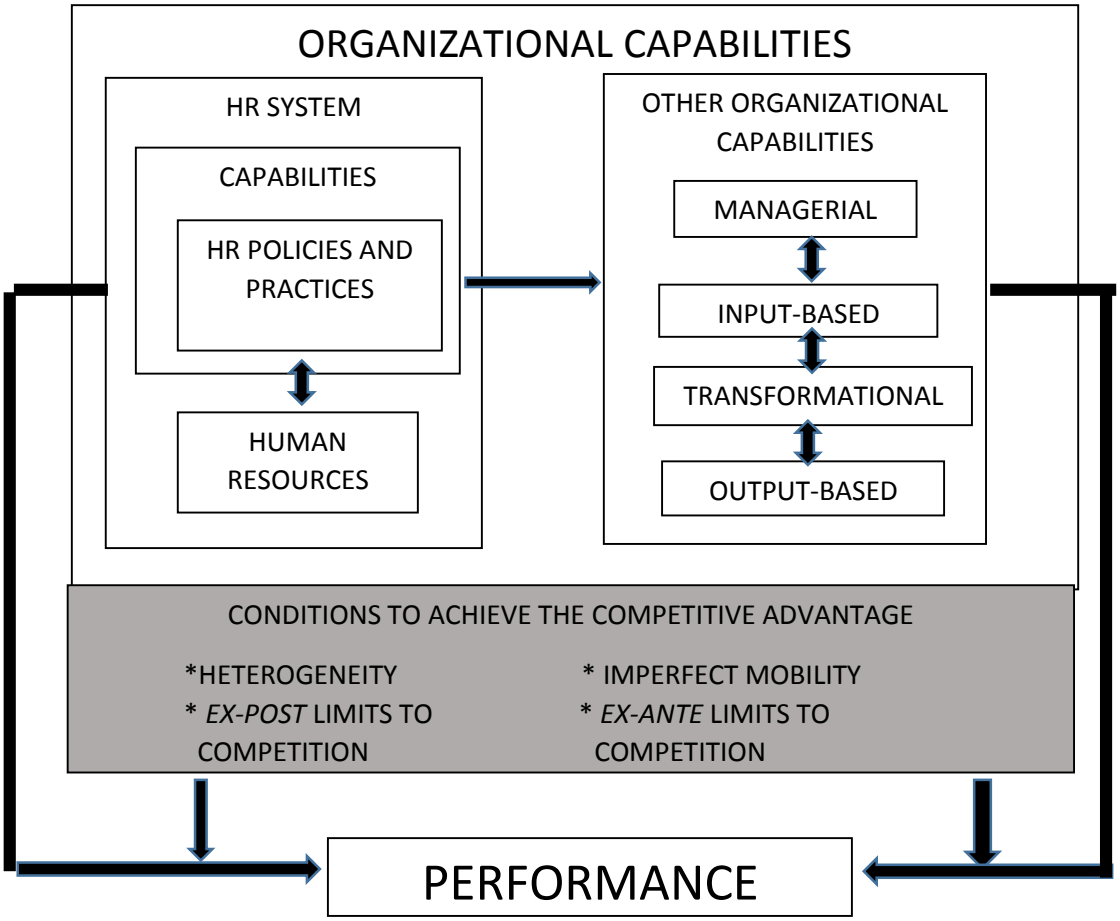
Wright, Dunford and Snell (2001) suggest the HR function has consistently had to justify itself in many organisations, a thesis far from new. They consider the RBV and the strategic application of HR to deliver organisational performance:

> …comes from aligning skills, motives and so forth with organizational systems, structures and processes that

> achieve capabilities at the organizational level. Too frequently, HR researchers have acted as if organizational performance derives solely from the (aggregated) actions of individuals.
>
> (Wright, Dunford and Snell, 2001, p. 710).

De Sáa and Garcia-Falcón (2002) take a similar RBV approach suggesting a strategic model (Figure 3.10). They researched Spanish savings banks, subject to intense competition, putting an emphasis on the effective use of resources. The difference in the banks' performances could be partially explained by HR policies impacting on managerial capabilities and the strategic development of HR.

Figure 3.10: A strategic model of human resources (De Sáa and Garcia-Falcón, 2002, p. 125)



Arcand, Bayad and Fabi (2002) reviewing the literature suggested the link between HR and organisational performance is relatively unknown or a "black box". Their

research into Canadian cooperatives finds some HR practices seem to confer competitive advantage. Researchers are active in this area, exploring the “black box” considering a variety of different HR practices, for example Branton, Sheehan and De Cieri et al (2011) and Arifin (2012). Chowhan (2013) looked specifically at training and found it to be positively associated with organisational performance. Storey (2002) also researched training (in medium-sized UK firms) and found a complex picture. Individual training and development practices had a weak association with organisational performance but collectively they were more strongly associated with organisational performance. The “black box” was also noted by Alagaraja (2013) after undertaking a literature review on the relationship between HR and organisational performance. It might be suggested HR practices of importance vary by a multitude of factors, perhaps mediated by culture.

Rondeau and Wager (2001) reported growing evidence to suggest HR practices influencing firm performance may be synergistic and yet dependent on certain factors, such as workplace climate. Gelade and Ivery (2003) also investigated the relationships between HR, work climate and organisational performance and found significant correlations. The best explanation is the effects of HRM on performance are mediated by the workplace climate. Coldwell and Callaghan (2012) noted organisational citizen behaviour has generally been associated with organisational effectiveness.

Gyan-Baffour (1999) looked at the effects of employee participation and work design on firm performance and suggested firms with higher levels of employee participation, a more flexible organisation structure and flexible work designs outperformed other firms. However, not all parts of these necessarily lead to higher performance, for example, ‘….the acquisition of skills and tools necessary for effective participation is very critical to employee participation.’ (Gyan-Baffour, 1999, p. 10). Summers and Hyman (2005) reviewed the literature on employee participation and company performance and reported much of the literature found no association between participation and organisational performance but noted there are many forms of participation.

Ghafoor and Qureshi (2013) found HPWS did not mediate between conflict resolution skills and organisational performance but did so between organisational commitment, relational coordination and organisational performance. Farndale, Hope-Hailey and Kelliher (2011) found for high performance HR practices not only

was trust important but organisational justice seemed to be even more so. Yang and Holzer (2006) considered the relationship between government performance and trust noting a positive relationship was not supported in some of the literature. They suggested much of this is down to the difficulty of defining and then measuring government performance. Van de Walle and Bouckaert (2003) noted trust in government may have a positive impact on perceptions of performance and as noted elsewhere *perceived* performance is not the same as *actual* performance. Simply introducing HR practices may be ineffective without an appropriate workplace climate.

Kalleberg and Moody (1994) find a basket of related HR practices enhance organisational performance. Hoppas and Worrall (2012), using data from firms in Cyprus, proposed HR improves organisational performance by strengthening human capital, employee attitudes and behaviour. Andrews (2010a) suggests that certain aspects of organisations' social capital are positively associated with performance especially cognition and relations but structure is not. Further, Andrews states, 'The balance of the available evidence tends to suggest that better performance and high levels of social capital may go hand in hand' (Andrews, 2012, p. 61), whilst noting that much more research is needed. In a later article Andrews and Brewer (2013) link social capital with management capacity finding social capital linked with higher performance that is enhanced by strong management capacity.

Bartram, Stanton and Leggat et al (2007) using data from Australian healthcare organisations, found a "mismatch" of perceptions of the potential strategic use of HR between top managers and HR managers, with larger organisations having a larger mismatch. Nevertheless, they found some support for a positive relationship between HR and improved organisational performance.

Sparrow and Cooper (2014) introduced the launch of a new journal dedicated to organisational effectiveness, basically the relationship of people and HR to organisational performance. They suggest HR should be combined with a range of disciplines all influencing organisational performance. Schuler and Jackson (2014) considered the history of research on organisational effectiveness and HR suggesting the difference now is the presence of multiple stakeholders. Kaše, Paauwe and Batistič (2014) offer a future review of the HR and performance relationship. They note the use of RBV, social exchange theory, human capital

theory and so on, with one of the current dominant approaches being HPWS. New domains may be e-HRM, talent management and positive psychology. However, many recent papers have been review studies and meta-analyses and reflections on practice. What does this tell us about the HR-organisational link? Perhaps, things are complex and we should not expect there is a single solution. Rather, there is a need to be multidisciplinary recognising organisational performance may be the result of many factors varying both spatially and temporally.

This section has demonstrated the potential importance to improved organisational performance of a variety of HR factors. The contribution of such factors is not necessarily consistent across all organisations and seems to be highly context specific. It may be unless certain factors are present together the impact is negligible or none. Of course the reverse could be the case where certain HR factors (done badly) may negatively impact organisational performance. This appears not to have been considered much in the literature.

3.24 Computer Software Systems

Kaplan and Norton (2000b) suggested if you are having trouble with your strategy then you should map it. They use the analogy of an army in foreign territory needing detailed topographical maps to enable navigation. Without this the general would not be able to communicate a campaign strategy to soldiers. They then suggest this is exactly what is occurring in many organisations, there is no map showing the direction, even if the destination is known.

Bititci, Nudurupati and Turner et al (2002) consider the design and implementation of a web-enabled PMF by means of an empirical case study. They note three independent research projects (Hudson, Bennett and Smart et al, 1999; Bititci, Nudurupati and Turner et al, 2002 and Bourne and Neely, 2000) identified one of the barriers to implementation of successful performance measurement systems as being they are time consuming to develop and maintain, as well as cumbersome. Research by Begemann and Bititci (1999) found the use of information technology makes performance data more accessible, visible and easier to maintain. However, Bititci, Nudurupati and Turner et al note:

> …there is little empirical research that supports the proposition that a fully integrated IT-supported performance measurement system would promote a more proactive and agile management style by providing

> dynamic, accurate and readily accessible information to aid decision making.
>
> (Bititci, Nudurupati and Turner et al, 2002, p. 1276)

They refer to several IT performance measurement systems from a paper by Coleman (1998), one of which is *PerformancePlus*. Darlington BC (and the other two case study authorities in 2005) used *PerformancePlus* and it was operational in all departments and the area's LSP, (Goodchild, 2004a and 2004b). However, on the abolition of the national framework its use has been discontinued.

Marr and Neely (2003) consider the automation of the BSC and how to select an appropriate IT software performance measurement package. They note automation is almost essential if a coherent system is to be implemented across the organisation and used by all employees to achieve, 'goal congruence and strategic focus' (Marr and Neely, 2003, p. 29). The need for a strategic approach has already been noted and is further reinforced by Marr who maintains:

> The good news is that software companies are producing packages to help you implement a Balanced Scorecard. The bad news is that there is still no substitute for the hard work of the initial strategic analysis.
>
> (Marr, 2001, p. 30)

It seemed likely the use of performance measurement (indeed management) software would become more extensive as functionality and utility improved. However, proprietary software has been replaced by the use of Excel in a number of organisations, as the key driver of the national imperative has been removed. This research considers proprietary software.

3.25 Compulsory Competitive Tendering (CCT)

In the UK the Conservative Party was elected in 1979 with an ideology to 'roll back' the frontiers of the state and introduce a private sector ethos into public management (for example Hood, 1991; Painter, 1999 and Pollitt, 2000).

CCT was an important part of this agenda with respect to local government as noted by Smith (1988, p. 235) with two principal objectives. Firstly, to reduce council expenditures and of most interest for our purposes, secondly, to improve the efficiency of service delivery. Note the emphasis was on efficiency (doing

things well) and not effectiveness (doing the right things). Smith (1988, p. 236) noted the concept of competition may be somewhat problematic in the public sector, compared to the private sector, where objectives are multifarious, outcomes complicated and often contested by different stakeholders. The particular concern with outcomes was considered by Enticott and Entwistle (2007).

Fenwick, Shaw and Foreman (1994) posed the question of whether CCT heralded NPM and noted its introduction required new skills of public managers and new ways of working. Additionally, some considered CCT had the potential to fragment a council. The limitations of government by contract were considered by Stewart who suggested, "Government cannot be reduced to a series of contracts" (Stewart, 1993, p. 12), also Greenwood and Wilson (1994).

Bartlett, Corrigan and Dibben et al (1999) describe the emergence of BV in two councils and concluded potentially it offered greater strategic choice but identified political and technical problems. Voluntary tendering though as part of 'testing the market' was to be an important part of BV as one of the four Cs: Challenge, *Competition*, Consultation and Comparison, although competition has been the least used (Grace, Fletcher and Martin et al, 2007, p. 18).

3.26 Best Value (BV)

Vincent-Jones (1999, pp. 273-274) notes BV retained the unequal power relationship between central and local government. Wilson (1999) considered the extent to which the experience of CCT informed the debate around the likely success of BV. Although CCT improved efficiency it may have done so due to inferior working conditions. Wilson found the experience of CCT and the prospect of BV may have *encouraged* in officers, '….a willingness to adopt a more commercial approach to financial management….that "new managerialism" is no longer rhetoric but the reality of local government officers' employment in the 1990s'. (Wilson, 1999, p. 49).

Martin (1999) considered the capacity of councils to implement BV and finds fundamental improvements to local services depend on a strategic approach to capacity. Martin and Hartley (2000) summarised the capacity of local government to implement BV and note the role of markets and performance management. Martin and Davis (2001) contend BV is rooted in a rational model of strategic planning with an emphasis on performance management and inspection that

downgrades representative democracy. Davis and Martin (2002) suggested BV can deliver improvements but the difficulties of measuring the extent and level of service improvement with precision may be problematic and have implications for future development. CPA would take on that role and evolve over time to become more rigorous.

Midwinter and McGarvey (1999) considered the development of BV in Scotland and suggest it was not a radical break from the past as competitive tendering was still heavily expected. However, as in Wales, the Scottish Office seemed keen to work in partnership with councils. Downe, Grace and Martin et al (2008) describe the BV Audits in Scotland which are seen as credible and unlike CPA in England recognised for considering local priorities and contexts.

James and Field (1999) describe how one Welsh council tackled BV and the corporate approach. It included the development of a performance management strategy so objectives were achieved. However, they concluded the authority had not embraced competition and so competiveness was not assured. Grace, Fletcher and Martin et al (2007) in a report for the Audit Commission echoed that competition was not used much by councils and this was of concern given strategic commissioning had been given a high priority by government. Entwistle (2005) considered the reasons councils were reluctant to externalise services suggesting five (public service ethos, control, supply-side problems, good and big employer and core competence) but could not determine justifications.

Freer (1998) considered the requirements for BV to be a success and noted it was a strategic approach but at the time it was an open question whether local variation would be allowed to flourish or central determination would be dominant. In retrospect this was perhaps a surprising (or diplomatic!) view from a serving local government officer. It can now be confirmed to have been a strongly driven central system….although this was evident to practitioners throughout the time.

Boyne, Gould-Williams and Law et al (2000a) considered lessons from the BV pilots in Wales noting the picture was mixed with some councils seeming to do well and others less so. However, there was a significant issue with a lack of progress in some authorities that were tied up in bureaucracy and with an unreceptive culture. There was also a lack of political and managerial leadership. The final report on the evaluation of BV in Wales (Boyne, Gould-Williams and Law et al,

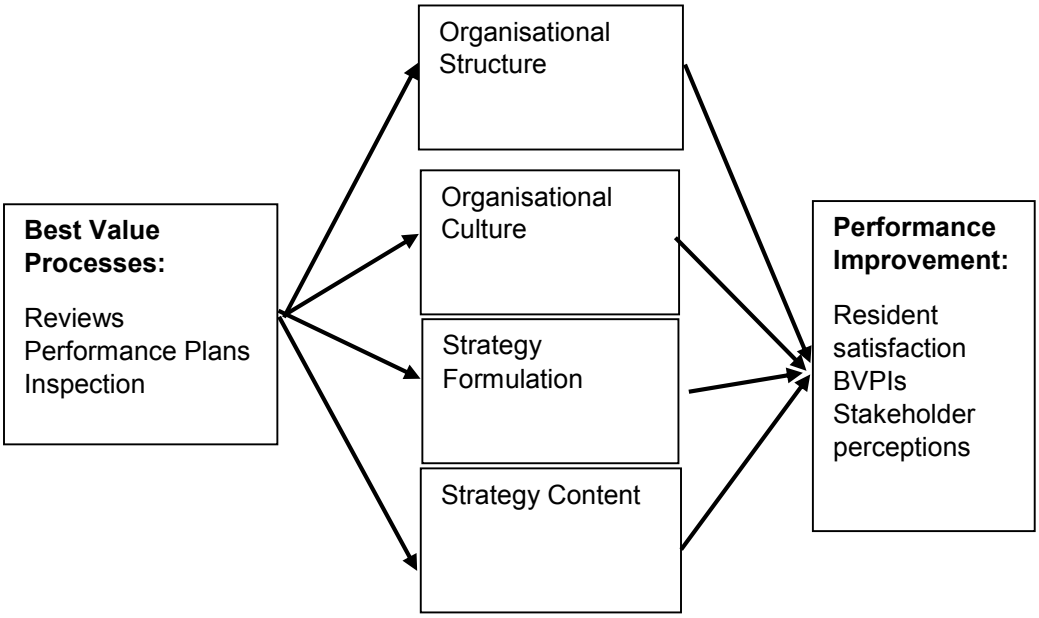
2000b) suggested implementation was slower and more difficult than originally anticipated.

Keenan (2000) describes BV as a PMF and attempts to compare it with two approaches to budgeting: PPBS and ZBB. He concludes, while PPBS forced organisations to look at objectives it was unsuccessful because it was inflexible and resource intensive. ZBB ensured organisations looked closely at budgets and that they justify expenditure but it too was resource intensive. Kennan suggests BV is similar and if it wasn't backed by legislation would meet the same fate. In a similar vein Boyne (2000) was concerned the costs of BV could outweigh the benefits. Boyne, Gould-Williams and Law et al (2002a) argue BV is a form of TQM and has synergy with other initiatives such as ISO9000, IIP and Charter Mark.

Enticott, Walker and Boyne et al (2002), on a survey of English councils regarding BV, focused on implementation (processes), outcomes and performance. Key messages were implementing BV was a major challenge, a driver for change and performance improvement. Even though evidence on outcomes is mixed, PMFs improved and service reviews were producing ambitious improvement targets. Particular areas for concern were: application of the 4Cs (compare, challenge, consult and compete), with competition being especially problematic, the role of inspectors was criticised with the costs too high. The level of councillor involvement was generally low and the corporate centre led. There was little evidence of a link between a council's approach to BV or 'corporateness' and its performance. They show how the 'theory of change' as applied to BV leads to performance improvement (Figure 3.11). Drivers of performance improvement were identified as central government policies by 78% of officers, the demands of users and citizens (75%), new technologies (66%) and pressure from external auditors and inspectors (64%). Andrews, Cowell and Downe (2008) found that councils promoting the understanding of citizenship in their area tend to be higher performing but those engaging citizens in governance have lower performance in deprived locales.

Workforce surveys (Office of the Deputy Prime Minister, 2004a and 2004b) reported that even though service departments thought they were performing well, in comparison to others, there was little evidence of change or improved performance.

Figure 3.11: Best Value and the 'Theory of Change' (Enticott, Walker and Boyne et al, 2002, p. 8)



Entwistle, Dowson and Law (2003) reporting on evaluation of the BV regime caution firm conclusions about the link between organisational change and performance are difficult. Good quality BV reviews lead to change and poor reviews lead to less change. Inspection is noted as being a driver of change even where reviews have been poor. They also report leadership really matters whilst appropriate councillor involvement pays dividends.

A baseline report on the long-term evaluation of the BV regime (Martin, Walker and Enticott et al, 2003; Office of the Deputy Prime Minister, 2003 and 2004c) noted PMFs appear to have improved in most authorities. Many officers and councillors felt this would lead to improved services, said to be reflected in BVPPs.

Boyne, Martin and Walker (2004) developed a framework for public management improvement and applied it to BV. They note the implicit assumptions of policy makers that changes, due to the BV regime, will drive improvement. They found little evidence on the determinants of performance improvement or deterioration in the public sector. Also, although there is some private sector evidence it did not cover the dimensions of reform in the public sector (determined by policy makers) driving organisational improvement.

There are therefore various approaches to performance management but those outlined above are similar in many respects. The literature emphasises the need for a comprehensive approach; involvement of all stakeholders is essential and any

system takes time to have an impact on performance. The CPA in essence provided an inspection framework to assess the effectiveness of BV, whilst CAA moved this to an area-based assessment of multiple public services.

3.27 Local Government Improvement Programme (LGIP)

The LGIP programme (Improvement and Development Agency, 1999a and 1999b, Jones, 2005, p. 662) was voluntary and used a model of the 'ideal' council; in effect a benchmarking of effectiveness characteristics. An authority would be reviewed by a team established by the I&DeA, containing local government officers, councillors, representatives from other sectors and a consultant or academic. However, Jones (2004) notes there is no consensus on how to evaluate whether performance has improved quoting Boyne (1997) and Hartley, Rashman and Storbeck (2001) by way of corroboration.

Authorities with a well-resourced strategic management capacity were able to respond more effectively to the LGIP specifically, and the improvement agenda generally. Jones (2005) concludes central government performance initiatives (imposed on councils) are deficient in a number of respects and the LGIP was best-placed to improve performance given theories of change management. The Local Government Association (2009) highlighted the improvements made in English local government.

The LGIP contained many elements key to an effective PMF and shows quite clearly the importance of context. Many authorities, for example Darlington Borough Council (Goodchild, Green and Newton et al, 1999 and Improvement and Development Agency, 2000) went through the LGIP.

3.28 Beacon Scheme

The Beacon Scheme was part of the UK Government's modernisation agenda being established in 1999 (Department of Environment, Transport and the Regions, 1999) with the aim of rewarding and sharing good practice to improve services. The scheme was reviewed by Rashman, Downe and Hartley (2005) who concluded it was generally successful but learning could be better. Entwistle and Downe (2005) concurred suggesting its success was primarily due to its impact on aspiration and morale. Hartley and Downe (2007) discussed the proliferation of award schemes in the public sector and examined in detail the Beacon Scheme in England. They suggest Beacon met the criteria for an effective award scheme but

noted council size was one factor in a successful application, raising the question of capacity in smaller councils (see also Withers and Hartley, 2007).

Wilford (2007) argued such awards are more about meeting award criteria than excellence so awards should not necessarily be seen as evidence of high performance. It may be organisations that win are already high performing and able to easily provide the data and evidence for successful assessment. The call is for research on unsuccessful organisations as this may highlight deficiencies that could hinder performance.

3.29 Partnerships' Working

Public sector organisations were increasingly required to work in partnership with each other and other sectors, for example social care and Crime and Disorder Reduction Partnerships (CDRPs). Peck (2004) summarised governance, partnerships and performance and suggested these links are poorly supported by empirical evidence. Also, it was easier to realise the implications for democratic governance than performance in partnerships (Skelcher and Mathur, 2004). Huxham (2003) provides an overview of the theory of competitive advantage that is a consideration of the potential advantages of joint working. However, the other side of joint working is competitive inertia relating to the potential disappointing output in reality. Wildridge, Childs and Cawthra et al (2004) reviewed the literature on how to create successful partnerships. They conclude; 'Successful partnership working is all about human interaction and requires a long and complex process….Partnerships can provide significant benefits….However, partnerships are not a panacea and are not appropriate in all contexts.' (Wildridge, Childs and Cawthra et al, 2004, p. 4). McMurray (2007) noted the drive for partnership working to increase care standards in the NHS but suggested perpetual organisational reform undermines joint working.

Although, Johnson and Osborne (2003) do not specifically address performance management in their discussion of governance in LSPs there is clearly an emphasis to deliver to a pre-determined (largely central government) agenda. Geddes, Davies and Fuller (2007) evaluated the success of LSPs using a theory of change approach and showed major variation in progress. LSPs that had not developed a PMF were unable to demonstrate performance improvement. Jacobs (2009) investigated the development of performance management in the City of Stoke-on-Trent LSP and noted it 'was a rationalising and corporate approach to management'. The Quality of Life indicators were designed as a national set to be used by LSPs.

Jobin (2008) considered a transaction cost-based approach to evaluating partnership performance and noted the potential to open the 'black box' of partnerships. Skelcher and Sullivan (2008) reported a theory-driven approach to the analysis of partnership performance with five domains: democratic, integrative, transformative, policy and sustainability. This takes a wider approach than the consideration of a few performance metrics and is, '….more sympathetic to the subjective and contested nature of performance as a concept….Yet without a theoretical understanding, it is difficult to know what steps to take if performance is to be improved…' (Skelcher and Sullivan, 2008, p. 768).

Marchington, Cooke and Hebson (2003) researched the outsourcing of a London council's housing benefit operations to the private sector. They describe a fraught contractual arrangement with a clash of 'culture' in a complex area of work, with the cost of managing the contract outweighing any efficiency gains. This experience is reinforced by Vangen and Huxham (2004) who note rhetoric about the benefits of partnership working are legion but so are the complaints and the difficulties.

Sundaram and Kasabov (2012, p. 4) suggested for LSPs, '….their effectiveness for performance and agenda setting are significantly affected by the historical legacies of the key stakeholders….' Kelman and Hong (2012) considered the use of 'hard' or 'soft' approaches, pressuring or nurturing as the means to improve performance in English and Welsh CDRPs. They find a mix of the 'hard' and 'soft' approaches produces the best performance, what they have termed 'tough love'. They view this as contrary to the literature which suggests the 'soft' approach produces superior results. Still on the topic of crime, Barton and Valero-Siva (2011) considered improving police performance through a partnership approach using Nottingham Crime and Disorder Reduction Partnership as the case study. They found effective partnership working can have a positive impact on reducing crime in local communities. Kelman, Hong and Turbitt (2013) considered managerial practices (such as trust, power sharing, information sharing) associated with outcomes in British CDRPs. They established certain practices have a positive impact but only if circumstances are favourable for collaboration. If circumstances are unfavourable then performance may be worse than without collaboration. Andrews and Entwistle (2010, 2014b) found that the type of partnership (public-public, public-private and so on) may be important in determining the likelihood of success.

De Waal, Goedegebuure and Hinfelaar (2012) describe five high performance organisation factors: management quality, openness and action orientation, long-term orientation, continuous improvement and renewal and the quality of employees. Looking at partnerships, factor analysis was used which resulted in five factors being retained: openness, mutual interest, equality, conflict management and closeness of the partners. Entwistle summarising some of the evidence for collaboration and public service improvement concludes that difficult issues and times make partnership working, '….an inevitable and desirable fact of contemporary public management.' (Entwistle, 2014, p. 9).

From the literature reviewed it is not possible to ascertain whether performance in partnerships is a special case, or simply a more complex variant. However, we might expect given the difficulties in a single organisation boundary effects would exacerbate these. The current research investigated stakeholders and partnership working.

3.30 The Ethical Dimension

Performance management is a process by which services can be actively managed and so has a direct impact on employees, citizens, customers and clients. For some public services there is effectively no choice as regards provider so does this impose particular obligations? Also under the influence of NPM services may not necessarily be delivered in an equitable manner (Chapman, 1998). In addition PMFs are often imposed either by higher-up management or externally, for example BV as regards local government and fire services, by the Home Office for police and the Department of Health for PCTs. The literature examines potential dilemmas and raises ethical issues.

Winstanley and Stuart-Smith (1996) defined the ethical principles that should govern performance management including respect for the individual, mutual respect, procedural fairness and transparency. They do not suggest honesty and integrity as ethical principles but perhaps this is covered by 'procedural fairness'. They conclude ethical issues in performance management can be addressed by bringing together group and individual concerns.

Gregory (2003) supports Winstanley and Stuart-Smith, when it is suggested active stakeholder involvement in formulating a mission and determining management priorities can promote ethical performance management. Stanwick and Stanwick

(2003) considered the relationship between ethical reputation, chief executive officer pay and performance. This has relevance here in suggesting leadership (in performance management) can be a major determinant of ethical behaviour.

There is debate in the literature over whether the rise of NPM and private sector practices within the public sector has increased the likelihood of unethical behaviour. Batty and Hilton (2003) discuss an example from Doncaster council where 'command and control leadership' allowed corruption to flourish and the move to a more assertive style of collaboration. Performance management is often depicted as 'command and control' especially if it is centrally driven. This puts a premium on leadership and having appropriate checks and balances in place as well as self-confident people running PMFs. Lere and Gaumnitz (2003) suggest an important role of codes of ethics is to influence decision-making but suggest the little research done finds limited impact.

Adserà (2003) considered the relationship between the quality of government and political accountability and suggests two factors are important. Firstly, free and regular elections and secondly, and of interest to this work, the amount of information to which the citizen has access. PMFs may have a role in promoting ethical behaviour by making performance information widely available. Andrews and Van de Walle (2013) noted that performance management was likely to positively influence citizens' views of local public services.

Moving to the specific case of performance measurement in the police service, Rogerson suggested the police were the last major institution in the UK to be subject to NPM. He concludes, 'Performance measures have the potential to be a very useful servant, but they can easily become an unwelcome master.' (Rogerson, 1995, p. 29). Collier (2001) raised the question as to whether a performance culture in the police may be in conflict with human rights legislation.

This brief review of some of the literature on ethics and performance management suggests it is an underdeveloped area of research. This research includes ethical behaviour from the angle of the misrepresentation of financial and performance information and also evaluates the level and impact of gaming.

3.31 Other Considerations

A variety of other considerations may be relevant when considering determinants of performance and the effectiveness of performance management. Some are noted in this section as 'pointers' but not reviewed further. For example, equity is often deemed to be a problem with performance management. However, Hood comments supporters of NPM suggest '…efficiency can be conceived in ways that do not fundamentally conflict with equity…' and values of equity can be built into performance management given political will (Hood, 1991, p. 10). Simmons (2003) demonstrates the need for stakeholder involvement to protect equity.

Many researchers have considered what causes variations in organisational performance, a number of examples illustrate the range. Hayes and Clark (1986) asked why some manufacturing factories are more productive than others. They found many of the measurement systems were defective and, '….the metrics they used made their task like that of watching a distant activity through a thick, fogged window.' (Hayes and Clark, 1986, p. 67). They found capital investment crucial to maintaining performance and indeed generating growth. Reducing waste and cutting work-in-process were important. Expensive computerisation was often an issue, since old inefficient systems were simply computerised with no changes. Taking this further, Hansen and Wernerfelt (1989) considered the relative importance of economic (mainly external market) and organisational (behavioural and sociological) factors as determinants of performance. They found both sets of factors significant and the two effects roughly independent, although organisational factors explained twice as much variance in profit rates as economic factors.

Tvorik and McGivern (1997) undertook an extensive literature review and identified five key determinants of performance: organisational alignment and culture, organisational capabilities and learning, industry structure and strategic group, organisational resources and leadership and vision. They suggest, '….the firm is a repository of skills and capabilities exhibiting aligned resources and leadership styles that mobilise the firm through the creation of a shared vision.' (Tvorik and McGivern, 1997, p. 428).

Carmeli (2001) considered whether high and low performance Israeli firms have different profiles. Table 3.11 shows simplified results for intangible resources. High performance firms have a distinct profile of valuable, rare, difficult to imitate and non-substitutable intangible resources. They emphasise organisational strategy,

managerial competence, know-how, ability to manage change and human capital. Low performance firms emphasise know-how (along with high performance firms but they then deviate), product/service reputation, business development, intellectual property and the ability to raise funds. The high performance firms appear to demonstrate a distinctly strategic approach whereas low performance firms more of a marketing approach. Yet, Gray, Matear and Matheson (2002) note growing evidence of links between market orientation and performance. In their study they compare manufacturing with service firms and find service firms tend to have a greater level of marketing which is associated with higher performance. This implies sector differences may be of some importance.

Table 3.11: Intangible resources in high and low performance firms (tabulated from Carmeli, 2001, pp. 666-668)

Intangible Resources	**Performance**	**Rank of importance**				
		1	**2**	**3**	**4**	**5**
Most valuable	High performance	A	B	C	D	E
	Low performance	F	G	H	C	I
Rarest	High performance	C	B	D	G	A
	Low performance	H	C	G	J	K
Most difficult to imitate	High performance	D	B	C	G	L
	Low performance	H	C	J	K	I
Most non-substitutable	High performance	D	B	G	A	C
	Low performance	C	H	J	K	I

Codes (Number of High performance, Number of Low performance)	
A – Organisational strategy (3,0) B – Managerial competence (4,0) C – Know-how (4,4) D – Ability to manage change (4,0) E – Organisational culture (1,0) F – Marketing and selling (0,1)	G – Human capital (3,2) H – Product/service reputation (0,4) I – Business development (0,3) J – Intellectual property (0,3) K – Ability to raise funds (0,3) L – Research and development (1,0)

Osborne and Cowen (2002) took a similar approach suggesting high performing companies have a distinctive profile, in particular of corporate culture, people and management systems. Galbreath (2005) addressed the question using RBV suggesting a firm's success is largely due to resources possessing certain special characteristics. The results suggested intangible resources contribute more to performance than tangible resources. López (2003 and 2006) considered intangible resources as drivers of performance in Spanish firms. Through a PCA certain intangible resources, including firm reputation, human capital and organisational culture were positively associated with performance. Douglas, Jenkins and Kennedy (2012) found in an English council, managers felt intangible assets were essential

for high performance. Reputation and partnership were also important, although leadership was deemed necessary to bring 'everything' together.

Simpson (2006) looked at productivity in public services (see HM Treasury, 2002) and in common with many others noted the difficulties, especially because the output of public services is often unpriced and services consumed collectively. Public services may have other objectives that over-ride a concern for productivity.

Goldeng, Grünfeld and Benito (2008) investigated the performance differential between competing private and state owned enterprises in Norway. They found private owned enterprises had a higher level of performance as measured by return on assets and cost but these are particular measures of performance. In addition differences in the two ownership modes may explain (some of) the variation, such as the level of incentives, possibly related to risk-taking and state-owned firms having some different (non-economic) objectives.

The Audit Commission (2002a) published a report to demonstrate improvement in the public sector. They identified reasons why managing performance is difficult: leaders aren't interested, no time to learn, too many priorities, no understanding of what needs to change, system problems and some people don't perform. They then illustrate what are described as eight 'breakthroughs to improved performance' addressing some of the issues as to why performance is difficult. These included demonstrating the importance of performance, act on what matters most, develop staff commitment and measure what matters. This covers such as leadership, appropriate systems development and use, and prioritisation. Balaguer-Coll, Prior and Tortosa-Ausina (2004) considered the performance of local governments in Spain finding many inefficiencies were due to the allocation of resources. However, they note such inefficiencies were not always due to poor management, rather fiscal and policy issues both internal and external played a role.

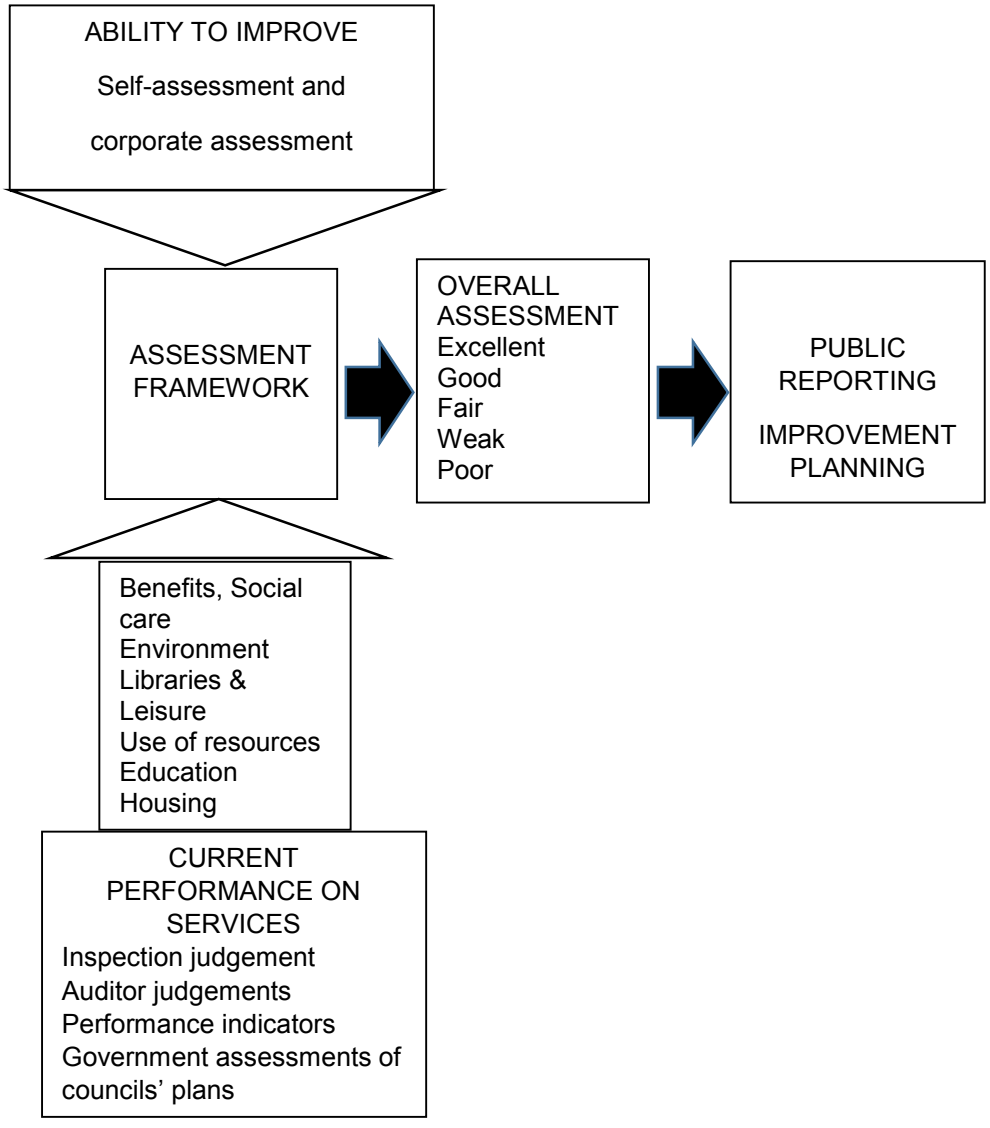
The word 'Political' has been used numerous times throughout this review and this reflects the important role politicians play in the characteristics of public services PMFs. Chang and Ku (2009), referring to the NHS star rating system, argue the use of performance management cannot be separated from the political context, suggesting the formulation of the mechanism to produce star ratings reflected the political objectives of the Blair government. The performance measures send messages of coercion as well as trying to influence public opinion. Aucoin (2012)

discussed the possible performance issues where civil services were (in danger of) becoming increasingly politicised under new political governance and concluded clarity of roles and independence were essential. Fenwick and Miller (2012) considered the reform of local government and the relationship to organisational performance. They found abolishing the committee system and its replacement with an executive system did not improve performance.

3.32 Comprehensive Performance Assessment (CPA)

In December 2002 the Audit Commission (2002b) published a report highlighting early lessons from CPA. The CPA framework as implemented is shown in Figure 3.12.

Figure 3.12: The CPA framework - CPA brings together a range of evidence to form an assessment of each council (Audit Commission, 2002b, p. 7)



The report described the characteristics of a 'typical' council in CPA categories (Table 3.12). Authorities categorised as poor need external assistance to improve whilst authorities categorised as weak have some capacity and capability to improve.

Table 3.12: Characteristics of the typical council in CPA 2002 (tabulated from the Audit Commission, 2002b, pp. 8-9)

Characteristic	CPA Rating				
	Excellent	**Good**	**Fair**	**Weak**	**Poor**
Services performance	High-quality	Strong	Reasonable	Low	Inadequate
National priorities included	Yes	Partly	No	No	No
Leadership	Effective	Effective	Needs improving	No	No
Management arrangements	Effective	Effective	Needs improving	No	No
Performance management	Strong	Strong	Good	Poor	Inadequate
Ability to improve	Yes	Yes	Limited	No	Needs external support
Prioritisation	Clear	Mostly	Partly	Unclear	None
Local needs addressed	Yes	Partly	No	No	No
Management of finances	Well	Well	Partly	Poor	Inadequate
Partnership-working	Achieve more	More close working needed	Partly	Poor	No

The Improvement and Development Agency (2003) commissioned a survey of council employees to assess the impact of employee motivation on organisational performance. They found a relationship between employee responses and CPA Rating for certain characteristics. They found no significant difference between employees working in authorities rated excellent and those rated poor for: ability to do interesting work and feelings of accomplishment, access to training, acceptable workload and job security There were differences in the following characteristics: ability to have an input into planning work, opportunities to show initiative, managers willingness to listen to ideas, the council keeps them well informed and the reasons for change are communicated.

Whilst the 2003 survey was of top-tier councils only, shire district councils were surveyed later (Improvement and Development Agency, 2005). There was no significant difference for the following characteristics: ability to do interesting work and feelings of accomplishment, (un)satisfactory basic pay/benefits package, available departmental resources and attitudes to change. Again, there were differences between authorities rated excellent or good compared to others for: greater input into decision making, more freedom in undertaking work, feeling valued, the council keeps them well informed, a greater understanding of corporate issues and their contribution and greater confidence in senior managers.

Boyne and Enticott (2004) assessed whether councils placed in the five CPA categories exhibit differences in their internal characteristics. Using a large scale survey of council officers they conclude:

> Our statistical results suggest that the internal characteristics of the five CPA groups are mostly the same. Only around a quarter of the tests indicate significant differences in their organizational attributes. The clearest differences were in the areas of performance management and clarity of organizational priorities….measures of organizational characteristics suggest that there are not five CPA groups but two: one which scores highly on 'management and priorities' (the excellent and the good), and one with lower scores on these variables (the fair, weak and poor).
>
> (Boyne and Enticott, 2004, pp. 17-18)

They conclude, '….organizational attributes of councils are weak predictors of CPA outcomes. The view that different councils ended up in different CPA grades because of their internal characteristics is therefore highly questionable.' (Boyne and Enticott, 2004, p. 18). They note their results are similar to those found for ratings in health (Smith, 2002) and by Cutler and Waine (2003) for social services.

The Audit Commission (2002c, p. 3) stated the CPA framework had taken account of local factors like deprivation. However, councils and academics questioned whether this was the case. Andrews (2004) used regression analysis to consider the relationship between deprivation and PIs. Well over half of the PIs had a significant (p<0.05) influence on performance. The negative impact of deprivation on children's education had been well rehearsed in the past and the negative impact on benefits and revenue is no surprise. Thus authorities in deprived areas are likely to find it

more difficult to improve key services, 'If CPA ignores the impact of external constraints some councils may be falsely labelled as "underperforming". This could have particularly detrimental effects on the prospects for improvement among those authorities requiring the greatest support and encouragement.' (Andrews, 2004, p. 24).

The Audit Commission commissioned a review of CPA and its relationship to deprivation (Palmer and Kenway, 2004). Authorities with a higher level of deprivation tended to have a lower CPA score. There was however no significant relationship with the corporate assessment result. The strongest relationship was with education PIs but not with inspection judgements. There were three community considerations discussed: fractionalisation, turnover and the capacities and capabilities of people in the community. They conclude there is no easy solution although well-informed inspections may be key.

Andrews, Boyne and Law et al (2005) considered the external constraints on council performance further. They found ten constraint variables explained 35% of inter-authority differences in core service performance with ethnic and social class diversity, lone parent households, population change, population and discretionary resources being important. Andrews, Boyne and Meier et al (2009) also found that migration from the European Union (EU) A8 countries was associated with lower local authority (LA) performance, reflecting a more *difficult* local environment.

Haubrich and McLean (2006a) and McLean, Haubrich and Gutiérrez-Romero (2007) looked at CPA results between 2002 and 2004 and tested the extent to which the process was invulnerable to categorisation errors, gaming, consistency with other government policies and how it deals with uncontrollable factors. Their analysis found CPA failed all four tests.

Game (2006) noted the majority of councils rated good or excellent and as councils improved the need to raise the bar, and where does it stop? Further, as we have seen, it has been argued external constraints appear to have been inadequately considered in CPA. Game (2006, pp. 474-475) also noted the weak link between CPA results and citizen satisfaction but the stronger link between increases in council tax and citizen satisfaction.

The Audit Commission published annual reports on CPA showing overall progress (e.g. Audit Commission, 2008a and 2009b); with the latter also describing the move to CAA. In 2009 the Audit Commission (2009c) published a report highlighting the impact of CPA from 2002 to 2008. They noted the decline in public satisfaction contrasting with improvements in performance as measured by CPA. Grubnic and Woods (2009) considered the extent of bureaucratic or hierarchical control in BV and CPA concluding the latter was the case, ensuring closer alignment to government priorities, a view supported by Entwistle and Enticott (2007). Entwistle, Downe and Guarneros-Meza et al (2014) considered governance in central-local relations with respect to hierarchy and networks finding mixed results for the impact of the *power* of the centre. Although, experience suggests organisational performance was directed and LAAs powerfully reinforced this. Sullivan and Gillanders (2007) provided a critical review of the introduction of the central-local agreement to improve performance that became the LAA framework and review (Department for Communities and Local Government, 2007a and 2008).

Yet, despite all the uncertainties and doubts, contrary to the expectations of many, if not most, academics it was found CPA did drive up council performance:

> To the casual reader or the practitioner in central and local government the success of a management reform might seem unremarkable. But when put against the large international academic literature that suggests that in general performance management systems do not work, CPA is paradoxical….Whilst the literature asserts that performance management systems do not work the Comprehensive Performance Assessment did work. Our argument goes beyond the established argument that performance management systems run down over time, and lose their capacity to discriminate between successful and failing organizations (Meyer and Gupta 1994). Rather, we argue that the CPA made a substantive difference to the performance of local authorities, especially to those at the bottom end of the league table.
>
> (Boyne, James and John et al, 2010, pp. 224-225)

The Audit Commission (2007a) set out the principles for developing CAA to replace CPA from 2009 onwards. The key change being an area assessment and organisational assessments of key public service providers: councils, fire services, police forces and PCTs with the LSP key.

3.33 Comprehensive Area Assessment (CAA)

The Audit Commission (2010) produced a report summarising the results from the first year of CAA. It highlighted the innovative way local public services were tackling difficult problems but despite this reported patchy performance with some areas struggling to improve. Problems of unemployment, crime and homelessness were proving especially difficult.

Because CAA only lasted one year there is little academic literature. An evaluation of the first year was led by Shared Intelligence (2010) with Cardiff University and Ipsos MORI. They found wide support for the principles of CAA with a focus on outcomes, a reduced burden of more focused inspection whilst giving more emphasis to local contexts and priorities and with a focus on risk rather than past performance. The emphasis on local partnership working was also welcomed. Although CAA did not tend to reveal any new strengths and weaknesses, '….many assessed bodies believed that CAA would lead to improvements in their own organisation, in local services and in local outcomes.' (Shared Intelligence, 2010, p. 49). It is perhaps unsurprising there was little emphasis on performance given the newness of the process.

The new government swept away CAA as soon as it came to power in May 2010, to be replaced by a much reduced regime which for councils was to be sector-led. Police would continue to be scrutinised by HMIC while PCTs were to be abolished. Research is starting to consider the new arrangements, for example Downe and Martin (2012) and Martin, Downe and Grace et al (2013).

3.34 Performance Management - Does it Deliver?

Is all the effort devoted to performance management worth it and if so how can success be guaranteed? What are the relevant prerequisites or criteria and how (and when) do we know if they are working and what are the timescales? Behn (2003) pointed out measurement of performance is not an end in itself. There needs to be a motivation to use the data to make change happen or to confirm actions to deliver goals. Holloway (2001) noted the lack of empirical evidence performance measurement in itself impacts positively on performance. She notes much of the literature is descriptive and prescriptive with a plethora of tools and techniques although, with a lack of theoretical underpinning. Grace and Martin (2008) assessed the prospects for ongoing improvement in local government. They suggested whilst good improvement had been made significant challenges remain, requiring

transformational change. The move from CPA to CAA they pose would not be sufficient; it would require innovation and greater joint working. A less top-down national performance framework would require councils to think for themselves, 'The spectre of responsibility without power may be about to raise its head to a much greater degree than before.' (Grace and Martin, 2008, p. 5)

The literature attempts to evaluate the success of performance management. It is clear many factors need to be considered and as shown performance management consists of techniques that can be applied within (*not to* is perhaps part of the problem) an organisation. A further complication is how success is measured and over what timescale, can be critical for many of the 'wicked issues' public services deal with.

McAdam and Saulters (2000) investigated the use of quality management frameworks in the public sector to gauge their effectiveness. From a postal survey respondents ranked the frameworks (top to bottom): IIP, Charter Mark, EFQM EM, ISO9000, benchmarking and the BSC. The majority of initiatives do not achieve all the expected benefits but a relationship exists between the time the initiative has been in use and benefits.

McKevitt and Lawton (1996, p. 49) suggested, from a wide range of public sector organisations, the introduction of PMFs using a top-down implementation approach has, '…led to middle manager disenchantment and does not meet user needs'. In a later paper Lawton, McKevitt and Millar (2000) suggested there was also a lack of customer focus. The current research has evaluated both of these criteria the latter from the point of view of involvement. Yet, there appears the need for a strategic approach providing direction to performance management.

Chapter 11 in Armstrong and Baron (1998, pp. 204-213) summarised the impact of performance management. They note research shows performance management has a positive impact in raising awareness of the pressures on the organisation to perform. They quote McDonald and Smith (1995) who established a connection between performance management and measures of organisational performance, such as higher profits, better cash flow, higher sales per employee and lower growth in employee numbers. Armstrong and Baron are however not so sure, stating:

> …it is a matter of speculation whether the most effective companies were those created by performance

> management or whether the most effective companies were the ones most likely to introduce performance management.
>
> (Armstrong and Baron, 1998, p. 205)

A key finding from McDonald and Smith (1995) was in successful companies managing employees seems to be a 'mainstream business issue'. Perhaps surprisingly, Armstrong and Baron suggest the belief performance management will increase organisational effectiveness is to an extent an 'act of faith' certain actions will produce certain results. They then note research by Latham and Locke (1979) that motivating people is likely to have a positive impact (goal and expectancy theories). Clearly, one of central tenets of performance management is the setting of goals (aims, targets) at several levels in the organisation and placing employees' contribution in a framework may give them something to aim at. Perhaps key issues are involvement in setting targets and a realistic prospect of achievement. The contention motivation (and morale) may be associated with organisational performance is tested in this research. Verbeeten (2008) studying Dutch public sector organisations found the definition of clear and measurable goals positively associated with quantity and quality performance. The use of incentives was positively related to quantity but not quality while institutional factors were important.

Jackson (1993) is surely correct when he writes in a democracy evaluation of government performance is essential and accountability necessary at all levels. He suggests:

> Performance evaluation in public service organisations is fraught with theoretical, methodological and practical problems, which run deep in any democracy.
>
> (Jackson, 1993, p. 9)

Key questions are therefore what are the origins of the evaluation criteria, who sets them and whose interests does the process serve? There is a clear implication alluded to previously that the process is political and far from value free. It is further noted the dominant ideology (NPM), with an emphasis on efficiency and markets, will determine the type of performance management.

Likierman (1993) suggests some lessons for PI managerial use based on research conducted with a sample of 500 managers from the public sector, broken down into four areas: concept, preparation, implementation and use. From our perspective of particular importance in *concept* is politics and accountability so any evaluation of success is contextual. Preparation is about involvement of interested parties and avoiding a short-term focus whilst the key implementation lesson would seem to be a recognition 'things change'. As regards 'use' a key is interpretation and feedback may make the system relevant. He also notes the different interpretations and concerns of academics (implications and consequences) and practitioners (technical issues and cost of implementation). Twenty years later these messages appear just as relevant.

Ezzamel and Watson (1993) considered the relationship between structure and firm performance. They suggest control structures have a direct impact on firm performance but the main impact is indirect. This supports the view a PMF will impact on performance but it is complex and context is important.

Similarly, Pollitt (2009) looked at structural change, not just internal to organisations but changes to boundaries and the creation of new organisations, and public service performance. Unfortunately, systematic evaluations have been rare and so evidence is therefore somewhat lacking. Pollitt (2009, pp. 289-290) makes four key reflections: the lack of hard scientific evidence, the UK may be vulnerable to structural change given the lack of control on government, the scale of structural change may be important with perhaps smaller scale being easier (and easier to evaluate). Fourthly, it is unrealistic to expect neither precise, operational lessons nor a big idea that can be transported across all organisations. Hence, it is unlikely there will be a simple relationship between structural change and performance. Entwistle (2011) considered the theories around structural change and the possible impact on performance suggesting understanding requires acknowledging the *intermingling* of these.

Although formal corporate planning in the public services declined from the 1980s it is argued there is still a strategic perspective. Indeed during the mid to late 1990s and onward corporate planning became more of a mainstream activity (even if not called that); practised by top management teams rather than a separate unit. It is thus more integrated and perhaps its real manifestation is in performance

management. The research tests this hypothesis in particular by looking at strategic direction and the use of evidence-based policy.

In the UK there was increasing concern regarding a lack of vfm criteria in assessing performance with Boyne, Gould-Williams and Law et al (2001) noting this as a potential outcome of BV. It is no surprise therefore CPA 2005 included use of resources, with a vfm component (Audit Commission, 2005).

Entrepreneurship and innovation are characteristics NPM suggests the public sector should take from private sector practice. Hence performance management should be able to capture the extent and contribution of innovation to performance. Ennew, Whynes and Jolleys et al (1998) report a particular example within the NHS requiring the management of performance against budgets for such as the dispensing of drugs. They conclude the impact of fund-holding was patchy with some doctors ideologically opposed, who could offer considerable resistance. Grice, Wilson and Foster et al (1998) reported a more positive picture from North West England where some emphasis was placed on encouraging fund-holding practices in business planning.

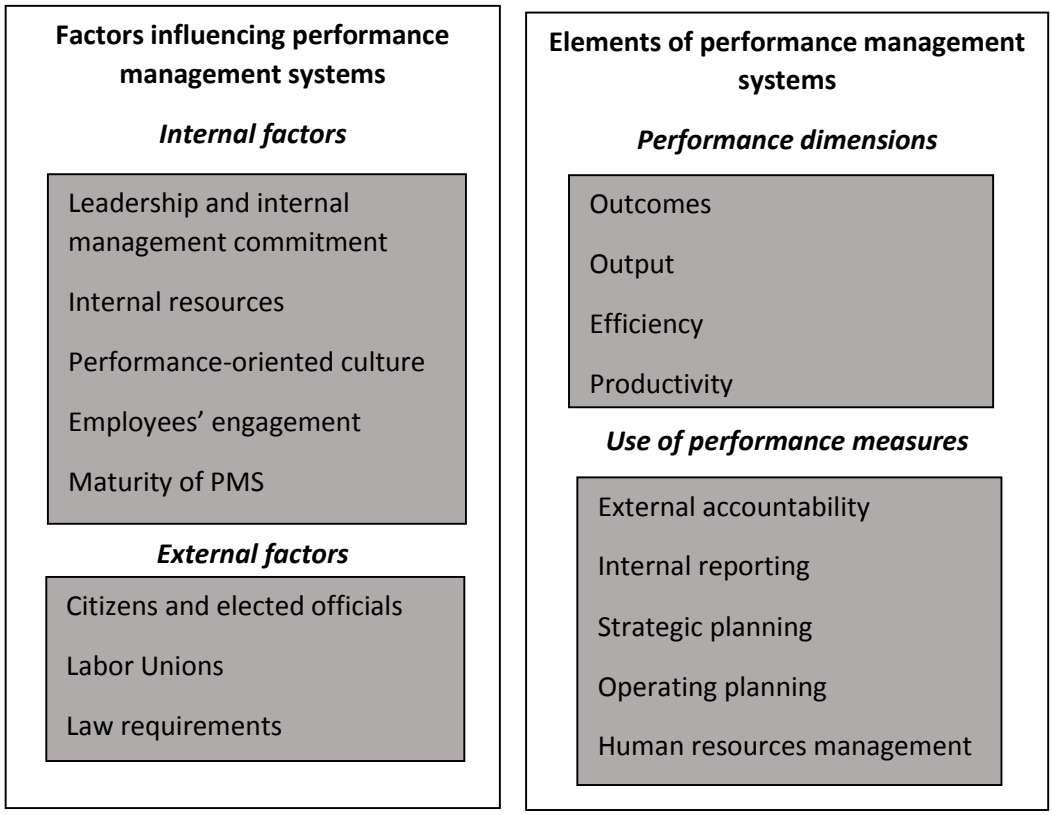
The potential importance of culture has been noted. Loveday (1999) considered the introduction of performance management (affecting culture) on criminal justice agencies in England and Wales concluding performance management had been inconsistent, not delivering on its promise. It was the Crown Prosecution Service (CPS) that ultimately struggled despite top management support for performance management whilst the police, whose leaders were less convinced, perhaps *played the game* rather better.

Andrews, Boyne and Law et al (2003) did a comparison of council performance in England and Wales. They found, despite the views of the UK government and the Audit Commission that Welsh performance was worse, performance levels and rates of improvement were similar in English and Welsh councils. They suggest the 'London' judgement is due to the fact Welsh authorities did not conform to a specific managerial model. They conclude, '….that local councils and other public sector agencies, need to be judged on their service achievements, not on their adoption of the latest management fads promulgated by central policy makers.' (Andrews, Boyne and Law et al, 2003, p. 70), also De Burgundy (1996).

In a later study Haubrich and McLean (2006b) compared the local government assessment regimes in England, Scotland and Wales. They noted only England had CPA and the Scottish and Welsh approaches were less prescriptive. Their analysis suggests no relation between self-assessment and improvement in performance scores and it appears that councils, in England, which did improve were not those expected to do so from previous CPA rounds. This implies that what drives improvement was not adequately captured by the assessment process. Downe, Grace and Martin et al (2007) undertook a similar piece of research highlighting similarities between CPA in England, BV Audit in Scotland and the Wales Programme for Improvement. These included their initial statutory basis, the use of audit and inspection and a theory of change stating performance improvement needs leadership and widespread performance management.

Hodgson, Farrell and Connolly (2007) reviewed the literature on improvement in the UK public sector and classified it into seven categories (number of papers in brackets): competition (2), leadership/management (11), strategic change (22), participation (5), quality (6), resources (4) and organisation size (5). However, it is noted the categories are not watertight and in some cases leakage is considerable. Drawing conclusions is difficult: firstly, the studies show a diversity of approaches and services included. Secondly, it may not be possible to identify what triggered the improvement and isolate it from other triggers. Thirdly, the studies are mainly snapshots in time and perhaps high performance doesn't endure. Fourthly, improvement in an organisation may not be universal and declines in other parts may not be captured. Fifthly, many of the studies concern improvement in processes which does not necessarily translate to services. It is concluded evidence on improvement is limited. Sole (2009) considered the factors driving performance improvement in the public sector and suggests some key factors, summarised in Figure 3.13.

Figure 3.13: Summary of main factors influencing the successful implementation of a performance management system (Sole, 2009, p. 9)



De Waal, Goedegebuure and Geradts (2011) considered the impact of performance management on the results of a non-profit organisation in the Netherlands, finding it was not always positive. Boyne, Gould-Williams and Law et al (1999) reported on progress and prospects for BV in Welsh local government. They noted a distinctive nature due to the involvement of the Welsh Office with the Welsh Local Government Association and progress had been faster in England. Further, Boyne, Gould-Williams and Law et al (2001) looked at the impact of BV on the Welsh pilot authorities. An early key finding was perceptions of the impact of BV were significantly more positive in those authorities adopting a corporate approach.

McAdam and O'Neill (2002) used building control services to evaluate BV using benchmarking, a technique promoted by government. The data revealed a wide variation in performance and suggested a need to reduce costs and increase the quality of the service. The researchers were critical of performance management in some authorities for providing poor quality data or no data at all. Learning was not taking place and therefore performance management was relatively ineffective

because of this, coupled with a lack of leadership and commitment. Assessing organisational learning is an element of this research.

Boyne, Gould-Williams and Law et al (2002b) considered the accountability of authorities through the reporting of performance data in the BVPP. This had previously been undertaken for Welsh plans by Boyne, Gould-Williams and Law et al (1998) who noted there were data omissions and little performance comparison in the plans but nevertheless, substantial progress had been made on BV. Accountability not just to the public but a variety of stakeholders is an important criterion that would be expected, perhaps partly, to determine the effectiveness of performance management. Does it deliver what stakeholders need to make a judgement on the performance of services? Boyne, Gould-Williams and Law et al (1998) felt there was some way to go before this is the case. This research evaluates BVPPs against a set of pre-determined criteria (Chapter seven).

Higgins, James and Roper (2004) considered the extent to which BV resulted in service improvements. They note BV has been described as an idealised form of TQM, tailored for local government suggesting there is some truth in this but the practice of BV cannot be assumed to improve services simply because it is a form of TQM. In addition due to the government's emphasis on BV, the skewing of BV towards certain services and the use of PIs, resources were being directed towards certain services and away from others. They suggested CPA covering all services may counteract this and also reduce the ability of authorities' to *play games*. Further, unlike a proper TQM approach council employees have not benefited from BV and so continuous service improvement, even if occurring consistently at the present, may not be sustainable.

3.35 Conclusions

This review has identified there is an extensive and varied literature on performance management and the factors associated with organisational performance. The difficulty of the concept, given the complexity of organisations and settings, has perhaps generated more 'heat than light'. Research is mainly quantitative considering various factors but in many cases the number included is relatively small. Given many of the factors are likely to be related there would seem to be merit in considering them together. Context almost seems to exert a controlling influence which limits the transferability of findings. Little of the research is longitudinal which limits the ability to attribute causality. There would appear to be a lack of any

framework to classify, collect and analyse these. Even a checklist would be useful and the questionnaire developed for this research perhaps provides such an embryonic list.

On a practical level, research tends not to identify actions organisations need to take to improve their performance and therefore a method to facilitate this (Goodchild, 2006). The present research does this due to the large number of criteria considered providing a template for consideration that can lead to directed action. The next chapter explains the methodology employed to deliver this.

Appendix 3.1 provides a summary of the literature with respect to the derivation and relevance of the statements used in the survey questionnaire. The statements (factors possibly associated with organisational performance) were developed at the commencement of the research and the relevant literature has been added throughout the period of the research. The literature noted is indicative of a large volume that investigates organisational performance.

The research has identified those criteria that appear to contribute to organisational performance, in particular supporting the literature on the importance of strategy and human resources. However, the literature appears to be less forthcoming on the contribution of performance management. This research has identified performance management, in an organisation, as an important factor in delivering that organisation's performance. This is especially the case for public service organisations where the measure(s) of success is, perhaps, open to greater interpretation than for private sector firms.

The groups into which the statements are placed were likewise decided at the beginning of the research. The literature suggests that these broad headings are the factors associated with organisational performance although, it is recognised that many of the statements are able to fit into more than one category. The placement of strategy, policy, finance and HRM as a single group reflect the literature which suggests that these are all best considered in a strategic manner. Performance management was placed on its own to differentiate many of the operational elements, although, clearly, it has an important strategic component. The use of a range of approaches and techniques, such as the BSC, TQM and MBO are included within the performance management group, although there are overlaps with other groups especially strategy/policy/finance/HRM. Administration concerns the basic

operations of the organisation, in particular the degree of centralisation (so related to structure) and the unity of operations, perhaps heavily influenced by leadership, the next group. In these public service organisations the political influence is important and therefore the level of political as well a managerial leadership is investigated.

The literature suggests that resources (of various kinds) are associated with organisational performance. A difficulty, though, is that resources cover a wide variety of potential organisational activities with an important link to the management of the human resources, as demonstrated by the literature. Questions arise not only about the absolute (or relative, for example, as in benchmarking) level of resources but also regarding how effectively they are deployed. The literature considers stakeholders and partnership working as important for public service organisations with, potentially, important consequences for outcomes, especially for the so called 'wicked issues' such as health and crime. Thus a leisure service could have a greater impact on a person's health than a doctor, so health services do actually provide access to leisure facilities.

The literature discusses the concept that organisations having a relationship with users of their services can result in improved services because the organisation better understands needs. Communication is therefore important and a number of statements tested this including the relationship with the media that may be closely linked with reputation. Associated with communication is the reporting of organisational performance, both internally and externally. Reporting is used by managers to direct effort to improve performance to meet targets, by political representatives to ensure overall aims are being achieved and to hold managers to account and by other stakeholders to ensure the organisation is accountable. Finally, the literature notes the culture of the organisation as being an important element of organisational performance, with some cultures being more effective, that may vary with circumstances including the external environment.

Table 3.13 uses these groups and compares them with the categories used in the meta-review work of Ashworth, Boyne and Entwistle (2010) reported at the beginning of this literature review section. Also indicated in the final column are the summary factors identified as a result of this research.

Table 3.13: Comparison of the groups used in the survey questionnaire with those categories noted in Ashworth, Boyne and Entwistle (2010) and the summary factors identified in this research linked to organisational performance

Groups into which the statements in the survey questionnaire were included	**From Ashworth, Boyne and Entwistle (2010)** (In *italics* may be linked to performance)	**This research**
Strategy/Policy/Finance/HRM	Strategic planning Regulation	Strategy
Strategy/Policy/Finance/HRM Performance management Reporting Performance	Regulation Strategic planning	Performance management
Stakeholders and Partnerships Communication Reporting Performance	Collaboration	Engagement
Strategy/Policy/Finance/HRM	Human resources management	Human resources
Organisational Culture	*Culture*	Culture
Resources		Resources
Strategy/Policy/Finance/HRM	*Innovation* *Organisational learning*	Innovation
Administration Resources	Organisation environment	Physical infrastructure
Stakeholders and Partnerships	Organisation environment	Reputation
Leadership	*Leadership*	Leadership
		Risk

It will be evident that the similarities outweigh the differences, although both the meta-review and this research differentiate strategy from human resources. Finance is not represented on its own perhaps reflecting the fact that it is means of exchange for other activities, especially the human resource, whilst Policy is subsumed within Strategic planning and Strategy.

4. Methodology

4.1 Introduction

Streib, Slotkin and Rivera (2001) summarised the literature regarding public administration research with much identified as being of limited practical relevance. Part of the reason is the potential area for research is very broad and multi-disciplinary. They suggest links between practitioners and academics need to be strengthened. Pollitt (2006) addressed the provision of academic advice to practitioners and suggests it needs to be more systematic. Earlier, Tranfield questioned the relevance of much management research, '….there was a strong view that much management research was unreliable for use by both the academic community and particularly practising managers in providing a basis for justifying their decision-making and actions.' (Tranfield, 2002, p. 378).

This research is designed to provide a coherent view of the factors important in determining organisational performance, whilst recognising the inherent complexities. It is designed to be practical in identifying where organisations can direct effort to improve performance not forgetting the practical realities of success in the local public sector. For example, Percy-Smith, Burden and Darlow et al (2002) have noted the non-statutory nature and low priority of research in local government.

The research is largely quantitative backed up by case studies, interviews and a content analysis of a key corporate document. Through such triangulation it is intended to bring different dimensions to bear on the research question promoting richness in the final results and greater confidence in the conclusions.

4.2 Ethical Conduct

The research was undertaken in accordance with Teesside University's principles for the ethical conduct of research as ratified by the University Research Ethics Committee (Teesside University, 2012). Participants were informed about the purpose of the research and its longitudinal nature meaning data they supplied may be used several years into the future but would not be attributable to individuals.

In particular all those contacted were free not to participate and were informed that if they wished; no further contact would be made, for example reminders to surveys. Participants were assured of confidentiality unless they positively agreed

their details could be used. At the commencement of the focus groups voluntary participation was confirmed and agreement reached for notes to be taken and quotes used. The interviews in 2012/13 were recorded with permission and agreement for the use of quotes confirmed. To protect confidentiality the employing organisations of the interviewees are not identified.

All data collected has been stored and used in compliance with appropriate legislation and guidelines and will be likewise disposed of at the conclusion of the research.

4.3 Population and Sampling Requirements

A census of all principal councils was undertaken by means of a postal questionnaire in 2005 and using email in 2009 and 2010 adding fire services, police forces and PCTs (Appendix 4.1). In the 2005 survey the response rate was 48.2% and broadly representative by size of council, geographic, etc. but with a slight bias towards larger authorities and those better performing in CPA. Efforts were made to obtain a high response rate by means of various approaches such as addressing the questionnaire to named officers and sending out a reminder (Brennan, 1992). Table 4.1 shows the number sent out and returned as well as the return rate. The total number of authorities by CPA Rating at the 2005 survey were in order of poor to excellent: 10, 42, 120, 141 and 75. One authority did not have a CPA Rating. The return rate varied from 30% for authorities rated poor to 61% for those rated excellent, although the return rate for those rated weak (45%) was higher than for those rated fair (40%).

The 2009 and 2010 surveys were sent by email containing a link to Survey Monkey and a pdf copy of the questionnaire that could be completed and returned by email or post. The use of Survey Monkey proved problematic as a number were returned partially completed and several emails were received commenting on problems. For the 2009 survey the CPA measures for police and PCT are the equivalent as calculated by the researcher.

It was felt at the height of CPA; in the lead-up to the ‘harder test’ there would be a significant level of interest as regards the research. In the 2009 and 2010 surveys the response rate was much lower and this may be due to a number of factors. Firstly, a lower level of interest due to the end of CPA and its replacement; CAA likely to be short-lived due to the national political situation. Secondly, the 2005 survey

was undertaken using the resources of Darlington Borough Council including sending it on headed notepaper with a return envelope.

Table 4.1: Returns for the questionnaire surveys

Year CPA	No. in survey	No. of responses	Poor (0)	Weak (1)	Fair (2)	Good (3)	Excellent (4)
2000 LA	443	220 $	Only the organisational profile section of the questionnaire was completed for the year 2000 which was part of the survey undertaken in 2005.				
England	389	187					
Scotland	32	23					
Wales	22	9					
2005 LA	443	220 (49%) $	N/A	N/A	N/A	N/A	N/A
England	389	187 (48%)	3	19	48	71	46
Scotland	32	23 (72%)	N/A	N/A	N/A	N/A	N/A
Wales	22	9 (41%)	N/A	N/A	N/A	N/A	N/A
$ One council did not identify themselves.							
2009	589	92 (16%)	0	0	25	42	25
LA	353	54 (15%)	0	0	12	19	23
Fire	45	16 (36%)	0	0	5	10	1
Police	39	11 (28%)	0	0	3	7	1
PCT	152	11 (7%)	0	0	5	6	0
Year CAA	**No. in survey**	**No. of responses**	**Poor**		**Adequate**	**Well**	**Excellent**
2010	589	44 (7%)	1		13	24	5
LA	353	30 (9%) #	1		8	16	4
Fire	45	11 (24%)	0		4	6	1
Police	39	1 (3%)	0		1	0	0
PCT	152	2 (1%)	0		0	2	0
# One council had recently been created under local government restructuring and no CAA score had been given.							

The 2009 and 2010 surveys were administered electronically allowing completion by Survey Monkey. Whilst this may well have been easier to complete in practice it meant respondents were tied to a computer whereas a paper questionnaire can be taken away and completed, almost at leisure. This may be important given the requested respondent was of a high rank in the organisation.

4.4 Hypotheses

The literature review identified a large number of factors that may be associated with organisational performance. A limitation of much previous research identified has been the consideration of a limited number of factors or indeed a single factor. Ashworth, Boyne and Entwistle (2010) summarised previous work on factors associated with organisational performance including supporting theories. This research takes an integrative approach by considering many factors using a variety of criteria through the testing of a number of hypotheses. These are predominantly based on theoretical considerations through the literature. The hypotheses are appropriately introduced in the relevant sections

The hypotheses test the following factors: Strategy, Performance management, Human resources, Innovation, Culture, Leadership, Resources and Engagement. Most of these are considered through multiple criteria recognising the complex nature of organisational performance. Further, the factors are ranked in order of their contribution to organisational performance.

Additionally the content of a corporate document is hypothesised to be associated with organisational performance including some of the factors noted previously.

A post-bureaucratic orientation under NPM has been postulated as associated with increased organisational performance (Kernaghan, 2000). Two hypotheses test this supposition.

4.5 Methods

There are a large number of methods that can be used in social research and many texts comprehensively discuss the ‘pros and cons’ of each. Ghauri and Crønhaug (2002) cover the full range of activities in carrying out research thus placing the methods into context. De Vaus (1991) covers the same ground in four parts: the scope of the research, collecting data, analysing data and the process of analysis and provides many examples. Douglas (2003) argues management research must,

'…take into account the complex processes of enterprise activity and the inherent contextual issues that affect managerial behaviour'. It has been noted the literature takes the view context is all-important. The research methods were designed to capture this contextual information from the questionnaire, case studies and interviews.

Desk research

Desk research established the criteria that may be associated with organisational performance, whilst recognising that how performance is manifested and measured may be contested.

Desk research of the literature collated the results of other evaluations of performance management as being a particular characteristic of organisations, so the extent to which it is planned and implemented. This included the public, private and voluntary sectors as outlined in the literature review (Chapter three). For example, Humphrey (2003) carried out desk research into New Labour and regulation in social care and a comparison of performance across authorities. Inconsistencies and conflicts of the reform were exposed in particular as regards the underlying values.

Questionnaire survey

A postal questionnaire to all principal councils in England, Scotland and Wales in 2005 to establish the scores against a series of criteria, which also collected organisational profile data for the year 2000. For England only an email survey of all principal councils, fire services, police forces and PCTs. It was intended three additional waves of survey would be undertaken in 2009, 2010 and 2011. However, in the event the election of a new government in May 2010 removed CAA and so it was decided no further surveys would be undertaken, after 2010. The option to use another means of measuring performance such as asking respondents or using publically available performance data was considered. However, it was concluded whilst such an approach would be feasible it would not add significantly to answering the key research question. The applicability of this approach was confirmed by feedback received following the presentation of a development paper at the BAM conference in 2011.

Content analysis of BVPP

Content analysis has been used in a wide variety of disciplines and some related to this work are: corporate social responsibility, sustainability and environmental reporting (Jose and Lee, 2007; Clarkson, Li and Richardson et al, 2008; Holder-Webb, Cohen and Nath et al, 2009; Herrera, Bigné and Currás-Pérez et al, 2011 and Roca and Searcy, 2012), the clinical content of NHS trust board meetings (Watkins, Jones and Lindsey et al, 2008) and quality of tourism research (Page, 2003). Koys (2000) analysed the content of 530 organisations' formal business strategies and HR strategies with the aim to evaluate the extent to which HR was strategically integrated into the overall business.

With regard to organisational performance; research utilising content analysis has been undertaken on a range of related topics including corporate reporting, environmental management practices (Montabon, Sroufe and Narasimham, 2007), the effects of culture and HRM practices (Chew and Sharma, 2005), planning processes (Labroukos, Lioukas and Chambers, 1995), business process reengineering (Altinkemer, Chaturvedi and Kondareddy, 1998), chief executive officer commitment (McClelland, Liang and Barker, 2010) and strategic group theory and mental models (Osborne, Stubbart and Ramaprasad, 2001).

Boyne, Gould-Williams and Law et al (2002b) considered the utility of BVPPs with respect to performance information and accountability. Krippendorff (2004) describes content analysis as potentially one of the most important research techniques in the social sciences. He goes on to note that it originated as a formal discipline in the 1940s, although it actually has a much longer history, being used by the Church for inquisitional purposes in the 17th century (p. 3). 'The modern view distinguishes from the historical in being an empirically grounded method that cuts across traditional notions of symbols, contents and intents and has developed a particular methodology' (Krippendorff, 2004, pp. xvii-xxii).

'Content analysis is a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use' (Krippendorff, 2004, p. 18). As a technique it needs to be reliable, replicable and valid. He goes on to explain three basic definitions of content analysis as a research method have been used:

1. Definitions taking content to be *inherent* in a text.
2. Definitions taking content to be a *property of the source* of a text.
3. Definitions taking content to *emerge in the process of a researcher analyzing a text* relative to a particular context (Krippendorff, 2004, p. 19, emphasis in original).

Stemler (2001) provides a succinct summary of definitions and practical applications of content analysis and with reference to Weber (1990) notes it is a useful technique to describe the focus of individual, group, institutional, or social attention. Krippendorff, (2004, p. 54) notes measurements are made against standards for three reasons. Firstly, to identify what the phenomena are (identifications), secondly to evaluate how good or bad they are (evaluations) and thirdly, how close they come to expectations (judgements).

The methodology consisted of the development of a pro forma (Appendix 4.2) containing 21 criteria that could be rated. The definition being used from the three discussed, previously, is the content is believed to be a *property of the source* of a text. Thus the content of the BVPP is *determined* by the performance of the organisation. A high performing organisation would be expected to have a comprehensive mission statement, a good selection of local PIs, a clear statement of objectives and prioritisation, a description of its performance framework and so on.

A content analysis was undertaken of 76 councils' BVPPs; the detail of which were correlated with CPA results. The BVPPs were selected to give a representative sample by CPA Rating, authority type and a good geographic spread (Appendix 4.3).

Case studies

In 2005 case studies were undertaken in Chester-le-Street District Council, Darlington Borough Council and Durham County Council to explore the 'applicability' of the scores for the individual statements obtained from the questionnaire survey, using a pro forma (Appendix 4.4). The case studies consisted of interviews of four officers and a focus group of five to seven front-line staff. It was decided not to record the interviews and focus groups given the purpose that was in the main to obtain scores. In the focus group participants were encouraged to come to a consensus.

Yin (1981) notes the case study approach does not imply a particular type of evidence nor a particular data collection method. The interviews were of two service managers, a policy type officer from the department and a policy type officer from the corporate centre. For the case studies of Chester-le-Street DC and Durham CC the council in question selected the participating officers. For Darlington BC the officers to be interviewed were selected by the researcher and the focus group by managers who had been contacted by the researcher. All three authorities agreed to be identified; although the interviews and focus groups were carried out on a confidential basis therefore names and job titles are not stated.

Interviews

In late 2012 and early 2013 interviews of senior officers at the corporate centre were undertaken in two councils, a fire service, a police force and a PCT (interview schedule at Appendix 4.5). These interviews explored issues in some detail and were conducted on condition of anonymity.

4.6 Comparative Datasets

The four organisation types were assessed using different performance frameworks not directly comparable. Therefore, it was necessary to match individual components of the different assessments. This requires interpretation and is to some extent subjective but consistency was maintained. Table 4.2 shows the comparisons used for the 2009 survey. The basis of the comparison is the CPA 2008 performance classes; firstly the overall CPA Rating on a five point scale of zero to four stars. This scale used in the CPA harder test, is stated not to be equivalent to the previous five point scale of poor, weak, fair, good and excellent because of the changes made to CPA. Secondly, using the Performance Management Score on a four point scale of one to four. Thirdly, Service Score reflects the composite performance of services provided by the organisation. Fourthly, Corporate Assessment measures the corporate capacity and capability of the organisation. In terms of the dates for the CPA performance assessment data used with the survey data; the nearest to the 2008 CPA data was selected without intruding into the data used for the 2010 CAA survey. Unfortunately, the 2007/08 data for PCTs is no longer available from the CQC as confirmed to the researcher. Indeed the 2006/07 data appears only available because the BBC appended the report to one of their news articles. The Audit Commission (and appointed auditors) carried out the inspection/audit work for councils and fire services and the data used for services score and corporate

assessment for police and PCTs. HMIC provided the other data for the police and the Healthcare Commission for the PCTs.

Table 4.2 Comparative data sets used with the 2009 survey data

Organisation Type	CPA Performance Measure			
	CPA Rating	**Performance Management Score**	**Service Score**	**Corporate Assessment**
Local Authority	CPA Rating 2008	PM Score 2008	Services Score 2008	Corporate Assessment 2008
Fire and Rescue Service	CPA Rating 2008	PM Score 2008	Service Assessment 2008	Use of Resources 2008
Police Force	HM Inspectorate of Constabulary Baseline Assessment 2006 Overall	HM Inspectorate of Constabulary 2006 Leadership & Direction	Audit Commission 2006 Value for Money	Audit Commission 2006 Use of Resources
PCTs	Healthcare Commission Quality of Commissioning 2006/07	Healthcare Commission Leadership and Direction 2006/07	Healthcare Commission New National Target Score 2006/07	Audit Commission Use of Resources 2006

Since CAA did not rate individual organisations this was calculated by combining the use of resources, managing performance scores and any other appropriate assessment.

4.7 Method of Analysis

Questionnaire survey

IBM SPSS Statistics 20 was used for analysis of the questionnaire. The principal test used is Pearson correlation with the use of PCA to explore key contributions to organisational performance. PCA was used as an appropriate data reduction technique for exploring the grouping of factors having a statistical significance (p<0.05) with organisational performance.

The survey questionnaire was tested for reliability and validity. Cronbach's Alpha was calculated through SPSS producing a result of 0.965. A figure above 0.7 is regarded as acceptable (De Vaus, 2002, p. 20) therefore we can conclude the questionnaire is reliable.

Validity is the extent to which the survey measures the things it purports to. De Vaus summarises the position well:

> We must be somehow confident that our relatively concrete questions actually tap the concepts we are interested in. The real problem, however, is that there is no conclusive way of establishing validity.
>
> (De Vaus, 2002, p. 25)

One way of testing validity is to examine the correlation of responses of the statements against each other. We would expect statements that are considered to be related would tend to have a high degree of correlation (convergent validity). For example, statements attempting to assess the level of innovation in the approach to service planning (4.10) and service delivery (4.11). These statements have a Pearson correlation coefficient of 0.597** (p<0.01). Discriminant validity considers factors that would not be expected to be related. An example is the extent performance management is focused on learning (5.51) and the extent performance is constrained by central government action (5.55) with a correlation of 0.000. There would seem to be no (valid) reason why the extent of learning in performance management should (in reality) be constrained by central government action. We can be confident the questionnaire has a good degree of validity.

Non-response is potentially a serious issue in surveys. Therefore tests were undertaken by comparing the initial responses with those arriving after the issue of reminders. An example of this analysis is included in Appendix 4.6, which is representative. This shows non-response bias does not appear to have been a particular issue in 2005 and 2009, although the numbers in 2010 were too low to provide this test.

The results of these surveys were correlated with national ratings given to these organisations under CPA (for 2005 and 2009) and CAA for 2010. The data used was 2004 CPA results for the 2005 survey, 2008 CPA results for the 2009 survey and 2009 CAA results for the 2010 survey. For police forces and PCTs it was necessary to convert other data (from the Audit Commission, HMIC and the Healthcare Commission) to a CPA equivalent. In addition to facilitate comparison the five point scale of CPA was matched to the four point scale of CAA. The CAA Rating was

calculated from data compiled by the Audit Commission and published on the *oneplace* website (Audit Commission, 2013d).

Similar methods have been used by others, for example by Ittner and Larcker (1997) to examine the use of strategic control systems and organisational performance. Although the CPA and CAA were not without their critics (Wilson, 2004 and Andrews, Boyne and Law et al, 2005) the assumption they represent valid measures of an organisation's performance is reasonable. Indeed, Boyne, James and John et al (2010) found CPA a success in improving organisational performance. The categorisation of councils played a part in this, as it was fundamental to CPA, providing a marker for all stakeholders.

A computer software company did an exercise to compare shire district councils' BVPI results and CPA Rating and found the relationship to be 'surprisingly loose' (Covalent, 2004). It is however, arguable; CPA represents a better measurement of organisational performance as it includes the results of external audit and inspections.

Cardiff University had used a series of questionnaires as part of a long-term evaluation of BV sponsored by government (Martin, Walker and Enticott et al, 2003). The current research is similar but focuses on criteria likely to be associated with organisational performance. A survey, for the I&DeA by MORI, identified that perceptions vary significantly across authorities. Employees from councils with a higher CPA Rating are more likely to say their authority is 'above average' while those from councils with a lower rating are more likely to say it is 'below average' (Improvement & Development Agency, 2005, p. 9). This provides support for both the questionnaire and case study parts of this research by suggesting employee perceptions are reasonably accurate.

The correlation used was the parametric Pearson coefficient as the data meets the requirements, in particular a normal distribution. PCA was selected as an appropriate statistical technique, given the nature of the data and in particular the small number of cases compared to the large number of variables in 2009 and 2010, making various regression techniques inappropriate. Thus PCA was used in an exploratory manner and direct oblimin (oblique) rotation was utilised for component extraction, rather than the more commonly used varimax (orthogonal). This rotation was chosen

following Field (2013) since many of the criteria are correlated, in some cases very strongly. Field comments:

> In practice, there are strong grounds to believe that orthogonal rotations are a complete nonsense for naturalistic data, and certainly for any data involving humans (can you think of any psychological construct that is not in any way correlated with some other psychological construct?). As such some argue that orthogonal rotations should never be used.
>
> (Field, 2013, p. 681)

However, in the literature review many studies were identified using varimax rotation. Tabachnick and Fidell (2013, p. 664) suggest the level of correlation should be considered and if not too great then using an orthogonal solution is acceptable versus the difficulties of dealing with the interpretation of an oblique rotation. Costello and Osborne (2005) noted of a survey of over 1,700 studies that used some form of exploratory factor analysis, over half used PCA with varimax rotation and eigenvalues greater than one.

For the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy a minimum of 0.5 is recommended with values of 0.5 to 0.7 being described as mediocre, 0.7 to 0.8 good, 0.8 to 0.9 great and above 0.9 superb whilst a determinant of greater than 0.00001 is specified meaning multicollinearity should not be problem (Field, 2013, pp. 684-685). The significance level used is $p<0.05$.

Field (2013) describes principal component analysis (PCA), under the heading factor analysis (although differences between PCA and factor analysis are noted), as a technique for identifying groups or clusters of variables. The technique has three main uses; firstly, 'to understand the structure of a set of variables'; secondly, 'to construct a questionnaire to measure an underlying variable' and thirdly, 'to reduce a data set to a more manageable size while retaining as much of the information as possible.' (Field, 2013, p. 666). PCA is concerned with how particular variables contribute to a component and has similarities to discriminant analysis. This research is concerned with identifying (discriminating between) variables associated with organisational performance and determining a ranked list of summary factors. The statements used in the questionnaire are a long list of variables, from the literature, associated with organisational performance. However, because many of these are

likely to be interrelated it is necessary to establish the relative importance of these and group them into coherent categories. This was done from the literature review hence the overall headings in the questionnaire. Previously, Table 3.13 provides a comparison between these and the results of the PCA, illustrating the similarities.

In this research not all the statements (variables) are used in the PCA as correlation was first used to establish those variables that have a statistically significant correlation (p<0.05) with organisational performance. The first and third usages, of PCA as identified by Field (2013), are being used so that a manageable number of factors is produced, with a structure, enabling an understanding of the relationship(s) between the factors. PCA produces a matrix showing the relationship between variables with eigenvalues being used to calculate the linear components (factors). Not all factors are maintained in the analysis and it is necessary to determine which to retain, usually those with larger eigenvalues. In the PCA analysis sections the extraction of components is explained with output from SPSS reproduced in the appendices showing the eigenvalues (for example Appendix 5.32). Rotation improves interpretation by maximising, '….the loading of each variable on one of the extracted factors whilst minimising the loading on all other factors. This process makes it much clearer which variables relate to which factors.' (Field, 2005, p.644). As noted, given the relatively high levels of correlation between some of the statements oblimin rotation was more suitable for the analyses except for the BVPP where correlations between the criteria were found to be much lower.

Each component is represented by a statement, or more generally a number of statements, which are logically combined by the researcher to produce a summary factor, a total of eleven being defined. The precise numerical weight of each summary factor is not emphasised as it is recognised that interpretation is an important part of PCA and organisational performance is a complex construct that is likely to vary by organisational and environmental factors and over time. The ranking of the summary factors is therefore preferred as having greater utility in theoretical work and practical use.

Content analysis of BVPPs

Mack and Ryan (2004) concluded the annual report is an important source of information but its importance and use varied. Boyne and Law (1991) considered annual reports published by Welsh district councils and regarded them as generally of poor quality. Although BVPPs were public documents and originally for all

audiences they became much more focused towards central government, auditors and inspectors. A summary was usually done for wider circulation and regarded as more suitable for the general public. From the current research, in the 'best' authorities the BVPP was not only an informative document (events had moved on since Boyne and Law's 1991 study) regarding the council's current performance and its plans for future performance but also of high quality. However, some authorities' plans did not contain the necessary information to be informative and thus useful.

The content analysis was an objective consideration of each of the 21 criteria. For example, for item 12 Comparative data, it considered the extent and detail of the data and did it result in any analysis showing where the authority was by quartile for example.

As noted previously the use of standards is important in undertaking content analysis. This research used the standards explained by Krippendorff, (2004, p. 54) in identification of the phenomena; being the 21 criteria listed in Appendix 4.2 (also used as the template to record scores). The second standard was evaluation, using a scale between zero and five with five being best, converted to a percentage for ease of comparison. Thirdly, how close did the plans come to the expectations (judgement) as regard to the performance of the organisations? CPA results provided the judgement in an objective and consistent manner for all councils.

The majority of plans were for 2004/05 although a very small number were 2003/04 due to the difficulty of obtaining the 2004/05 edition. Each plan was visually scanned for 10-15 minutes or so to give an idea of content. The 21 criteria were then searched for and evaluated in detail and a score assigned, this taking about a further 30 minutes per plan. It is important to note only the authority's BVPP (or equivalent since some were known by a different name) was considered. In cases where an authority combined their BVPP physically with another document such as a corporate plan then this was also evaluated. However, other documents were not taken into consideration. Authorities rated excellent and good were permitted to reduce the content of their BVPP.

Case studies/Interviews

Three initial case studies were undertaken as part of the first tranche of this longitudinal research in 2005 followed-up by interviews after the preliminary analysis had been undertaken in 2012/13. The case studies employed the services of a note-

taker to facilitate data collection whilst the interviews were recorded (with permission) and then transcribed. Rowley (2002) and Patton and Appelbaum (2003) describe the application of the case study approach to management research, noting it utilises a range of techniques.

4.8 Limitations of Research Method

All research has limitations and recognition of the limitations is necessary in order to consider the value of the research. In other words the anticipated limitations should not overly impact on the reasonable likelihood of achieving the aims and objectives of the research. A number of potential specific limitations were identified, briefly discussed below.

The questionnaire to the organisations is the basis for a large amount of the data as regards the determinants of organisational performance. It may be a richness and valid assessment requires more detailed research (see Martin, Walker and Enticott et al, 2003). The case studies and interviews were undertaken to address this.

The questionnaire collects the views of one officer in each organisation; even though it is felt it is an informed view. Ketokivi and Schroeder (2004, p. 262) have cautioned against the use of single informant studies but also assert the use of perceptual measures is valid. It is believed the results of this research show the use of a single informant can be appropriate. Again, the case studies collected data from more organisational members in order to provide a check. However, we are more interested in which view is likely to be more accurate rather than representative.

The validation case studies were of three councils and further a limited number of individuals so may not be sufficiently representative of the population to be particularly meaningful. The interviews were of one individual in a small number of organisations. The research collected the views of those it was felt would be in the best position to provide the most applicable data so representativeness was not desired.

The importance of the criteria may not be brought out due to the wide-ranging nature of this research or it may not be possible to identify levels of importance, if any. Since performance management itself was measured by CPA, analysis was undertaken using this as well as CPA Rating.

A selection of BVPPs were analysed and is only about 20% of the total possible and they may not be representative nor capture the richness of the documentation produced by councils. A representative sample of authorities was selected.

The CPA and CAA scores may not reflect the true performance of the organisations (Boyne and Enticott, 2004 and Andrews, Boyne and Law et al, 2005). The question then becomes what is 'true' performance? By no means an easy question to answer because it depends on so many factors and is contestable. Nevertheless a considerable amount of effort was expended by the Audit Commission on developing and then refining CPA. Also note Boyne, James and John et al (2010) comments regarding the success of CPA.

The conversion of 2009 results to comparable CPA is an approximate process and has the potential to introduce an unknown amount of error. Likewise a similar exercise, for the 2010 survey, required the production of organisational performance ratings that demanded an element of interpretation. However, consistency was maintained.

The above limitations do not significantly impact on the results of the research and reasons for the most important have been alluded to above and elsewhere. The results are now presented.

5. Results 1 – Comprehensive Performance Assessment (CPA)

5.1 Introduction

The following sections consider the results of the questionnaire for the 2005 and 2009 surveys with respect to the hypotheses. Each statement on the questionnaire contributes to the testing of one or more hypotheses utilising the four different measures of performance.

Where there are a large number of statements they are discussed in sections of CPA Rating (CPAR), Performance Management Score (PMS), Service Score (SS) and Corporate Assessment (CA), otherwise they are considered together. Generally, only the three highest and lowest coefficients will be noted. The most important variations between the results for the different types of organisation will be considered, as well as over time. A table showing a summary of the statistically significant correlations is at Appendix 5.1. The organisation's respondent scores for each statement are correlated with the Audit Commission CPA assessment of organisational performance for that organisation using SPSS.

The data tables are shown in Appendix 5.2 to 5.32 but reference is not required for immediate appreciation. In some cases SPSS did not calculate a correlation for example, where there is no difference in the response from all organisations. A small number of statements were not included in both surveys.

A following section will then use the correlations (p<0.05) in a PCA to identify the summary factors associated with organisational performance. The PCA indicates the amount of variance explained by each of the statements to be included in respective summary factors.

Strategy/Policy/Finance/HRM

5.2 Hypothesis A1: That an organisation that has a high level of strategic direction will have higher performance than one that has a lower level.

Appendix 5.2 shows the correlation coefficients for the statements applying to strategic direction. It is hypothesised an organisation with a high level of strategic direction will exhibit higher performance than an organisation with less. The rationale for this is that with direction comes a focus on the achievement of outcomes and it also provides a clarity of purpose for employees. This hypothesis is tested by 56

statements with a slight difference for 2005 (*5.9 Use corporate planning* excluded) compared with 2009 (*B57 Collect all quality of life indicators* excluded).

CPA Rating

For CPAR there were 36 statements significant at $p<0.01$ and four significant at $p<0.05$ in the 2005 survey. All were positive therefore a higher level of strategic direction is associated with a higher CPAR except for *4.15 Political issues tend to 'blow' strategy off course* (-0.333**), *5.34 Performance management is regarded as a method of control* (-0.163*) and *6.5 The extent to which organisation departments operate independently* (-0.245**). It would be expected these criteria would militate against strategic direction, although it is interesting the use of performance management as a control method appears. It may be the case that performance management, as a method of control, is relatively ineffective at giving strategic direction in itself and needs to operate in context. As is evident from the review of the literature context is regarded as crucial for successful performance management.

The three statements with the strongest statistical significance are *4.29 The extent to which policy decisions are based on evidence* (0.493**), *4.19 The extent to which the organisation thinks strategically* (0.456**) and *4.26 The extent to which strategies and plans are linked together* (0.449**). An organisation that does these things would tend to have a high level of strategic direction and it is especially interesting the *extent* to which evidence-based policy is regarded as important. Plans and strategies being linked would tend to provide a framework for direction.

There are 16 statements not significant. The three lowest correlations were *4.4 Agreed formal mission/vision statement* (-0.001*), 5.7 Use Management by Objectives* (0.001) and *9.3 Strategic partnership with provider of many services* (0.011). As regards techniques, the use of EFQM (0.268**) and strategy mapping (0.197**) seem to be significant but TQM (0.134), the balanced scorecard (0.038), benchmarking (0.079) and management by objectives (0.001) were not. Interestingly, the possession of an agreed formal mission/vision statement (4.4, -0.001), a published medium term financial plan (4.6, 0.032) or a top down approach to strategic planning (4.16, -0.036) did not appear to be significant.

The number of statistically significant correlations was much smaller in 2009, which is not surprising given the lower number of respondents. First, taking all four

organisation types together, ten statements were significant and whilst six of these were so in 2005, there were some differences. These were for *4.2 Written service plans* (0.229*), *4.48 Extent of separation between strategy and implementation (-0.267*)*, *5.6 Use of benchmarking* (0.222*) and *9.3 Strategic partnership with a provider of many services (-0.240*)*. The others significant as for 2005 were: *4.15 Political issues 'blow' strategy off course* (-0.218*), *4.17 Central policy/BV direction* (0.216*), *4.29 Policy decisions based on evidence* (0.280**), *4.55 Aims/objectives corporate body and service providers linked* (0.337**), *5.59 Extent context considered in analysis* (0.226*) and *9.25 Extent partnerships making strategies more meaningful* (0.302*).

For councils in 2009 there were seven significant statements all of which were also significant in 2005. The top three were: *4.17 Central policy/BV direction (0.496**)*, *4.20 Service improvements implemented strategically (0.454**)* and *4.55 Aims/objectives corporate body and service providers linked (0.363**)*. For fire services there were four significant statements: *4.18 Corporate strategy linked to community strategy* (-0.507*), *4.29 Policy decisions based on evidence* (0.541*), *4.48 Extent of separation between strategy and implementation* (-0.632**) and *9.25 Extent partnerships making strategies more meaningful* (0.519*). Notice, *4.18* and *4.48* are negative. There were no significant statements for police forces although the strength of the coefficients tends to mirror the other organisation types. There was one significant correlation for PCTs: 5*.8 Use of strategy mapping*, which is however negative. This statement was also significant for councils in 2005 but positive. PCTs exhibited more differences than other organisation types. For example, exhibiting a negative correlation for *4.36 Employee's goals aligned with the organisation's* and *4.29 Policy decisions based on evidence* with a zero coefficient whereas, all other organisation types show a positive correlation.

Performance Management Score

Twenty-eight statements were significant at $p<0.01$, ten at $p<0.05$ and 18 not significant for the 2005 survey statements and PMS. The three strongest correlations were *4.29 The extent to which policy decisions are based on evidence* (0.405**), *4.26 The extent to which strategies and plans are linked together* (0.366**) and *4.19 The extent to which the organisation thinks strategically* (0.319**). These are the same as for CPAR although 4.29 is first in both, the order of the other two is reversed. Of the ten statements not significant the strongest is for *5.5 Use of TQM* (0.142), *4.45 Probity is valued* (0.138) and *4.5 Published organisational development*

strategy (0.133). Of these both 4.45 and 4.5 are significant (p<0.01) as regards CPAR. The lowest correlations are for *9.3 Strategic partnership with provider of many services* (-0.013), *5.6 Published medium term financial plan* (-0.019), and *5.6 Use of Benchmarking* (0.024) and none of these are statistically significant as regards CPAR either.

There were 11 significant correlations for the four organisation types combined in 2009. The three strongest correlations were *4.54 Team/individual goals aligned to strategy* (0.420**), *4.55 Aims/objectives corporate body and service providers linked* (0.370**) and *4.5 Published organisational development strategy* (0.348**). For councils there were ten significant statements; the three strongest were *4.5 Published organisational development strategy* (0.450**), *4.44 Service planning is optimum* (0.450**) and 6.5 *Extent to which organisation departments operate independently* (-0.412**). There were four significant correlations for fire services: *4.3 Corporate strategy planned in advance with stakeholders* (0.579*), *4.47 Aims and objectives shared across organisation* (0.588**) *4.54 Team/individual goals aligned to strategy* (0.677**) and *10.4 Extent strategic direction widely communicated* (0.587**), two for police (*5.32 Are targets ambitious*, 0.750* and *5.34 Performance management method of control*, 0.750*) and none for PCTs.

Thus although, for 2005, there were some detailed differences between the correlations for CPAR and PMS there is a correspondence in that a higher level of strategic direction correlates with a higher PMS. There were two significant negative correlations (*4.15 Political issues 'blow' strategy off course*, -0.274** and *6.5 Extent to which organisation departments operate independently*, -0.232**) and these are the same statements as in CPAR, although for PMS*, 5.34 Extent to which performance management is regarded as a method of control* is not significant, unlike for CPAR.

Service Score

For councils in the 2005 survey there were 24 statements significant at p<0.01 with SS, ten at p<0.05 and 22 not significant. The strongest correlations were for *5.37 Level of departmental involvement in developing performance management* (0.336**), *5.38 Level of departmental involvement in running performance management* (0.309**) and *5.3 Use of the EFQM EM* (0.272**). These are also significant (p<0.05) in the CPAR and PMS analyses. The involvement of services in performance management therefore would appear to promote strategic direction

presumably because this provides the link(s) with corporate (organisation-wide) objectives. There were significant correlations as regards *4.26 Strategies and plans linked together* (0.264**), *5.66 Extent to which 'use' stage of performance management is successful* (0.267**) and *5.67 Extent to which EFQM/BSC is an integral part of strategic planning* (0.259**) that support this view. The use of the EFQM EM, in particular, would tend to provide a focus on services and emphasise the link with the strategic direction of the organisation. There were no statistically significant negative correlations, both *4.15 Political issues 'blow' strategy off course* and *6.5 Extent to which organisation departments operate independently* not being so at $p<0.05$.

There was only one significant correlation for all four organisation types combined in 2009 which is *4.48 Extent of separation between strategy and implementation* (-0.273*), although it was not significant for any of the organisation types individually. It is negative, as for all organisation types individually and for councils in 2005. Taking the organisation types separately, for councils there is one significant correlation: *4.26 Strategies and plans linked together* (0.288*) which is also significant in 2005. The pattern of correlation sizes is similar to 2005. For fire services there were six significant correlations; three strongest being: *4.3 Corporate strategy planned in advance with stakeholders* (0.711**), *4.47 Aims and objectives shared across organisation* (0.764**) and *10.4 Extent strategic direction widely communicated* (0.696**). For police there were two significant correlations: *4.9 Took part in I&DeA's Local Government Improvement Programme or equivalent* (0.727*) and *12.19 Extent to which organisation operates independently in provision of services* (-0.728*). There were seven significant correlations for PCTs, the three strongest: *4.42 Organisation focuses on service provision* (-0.899**), *5.66 Extent to which 'use' stage of performance management is successful* (-0.758*) and *10.4 Extent strategic direction widely communicated* (-0.784**).

Corporate Assessment

The CA assesses the strength of an organisation's corporate capability and capacity and therefore may be important in providing cohesiveness: strategic direction, shared objectives, prioritisation and clarity of operations. In 2005 there were 33 statements significant at $p<0.01$, nine at $p<0.05$ and 14 not significant. The strongest correlations were *4.29 Extent policy decisions are based on evidence* (0.443**), *4.19 Extent that the organisation thinks strategically* (0.398**), *5.66 Extent to which the 'use' of performance management is successful* (0.394**) and *4.26 Strategies and*

plans linked together (0.385**). There is an emphasis on evidence-based policy, strategic thinking, linking the disparate plans and strategies together and the use of performance management. Such activities would be expected to have a relatively large impact on strategic direction. There are four statements with significant negative correlations: *4.15 Political issues 'blow' strategy off course* (-0.365**), *6.5 Extent to which organisation departments operate independently* (-0.280**), *5.34 Performance management is regarded as a method of control* (-0.210**) and *12.19 Extent to which the organisation operates independently in service provision* (-0.157*). All are understandable in terms of inhibiting strategic direction, except perhaps 5.34, although 'over control' may translate into limited involvement thus not promoting joint working and practical direction. The word 'control' tends to have negative connotations in many organisations.

There were nine significant correlations for all types of organisations combined in 2009. The three strongest were *4.48 Extent of separation between strategy and implementation* (0.268*), *4.55 Aims/objectives corporate body and service providers linked* (0.309**) and *5.66 Extent to which 'use' stage of performance management is successful* (0.271*).

For councils in 2009 there were eight significant correlations, the top three were: *4.48 Extent of separation between strategy and implementation* (-0.341*), *5.59 Extent context is considered in analysis* (0.347*) and *5.66 Extent to which 'use' stage of performance management is successful* (0.451**). For fire there were six with the strongest three being: *4.9 Took part in I&DeA's Local Government Improvement Programme or equivalent* (0.600*) and *5.68 Extent strategy maps are used* (0.586*), *6.9 Extent to which governance needs are discussed* (0.555). For police there were two significant correlations: *5.32 Are targets ambitious* (0.750*) and *5.34 Performance management method of control* (0.750*). As, perhaps, expected this was positive for police forces; organisations having a command structure. For PCTs there were no significant correlations.

Although, there are some differences between organisations, and over the two surveys, there would appear to be strong evidence a higher level of strategic direction is associated with higher organisational performance. This includes for the planning and implementation of activities in a strategic manner as well as links with finance. The strategic use of HR would also appear to be important. The hypothesis should be accepted based on the number and strength of the correlations. The next

section considers whether implementing service planning in a strategic manner may impact on organisational performance.

5.3 Hypothesis A2: That an organisation that has a high level of strategic and service planning will have higher performance than one that has a lower level.

This hypothesis is closely related to that discussed in the preceding section in that a higher level of strategic and service planning would tend to promote more strategic direction than a lower level. It is not suggested the relationship is linear or more is always better since there may be an optimum level and the law of diminishing returns may apply. Indeed level is assumed to cover not just the amount but also involvement. The hypothesis is tested using 15 statements (Appendix 5.3).

CPA Rating

In the 2005 survey for CPAR there were ten statements significant at $p<0.01$, one at $p<0.05$ and four not significant. The strongest correlations were for *4.11 Level of innovation in service planning* (0.464**), *4.24 Departmental involvement in service planning* (0.378**) and *4.47 Aims and objectives shared across the organisation* (0.363**). Not significant were *4.2 Written service plans* (0.047), *4.4 Agreed formal mission/vision statement* (-0.001), *4.16 Extent of top-down approach to strategic planning* and *6.3 The level of centralisation of service planning* (0.004).

For all four organisation types combined in 2009 there were five significant correlations, the strongest*: 4.23 Level of departmental involvement in development service planning (0.302**), 4.24 Departmental involvement in service planning (0.314*) and 4.55 Aims/objectives corporate body and service providers linked (0.337**)*. There were also five significant correlations for councils in 2009, the strongest: *4.23 Level of departmental involvement in development service planning* (0.334*), *4.55 Aims/objectives corporate body and service providers linked* (0.363**) and *10.2 Extent communication on corporate/service planning* (0.311*). All of these were also significant in the 2005 survey. There were two significant correlations for fire services: *4.23 Level of departmental involvement in development service planning* (0.567*) and *4.24 Departmental involvement in doing service planning* (0.314*). There were no significant correlations for police forces or PCTs.

This evidence would tend to suggest the level of strategic and service planning is important, in particular it is innovative with wide involvement and shared aims and

objectives thus perhaps providing a corporate framework. This is supported by Cavalluzzo and Ittner (2004) who considered the implementation of performance management innovations, with context and culture being crucial. Less important would appear to be whether the approach is top-down or not (4.16); there is a mission/vision statement (4.4) (perhaps regarded more as words that on its own is insignificant), centralisation (6.3) and such plans are written (4.2). This latter point is perhaps surprising in these complex organisations as without something written there may not be focus. However, the counter argument is well known in having service plans (and other documents) sitting on a shelf.

It therefore may be the case that what matters most is not they are written but rather are understood and 'actioned'. But a written corporate strategy (4.1) is significant (p<0.05) (0.160*). This view is further supported by statements *4.3 Corporate strategy planned in advance with stakeholders* (0.266**), *4.55 Aims/objectives corporate body and service providers linked* (0.342**) and *10.2 Extent of communication on corporate/service planning* (0.207**). The weakest correlations (not significant) are for *4.4 Agreed formal mission/vision statemen*t (-0.001), *6.3 Level of centralisation of service planning* (0.004) and *4.16 Extent of top-down approach to service planning* (-0.036).

Performance Management Score

For PMS in 2005 seven statements were significant at p<0.01, two at p<0.05 and six not significant. Again, *4.11 Level of innovation in service planning* (0.322**) exhibits the strongest correlation followed by *4.24 Departmental involvement in service planning* (0.244**). *10.2 Extent communication on corporate/service planning* is not significant (0.123), unlike for CPAR. There were no significant negative correlations. The weakest correlations are for *6.3 Level of centralisation of service planning* (0.012), *4.4 Agreed formal mission/vision statement* (0.078) and *4.16 Extent top-down approach to strategic planning* (-0.081) and this mirrors the results for CPAR. Departmental involvement in planning tends to promote higher levels of performance.

There were six significant correlations for all four organisation types combined in 2009, the three strongest being: *4.47 Aims and objectives shared across organisation* (0.339**), *4.55 Aims/objectives corporate body and service providers linked* (0.370**), *5.9 Use corporate planning* (0.272*). There were five for councils, the strongest being: *4.24 Departmental involvement in doing service planning*

(0.345*), *4.55 Aims/objectives corporate body and service providers linked* (0.450**) and *10.2 Extent communication on corporate/service planning* (0.373). This compares with two for fire: *4.3 Corporate strategy planned in advance with stakeholders* (0.579*) and *4.47 Aims and objectives shared across organisation* (0.588*). There were none for police and one for PCTs: *8.12 Extent information available for corporate/service planning* (-0.762*).

Service Score

In terms of correlation of statements with SS in 2005 there were four significant at $p<0.01$, five at $p<0.05$ and six not significant. The strongest correlations were for *5.67 Extent that EFQM/BSC is an integral part of strategic planning* (0.259**), *4.11 Level of innovation in service planning* (0.252**) and *4.24 Extent of departmental involvement in doing service planning* (0.246**). All were also significant ($p<0.01$) for CPAR and PMS but in neither case is 5.67 the strongest. Presumably, this is because the use of the EFQM EM and to a lesser degree the BSC (as evidenced by other statements – 5.3, 5.4, 5.6, 5.7 and 5.8) has a relatively large(r) impact on delivering good services (resulting in a higher SS). *4.47 Aims/objectives corporate body and service providers linked* is not significant (0.084) that may well be regarded as surprising suggesting SS depends more on other factors and again *4.2 Written Service plans* was also not significant (-0.020). In 2009 there were no significant correlations for all organisations combined, councils or police but two for fire: *4.3 Corporate strategy planned in advance with stakeholders* (0.711**) and *4.47 Aims/objectives corporate body and service providers* (0.764**) and one for PCTs, *8.12 Extent information available for corporate/service planning* (-0.841**).

Corporate Assessment

In 2005 there were nine statements significant at $p<0.01$ for CA and six not significant. The strongest correlations were *4.11 Level of innovation in service planning* (0.417**), *8.12 Extent of information available for corporate\service planning* (0.360**) and *4.55 Aims/objectives of corporate body and service providers linked* (0.291**). These were all significant at $p<0.01$ for CPAR, PMS and SS except for *4.55* not significant ($p<0.05$) (0.084) for SS. The lowest correlations are similar to CPAR. In the 2009 survey there were no significant correlations for police and PCT with two for councils, being *4.44 Service planning is optimum* (0.311*), *4.55 Aims/objectives of corporate body and service providers linked* (0.319*) and two for fire; *4.44 Service planning is optimum* (0.553*) and *6.3 Level of centralisation of service planning* (0.607*). There were three significant correlations for all

organisation types combined in 2009: *4.24 Extent of departmental involvement in doing service planning* (0.224*), *4.44 Service planning is optimum* (0.354**) and *4.55 Aims/objectives of corporate body and service providers linked* (0.309**).

The hypothesis should be accepted since a higher level of strategic and service planning correlates strongly with CPAR, PMS, SS and CA in a positive manner for critical statements. That a higher level of strategic and service planning should be associated with higher organisational performance is understandable since it will promote prioritisation and provide a focus on important 'issues', as well as a link between the corporate centre and services.

5.4 Hypothesis A3: That an organisation with a high level of performance management policy and practice will have higher performance than one that has a lower level.

This hypothesis would seem to be common sense since performance management is about managing performance to deliver desired outcomes, which may be described as higher performance. This hypothesis is tested using 86 statements (Appendix 5.4).

CPA Rating

In 2005 for CPAR of the 86 statements 47 were significant at $p<0.01$, nine at $p<0.05$ and 30 not significant. All the significant correlations were positive apart from *5.34 Performance management regarded as a method of control* (-0.163*), *5.61 Extent of focus on what is measured rather than what matters* (-0.216**) and *11.3 Extent to which publishing performance data has been detrimental* (-0.288**). It might be expected having (a large amount of) these attributes would be inversely correlated with higher organisational performance.

The three strongest correlations (at $p<0.01$) were *5.66 Extent to which the 'use' stage of performance management is successful* (0.445**) and *5.58 Extent that performance management is integrated into strategy* (0.405**), *5.59 Extent that context is considered in analysis* (0.404**). The weakest correlation coefficients were for *5.7 Use of management by objectives* (0.001), *5.25 Appraisal competency based* (0.003) and *5.60 Extent that focus is on national indicators to the detriment of local indicators* (-0.004). It is evident from a consideration of these statements, when performance management is considered in a wider context rather than as a series of issues, it has impact on the organisation. Thus techniques appear to be relatively

unimportant except for the use of the EFQM EM (5.3, 0.268**) and the use of strategy maps (5.68, 0.209**) but systems are much more so, for example *5.35 Innovative approach to performance management* (0.382**) and *5.39 Adequacy of systems for collecting national indicators* (0.299**). Good systems appear to have a greater impact on performance than simply the use of techniques that may well be uncoordinated. This could be interpreted as 'make sure you get the basics of performance management right first'.

For the 2009 survey, for all organisation types combined, there were five significant correlations, the strongest three: *5.13 Hold Investor in People* (-0.429**), *5.54 Extent organisational performance rated more highly than democratic* (-0.316**) and *8.11 Level of resources to do performance management in service departments* (0.280*). Eight statements were significant for councils in 2009 with the three strongest: *4.12 Effectiveness more important than efficiency* (0.420**), *5.13 Hold Investor in People* (-0.405**) and *8.11 Level of resources to do performance management in service departments* (0.454**).

The fire service has three statements with a significant correlation with CPAR: *5.10 Use outcome based accountability* (0.645*), *5.51 Extent performance management focused on learning* (0.616*) and *11.3 Extent publishing performance data detrimental* (0.577*). The police had two significant statements: *5.13 Hold Investor in People (-0.690*)* and *11.5 Extent of publishing performance data externally* (0.693*). PCTs had three statements: *5.8 Use strategy mapping* (-0.655*), *5.47 Extent performance management produces perverse incentives* (-0.784**) and *5.61 Extent focus on what measured rather than what matters* (-0.791**).

Statement *5.13 Hold Investor in People* was not included in the 2005 survey and it was reasoned the default in the survey was an organisation not holding IIP or for only part of the organisation. Therefore a negative correlation means possession of IIP is associated with high organisational performance. However, strategy mapping appears not to be associated with high performance in PCTs, unlike for councils in the 2005 survey.

Performance Management Score

It might be expected PMS would exhibit the largest number of statements with significant correlations, for this hypothesis, and this is marginally the case. For the 2005 survey there were 47 significant correlations at $p<0.01$, ten at $p<0.05$ and 29

statements not significant. The strongest correlations were for *5.35 Innovative approach to performance management* (0.473**), *5.66 Extent to which 'use' stage in performance management is successful* (0.405**) and *4.50 Extent to which critical success factors (key PIs) are used* (0.387**).

The weakest correlations were *9.10 Use of external audit to improve performance* (0.008), *9.24 Extent partnerships fragmenting effort on performance management* (0.008) and *5.55 Extent performance constrained by central government action* (0.009). Interestingly the use of external audit (9.10) contrasts with *9.9 Extent internal audit involvement* in performance management, significant at $p<0.01$ (0.209**). External auditors will tend to have a greater level of up-to-date experience with a variety of organisations, than internal audit, and might therefore be an opportunity waiting to be exploited to improve performance management. Although the extent to which the use of inspection improves service delivery (9.12) is not significant for PMS, it is for CPAR at $p<0.05$ (0.152*). Thus, although there are detail differences there is more of a similarity with CPAR than not.

In 2009 for all organisations combined there were eight significant correlations, the three strongest: *4.50 Extent to which critical success factors used* (0.309**), *5.13 Use EFQM Excellent Model or variant* (-0.289*) and *5.57 Extent performance management agent of accountability* (0.283***).* For councils in 2009 there were 11 statements with significant correlations, the strongest being: *4.12 Effectiveness more important than efficiency* (0.372**), *5.43 Extent performance managed not just measured* (0.399**) and *5.57 Extent performance management agent of accountability* (0.365**).

For fire in 2009 there were two significant correlations: *5.52 Extent performance management focused on qualitative measures* (0.654**) and *5.55 External performance constrained by central government action* (0.722**) and there were also two for police; *5.32 Are targets ambitious* (0.750*) *and 5.34 Performance management method of control* (0.750*). In the case of PCTs there were three significant correlations: *5.41 Extent of employee rewards for good performance* (-0.667*), 8.10 Level of resources to do performance management at the centre* (-0.768**) and *8.11 Level of resources to do performance management in service departments* (-0.745*).

There are similarities and differences, although as expected in this section many of the significant statements are to do with performance management. For example, in the PCTs it was regarding resources although not in the other organisation types. For police it was about targets and control. For councils there were issues regarding accountability, democracy and equity. However, notwithstanding these differences there is a general pattern of stronger correlation coefficients for the same criteria across all organisation types, as seen previously.

Service Score

It might be expected the number of correlations would be lower with the SS and although this is the case, 50% of the 86 statements are significant at $p<0.01$ (31) or $p<0.05$ (12) in the 2005 survey. The strongest correlations are for *5.37 Level of departmental involvement in performance management* (0.336**), *5.57 Extent that performance management is an agent of accountability* (0.310**) and *5.38 Level of departmental involvement in running performance management* (0.309**). These statements provide a link between services and performance management and accountability for delivery of services.

The weakest correlations are *6.4 Level of centralisation of performance management* (0.009), *9.24 Extent partnerships fragmenting effort on performance management* (0.013), *5.47 Extent performance management produces perverse incentives* (-0.014) and *5.7 Use of management by objectives* (0.014). Again this list is unsurprising, although given objectives are generally a key element of service plans it is interesting MBO does not correlate more highly. One possibility is MBO is being practiced but under the umbrella of performance management. Is not the management of objectives in service plans using PIs MBO? This might be even more of the case when objectives are linked together in a hierarchy, with associated PIs, to form a causal map, so achievement of PIs lower in the hierarchy result in higher level objectives being achieved.

There were seven significant correlations for all organisation types combined in the 2009 survey, the strongest*: 5.13 Hold Investor in People* (-0.385**), *5.17 Quality accreditation (ISO9000)* (0.280*), *5.22 Performance related pay for senior managers (chief executive/directors)* (-0.283**), *5.24 Appraisal linked to financial reward* (-0.300**) and *9.11 Extent of use of consultants in centre* (-0.296**). This is the only instance in which statement *5.17 Quality accreditation (ISO9000)* is significant, with the correlation being high but not significant for fire services. It is also positive for

police and PCTs but slightly negative for councils. For the latter there are two significant correlations: *5.13 Hold Investor in People* (-0.322*) and *8.11 Level of resources to do performance management in service departments* (0.340*). For the fire service there were five significant correlations, the three strongest: *5.52 Extent performance management focused on qualitative measures* (0.635*), *5.53 Extent performance management is optimum* (0.635*), *9.24 Extent partnerships fragmenting effort on performance management* (-0.749**) and *12.33 Extent of the misrepresentation of performance information* (-0.663*). For police the number was two: *5.22 Performance related pay for (senior managers) chief executive/directors* (0.824*) and *12.11 Extent to which organisation driven by the achievement of targets* (0.667*).

For SS, in 2009 PCTs had the largest number of significant correlations at 16, the strongest were: *5.45 Extent managers have access to quality timely performance information* (-0.763*), *5.62 Extent performance management has local political commitment* (-0.840**) and *6.4 Level of centralisation of performance management* (-0.885**). Again, PCTs appear to stand out somewhat in terms of resources being more prominent than for other types of organisation.

Corporate Assessment

For councils in 2005 there were 45 statements having significant correlations at $p<0.01$, 11 at $p<0.05$ and 30 not significant for the CA. The strongest correlations were *4.50 Extent to which critical success factors (key PIs) are used* (0.394**), *5.31 Innovative approach to performance management* (0.381**), *5.59 Extent context is considered in analysis* (0.356**) and *5.58 Extent performance management integrated into strategy* (0.352**). This list is similar to for CPAR as is that for the weakest correlations. In the 2009 survey there were four significant correlations for all four organisation types combined: *4.12 Effectiveness more important than efficiency* (0.247*), *5.32 Are targets ambitious* (0.236*), *5.66 Extent to which 'use' stage of performance management successful* (0.271*), *10.3 Extent of communication on service performance* (0.248*).

In 2009 there were nine significant correlations for councils with the strongest being: *4.12 Effectiveness more important than efficiency* (0.396**), *4.52 Extent to which management (BV) reviews result in service improvement* (0.318*), *5.43 Extent performance managed not just measured* (0.427**), *5.66 Extent to which 'use' stage of performance management successful* (0.451**). A focus on results seems

important as well as the active use of performance management, with employee involvement.

The fire service had 11 significant correlations, the strongest were: *5.28 Performance management increase accountability to central government* (0.607*), *5.68 Extent strategy maps are used* (0.586*), *9.10 Extent use of external audit to improve performance management* (0.716**), *9.11 Extent use of consultants at centre* (0.774**). The use of consultants is noteworthy as is the use of the BSC, although the coefficient for the latter was the joint lowest of the significant.

The police had none but PCTs again had more with five statements being significant, the strongest: *5.10 Use outcome based accountability* (1.000**), *5.19 Managers formally appraised by subordinates* (0.816**) and *8.11 Level of resources to do performance management in service departments* (-0.745*). Again, PCTs appear to be different in some regards with the use of outcome based accountability being strong and appraisal of managers by subordinates.

The hypothesis should be accepted. However, it should be noted 'level' does not just necessarily mean quantity, rather it is factors such as the involvement of service departments and links to service and corporate (strategic) planning that appear to be important.

5.5 Hypothesis A4: That an organisation with a formal published organisational development strategy (ODS) will have higher performance than one without such an ODS.

An ODS is generally regarded as a means to improve particular aspects of the organisation and is often expressed in terms of a psychological contract setting out the duties and responsibilities of the organisation and employees, as regards each other. This hypothesis is tested using 29 statements (Appendix 5.5) of which one of these statements (4.5) asks if such a strategy exists. It was however considered important to consider the likely constituent components of such a strategy, hence the number of statements.

CPA Rating

In 2005 of the 29 statements, 22 correlate with CPAR at $p<0.01$, one at $p<0.05$ and six are not significant at $p<0.05$. Statement *4.5 Published organisational development strategy* is significant at $p<0.01$ (0.191**) but is not the strongest

correlation. These are *12.16 Level of employees' morale* (0.391**), *8.4 Level of motivation displayed by employees* (0.386**), *12.1 Extent that organisation is a learning organisation* (0.366**) and 4.*47 Aims and objectives shared across the organisation* (0.363**). The weakest correlations (not significant) are *4.4 Agreed formal mission/vision statement* (-0.001), *5.25 Appraisal competency based* (0.003) and *5.19 Managers formally appraised by subordinates* (0.007).

Of interest are the statements evaluating employee rewards for good performance and sanctions for poor performance. *5.22 Performance related pay for chief executive/directors* is not significant (0.110), although PRP for other senior managers is (B69, 0.227**). *5.24 Appraisal linked to financial reward* (0.242**) and *5.41 Extent of employee rewards for good performance (not necessarily financial)* (0.254**) are at $p<0.01$. However, *5.42 Extent of sanctions against employees for poor performance* is not significant (0.137). These results are suggestive an ODS will tend to have a positive impact on performance. Also B69 highlights the importance of middle managers to an organisation and perhaps further how they are rewarded. Generally, 'rewarding' employees for good performance appears to be important.

There is one significant negative correlation ($p<0.01$)*: I187 Extent to which organisation has a blame culture* (-0.238**). A blame culture would tend to work against high performance. The weakest correlations (not significant) are *4.4 Agreed formal mission/vision statement* (-0.001), *5.25 Appraisal competency based* (0.003) and *5.19 Managers formally appraised by subordinates* (0.007).

In the 2009 survey there were two significant correlations for all organisation types combined: *4.21 Extent of active management of HRM* (0.347**) and *4.51 Extent to which HRM is important for organisational performance* (0.275**). For councils there were eight significant correlations, the strongest were: *4.5 Published organisational development strategy* (0.344*), *4.21 Extent of active management of HRM* (0.454**), *4.51 Extent to which HRM is important for organisational performance* (0.419***), 8.4 Level of motivation displayed by employees* (0.353*). There were three significant correlations for the fire services*: 4.21 Extent of active management of HRM* (0.543*), *4.51 Extent to which HRM is important for organisational performance* (0.505*) and *5.51 Extent performance management focused on learning* (0.616*). There were no significant correlations for police forces or PCTs. The motivation and morale of employees seem to be important as is the active management of HR.

Performance Management Score

In the 2005 survey, of the 29 statements 11 correlate with PMS at $p<0.01$, seven at $p<0.05$ and 11 were not significant. There were thus some differences compared to the results for CPAR; in particular *4.5 Published organisational development strategy* was not significant (0.133). The strongest correlations were *12.16 Level of employees morale* (0.325**), *5.51 Extent performance management focused on learning* (0.281**) and *8.4 Level of motivation displayed by employees* (0.279**) and these are the same as for CPAR.

The principal differences (CPAR stronger) were for *4.13 Extent to which effectiveness is more important than efficiency* (0.154), *4.21 Extent of active management of human resources* (0.111), *4.34 Delegation practiced within organisation* (0.110*), 4.47 Aims and objectives shared across organisation* (0.189*), *8.14 Extent employee creativity is harnessed* (0.163*) and (PMS stronger) *5.18 Team based appraisal* (0.149*), 5*.42 extent of sanctions against employees for poor performance* (0.151*). The weakest correlations were similar to for CPAR.

In 2009 there were 14 significant correlations for all organisation types combined with the strongest being: *4.5 Published organisational development strategy* (0.348**), *4.13 Extent to which effectiveness more important than efficiency* (0.334**), *4.21 Extent of active management of human resources* (0.347**), *4.47 Aims and objectives shared across organisation* (0.339**) and *4.54 Team/individual goals aligned to strategy* (0.420**). Councils had ten significant correlations, the strongest: *4.5 Published organisational development strategy* (0.450**), *4.51 Extent to which HRM is important for organisational performance* (0.407**), *8.3 Extent to which employees are well trained* (0.425**), *8.4 Level of motivation displayed by employees* (0.388**) and *12.5 Extent to which organisation has a blame culture* (-0.387*). The complete list is similar to the 2005 survey.

There were three significant correlations for the fire services: *4.47 Aims and objectives shared across the organisation* (0.588*), *4.54 Team/individual goals aligned to strategy* (0.677*) and *10.4 Extent strategic direction widely communicated* (0.587**). There were no significant correlations for police forces and only *5.41 Extent of employee rewards for good performance* (-0.667*) was for PCTs.

Service Score

In 2005 for the 29 statements six correlate with SS at $p<0.01$, ten at $p<0.05$ and 13 are not significant. The strongest correlations were *5.41 Extent of employee rewards for good performance* (0.270**), *B69 Performance related pay for senior managers* (0.219**) and *8.4 Level of motivation displayed by employees* (0.215**). The statement (4.5) regarding a published ODS is significant at $p<0.05$ (0.162*). These statements are clearly about service delivery and are somewhat different from the strongest correlations for CPAR and PMS.

The weakest correlations (not significant) were *4.4 Agreed formal/mission statement* (0.003), *5.25 Appraisal competency based* (0.015), *12.5 Extent to which organisation has a blame culture* (0.020) and *5.18 Team based appraisal* (0.032). The odd one out here is 12.5, significant at $p<0.01$ for CPAR (-0.238**) and PMS (-0.325**). SS is focussed on delivery and this tends to be supported by the statements exhibiting the strongest correlations such that the existence of a blame culture may not be considered material in this respect.

In 2009 there were two significant correlations for all organisation types combined: *5.22 Performance related pay for chief executive/directors* (-0.293**) and *5.24 Appraisal lined to financial reward* (-0.300**) and two for councils; *4.21 Extent of active management of HRM* (0.295*) *and 8.4 Level of motivation displayed by employees* (0.283*). There were three for fire: *4.47 Aims and objectives shared across organisation* (0.764**), *4.54 Team/individual goals aligned to strategy* (0.684**), *10.4 Extent strategic direction widely communicated* (0.696**) and one for police; *5.22 Performance related pay for chief executive/directors* (0.824*).

PCTs have the highest number of significant correlations in 2009 numbering six with the three strongest: *5.24 Appraisal linked to financial reward* (-0.726*), *5.25 Appraisal competency based* (-0.703*) and *10.4 Extent strategic direction widely communicated* (-0.784**).

Corporate Assessment

In 2005 of the 29 statements, 18 correlate with CA at $p<0.01$, four at $p<0.05$ with seven not significant. This is not too dissimilar to for CPAR. *4.5 Published organisational development strategy* is significant at $p<0.05$ (0.181*) but is not the strongest correlation. These are *12.16 Level of employees' morale* (0.373**), *8.4 Level of motivation* displayed by employees (0.343**) and *12.1 Extent that the*

organisation is a learning organisation (0.316**) and are the same top three as for CPAR.

In 2009 there were seven significant correlations for all four organisation types combined, the strongest: *4.21 Extent of active management of HRM* (0.334**), *8.3 Extent to which employees are well trained* (0.381**) and *10.2 Extent communication on corporate/service planning* (0.300*).

There were eight significant correlations for councils, the strongest being: *4.21 Extent of active management of HRM* (0.334**), *8.3 Extent to which employees are well trained* (0.448**), *8.4 Level of motivation displayed by employees* (0.419**), *12.5 Extent to which organisation has a blame culture* (-0.340*). The fire service has one significant correlation; 4.*5 Published organisational development strategy* (0.516*), police forces none and PCTs one; *5.19 Managers formally appraised by subordinates* (0.816**).

The hypothesis that an organisation having a formal published ODS will be higher performing should be accepted. An ODS will tend to provide focus for effective and efficient service delivery by linking the organisation and its employees into shared aims and objectives. One outcome of this may be increased employee morale and motivation. Of course, high performance may be likely to promote high morale and motivation - a virtuous circle perhaps. Practicing the activities inherent in an ODS without formality could also have an impact on performance.

5.6 Hypothesis A5: That an organisation that uses proprietary performance management software will have higher performance than an organisation that uses none or its own software.

Organisations are increasingly using software to manage performance and there are a number of proprietary systems available (Marr and Neely, 2003). A statement assessed the use of such proprietary systems. As Appendix 5.6 shows there are no significant correlations for CPAR, PMS, SS or CA for either 2005 or 2009. Indeed a number of the correlations are negative. The hypothesis should therefore be rejected.

The author has practical and anecdotal evidence that where the basics of performance management are not in place then software will do little, if anything, to enhance performance management. Rather software, including proprietary, will

allow an organisation to build on an already good system but will not remedy deficiencies. In military parlance such software would be regarded as a 'force multiplier' enhancing the quality and value of other assets.

5.7 Hypothesis A6: That an organisation that involves employees more in performance management will have higher performance than an organisation that involves employees less.

Seven statements assess this hypothesis (Appendix 5.7). For CPAR, in 2005, five of these were significant at $p<0.01$, one at $p<0.05$ and one is not significant (*4.16 Extent top-down approach to strategic planning*, -0.036). The strongest correlations were for *4.34 Delegation practiced within the organisation* (0.362**), *4.41 Organisation focuses on employees* (0.353**) and *4.6 Employees goals aligned with organisation's* (0.351**). There is only a single significant correlation in 2009 for councils: *4.41 Organisation focuses on employees* (0.322*), although some of the correlations for others are relatively strong.

In 2005 there was a similar pattern for PMS, although *4.34 Delegation practiced within organisation* is not significant (0.110), which is different from CPAR, for which this is the strongest correlation. The strongest correlation is for *4.41 Organisation focuses on employees* (0.249**). In 2009 there is one significant correlation for councils; *4.34 Delegation practiced within the organisation* (0.280*) and two for all four organisation types combined; *4.34 Delegation practiced within the organisation* (0.221*) and *4.36 Employee's goals aligned with organisation's* (0.297**).

There is one significant correlation ($p<0.01$) with SS that is *4.34 Delegation practiced within organisation* (0.203**), with the weakest being *4.43 Extent performance is focused on group processes* (0.029) not significant. In 2009 the only significant correlations are for PCTs of which there are two: *4.16 Extent top-down approach to strategic planning* (-0.693*) and *4.41 Organisation focuses on employees* (-0.637**).

The correlations for CA are similar to those for CPAR with the exception that *4.43 Extent performance management focused on group processes* is not significant (0.113). In 2009 the only two significant correlations were for councils: *4.22 Extent of front-line employee involvement in service planning* (0.288*) and *10.5 Extent use of employees' knowledge in performance management* (0.290*).

Overall, this hypothesis should be accepted. Although, there are few significant correlations for 2009 many are quite high, which coupled with the analysis for 2005 lead to this conclusion.

5.8 Hypothesis A7: That an organisation that uses the BSC/EFQM/TQM/MBO/Benchmarking/Strategy mapping will have higher performance than an organisation that does not.

This hypothesis states organisations which use certain management techniques will be higher performing than those that do not (Appendix 5.8). In 2005 the extent to which the technique is an integral part of strategic planning (5.67) is significant at $p<0.01$ for CPAR (0.218**), PMS (0.239**), SS (0.259**) and CA (0.195**).

As for the individual techniques: in the 2005 survey, the strongest correlation for EFQM EM (5.3) is with SS (0.272**), although CPAR is close behind (0.268**), both at $p<0.01$. The only significant correlation for BSC (5.4) is with SS (0.229**) at $p<0.01$ and TQM (5.5) is only significant at $p<0.05$ with respect to CA (0.173*). Benchmarking (5.6) and MBO (5.7) are not significant with any of the CPA measures. The use of strategy mapping (5.8) is significant ($p<0.01$) with CPAR (0.197**), PMS (0.238**) and SS (0.245**). Strategy mapping is significant ($p<0.05$) with CA (0.190*).

In the 2009 survey there were only three significant correlations at $p<0.05$. One with the CPAR for all four types of organisations combined: *5.6 Use benchmarking* (0.222*) and one for PCTs: *5.8 Use strategy mapping* (-0.655*). There is a significant correlation for fire services with the CA: *5.4 Use balanced scorecard or variant* (0.518*).

The picture as regards the use of these techniques is therefore mixed. The EFQM EM and strategy mapping would appear to have the largest impact on performance and then more so if used strategically. The number of statistically significant correlations is low, although interestingly there are a fair number of negative correlations. We can only partly accept the hypothesis since performance appears to depend on the technique(s) utilised and implementation is likely to be critical, especially as part of a strategic approach.

5.9 Hypothesis A8: That an organisation that is more innovative will be higher performing than an organisation that is less innovative.

Appendix 5.9 contains the correlation coefficients for statements assessing innovation. For 2005 there were significant correlations mainly at $p<0.01$ for all four statements and CPA measures, except for *12.20 Extent to which the organisation is change oriented* and SS (0.143) and *12.32 Extent of inclination for experimentation within the organisation* and SS (0.106). The strongest correlation ($p<0.01$) was for *4.10 Level of innovation in service delivery* and CPAR (0.469**) followed by *4.11 Level of innovation in service planning* and CPAR (0.464**).

In 2009 there was one significant correlation ($p<0.05$) for all organisation types combined with PMS being *12.32 Extent of inclination for experimentation within organisation* (0.238*). For councils in 2009 there was one significant correlation: *4.10 Level of innovation in service delivery* (0.342*) with CPAR, although some of the other correlations are fairly high. For fire services there were two significant correlations: both for *12.20 Extent to which organisation is change oriented*, firstly, for CPAR (0.530*) and secondly, CA (0.535*). The police have no significant correlations whereas there were two for PCTs: both for 1*2.32 Extent of inclination for experimentation within the organisation*, for CPAR and SS, both coefficients being 0.688*. Again some of the other coefficients are fairly high.

On balance this hypothesis should be accepted, whilst noting innovation is generally regarded as a characteristic of high performing organisations, it can take a number of forms. It may also not be uniform across the whole organisation.

5.10 Hypothesis A9: That an organisation that has a higher level of citizen/service user focus will be higher performing than one that focuses on citizens/service users less.

This hypothesis is assessed by 12 statements (Appendix 5.10). There are a large number of $p<0.01$ correlations.

CPA Rating

In 2005 for CPAR all but one of the statements are significant at $p<0.01$, the exception being *9.21 Transactions with citizens rather than relationships,* negative and not significant (-0.067). The strongest correlations are: *4.46 Extent to which organisation gives vfm* (0.468**), *4.35 Extent of responsiveness of the organisation to service users* (0.443**) and *4.42 Organisation focuses on service provision*

(0.407**). In 2009 there are two significant correlations both for *4.40 Extent to which organisation focuses on customers*, for councils (0.364**) and fire services (0.561*). That the extent of vfm is the strongest correlation may suggest an organisation balancing service provision and (local) taxation in the 'correct' proportion is regarded as the highest performing.

Performance Management Score

Eleven of the statements in 2005 were significant at $p<0.01$ and one is significant at $p<0.05$. The strongest correlations are *9.23 Extent citizens participate in performance management* (0.363**), *4.35 Extent of responsiveness of the organisation to service users* (0.354**) and *4.37 Extent organisation is citizen centred* (0.346**). In 2009 there were three significant statements for all four organisation types combined: *4.40 Extent to which organisation focuses on customers* (0.233*), *4.46 Extent to which organisation gives vfm* (0.327**) and *12.24 Extent service to public a high priority* (0.228*). There were two for councils: *4.46 Extent to which organisation gives vfm* (0.304*) and *5.65 Extent 'equity' a driver of service performance* (0.306*).

Service Score

For SS, in 2005, eight statements are significant at $p<0.01$, three at $p<0.05$ and one is not significant: *9.21 Transactions with citizens rather than relationships* (0.018). The strongest correlations are for *9.20 Extent of service users consultation* (0.320**), *4.46 Extent to which organisation gives vfm* (0.300**) and *9.23 Extent to which citizens participate in performance management* (0.292**). In 2009 there was a single significant correlation with SS for all four organisation types combined*: 9.23 Extent to which citizens participate in performance management* (-0.232*). For the individual organisation types the police had none and there was one for each of the others. For councils it was *4.40 Extent to which organisation focuses on customers* (0.539*), for fire *4.46 Extent to which organisation gives vfm* (0.300**) and for PCTs *4.42 Organisation focuses on service provision* (-0.899**).

Corporate Assessment

As regards CA there were 11 significant correlations at $p<0.01$ with *9.21 Transactions with citizens rather than relationships* being the exception, not significant (-0.103). The strongest correlations were for *4.35 Extent of responsiveness of the organisation to service users* (0.428**), *4.40 Extent to which organisation focuses on customers* (0.395**) and *4.46 Extent to which organisation*

gives vfm (0.379**). In 2009 there were two significant correlations with all organisation types combined: *4.42 Organisation focuses on service provision* (0.239*) and *4.46 Extent to which organisation gives vfm* (0.305**), with none at all for the individual organisation types.

Given the large number of significant correlations in 2005 we can be confident in accepting the hypothesis, vfm seems to be relatively important as well as a focus on customers.

Performance Management

5.11 Hypothesis B1: That an organisation with a comprehensive approach to employee appraisal will have higher performance than an organisation with a less comprehensive approach.

CPA Rating

Appendix 5.11 contains 13 statements assessing this hypothesis. In 2005 for CPAR there were six statements for which the correlation is significant at $p<0.01$ and seven not significant. The strongest correlations are *for 4.36 Employees' goals are aligned with the organisation's* (0.351**), *4.53 Extent to which employee incentives are financial* (0.264**) and *5.41 Extent of employee rewards for good performance* (0.254**). None of the statements specifically mentioning appraisal are significant apart from *5.24 Appraisal linked to financial reward*, significant at $p<0.01$ (0.242**). There would appear to be a link between reward (not necessarily financial) and performance, although it may be complex.

In 2009 there was one significant correlation for councils: *8.3 Extent to which employees are well trained* (0.322*) and one for police; *12.10 Extent to which an employee's role is determined by their job description* (0.681*).

Performance Management Score

In 2005 four statements were significant at $p<0.01$ with PMS, three at $p<0.05$ and six not significant. The strongest correlations were for *4.53 Extent to which employee incentives are financial* (0.295**), *5.41 Extent of employee rewards for good performance* (0.245**) and *4.36 Employees' goals aligned with organisation's* (0.244**). The weakest correlations were for *12.9 Extent to which an employee's level in the organisation determines their contribution* (-0.019*), 5.25 Appraisal is competency based* (0.019) and *5.19 Managers formally appraised by subordinates*

(0.050). Interestingly, *8.3 Extent to which employees are well trained* is not significant for PMS, although it is for CPAR, CA (p<0.01) and at p<0.05 for SS.

In 2009 two statements were significant for all organisation types combined: 4.*36 Employees' goals aligned with organisation's* (0.299**) and *8.3 Extent to which employees are well trained* (0.272*). There is one significant correlation for councils (*8.3 Extent to which employees are well trained*, 0.322*) and police (*5.41 Extent of employee rewards for good performance*, -0.667*).

Service Score

For SS, in 2005, there were three statements significant at p<0.01: *5.41 Extent of employee rewards for good performance* (0.270**), *B69 Performance related pay for other senior managers* (0.219**) and *5.42 Extent of sanctions against employees for poor performance* (0.196**). Five statements were significant at p<0.05 and five were not significant.

In 2009 there were two significant correlations with all organisation types combined*: 5.22 Performance related pay for (senior managers) chief executive/director* (-0.293**) and *5.24 Appraisal linked to financial reward* (-0.300**). There was one significant correlation each for police *(5.22 Performance related pay for (senior managers) chief executive/director*, 0.824*) and PCTs; *5.25 Appraisal competency based* (-0.703*).

Corporate Assessment

In 2005, six statements had correlations with CA at p<0.01, one at p<0.05 and six were not significant. The strongest correlations were for *4.36 Employee's goals are aligned with organisation's* (0.287**), *4.53 Extent to which employee incentives are financial* (0.270**) and *5.24 Appraisal linked to financial reward* (0.229**). In 2009 there was a single significant correlation for all four organisation types combined: *8.3 Extent to which employees are well trained* (0.381**). There were two for councils: *8.3 Extent to which employees are well trained* (0.488**) and *12.10 Extent to which an employee's role determined by job description* (-0.342*). There was one significant correlation for PCTs; *5.19 Managers formally appraised by subordinates* (0.816**).

The hypothesis is a comprehensive approach to employee appraisal will produce higher performance. Given the variation in this set of statements and the

statistically significant correlations being principally for (financial) reward we may conclude this hypothesis can, at best, only be partially accepted.

5.12 Hypothesis B2: That an organisation that heavily involves service departments in service planning and performance management is higher performing than an organisation that involves them less.

The hypothesis on the involvement of departments in service planning and performance management is assessed by seven statements (Appendix 5.12). In 2005, there were a large number of correlations (p<0.01) for all four CPA measures. However, statement *5.36 Approach to performance management top-down* is not significant for all four measures (0.107, -0.066, 0.077 and 0.008) and 8*.11 Level of resources to do performance management* is not significant for PMS (0.140) and SS (0.138).

The strongest correlations are for CPAR and *4.24 Extent of departmental involvement in doing service planning* (0.378**), SS with *5.37 Level of departmental involvement in developing performance management* (0.336**) and *5.38 Level of departmental involvement in running performance management* (0.309**).

In 2009 there were three significant correlations for all four organisation types combined: *4.23 Level of departmental involvement in development of service planning* (0.302**), *4.24 Extent of departmental involvement in doing service planning* (0.314**) and *8.11 Level of resources to do performance management in service departments* (0.280*). Also for councils: 4.23 (0.334*), 4.24 (0.304*) and 8.11 (0.454**) and fire (4.23, 0.567* and 4.24, 0.511*) but none for police or PCTs. The pattern is similar for the other three measures. Given these correlations the hypothesis should be accepted.

Administration

5.13 Hypothesis C1: That an organisation that exhibits a higher level of decentralisation will be higher performing than one that is more centralised.

In 2005, eight statements (Appendix 5.13) test this hypothesis. This is unlike others considered so far in that there are relatively few statistically significant correlations for key statements. There are significant correlations at p<0.01 for *6.5 Extent to which departments operate independently* and (CPAR, -0.245**; PMS, -0.232** and CA, -0.280**), *6.6 Consistency of the level of practices/routines* (0.375**,

0.244**, 0.205** and 0.316**). However, these statements do not necessarily measure the level of decentralisation per se rather, perhaps, the imposition of practices (6.6) and the corporate dimension to the organisation (6.5).

In 2009 the pattern was very similar but with the fire service showing some level of centralisation with SS (*6.1 Level of centralisation of control*, 0.609* and *6.3 Level of centralisation of service planning*, 0.607*).

The statements relating directly to centralisation: *6.1 Level of centralisation of control*, *6.2 Level of centralisation of administration*, *6.3 Level of centralisation of service planning* and *6.4 Level of centralisation of performance management* provide little support for the hypothesis which should be rejected.

5.14 Hypothesis C2: That an organisation with a higher level of decentralised service planning will be higher performing than one with a lower level.

This hypothesis should also be rejected (Appendix 5.14). However, the position of the fire service appears to be anomalous with respect to the CA.

5.15 Hypothesis C3: That an organisation with a higher level of decentralised performance management will be higher performing than one with a lower level.

Two statements assess this hypothesis (Appendix 5.15). For the key statement *6.4 Level of centralisation of performance management* the correlations are not significant (0.053, 0.015, 0.009 and 0.011). Statement *5.34 Performance management method of control* considers the extent to which performance management is a means of control. Again, this is not necessarily decentralisation (although it could be) and so this hypothesis is rejected.

5.16 Hypothesis C4: That an organisation with a consistency of rules and practices throughout will be higher performing than an organisation with less consistency.

Five statements (Appendix 5.16) assess this hypothesis, and in 2005 most had a significant correlation (p<0.01) with all four measures. The exceptions are PMS with *4.45 Extent to which probity is valued* not significant (0.138), as is SS and *6.7 Extent to which the need for 'control' tends to subvert 'purpose'* (0.020). There were two correlations significant at p<0.05: CPAR and *6.7 Extent to which the need for*

'control' tends to subvert 'purpose' (-0.173*) and PMS with *6.9 Extent to which governance needs are discussed* (0.168*).

The strongest correlations are for CPAR with statement *6.6 Consistency of level of practices/routines* (0.375**), CA with *6.6 Consistency of level of practices/routines* (0.316**) and CPAR with *6.8 Extent to which administrative policies and practices are based on evidence* (0.284**). *6.7 Extent to which 'control' tends to subvert 'purpose'* exhibits significant negative correlations with CPAR (-0.173*, $p<0.05$), PMS (-0.221**) and CA (-0.218**), both significant at $p<0.01$. However, *6.7 Extent to which 'control' tends to subvert 'purpose'* is not significant with SS (0.020).

Statements *4.45 Extent to which probity is valued*, *6.8 Extent to which administrative policies and practices are based on evidence* and *6.9 Extent to which governance needs* are included here because it is felt high scores on these are likely to promote consistency of behaviour, practices and operations. As *regards 6.7 Extent to which 'control' tends to subvert 'purpose'*, this statement tests for a rigidity of control within the organisation irrespective of desired outcomes. This therefore illustrates the rules and practices are not regarded as controlling operations in a detrimental manner.

There are few significant correlations in 2009, although for all four organisation types combined, *6.7 Extent to which 'control' tends to subvert 'purpose'* is significant with CPAR (-0.259*) and *6.6 Consistency of the level of practices/routines* is significant with both PMS (0.342**) and CA (0.378**).

Given the large number of significant correlations we should accept the hypothesis. It may be for police and fire, likely to have a high consistency, the test is superfluous. However, note the fire service significant correlation of CA with *6.9 Extent to which governance needs are discussed*. This hypothesis may be regarded as sympathetic with Hypothesis A1, testing the level of strategic direction.

Leadership

5.17 Hypothesis D1: That an organisation that exhibits a high level of political and managerial leadership will be higher performing than one that shows a lower level.

Leadership is often regarded as a key determinant of organisational performance, whatever the sector (Humphreys, 2001 and Bryman, 2004). In councils, in

particular, there is distinct leadership from councillors (political) and leadership from officers (managerial) but this also applies in varying degrees to the other organisations. Four statements (Appendix 5.17) assess this; for 2005 all are significant except for one: PMS and *4.45 Extent to which probity is valued* (0.138). The correlations for the statements directly assessing the level of political and managerial leadership are all positive with higher levels of leadership corresponding with higher performance. The strongest correlations are for political rather than managerial leadership: *7.2 Level of political leadership in the organisation* with CA (0.293**) and with PMS (0.278**), both significant at $p<0.01$.

There are few significant correlations in 2009 although 7*.2 Level of political leadership* shows up for fire services with CPAR (0.725**) and CA (0.782**). The police exhibit a significant correlation of *7.3 Level of officer leadership in the organisation* with SS. PCTs exhibit a significant negative correlation for SS with *4.45 Extent to which probity is valued* (-0.667*)

The statements on probity (4.45) and governance (6.9) are included here because it is felt the results for these will depend to a significant extent on leadership and indeed there would appear to be similarity of correlations supporting this contention. We should therefore accept the hypothesis. The next section assesses whether leadership of politicians or officers is more important in delivering high performance.

5.18 Hypothesis D2: That an organisation where officer leadership is more pronounced than that from the politicians will be higher performing than one where the reverse is the case.

It has already been established an organisation with high levels of political and officer leadership is likely to be higher performing than one with lower levels and further leadership of politicians has the stronger correlations (statements 7.2 and 7.3). Appendix 5.18 contains these statements and also two others addressing whether the organisation is characterised as officer led (7.1) and the level of empowerment of officers (7.4). For the 2005 survey, in terms of 7.1 there were two significant correlations at $p<0.05$: with PMS (-0.157*) and SS (0.159*). This suggests in an officer led organisation performance management is associated with lower performance whilst it is positively associated with SS. Characterisation as officer led is not significantly correlated with CPAR (0.019) or CA (-0.075).

However, the level of empowerment of officers is significant when correlated with CPAR (0.332**), PMS (0.232**), SS (0.159*) and CA (0.333**). There are few significant correlations in the 2009 survey although *7.4 Level of empowerment of officers* is significant for SS in fire services (0.685*).

The results suggest the hypothesis should be rejected and it is rather, an organisation where political leadership is more pronounced than officer leadership, which will be the higher performing. It does; however, seem to be important this political leadership does not deny the need for officer leadership whilst importantly empowering officers.

Resources

5.19 Hypothesis E1: That an organisation with a higher level of resources will be higher performing than an organisation with a lower level

It may seem self-evident that a higher level of resources will deliver higher performance. Twelve statements (Appendix 5.19) test this hypothesis considering organisational slack, workloads, research capacity, physical infrastructure and capacity.

CPA Rating

In 2005, three statements correlate with CPAR at $p<0.01$: *8.12 Extent information available for corporate/service planning* (0.344**), *8.9 Level of research capacity* (0.277**) and *8.13 Quality of organisation's physical infrastructure* (0.249**). A further three are significant at $p<0.05$: *8.15 Extent strategic capacity is overloaded* (-0.186*), *4.8 Reviews using work measurement* (0.174*) and *8.16 Extent operational capacity is overloaded* (0.159*). The weakest correlations are *4.32 extent of organisational slack in service departments* (0.012), *4.31 Extent of organisational slack in central functions* (0.030) and *8.18 Extent of budgetary slack in the organisation* (0.068).

In 2009 councils had one significant correlation (*8.9 Level of research capacity*, 0.366**), fire services had two (*8.6 Extent other employees are overloaded with work*, 0.522* and *8.15 Extent strategic capacity is overloaded*, 0.742**) whilst police had one (*4.8 Reviews using work measurement*, -0.681*). There were none for PCTs and only one for all four organisation types combined*: 8.9 Level of research capacity* (0.218*).

Performance Management Score

In 2005 there were five correlations with PMS at $p<0.01$. The strongest were *8.12 Extent information available for corporate/service planning* (0.308**), *8.15 Extent strategic capacity is overloaded* (-0.252**) and *8.5 Extent managers overloaded with work* (-0.226**). The weakest correlations, not significant at $p<0.05$, were *4.31 Extent of organisational slack in central functions* (-0.001) and *4.32 Extent of organisational slack in service departments* (-0.032). In 2009 there was only one significant correlation which was for PCTs: *8.12 Extent information available for corporate/service planning* (-0.762*).

Service Score

In 2005, for SS the pattern is a little different. There were three correlations at $p<0.01$: *8.12 Extent information available for corporate/service planning* (0.215**), *4.8 Reviews using work measurement* (0.199**) and *8.9 Level of research capacity* (0.194**). It will be noticed 4.8 is included and this could be interpreted as the impact of organisational (BV) reviews although there is little anecdotal evidence of traditional work measurement being practiced in many councils. The weakest correlations not significant at $p<0.05$ were: *4.32 Extent of organisational slack in service departments* (0.031), *8.18 extent of budgetary slack in the organisation* (0.056) and *4.31 Extent of organisational slack in central functions* (-0.068). In 2009 there was one significant correlation, again for PCTs: *8.13 Quality of an organisation's infrastructure* (-0.758*) although for all four types of organisations combined *8.16 Extent operational capacity is overloaded* was also significant (-0.226*).

Corporate Assessment

There were four correlations at $p<0.01$ with CA in 2005. The strongest correlations were *8.12 Extent of information available for corporate/service planning* (0.360**), *8.15 Extent strategic capacity is overloaded* (-0.236**) and *8.9 Level of research capacity* (0.235**). The weakest correlations were *4.32 Extent of organisational slack in service departments* (0.010), *4.31 Extent of organisational slack in central functions* (0.022) and *8.6 extent other employees are overloaded with work* (-0.084). In 2009 there were no significant correlations for all four types of organisation combined or councils. There were three for fire services: *8.5 Extent managers overloaded with work* (-0.590*), *8.6 Extent other employees are overloaded with work* (0.518*) and *8.15 Extent strategic capacity is overloaded* (0.561*). There were three significant correlations for PCTs; *8.6 Extent other*

employees are overloaded with work (-0.781**), *8.15 Extent strategic capacity is overloaded* (-0.640*) and *8.18 Extent of budgetary slack in the organisation* (0.692*)

Key messages are the level of organisational (4.31, 4.32) or budgetary (8.18) slack does not appear to have a significant impact on performance, apart from for PCTs. There is however some evidence both strategic (8.15) and operational (8.16) capacity are overloaded. The extent managers are overloaded with work (8.5) is only significant for PMS (-0.226**) and CA for fire (0.590*) and *8.6 Extent other employees are overloaded with work* is significant for all the measures except PMS. What appears to be important is information is available for corporate and service planning (8.12) and the level of research capacity (8.9), and these are likely to be related. Strategic capacity appears to be important and the quality of infrastructure may have an impact.

In terms of the hypothesis it is not entirely clear it can be accepted or rejected and it should, perhaps, be accepted in part. It may be it is not the level of resources per se that is the important factor but how they are utilised; in particular for research and providing information for corporate and service planning. The overloading of managers and other employees seems to have a negative impact on performance, although the fire service appears to be anomalous in this regard.

5.20 Hypothesis E2: That an organisation with a relatively higher level of resources devoted to activities at the centre than in services will be higher performing than an organisation with the reverse.

Building on the previous hypothesis (E1) we consider whether an organisation with a relatively higher level of resources devoted to activities at the centre than in services will be higher performing. (Appendix 5.20). There are six statements evaluating this. In 2005, for two statements there are no significant correlations with the four measures: *8.7 Amount of resources deployed at corporate centre* (0.052, 0.037, -0.094, and 0.065) and *8.17 Extent policy analysis capacity is overloaded* (-0.091, -0.120, -0.108, -0.088).

The strongest correlations are for *8.12 Extent information available for corporate/service planning* (0.344**, 0.308**, 0.215** and 0.360**) and although it might be expected the centre would usually do a substantial amount of work, some would invariably be done in departments. It is not therefore conclusive regarding

the hypothesis. Similarly, *8.10 Level of resources to do performance management at the centre* and *8.11 Level of resources to do performance management in service departments* are not conclusive. The stronger correlation for CPAR and CA with 8.11 over 8.10 may suggest having a certain (sufficient) level of resources in departments is more critical than at the centre but this could depend on having a framework to give corporate direction. The 2005 case studies tend to support this and Durham County Council appears the best example. In 2009 the majority of significant correlations are for PCTs: *8.10 Level of resources to do performance management at the centre*, *8.11 Level of resources to do performance management in service departments* and *8.12 Extent information available for corporate/service planning*. The strength of the correlations with PMS, SS and CA are similar, although negative in most instances.

Given the lack of a statistically significant correlation between *8.7 Amount of resources deployed at the corporate centre* it would be difficult to accept this hypothesis. Indeed there may be some evidence resources deployed in departments, at least as regards performance management, are more associated with high performance than those deployed at the centre. On balance the hypothesis should be rejected but this is clearly an area where more research is likely to be informative.

5.21 Hypothesis E3: That an organisation with a higher level of resources spent on service planning will be higher performing than an organisation that spends less.

Three statements (Appendix 5.21) assess this hypothesis. In 2005 there were significant correlations for two but not for the third. There was no significant correlation between the four measures of performance and *8.7 Amount of resources deployed at the corporate centre* (0.052, 0.037, -0.094 and 0.065). However, it would be expected a significant amount of service planning would be done in service departments. *8.2 Allocation of resources formally determined by priorities* would be expected to be statistically significant with corporate/service planning as being the means by which priorities are assigned resources. There were correlations at $p<0.01$ for 8.2 with CPAR (0.192**) and PMS (0.196**) and at $p<0.05$ for CA (0.171*).

It might be expected the amount of resource spent on service planning would determine in some way the amount of information available for service planning.

This is assessed by *8.12 Extent information available for corporate/ service planning* and is significant for all four measures at $p<0.01$: CPAR 0.344**, PMS 0.308**, SS 0.215** and CA 0.360**. In 2009 the fire service had a statistically significant correlation with CA for *8.7 Amount of resources deployed at the corporate centre* (0.551*). The only others were for PCTs and *8.12 Extent information available for corporate/service planning* and PMS (-0.762**) and SS (-0.841**).

Although, the hypothesis should be accepted we should also caution it may not be the level of resources that matters but how they are deployed so there is an implicit assumption built into the hypothesis (probably at least partly incorrect).

5.22 Hypothesis E4: That an organisation with a higher level of resources spent on performance management will be higher performing than an organisation that spends less.

Performance management per se is related to service planning in that service plans will have a series of PIs (and associated actions) to measure achievement of objectives by. It might be expected service planning and performance management go together as regards criteria in organisations (delivering high performance). Three statements (Appendix 5.22) consider this. We have previously seen the amount of resources deployed at the corporate centre is not significant with any of the four measures. In 2005, statement *8.10 Level of resources to do performance management at the centre* is significant ($p<0.01$) with CPAR (0.202**) and CA (0.206**) and at $p<0.05$ with PMS (0.183*) but not with SS (0.050). As regards the level of resources to do performance management in service departments (8.11) this is significant ($p<0.01$) with CPAR (0.250**) and CA (0.254**) but not ($p<0.05$) PMS (0.140) or SS (0.138). In 2009 for councils the situation appears to be similar, although police show no significant correlations and fire only one: *8.7 Amount of resources deployed at corporate centre* and CA (0.551*). For PCTs there are significant correlations for 8.10 Level of resources to do performance management at the centre and *8.11 Level of resources to do performance management in service departments* for PMS (-0.768** and -0.745* respectively), SS (-0.697* and -0.745*) and CA (-0.640* and -0.745*).

This hypothesis should be accepted but in doing so note the level of resources in service departments appears to be statistically more significant than at the centre

for CPAR and CA (i.e. the overall measures of performance) but not for PMS, where it would appear it is resources at the centre that are more important.

5.23 Hypothesis E5: That an organisation that has well trained and motivated employees will be higher performing than an organisation whose employees are less well trained and motivated.

It is an axiom that well trained and motivated employees deliver higher performance. This is tested using the statements in Appendix 5.23. In 2005, two statements have no or limited significant correlations whilst three have a large number of significant correlations. Having an organisation-wide training programme including management training (4.7) is not significant with any of the four measures (0.138, 0.005, 0.073 and 0.067). Statement *4.37 Extent to which training improves the organisation's performance* is only significant at $p<0.05$ with CPAR (0.174*). It therefore looks as if training is not a significant driver as regards organisational performance. However, *8.3 Extent to which employees in organisations are well trained* was significant ($p<0.01$) with CPAR (0.241**) and CA (0.198**) and at $p<0.05$ with SS (0.189*) but not with PMS (0.141).

Turning to motivation, all the correlations were significant at $p<0.01$ for *8.4 Level of motivation displayed by employees* (CPAR, 0.386**; PMS, 0.279**; SS, 0.215** and CA, 0.343**) and *4.39 Organisation regarded as competitive in terms of achievement* (0.411**, 0.303**, 0.311** and 0.369**). It is clear motivation is a stronger driver of performance than training which is understandable in terms of training being rather a passive device whereas motivation may be regarded as active. The picture is similar for 2009, although councils appear to be somewhat dissimilar to the other three organisation types.

The hypothesis should be accepted but note the level of training would appear to be of less importance than the level of motivation.

5.24 Hypothesis E6: That an organisation where resources follow priorities will be higher performing than one where resources are allocated historically and not prioritised.

Two statements (Appendix 5.24) test this hypothesis. In 2005, there were correlations at $p<0.01$ for *8.2 Allocation of resources formally determined by priorities* with CPAR (0.192**), PMS (0.196**) and at $p<0.05$ for CA (0.171*), with SS not being significant (0.131). Statement *8.1 Departmental under/overspends*

carried over one year to next is only significant (p<0.01) for SS (0.208**). In the 2009 survey there is only one significant correlation; PMS and councils for *8.1 Departmental under/overspends carried over one year to next* (-0.307*).

The evidence appears contradictory and perhaps rather weak and similar to hypothesis E1. On balance we should accept the hypothesis but caution, once again, deployment of resources may be rather critical.

5.25 Hypothesis E7: That an organisation that uses ICT more will be higher performing than an organisation that uses it less

The use of ICT is often seen as important in terms of organisational performance (Appendix 5.25). In 2005, statement *8.8 Use of ICT in the organisation* correlates with higher performance at p<0.01 for CPAR (0.231**) and at p<0.05 for CA (0.185*), although it is not significant for PMS (0.133) or SS (0.096). As we have seen *5.1 Use of proprietary performance software* is not significant for any of the CPA measures. There were no significant correlations in the 2009 survey. Given the correlations the hypothesis should be accepted, although the strength is quite weak. There is the need for more work to investigate the relationship, in particular the impact of ICT on service performance (evidenced through the SS). Deployment is probably a critical issue.

Stakeholders and Partnerships

5.26 Hypothesis F1: That an organisation that more actively engages with auditors, inspectors and other stakeholders will have higher performance than an organisation that has a lower level of engagement.

There is a commonly held view that one sign of a high performing organisation is it engages widely with its stakeholders and by doing so it enhances its learning, capability and reputation. Appendix 5.26 contains 17 statements to test this.

CPA Rating

In 2005, for CPAR, 12 statements are significant at p<0.01, one at p<0.05 and four are not significant. The strongest correlations (p<0.01) are *9.5 Inspectors supportive of organisation* (0.422**), *9.18 Extent of use of internal networks by the organisation* (0.351**) and *9.19 Extent of use of external networks by the organisation* (0.326**). The weakest correlations are for *9.11 Extent of use of consultants in the centre* (-0.074), *F158 Extent of use of consultants in services* (-0.119) and *9.10 Extent of use of external audit to improve performance*

management (0.124). Interestingly, the use of consultants (9.11 and 9.13) are negative suggesting the use of consultants' works against high performance (or lower performing organisations use consultants more). Although, the correlations are not significant (p<0.05), it is stronger for the use of consultants in services than in the centre. In 2009 there were five significant correlations for councils: *9.4 Government supportive of organisation* (0.330*), *9.5 Inspectors supportive of organisation* (0.385**), *9.15 Level of engagement with inspectors* (0.299*), *9.16 Level of engagement with central government* (0.285*) and *9.25 Extent partnerships making strategies more meaningful* (0.316*). Of the other organisation types the only other significant correlation was for the fire service and *9.25 Extent partnerships making strategies more meaningful* (0.519*). This was also the statement correlating significantly (p<0.01) with all four organisation types combined (0.302**).

Performance Management Score

In 2005, there were seven correlations at p<0.01 with PMS, two at p<0.05 and eight where the correlations were not significant. The strongest correlations (p<0.01), were 9.23 *Extent to which citizens participate in performance management* (0.363**), *9.5 Inspectors supportive of organisation* (0.296**) and *9.22 Extent to which stakeholders participate in performance management* (0.277**). The weakest correlations (not significant) are *9.10 Extent use of external audit to improve performance management* (0.008), *9.12 Extent use of inspection improves performance at service delivery* (0.018) and *9.11 Extent of use of consultants at centre* (-0.040). For 2009 there were more significant correlations than for CPAR, with four for all organisation types combined: *9.5 Inspectors supportive of organisation* (0.413**), *9.6 External auditors supportive of organisation* (0.335**), *9.13 Extent of use consultants in services* (-0.265*) and *9.15 Level of engagement with inspectors* (0.249*). There were three for councils: *9.5 Inspectors supportive of organisation* (0.414**), *9.6 External auditors supportive of organisation* (0.476**) and *9.15 Level of engagement with inspectors* (0.291*), one for fire services; *9.5 Inspectors supportive of organisation* (0.521*), none for police and one for PCTs; *9.17 Level of engagement with professional organisations* (-0.762*).

Service Score

In 2005 there were eight correlations at p<0.01 with SS, three at p<0.05 and six where the correlations were not significant. The strongest correlations were *9.23*

Extent to which citizens participate in performance management (0.292**), *9.17 Level of engagement with professional organisations* (0.288**) and *9.5 Inspectors supportive of the organisation* (0.278**). The weakest correlations, not significant, were *9.11 Extent of use of consultants in centre* (-0.014), *9.13 Extent of use of consultants in services* (-0.047) and *9.4 Government supportive of organisation* (0.103). In the 2009 survey there were two significant correlations for all four organisation types combined: *9.11 Extent of use of consultants in centre* (-0.296**) and *9.23 Extent to which citizen's participate in performance management* (-0.232*). There were none for councils or police and one each for fire services (*9.14 Extent of involvement of external stakeholders in organisation*, 0.583*) and PCTs (*9.18 Extent of use of internal networks by organisation*, -0.775*).

Corporate Assessment

There were nine correlations at $p<0.01$ with CA, three at $p<0.05$ and five where the correlations were not significant. The strongest correlations, in the 2005 survey, were *9.5 Inspectors supportive of the organisation* (0.347**), *9.23 Extent to which citizens participate in performance management* (0.326**) and *9.18 Extent of use of internal networks by the organisation* (0.272**). The weakest correlations, not significant, were *9.12 Extent the use of inspection improves performance at service delivery* (0.057*), 9.10 Extent use of external audit to improve performance management* (0.073) and *9.11 Extent of use of consultants in centre* (-0.093).

In 2009 there were three significant statements for all four organisation types combined: *9.5 Inspectors supportive of organisation* (0.235*), *9.15 Level of engagement with inspectors* (0.230*) and *9.18 Extent of use of internal networks by organisation* (0.247*). Councils had two significant correlations: *9.5 Inspectors supportive of organisation* (0.367*) and *9.6 External auditors supportive of organisation* (0.287*). There were no significant correlations for police or PCTs, however there were nine for fire services, the three strongest being: *9.11 Extent of use of consultants in centre* (0.774**), *9.10 Extent use of external audit to improve performance management* (0.716**) and *9.16 Level of engagement with central government* (0.671**).

There were a number of statements significant at $p<0.01$ for all four CPA measures: *9.5 Inspectors supportive of the organisation*, *9.14 Extent of the involvement of external stakeholders in the organisation*, *9.22 Extent to which stakeholders participate in performance management* and *9.23 Extent to which*

citizens participate in performance management. In addition the number of significant correlations for fire services in 2009 is noteworthy.

This hypothesis should be accepted given the strength of the correlations for many statements. However, it should be noted the strength varies depending upon the stakeholder and this would seem to be an area for further research. In particular, for the involvement of stakeholders including citizens in performance management, the use of external auditors to improve performance management, engagement with professional organisations and engagement with government. The extent to which strategies appear to make partnerships more meaningful (9.25) is noted.

5.27 Hypothesis F2: That an organisation that has outsourced more services (by cost) will be higher performing than an organisation that has outsourced less (by cost).

Three statements are used to evaluate this hypothesis (Appendix 5.27). There are three correlations (p<0.05) with only *9.1 Outsourced any central services* being positive for SS and the fire service (0.556*) in 2009. The other two are also in 2009 for all four organisation types combined and *9.3 Strategic partnership with provider of many services* for CPAR (-0.240*) and CA (-0.217*). Interestingly, *9.3* raises doubt on the efficacy of strategic partnerships in terms of delivering improved performance, although there may be other reasons, such as cost reduction, for such partnerships. On the above basis this hypothesis should be rejected.

5.28 Hypothesis F3: That an organisation that has greater involvement of stakeholders and citizens in performance management will have higher performance than an organisation that has lower involvement.

There are 12 statements (Appendix 5.28) used to assess whether an increased involvement of stakeholders in performance management results in higher performance.

CPA Rating

For the 2005 survey, there were nine correlations at p<0.01 with CPAR, one at p<0.05 and two not significant. The strongest correlations (p<0.01) were 9.20 Extent of consultation with service users (0.360**), *9.18 Extent of the use of internal networks by the organisation* (0.351**) and *9.19 Extent of the use of external networks by the organisation* (0.326**). The weakest correlations, not significant were*: 9.21 Transactions with citizens rather than relationships* (-0.067) and *9.24*

Extent partnerships are fragmenting effort on performance management (-0.102). In 2009 there were no significant correlations for police forces or PCTs and one each for councils and fire services; both *9.25 Extent partnerships making strategies more meaningful* (0.316* and 0.519* respectively). For the four organisation types combined this is also the only significant correlation (0.302*)

Performance Management Score

In 2005 there were five correlations at $p<0.01$ with PMS, four at $p<0.05$ and three not significant. The strongest correlations ($p<0.01$), were *9.23 Extent to which citizens participate in performance management* (0.363**), *9.20 Extent of consultation with service users* (0.279**) and *9.22 Extent to which stakeholders participate in performance management* (0.277**). The weakest correlations, not significant, were *9.24 Extent partnerships are fragmenting effort on performance management* (0.008), *9.17 Level of engagement with professional organisations* (0.079) and *9.8 Views of politicians formally collected* (0.136). In the 2009 survey only PCTs showed any significant correlation: *9.8 Views of politicians formally collected* (-0.687*) and *9.17 Level of engagement with professional organisations* (-0.762*).

Service Score

Of the 12 statements, in 2005, there were six correlations at $p<0.01$ with SS, one at $p<0.05$ and five not significant. The strongest correlations (at $p<0.01$) were: *9.20 Extent of consultation with service users* (0.320**), *9.23 Extent to which citizens participate in performance management* (0.292**) and *9.17 Level of engagement with professional organisations* (0.288**). The weakest correlations, not significant, were *9.24 Extent partnerships are fragmenting effort on performance management* (0.013), *9.21 Transactions with citizens rather than relationships* (0.018) and *9.7 Views of organisation employees formally collected* (0.053). In 2009 there were no significant correlations for councils. The fire services had two: *9.14 Extent of involvement of external stakeholders in the organisation* (0.583*) and *9.24 Extent partnerships are fragmenting effort on performance management* (-0.749**); police forces one (*9.8 Views of politicians formally collected*, -0.675*). The PCTs had two: *9.8 Views of politicians formally collected* (-0.857**) and *9.18 Extent of use of internal networks by organisation* (-0.775*). There was one significant correlation for all four types of organisation combined: *9.23 Extent to which citizens participate in performance management* (-0.232*).

Corporate Assessment

Of the 12 statements, in 2005, there were seven correlations at $p<0.01$ with CA, three at $p<0.05$ and two not significant. The strongest correlations were *9.23 Extent to which citizens participate in performance management* (0.326**), *9.20 Extent of consultation with service users* (0.320**) and *9.18 Extent of the use of internal networks by the organisation* (0.272**). The weakest correlations were *9.24 Extent partnerships are fragmenting effort on performance management* (-0.048), 9.21 Transactions with citizens rather than relationships (-0.103); both not significant although the next statement was: *9.8 Views of politicians formally collected* (0.151*).

In 2009 there were no significant statements for councils, police or PCTs. For all four organisation types combined only *9.18 Extent of the use of internal networks by the organisation* was significant (driven by the results for fire services). There were three significant correlations for the fire service: *9.14 Extent of involvement of external stakeholders in organisation* (0.523*), *9.18 Extent of the use of internal networks by the organisation* (0.605*) and *9.25 Extent partnerships making strategies more meaningful* (0.551*).

There were several statements significant ($p<0.01$) for all four CPA measures: *9.14 Extent of involvement of external stakeholders in the organisation*, *9.20 Extent of consultation with service users*, *9.22 Extent to which stakeholders participate in performance management* and *9.23 Extent to which citizens participate in performance management*. Given the strength of correlations the hypothesis should be accepted. This is the case even though the picture is less clear for 2009; the result for *9.25 Extent partnerships making strategies more meaningful* may be regarded as indicative. Although there appears to be a strong correlation it is not clear whether it is high performance leading to involvement or involvement leading to high performance. This perennial issue warrants further investigation even though, in this instance, we may suspect the latter given the CPA measures used.

Communication

5.29 Hypothesis G1: That an organisation that has a higher level of communication will be higher performing than an organisation that has a lower level

Five statements (Appendix 5.29) test this hypothesis, including internal and external communication. For the 2005 survey the strongest correlations ($p<0.01$)

are for CPAR with *10.3 Extent of communication on service performance* (0.315**) and *10.1 Extent organisation's relationship with the media is good* (0.305**), followed by CA with *10.3 Extent of communication on service performance* (0.275**). The weakest correlations (not significant) are for SS with *10.2 Extent of communication on corporate service planning* (0.057), with *10.3 Extent of communication on service performance* (0.099) and with *10.5 Extent of employees' use of performance management* (0.113).

The only statement significant for all four CPA measures is *10.1 Extent the organisation's relationship with the media is good*. It might be conjectured the relationship with the media is good because performance is high and thus there is perhaps more good news than bad news. In the 2009 survey the pattern is repeated although with fewer significant correlations. Given the many statistically significant correlations this hypothesis should be accepted.

REPORTING PERFORMANCE

5.30 Hypothesis H1: That an organisation that has a higher level of performance reporting will be higher performing than an organisation that has a lower level of reporting.

This hypothesis considers the reporting of performance, tested with seven statements (Appendix 5.30). In 2005, the strongest correlations (p<0.01) were: PMS with *11.7 Feedback to external stakeholders on strategy/performance management* (0.294**), CPAR with *11.3 Extent to which publishing performance data has been detrimental* (-0.288**) and CA with *11.7 Feedback to external stakeholders on strategy/performance management* (0.279**). Notice 11.3 exhibits a negative relationship with higher performing authorities scoring lower on this characteristic. The weakest correlations (not significant) are for SS with *11.4 Extent of publishing performance data internally* (0.031), *11.2 Performance reported on the organisation's website* (-0.034) and *11.1 Performance reported on the organisation's Intranet* (0.080). Only two statements are significant (p<0.01) for all four CPA measures: *11.6 Feedback to internal stakeholders on strategy/performance management* and *11.7 Feedback to external stakeholders on strategy/performance management.*

In 2009 the picture is more mixed with two significant correlations for CPAR (fire service with *11.3 Extent publishing performance data detrimental*, 0.577* and police *11.5 Extent publishing performance data externally*, 0.693*), none for PMS,

three for SS and three for CA. The three for SS are for all organisation types combined: *11.3 Extent publishing performance data detrimental* (-0.263*) and PCTs; *11.4 Extent publishing performance data internally* (-0.635*) and *11.6 Feedback to internal stakeholders on strategy/performance management* (-0.722*). For CA one is for councils (*11.2 Performance reported on the organisation's website* (-0.314*), two for fire services; *11.4 Extent publishing performance data internally* (0.561*) and *11.6 Feedback to internal stakeholders on strategy/performance management* (0.551*).

The situation is quite complex although on balance it appears this hypothesis is more supported than not. In particular the negative correlations for *11.3 Extent publishing performance data detrimental* and the support of *11.6 Feedback to internal stakeholders on strategy/performance management* and *11.7 Feedback to external stakeholders on strategy/performance management*. Deployment as part of strategy may be more effective.

Organisational Culture

5.31 Hypothesis I1: That an organisation with a high supportive and learning culture that encourages innovation and non-blame will be higher performing than one where this kind of culture is less so.

CPA Rating

In 2005, there were 24 statements with a correlation at $p<0.01$ with CPAR, three at $p<0.05$ and nine not significant (Appendix 5.31). The strongest correlations ($p<0.01$) were with: *12.3 Extent to which a high degree of mutual trust exists between parts of the organisation* (0.419**), *12.9 Level of employees' morale* (0.391**), *12.24 Extent to which service to the public is a high priority* (0.373**), *12.1 Extent to which the organisation is a learning organisation* (0.366**) and *12.14 Extent to which officers and politicians have distinct and clear roles* (0.365**). The weakest correlations (not significant) were *12.15 Extent to which power lies more in the centre than departments* (-0.002), *12.18 Extent to which the organisation is driven by rules* (-0.012) and *12.10 Extent to which an employee's role is determined by job description* (0.013). Of note are the negative correlations for *12.5 Extent to which the organisation has a blame culture*, three being significant at $p<0.01$, the exception being with SS not significant. The hypothesis is receiving substantial support.

In the 2009 survey there were many fewer significant correlations with one for all four organisation types combined: *12.15 Extent to which power lies more in the centre than departments* (-0.284*). The largest number (three) was for fire services: *12.7 Extent to which organisation has good relations trade unions* (0.542*), *12.15 Extent to which power lies more in the centre than departments* (-0.577*), and *12.20 Extent to which organisation is change oriented* (0.530*). There were two for police forces: *12.10 Extent to which employee's role determined by job description* (0.681*) and *12.34 Extent of misrepresentation of financial information* (-0.693*). One significant correlation was for councils: *12.16 Level of employees' morale* (0.303*). There were no significant correlations for PCTs.

Performance Management Score

Of the 36 statements, in 2005, 19 had correlations at $p<0.01$ with PMS, three at $p<0.05$ and 14 were not significant. The strongest correlations ($p<0.01$) were *12.16 Level of employees' morale* (0.325**), *12.14 Extent to which officers and politicians have distinct and clear roles* (0.318**), *12.3 Extent to which there is high degree of mutual trust between parts of the organisation* (0.308**) and *12.21 Extent to which the organisation is results orientated* (0.298**). The weakest correlations (not significant at $p<0.05$) were with *12.9 Extent to which an employee's level in the organisation determines their contribution* (-0.019), *12.15 extent to which power lies more in the centre than departments* (0.021) and *12.17 Extent to which organisational position determines contribution to teams* (-0.031).

In 2009 there were more significant correlations than there were for CPAR but none for the fire services. There were eight for all organisation types combined, the strongest being: *12.1 Extent that organisation is a learning organisation* (0.283*), *12.7 Extent to which organisation has good relations trade unions* (0.243*), *12.16 Level of employees' morale* (0.288*) and *12.26 Extent to which management creates a supportive culture* (0.244*). Councils had seven significant correlations, the strongest: *12.1 Extent that organisation is a learning organisation* (0.322*), *12.2 Extent to which a psychological contract exist between employees and the organisation* (0.338*), *12.5 Extent to which the organisation has a blame culture* (-0.387**) *and 12.16 Level of employees' morale* (0.374*). All of these were also significant in 2005.

Police had two significant correlations: *12.18 Extent to which organisation driven by rules* (0.688*) and *12.25 Extent to which ideology drives organisation activities*

(0.686*). PCTs also had two significant correlations: *12.31 Extent of learning from voluntary sector* (0.683*) and *12.32 Extent of inclination for experimentation within organisation* (0.688*). There are clearly some similarities but also differences in 2009 reflecting the different types of organisation, for example the extent to which the police are driven by rules, which is not significant for any other organisation type. However, the correlation is also fairly high for PCTs with the lowest being for councils.

Service Score

Of the 36 statements, in the 2005 survey, there were three correlations at $p<0.01$ with the SS, eight at $p<0.05$ and 25 not significant. The three correlations at $p<0.01$ were: *12.3 Extent to which a high degree of mutual trust exists between parts of the organisation* (0.238**), *12.4 Extent to which decision making is by consensus* (0.218**) and *12.14 Extent to which officers and politicians have clear and distinct roles* (0.213**). The weakest correlations, not significant, were *12.6 Extent to which management create a sense of urgency* (0.002), *12.22 Extent to which barriers to cooperation exist between service areas* (-0.016) and *12.5 Extent to which the organisation has a blame culture* (0.020).

The SS correlations were somewhat different to those for the other CPA measures, as there were many fewer significant at $p<0.01$. It may be because services stand somewhat divorced from the organisation, perhaps especially in an organisation providing a diverse range of services, as a whole (or perhaps a function of the SS or how respondents have scored services). However, in the 2009 survey the higher number of significant correlations are for police and PCTs which is rather different than for the PMS and CA. Indeed there are no significant correlations for all four organisation types combined, that may be suggestive of differences between them. There is one significant correlation for councils: *12.16 Extent to which management create a sense of urgency*, 0.320* (this is the only significant correlation for this statement) and one for fire services; *12.33 Extent of misrepresentation of performance information* (-0.687*).

There were four significant correlations for police forces: *12.11 Extent to which organisation driven by achievement of targets* (0.667*), *12.19 Extent to which organisation operates independently in provision of services* (-0.728*), *12.25 Extent to which ideology drives organisation activities* (0.775*) and *12.34 Extent of misrepresentation of financial information* (-0.687*). PCTs had six significant

correlations: *4.45 Extent to which probity is valued* (-0.667*), *12.7 Extent to which organisation has good relations trade unions* (-0.705*), *12.8 Level of 'good' ethical behaviour* (-0.683*), *12.12 Extent to which people come first in the organisation* (-0.871**), *12.25 Extent to which ideology drives organisation activities* (-0.671*) and *12.32 Extent of inclination for experimentation within organisation* (0.688*). These results for PCTs may seem surprising. For example for 1*2.8 Level of 'good' ethical behaviour*; PCTs are the only organisation type to have negative correlations and this is also the case for *12.12 Extent to which people come first in the organisation* and *4.45 Extent to which probity is valued*. Could this be due to the so called 'targets and terror' influences (Bevan and Hood, 2006) which perhaps impacted the NHS more than other services?

Corporate Assessment

Of the 36 statements, in the 2005 survey, there were 19 correlations at $p<0.01$ with the CA, six at $p<0.05$ and 11 not significant. The strongest correlations ($p<0.01$) were with *12.14 Extent to which officers and politicians have clear and distinct roles* (0.386**), *12.3 Extent to which a high degree of mutual trust exists between parts of the organisation* (0.381**) and *12.16 Level of employees' morale* (0.373**). The weakest correlations, not significant, were *12.25 Extent to which ideology drives the organisation's activities* (0.019*), 12.15 Extent to which power lies more in the centre than departments* (0.025) and *12.17 Extent to which organisational position determines an employee's contribution to teams* (-0.046).

In the 2009 survey there were many fewer significant correlations. For all organisation types combined there were four: *12.8 Level of 'good' ethical behaviour* (0.271*), *12.16 Level of employees' morale* (0.209*), *12.22 Extent of barriers to cooperation between service areas* and 12.34 *Extent of misrepresentation of financial information* (-0.229*). For councils there were also four: *12.5 Extent to which organisation has a blame culture* (-0.340*), *12.10 Extent to which an employee's role determined by job description* (-0.342*), *12.16 Level of employees' morale* (0.365*) and *12.30 Extent of learning from the private sector* (0.374*). The largest number of significant correlations in 2009 was for the fire service at six, the strongest: *12.7 Extent to which organisation has good relations with trade unions* (0.549*), *12.20 Extent to which organisation is change oriented* (0.535*) and *12.21 Extent to which organisation is results oriented* (0.647**).

There were two significant correlations for police forces*: 12.18 Extent to which organisation driven by rules* (0.688*) and *12.25 Extent to which ideology drives organisation activities* (0.686*). Finally, PCTs had one significant correlation: *12.27 Extent internal environment has impact on organisation's performance* (0.705*).

The hypothesis should be accepted, although the results suggest some differences by organisation type.

5.32 Hypothesis I2: That an organisation where power is more diffused throughout the organisation will be higher performing than an organisation where power is more concentrated.

Previous hypotheses considering involvement would tend to support this hypothesis. Four statements (Appendix 5.32) test this hypothesis. Budgets devolved to departments (4.33) supports the diffusion of power. A high level of mutual trust (12.3) would tend to support the diffusion of power and this statement is correlated (p<0.01) with all four CPA measures in 2005. Delegation (4.34) is in effect giving power to others and this statement is significant (p<0.01) with CPAR, SS and CA in 2005, although not in 2009. Finally, the empowerment of officers (7.4) is a practical indication of the diffusion of power and is significant (p<0.05) for all four CPA measures, although there is limited support in the 2009 survey. There appears to be some differences by organisation type in 2009.

Given the above, the hypothesis should be accepted. This is perhaps understandable in the sense 'power' can then be better used by those closer to services and indeed in support activities. However, we may expect other factors to be important, for example strategic direction allows the diffusion.

In summary, there is significant support for a number of statements (criteria) being important in delivering organisational performance and yet others appear not to be so (See Appendix 5.1). Many of the statements considering Strategy/Policy/Finance/HRM are significantly correlated with organisational performance as assessed by CPA. For example having a corporate strategy planned in advance with stakeholders, the corporate strategy linked to the community strategy, service developments linked strategically with strategies and plans linked together. Further, political issues tend not to impact adversely on the strategy. For Policy having directed policy (Best Value) direction appears to be important with policy decisions based on evidence. As regards Finance it seems

important that the budget is linked to (strategic) priorities. For Human Resource Management the active management of people with a focus on employees, the wide discussion of organisational values, with appropriate delegation and involving employees in such as service planning appears to be important.

Many of the statements addressing Performance Management are likewise significantly correlated with organisational performance including the use of the EFQM Excellence Model, having arrange of quantitative and qualitative indicators, being innovative, having good systems to collect data and providing good quality performance information to managers and local politicians. Measuring things that matter, accountability, equity and the commitment of top management are also important.

For Administration the consistency (throughout the organisation) of practices and routines appears to be important along with an evidence-based approach and wide discussion of governance issues. All the Leadership statements are significantly correlated with organisational performance excepting the characteristic of an officer (manager) (as opposed to politician) led organisation. So the level of political and officer leadership should both be high, with political leadership empowering officers.

A number of Resources statements are concerned with people and these seem especially important, for example well-trained and motivated. The allocation of resources should be determined by the organisation's priorities. The level of research capacity and information available for corporate/service planning are important. Further, the amount of resources to undertake performance management at the centre and in service departments is highlighted. Interestingly the quality of the organisation's physical infrastructure is also significant.

The research shows the importance of Partnership working and of Stakeholder involvement. In particular this appears to make strategies more meaningful and improves performance management, probably by making it more relevant and thus useful. An organisation that has the support of government, external auditors and inspectors appear to be higher performing. This seems to involve networking with a range of different stakeholders and organisations thus perhaps being more aware of requirements.

All five Communication statements are significantly associated with organisational performance including having a good relationship with the media, communicating service planning and performance information and using the knowledge of employees effectively. Closely related is Reporting Performance with feedback to stakeholders especially important.

The final grouping is Organisational Culture containing a large number of statements. Being a learning organisation and having a psychological contract with employees are important with a high degree of mutual trust between different parts of the organisation and good ethical behaviour. Having a blame culture operates counter to high performance. Having an achievement-driven culture pays dividends with a change orientation also important. The next section takes these significant correlations and analyses them using exploratory PCA.

5.33 Principal Component Analysis (PCA)

PCA was undertaken using IBM SPSS Statistics 20 utilising the statements (criteria) with significant (p<0.05) correlations. A number of runs were carried out to explore the data. As explained in the methodology section because there are a number of strong cross correlations between the statements, as would be expected with this kind of data, direct oblimin rotation was selected. The number of components extracted was determined by the default eigenvalue of one with the scree plots being examined to consider further. Where this showed a significant breakpoint then this number of components was selected for extraction. In terms of the pattern matrix a value of 0.40 (after Field, 2013) was chosen as the threshold for consideration.

Table 5.1 summarises where a PCA could be undertaken, although some were especially weak the appropriate statistics are quoted throughout.

Eleven summary factors were identified using the descriptions of the statements when grouped. These are Strategy, Human resources, Performance management, Resources, Engagement, Innovation, Physical infrastructure, Leadership, Culture, Risk and Reputation. Invariably there is an element of overlap between these reflecting the diverse nature of organisational performance.

Table 5.1 Summary of PCA undertaken with CPA for the 2005 and 2009 surveys (√ included, X not included in analyses)

	CPA Rating	PM Score	Service Score	Corporate Assessment
2005 LA	√	√	√	√
2009 All	√	√	√	√
2009 LA	√	√	√	√
2009 Fire	X	√	√	X
2009 Police	√	X	√	X
2009 PCT	√	√	X	√

5.34 PCA for 2005 Survey with CPA Rating

The first PCA was for the 2005 survey. The resulting SPSS Total Variance Explained is reproduced at Appendix 5.33 truncated to show the 39 components extracted. The KMO is satisfactory at 0.699, above the minimum 0.500 recommended, and the result is significant at $p<0.05$. There are 2.0% of non-redundant residuals with absolute values >0.05; lower than the recommended maximum of 50.0% (Field, 2013, p. 696). However, the determinant is very low, under the 0.00001 threshold suggesting collinearity may be an issue. Checking and removing some of the statements, using the reproduced correlation matrix, made little practical difference to the determinant, although it did increase the KMO statistic. Tabachnick and Fidell (2013, p. 91) suggest several options for dealing with collinearity including if the goal of analysis is prediction then it can be ignored. Since we have already established which criteria (statements) are associated with high performance and are using PCA to explore how they group this approach is acceptable.

Thirty-nine components explain 76.475% of the variance. Table 5.2 provides a grouping of the components listed in order of strength for the first component. Within each summary factor the components are listed in strength order with the numbers shown in the final column.

Table 5.2: Contribution to organisational performance by various summary factors in 2005 as measured by CPA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Strategy	12, 25, 35, 2, 16, 1, 5, 31,15, 7	11.759 (7.785, 7.736, 7.614, 7.273, 7.220, 5.292, 2.629, 2.490, 2.423)
Human resources	32, 17, 4, 10	10.840 (6.223, 6.070, 3.750)
Performance management	24, 22, 8, 38, 36, 18, 3, 23, 26	10.249 (8.178, 8.127, 6.045, 5.078, 4.754, 3.095, 3.038, 1.973)
Resources	20, 6	9.130 (6.774)
Engagement	21, 33, 34, 19	8.894 (7.746, 5.977, 5.673)
Innovation	14	8.824
Physical infrastructure	29	8.612
Culture	28, 37, 13, 39	7.772 (6.276, 5.555, 4.166)
Leadership	11	7.053
Risk	30	5.824
Reputation	27, 9	4.943 (2.950)

The PCA shows that the development and implementation of a strategy is the strongest contribution to performance followed by active management and use of people. The management of performance is clearly important. Resources is ranked fourth in the list and would be stronger if Physical infrastructure is included. It includes employees being overloaded so it's also about capacity. Physical infrastructure appearing was a little surprising as it is not often thought of as related to performance. Although providing a good working environment, of which Physical infrastructure is a part, may well have a positive influence on other factors. The management of risk could be regarded as strategic in identifying potential issues and problems, allowing corrective action before they manifest.

5.35 PCA for 2005 Survey with Performance Management Score

Thirty-six components, explaining 75.498% of the variance were extracted in the PCA using the statements significant at $p<0.05$ with PMS. The KMO was 0.746 and the result is significant. There were 3.0% of non-redundant residuals with absolute values >0.05. Again, the determinant was very low. The resulting SPSS

Total Variance Explained output is reproduced at Appendix 5.34, truncated to show the 36 components extracted.

Table 5.3 provides a grouping of the components listed in order of strength for the first component. Within each summary factor the components are listed in strength order with the numbers shown in the final column. The first component is Strategy followed by Performance management and Engagement. Again, Physical infrastructure is high with Human resources being rather lower than for CPAR.

Table 5.3: Contribution to organisational performance by various summary factors in 2005 as measured by Performance Management Score

Summary factor	Components included (sub-factors)	Strength of contribution
Strategy	34, 35, 21, 11	10.651 (6.392, 4.506, 2.779)
Performance management	18, 14, 33, 16, 17, 2, 6, 15, 23, 28, 20, 22, 26	10.508 (10.495, 9.034, 7.391, 6.657, 6.372, 5.838, 5.350, 4.336, 4.229, 3.191, 3.172, 2.703)
Engagement	3, 27, 7, 19, 1, 30	9.443 (6.939, 6.486, 6.074, 4.499, 2.538)
Physical infrastructure	36	9.071
Resources	10, 25, 4	8.343 (7.757, 4.334)
Culture	31, 13	7.179 (6.439)
Reputation	27, 9	6.939 (4.453)
Human resources	5, 21	6.017 (4.506)
Leadership	24, 12	4.612 (3.211)
Risk	32	3.031
Innovation		

5.36 PCA for 2005 Survey with Service Score

Twenty-seven components, explaining 72.292% of the variance were extracted in the PCA using the statements significant at $p<0.05$ with SS. The KMO was 0.832 and the result is significant. There were 7.0% of non-redundant residuals with absolute values >0.05. Again, the determinant was very low. The resulting SPSS Total Variance Explained output is reproduced at Appendix 5.35, truncated to show the 27 components extracted.

Table 5.4 provides a grouping of the components listed in order of strength for the first component. Within each summary factor the components are listed in strength

order with the numbers shown in the final column. This list is rather different to the previous two (for CPAR and PMS) with Strategy near the foot and Performance management third. Innovation takes first place (it didn't even appear in the PMS list) from Engagement, although the difference appears to be relatively small.

Table 5.4: Contribution to organisational performance by various summary factors in 2005 as measured by Service Score

Summary factor	Components included (sub-factors)	Strength of contribution
Innovation	24	8.551
Engagement	6, 16	8.323 (5.983)
Performance management	25, 18, 9, 23, 27, 19	7.604 (7.437, 7.305, 7.267, 6.353, 4.362)
Resources	1, 17	7.143 (4.248)
Reputation	10, 13, 7	6.367 (3.682, 2.145)
Human resources	11, 12	6.035 (4.394)
Culture	3, 4	5.465 (4.295)
Leadership	14, 22	5.391 (4.768)
Strategy	15, 20, 21, 2, 5	5.135 (4.659, 4.454, 4.072, 2.433)
Risk	8	4.556
Physical infrastructure		

5.37 PCA for 2005 Survey with Corporate Assessment

Thirty-nine components, explaining 77.186% of the variance were extracted in the PCA using the statements significant at $p<0.05$ with the CA. The KMO was 0.735 and the result is significant. There were 2.0% of non-redundant residuals with absolute values >0.05. Again, the determinant was very low. The resulting SPSS Total Variance Explained output is reproduced at Appendix 5.36 truncated to show the 39 components extracted.

Table 5.5 provides a grouping of the components listed in order of strength for the first component. Within each summary factor the components are listed in strength order with the numbers shown in the final column. This list also has Innovation at the top with Performance management second, followed by Engagement, so not dissimilar in this regard to SS.

Table 5.5: Contribution to organisational performance by various summary factors in 2005 as measured by Corporate Assessment

Summary factor	Components included (sub-factors)	Strength of contribution
Innovation	1	12.862
Performance management	30, 31, 14, 10, 25, 28, 21, 26, 19, 6, 37	10.561 (9.679, 8.384, 8.339, 6.713, 5.850, 5.844, 5.359, 3.887, 2.893, 2.861)
Engagement	9, 7, 3	9.521 (6.647, 6.156)
Culture	24, 34, 39	9.311 (7.498, 5.809)
Leadership	22, 18	8.480 (4.435)
Strategy	33, 38, 13, 15, 32, 2, 27, 17, 36	8.404 (6.991, 6.973, 5.694, 5.477, 3.814, 3.107, 2.475, 2.153)
Reputation	29, 23, 8, 11	7.922 (6.345, 2.798, 2.430)
Resources	35, 5	7.483 (4.765)
Human resources	16, 4	5.871 (4.598)
Physical infrastructure		
Risk		

Table 5.6 summarises the ranking for the four CPA measures by the loading of the strongest component only, as described above. The top three ranks are dominated by Performance management, Engagement, Strategy and Innovation with only Human resources taking the second spot in CPAR. Human resources is very much in the lower ranks for PMS and CA. Resources is mid-table for all except CA where it is next to bottom. Leadership is also near the bottom of the list except for SS. Physical infrastructure only appears in the CPAR and PMS lists. Innovation doesn't appear under PMS and Risk doesn't appear under CA. However, the results can also be considered in another way by adding the components in each summary factor.

Table 5.7 ranks the summary factors by adding the components (or sub-factors) together to produce a numeric total for each. This must be regarded as indicative only because technically, since they correlate with each other, there may be some 'double counting'. Comparison of Table 5.7 with Table 5.6 immediately shows some clear differences with Performance management and Strategy becoming dominant. Only Engagement disrupts this appearing second in the PMS list. This analysis is now repeated for the 2009 survey.

Table 5.6: Summary of rankings of summary factors for four CPA measures in 2005 by loading of strongest component only

Rank	CPA Rating	Performance Management Score	Service Score	Corporate Assessment
1	Strategy	Strategy	Innovation	Innovation
2	Human resources	Performance management	Engagement	Performance management
3	Performance management	Engagement	Performance management	Engagement
4	Resources	Physical infrastructure	Resources	Culture
5	Engagement	Resources	Reputation	Leadership
6	Innovation	Culture	Human resources	Strategy
7	Physical infrastructure	Reputation	Culture	Reputation
8	Culture	Human resources	Leadership	Resources
9	Leadership	Leadership	Strategy	Human resources
10	Risk	Risk	Risk	
11	Reputation			

Table 5.7: Summary of rankings of summary factors for four CPA measures by numeric addition of all components in the factor (technically they should not be added so indicative only)

Rank	CPA Rating	Performance Management Score	Service Score	Corporate Assessment
1	Strategy	Performance management	Performance management	Performance management
2	Performance management	Engagement	Strategy	Strategy
3	Engagement	Strategy	Engagement	Culture
4	Human resources	Resources	Reputation	Engagement
5	Culture	Culture	Resources	Reputation
6	Resources	Reputation	Human resources	Leadership
7	Innovation	Human resources	Leadership	Innovation
8	Physical infrastructure	Physical infrastructure	Culture	Resources
9	Reputation	Leadership	Innovation	Human resources
10	Leadership	Risk	Risk	
11	Risk			

5.38 PCA for 2009 Survey with CPA Rating

As noted the response rates for the survey conducted in 2009 were much lower than in 2005 and this invariably has an impact on the analyses possible. In particular the number of statistically significant correlations is much lower reducing the number included in the PCAs. Some of the PCAs do not meet the accepted statistical thresholds; five have not been included across all four measures as they are not 'valid' analyses (Table 5.1).

Appendix 5.37 shows the SPSS output for all four organisation types combined in 2009 with CPAR. Seven components, explaining 65.331% of the variance were extracted in the PCA. The KMO was 0.718 and the result is significant. There were 40.0% of non-redundant residuals with absolute values >0.05. Again, the determinant was very low.

Unlike the analyses for 2005 there is more overlap of the statements in this analysis, for example component two contains statements fitting into both the Strategy and Performance management summary factors. Also because the number of statements included in the PCA was much smaller than 2005, as expected, the number of summary factors produced is lower. As previously the summary factors are shown in the order of their largest component (Table 5.8).

Table 5.8: Contribution to organisational performance by various summary factors in 2009 for all four organisation types combined as measured by CPA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	1, 4	4.218 (1.818)
Resources	1	4.218
Strategy	2, 7, 5, 3, 6	3.928 (2.316, 2.144, 2.042, 1.254)
Performance management	2, 5	3.928 (2.144)
Engagement		
Culture		
Leadership		
Innovation		
Physical Infrastructure		
Reputation		
Risk		

However, adding the numeric value of the components together places Strategy first followed by Performance management, then Human resources and finally Resources. Since four organisation types are being taken combined there may be individual differences masked by the combination.

Next is considered councils against the CPAR, with nine components extracted, explaining 74.181% of the variance. The KMO was 0.688 and the result is significant. There were 31.0% of non-redundant residuals with absolute values >0.05. Again, the determinant was very low. The resulting SPSS Total Variance Explained output is reproduced at Appendix 6.38 truncated to show the nine components extracted.

Table 5.9 has a wider range of summary factors represented, with Human resources first followed by Strategy and then Resources. Using the total summary factor score would place Performance management above Resources.

Table 5.9: Contribution to organisational performance by various summary factors in 2009 for councils as measured by CPA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	1, 8, 4	7.126 (2.842, 2.063)
Strategy	6, 5, 7	5.873 (3.175, 2.185)
Resources	3	4.687
Performance management	2, 5, 7	4.347 (3.175, 2.185)
Engagement	2	4.347
Culture	9	2.571
Reputation	4	2.063
Innovation		
Leadership		
Physical Infrastructure		
Risk		

The PCA for fire services is not included. For police forces two components, explaining 74.053% of the variance were extracted in the PCA using the statements significant at $p<0.05$ with the CPAR. The KMO was 0.613 and the significance was 0.189, not meeting $p<0.05$. There were 60.0% of non-redundant residuals with absolute values >0.05. The determinant was 0.023. The resulting SPSS Total Variance Explained output is reproduced at Appendix 5.39 truncated to show the two components extracted.

As seen in Table 5.10 Human resources is the number one summary factor, followed by Culture and then Performance management, although this is a non-significant (p<0.05) result.

Table 5.10: Contribution to organisational performance by various summary factors in 2009 for police forces as measured by CPA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	1, 2	3.050 (2.285)
Culture	1	3.050
Performance management	2	2.285
Engagement		
Innovation		
Leadership		
Physical Infrastructure		
Reputation		
Resources		
Risk		
Strategy		

For PCTs and CPAR three components, explaining 96.39% of the variance, were extracted in the PCA .The KMO was 0.776 and the result is significant at 0.006. There were 16.0% of non-redundant residuals with absolute values >0.05 and the determinant was 0.070. The resulting SPSS Total Variance Explained output is reproduced at Appendix 5.40 truncated to show the three components extracted. Table 5.11 shows the summary factors for PCTs using CPAR with Culture appearing to be relatively important.

Table 5.11: Contribution to organisational performance by various summary factors in 2009 for PCTs as measured by CPA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Performance management	1	2.736
Culture	3	2.285
Strategy	2	1.596
Engagement		
Human resources		
Innovation		
Leadership		
Reputation		
Resources		
Risk		
Strategy		

5.39 PCA for 2009 Survey with Performance Management Score

Considered next is PMS which is not available for police. First, for all four organisation types combined 11 components explaining 70.86% of the variance were extracted in the PCA using the statements significant at $p<0.05$ with PMS. The KMO was 0.787 and the result is significant. There were 23.0% of non-redundant residuals with absolute values >0.05. Again, the determinant was very low. The resulting SPSS Total Variance Explained output is reproduced at Appendix 5.41, truncated to show the 11 components extracted.

Table 5.12 suggests Strategy, Human resources and Reputation are important summary factors. Again, summing the components places Human resources first with Strategy and Performance management vying for second place.

Table 5.12: Contribution to organisational performance by various summary factors in 2009 for all four organisation types combined as measured by Performance Management Score

Summary factor	Components included (sub-factors)	Strength of contribution
Strategy	1, 2, 5	7.412 (2.758, 2.579)
Human resources	4, 7, 11, 2	7.198 (6.930, 6.312, 2.758)
Reputation	7, 3	6.930 (3.892)
Performance management	9, 11	6.374 (6.312)
Culture	10	4.527
Engagement	8, 6	3.930 (1.814)
Innovation		
Leadership		
Physical Infrastructure		
Resources		
Risk		

Appendix 5.42 is truncated to show just the 11 components extracted for councils with PMS. They explain 76.639% of the variance. The KMO was 0.477, so below the minimum accepted value of 0.500 and the result is significant. There were 21.0% of non-redundant residuals with absolute values >0.05 and the determinant was very low.

Table 5.13: Contribution to organisational performance by various summary factors in 2009 for councils as measured by Performance Management Score

Summary factor	Components included (sub-factors)	Strength of contribution
Strategy	4, 5, 2, 6, 3	7.306 (4.704, 4.218, 2.306, 2.063)
Performance management	4, 10, 9	7.306 (5.622, 4.390)
Human resources	1, 8, 5, 7	6.905 (6.089, 4.704, 3.297)
Culture	1	6.905
Reputation	10	5.622
Engagement	11	1.915
Innovation		
Leadership		
Physical Infrastructure		
Resources		
Risk		

The statements making up the components were quite 'mixed-up' when matched with the summary factors as shown in Table 5.13. However, the dominance of Strategy, Performance management and Human resources is again evident.

Fire services and PCTs had many fewer statistically significant statements and this is reflected in the number of components extracted. As shown in Appendix 5.43 for the fire services two components, explaining 71.106% of the variance, were extracted in the PCA. The KMO was 0.820 and the result is significant at 0.004. There were 47.0% of non-redundant residuals with absolute values >0.05 and the determinant was 0.020. As Table 5.14 shows this is rather different to previously as, although Strategy is first, Reputation and Leadership are the other two summary factors. Note the absence of Performance management.

Again, two components were extracted for PCTs explaining 79.059% of the variance (Appendix 5.44). The KMO was rather low at 0.516 and the result is significant at 0.076, so not meeting $p<0.05$. There were 70.0% of non-redundant residuals with absolute values >0.05, which is high. The determinant was just above the 0.00001 threshold for acceptability.

Table 5.14: Contribution to organisational performance by various factors in 2009 for fire services as measured by Performance Management Score

Summary factor	Components included (sub-factors)	Strength of contribution
Strategy	1, 2	3.725 (2.464)
Reputation	1	3.725
Leadership	2	2.464
Culture		
Engagement		
Human resources		
Innovation		
Performance management		
Physical Infrastructure		
Resources		
Risk		

Table 5.15 is different from those previous; in PMS with Resources, Engagement and Innovation being prominent with quite an even spread. The Resources statements though are specifically concerned with those available to do performance management. The next section looks at the statements with respect to SS, for which the PCA is not available for PCTs.

Table 5.15: Contribution to organisational performance by various summary factors in 2009 for PCTs as measured by Performance Management Score

Summary factor	Components included (sub-factors)	Strength of contribution
Resources	1, 2	4.396 (3.795)
Engagement	1	4.396
Innovation	1	4.396
Performance management	1	4.396
Human resources	2	3.795
Culture		
Leadership		
Physical Infrastructure		
Reputation		
Risk		
Strategy		

5.40 PCA for 2009 Survey with Service Score

The SS represents the performance of organisations at delivering services to the community. Appendix 5.45 shows the SPSS output for all four organisation types combined in 2009 when assessed by SS. Four components, explaining 63.949% of the variance were extracted in the PCA. The KMO was barely acceptable at 0.500 and the result is significant at 0.001 with a determinant of 0.391. There were 58.0% of non-redundant residuals with absolute values >0.05.

Table 5.16: Contribution to organisational performance by various summary factors in 2009 for all four organisation types combined as measured by Service Score

Summary factor	Components included (sub-factors)	Strength of contribution
Resources	1	1.686
Human resources	4, 2	1.473 (1.377)
Performance management	2	1.377
Strategy	3	1.361
Culture		
Engagement		
Innovation		
Leadership		
Physical Infrastructure		
Reputation		
Risk		

As shown by Table 5.16 there appears to be a fairly even spread in the importance of these four summary factors with Resources being first although replaced by Human resources if the components are summed. Perhaps this is no surprise as in delivering the services; resources of varying kinds may well be more critical in determining the level of performance (as measured by SS).

Appendix 5.46 shows the SPSS output for councils with SS. Three components were extracted, explaining 71.307% of the variance. The KMO was 0.692 and the result is significant with a determinant of 0.146. There were 76.0% of non-redundant residuals with absolute values >0.05, which is high.

Again, the components spread a number of summary factors with Human resources, Strategy and Culture being important (Table 5.17). The resources issue is regarding sufficient to undertake performance management.

Appendix 5.47 shows the SPSS output for fire services with four components, explaining 79.530% of the variance in the PCA. The KMO was 0.501 and the result is significant with a low determinant. There were 40.0% of non-redundant residuals with absolute values >0.05.

Table 5.17: Contribution to organisational performance by various factors in 2009 for councils as measured by Service Score

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	1, 2	2.456 (1.212)
Strategy	1	2.456
Culture	3	2.256
Performance management	2	1.212
Resources	2	1.212
Engagement		
Innovation		
Leadership		
Physical Infrastructure		
Reputation		
Risk		

As Table 5.18 shows Strategy and Performance management are prominent for fire services that may reflect a focus on a few specific activities needing to be delivered to a high standard thus, perhaps, putting a premium on the management of performance within a coherent planning framework.

Table 5.18: Contribution to organisational performance by various summary factors in 2009 for fire services as measured by Service Score

Summary factor	Components included (sub-factors)	Strength of contribution
Strategy	2, 1, 3	5.093 (5.005, 3.093)
Performance management	2, 4	5.093 (3.511)
Culture	3	3.093
Engagement		
Human resources		
Innovation		
Leadership		
Physical Infrastructure		
Reputation		
Resources		
Risk		

Appendix 5.48 shows the SPSS output for police forces. Two components, explaining 82.972% of the variance, were extracted in the PCA. The KMO was 0.504 and the result is significant at 0.055 with a determinant of 0.018. There were 60.0% of non-redundant residuals with absolute values >0.05.

Interestingly, Leadership appears for the police perhaps not unexpected for organisations run on hierarchical command lines (Table 5.19). Surprisingly neither Strategy nor Performance management appear. Finally, the CA PCA is considered.

Table 5.19: Contribution to organisational performance by various summary factors in 2009 for police forces as measured by Service Score

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	1	2.939
Leadership	1	2.939
Culture	2	2.588
Engagement		
Innovation		
Performance management		
Physical Infrastructure		
Reputation		
Resources		
Risk		
Strategy		

5.41 PCA for 2009 Survey with Corporate Assessment

The CA measures the capacity and capability of the corporate body to perform and provide an organisational environment for the successful achievement of the organisation's aims and objectives. This analysis could not be completed for fire services and police forces. Appendix 5.49 shows the SPSS output for all four organisations combined for the CA. Eight components were extracted explaining 67.972% of the variance. The KMO was 0.829 and the result is significant, although the determinant is below the normally acceptable threshold required. There were 31.0% of non-redundant residuals with absolute values >0.05.

As Table 5.20 illustrates summary factors may be expected to be important corporately dominate including Human resources, Strategy and Reputation. Culture is perhaps the surprising omission.

Table 5.20: Contribution to organisational performance by various summary factors in 2009 for all four organisation types combined as measured by the Corporate Assessment

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	8, 1, 3, 7	5.896 (5.578, 3.333, 2.720)
Strategy	8, 2, 4, 6	5.896 (3.984, 1.970, 1.352)
Reputation	5, 1	5.637 (5.578)
Engagement	5	5.637
Performance management	5	5.637
Leadership	1	5.578
Culture		
Innovation		
Physical Infrastructure		
Resources		
Risk		

Appendix 5.50 shows the SPSS output for councils and CA. Ten components were extracted explaining 76.725% of the variance. The KMO was 0.697 and the result is significant with a very low determinant. There were 25.0% of non-redundant residuals with absolute values >0.05.

Again, a number of components are spread amongst the summary factors (Table 5.21). Culture now appears and unsurprisingly Reputation is quite important with Innovation also making a show. Human resources and Performance management appear to be the two dominant summary factors with Strategy being lower in the ranking than might have been expected.

Table 5.21: Contribution to organisational performance by various summary factors in 2009 for councils as measured by the Corporate Assessment

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	1, 5, 8, 10	6.709 (4.066, 3.986, 3.212)
Culture	1, 8	6.709 (3.986)
Reputation	1	6.709
Performance management	2, 5, 4, 3	5.317 (4.066, 3.152, 2.438)
Strategy	2, 7	5.317 (2.578)
Innovation	9	2.506
Engagement		
Leadership		
Physical Infrastructure		
Resources		
Risk		

Appendix 5.51 shows the SPSS output for PCTs with CA. Six components, explaining 99.330% of the variance, were extracted in the PCA. The KMO was below the acceptable level at 0.307 and although the result is significant the determinant is also very low. There were 0.0% of non-redundant residuals with absolute values >0.05.

Table 5.22: Contribution to organisational performance by various summary factors in 2009 for PCTs as measured by the Corporate Assessment

Summary factor	Components included (sub-factors)	Strength of contribution
Resources (RS)	1, 2, 6, 4	6.563 (2.946, 3.473, 2.650)
Performance management (PM)	1, 5	6.563 (0.875)
Human resources (HR)	6, 3, 4	3.473 (2.913, 2.650)
Strategy (ST)		
Innovation (IN)		
Engagement EN)		
Leadership (LE)		
Physical Infrastructure (PH)		
Reputation (RP)		
Risk (RI)		
Culture (CU)		

The surprise, in Table 5.22, is Resources tops the list, although it has appeared for PCTs previously. The applicable statements are mainly about a lack of resources including strategic capacity and to do performance management, although the latter figures as the second summary factor, with Human resources third.

5.42 PCA for 2005 and 2009 Summary

This section provides a summary of the PCA by rankings for the summary factors. Table 5.23 shows the rankings (using the codes in Table 5.22) according to the largest component in each summary factor. Where the PCA is not reported N/A is used in the table. Not all 11 summary factors appear in each analysis. Taking CPAR first, Human resources is prominent except for PCTs. Strategy is next, although doesn't appear for PCTs. Performance management is middling in the list overall although takes top spot for PCTs. Culture appears to be important for police forces and PCTs. Comparing councils from 2005 and 2009 the top four are the same in both years although the order is different, with Human resources trading places with Strategy for top spot and Resources with Performance management for third. Performance management may have particular prominence in 2005 due to the impending introduction of the CPA 'harder test'.

Considering PMS; Strategy is ranked first for both years and all instances except PCTs where it is replaced by Resources. After this the differences outweigh similarities. Fire and PCTs do not have a single summary factor in common.

The summary factors by SS ranks are rather different with Strategy only taking first place for fire services and second place for councils in 2009. For councils in 2005 it was ranked nine out of ten. For all organisations combined in 2009 Resources was ranked first, although it only appeared for councils and then at the foot of the list. The PCA for PCTs is not reported individually but is part of the 'All' and so may have contributed significantly to this, noting Resources is ranked first for PCTs in PMS and CA to which we now turn.

PCAs for fire services and police forces are not reported for the CA. The order of summary factors is different for councils in 2005 and 2009 with Innovation ranking first in 2005 and Human resources in 2009, which was last in 2005. As previously consideration now turns to the components in the summary factors being summed.

Table 5.23: Summary of rankings of summary factors in 2005 and 2009 for four CPA measures by loading of strongest component only

Rank	CPA Rating						Performance Management Score					
	2005	2009					2005	2009				
	LA	All	LA	Fire	Police	PCT	LA	All	LA	Fire	Police	PCT
1	ST	HR	HR	N/A	HR	PM	ST	ST	ST	ST	N/A	RS
2	HR	RS	ST		CU	CU	PM	HR	PM	RP		EN
3	PM	ST	RS		PM	ST	EN	RP	HR	LE		IN
4	RS	PM	PM				PH	PM	CU			PM
5	EN		EN				RS	CU	RP			HR
6	IN		CU				CU	EN	EN			
7	PH		RP				RP					
8	CU						HR					
9	LE						LE					
10	RI						RI					
11	RP											

Rank	Service Score						Corporate Assessment					
	2005	2009					2005	2009				
	LA	All	LA	Fire	Police	PCT	LA	All	LA	Fire	Police	PCT
1	IN	RS	HR	ST	HR	N/A	IN	HR	HR	N/A	N/A	RS
2	EN	HR	ST	PM	LE		PM	ST	CU			PM
3	PM	PM	CU	CU	CU		EN	RP	RP			HR
4	RS	ST	PM				CU	EN	PM			
5	RP		RS				LE	PM	ST			
6	HR						ST	LE	IN			
7	CU						RP					
8	LE						RS					
9	ST						HR					
10	RI											
11												

Table 5.24 shows the summary factors ranked in order when the components within them are summed. In this table there are a number of joint rankings indicated by $. This may provide an improved representation of the importance of each of the summary factors' contributions to organisational performance; although technically in an oblimin rotation they should not be added to give a total variance. For CPAR; Strategy, Human resources and Performance management are dominant, although for police and PCTs Culture ranks second. The same three also run across the top ranks for councils in 2005 and 2009, although in 2005 Engagement is ranked third. As regards PMS, there is more variation although for councils in 2009 the order of the top three is the same as for CPAR. Resources is top for PCTs with Performance management, Engagement and Innovation sharing second place.

For SS; Strategy, Performance management and Human resources occupy top spots, although Culture is in third place for councils, fire and police in 2009. Leadership appears in joint first place with Human resources for police forces. Finally, for CA, a similar pattern is evident but with Resources claiming top spot for PCTs. Culture is third for councils in 2005 and 2009.

Table 5.24: Summary of rankings of factors in 2005 and 2009 for four CPA measures by numeric addition of all components in the summary factor (technically they should not be added so indicative only)

Rank	CPA Rating						Performance Management Score					
	2005	2009					2005	2009				
	LA	All	LA	Fire	Police	PCT	LA	All	LA	Fire	Police	PCT
1	ST	ST	HR	N/A	HR	PM	PM	HR	HR	ST	N/A	RS
2	PM	PM	ST		CU	CU	EN	ST	ST	RP		PM$
3	EN	HR	PM		PM	ST	ST	PM	PM	LE		EN$
4	HR	RS	RS				RS	RP	CU			IN$
5	CU		EN				CU	EN	RP			HR
6	RS		CU				RP	CU	EN			
7	IN		RP				HR					
8	PH						PH					
9	RP						LE					
10	LE						RS					
11	RI											

Rank	Service Score						Corporate Assessment					
	2005	2009					2005	2009				
	LA	All	LA	Fire	Police	PCT	LA	All	LA	Fire	Police	PCT
1	PM	HR	HR	ST	HR$	N/A	PM	HR	HR	N/A	N/A	RS
2	ST	RS	ST	PM	LE$		ST	ST	PM			HR
3	EN	PM	CU	CU	CU		CU	RP	CU			PM
4	RP	ST	RS$				EN	PM $	ST			
5	RS		EN$				RP	EN $	RP			
6	HR						LE	LD	IN			
7	LE						IN					
8	CU						RS					
9	IN						HR					
10	RI											
11												
$ indicates joint rank												

These results suggest there are some summary factors more associated with organisational performance than others, in particular Strategy, Performance management and Human resources. Resources, Engagement and Leadership appear to play a lesser role although any one, or others, may take prominence.

The CPAR is an overall measure of performance including the PMS, SS and CA. These latter measures actually show a similarity in summary factors of most importance. For example, in Table 5.24, the summary factor ranked first for councils in 2005 for all three is Performance management and in 2009 is Human resources. For CPA in 2005 though Strategy is top whilst for 2009 it is the same as the three measures, Human resources. This also reinforces the view that the definition and measurement of performance is indeed a complex undertaking and it may 'just depend' (on a range of variables and understandings).

6. Results 2 – Comprehensive Area Assessment (CAA)

6.1 Introduction

CPA ended in 2008 and was replaced by the CAA. Unlike CPA the CAA formally assessed four local organisation types; councils, fire services, police forces and PCTs here given a CAA Rating (CAAR). In theory this provided a more coherent mechanism than CPA where the rated performance of the non-council organisations (police forces and PCTs) had to be converted from other measures to CPA equivalents.

Unfortunately, as the number of questionnaires returned in 2010 was much lower than 2005 and 2009 the analysis could not be done for police and PCTs as the numbers were too low. Appendix 5.1 shows the significant (p<0.05) correlations. Further appendices are referenced but are not necessary for immediate appreciation.

STRATEGY/POLICY/FINANCE/HRM

6.2 Hypothesis A1: That an organisation that has a high level of strategic direction will have higher performance than one that has a lower level.

Appendix 6.1 contains the statements testing this hypothesis. There were five statistically significant correlations; one for councils, one for fire services and three for all four organisation types combined. For councils it was *5.48 Extent performance management skews organisation's priorities* (-0.495**) and for fire services *4.5 Published organisational development strategy* (-0.641*). The three for all four organisation types combined were: *4.49 Extent of organisation focus on 'ends' rather than 'means'* (0.376*), *5.48 Extent performance management skews organisation's priorities* (-0.415**) and *5.49 Extent performance management measures things that matter* (0.344*). Since there are also relatively high correlations for some of the other statements on balance this hypothesis should be accepted.

6.3 Hypothesis A2: That an organisation that has a high level of strategic and service planning will have higher performance than one that has a lower level.

This hypothesis is closely related to that in the preceding section and is tested using 16 statements (Appendix 6.2). There were no significant correlations although some are quite high which might lead to acceptance of the hypothesis. On balance it may be more appropriate to suggest there is some indication.

6.4 Hypothesis A3: That an organisation with a high level of performance management will have higher performance than one that has a lower level.

This hypothesis is tested using 86 statements (Appendix 6.3). There were two significant correlations for councils: *5.48 Extent performance management skews organisation priorities* (-0.495**) and *11.3 Extent publishing performance data detrimental* (-0.397*). For fire services there were four significant correlations: 5.33 Range of qualitative and quantitative indicators (-0.672*), *5.63 Extent performance management has commitment top-level management* (0.672*) *5.43 Extent performance managed not just measured* (0.750*) and *12.35 Extent performance management sympathetic with organisational culture* (0.693*). For all four organisation types combined there were three significant correlations: *5.48 Extent performance management skews organisation priorities* (-0.415**), *5.49 Extent performance management measures things that matter* (0.344*) and *12.35 Extent performance management sympathetic with organisational culture* (0.324*). On balance this hypothesis should be accepted although there are apparent inconsistencies meriting further research. For example, the impact of management reviews (4.52) versus the use of techniques such as the EFQM EM (5.3), BSC (5.4) and TQM (5.5).

6.5 Hypothesis A4: That an organisation with a formal published organisational development strategy (ODS) will have higher performance than one without such an ODS

This hypothesis was tested using 29 statements (Appendix 6.4) of which one is significant for fire services; *4.5 Published organisational development strategy* (-0.641*) and one for all organisations combined; *12.5 Extent to which organisation has a blame culture* (-0.369*). It is not clear why a published ODS (4.5) should be negative, this is the reverse of the results for CPA where all the results were positive. Although there are some quite high correlations on balance this hypothesis cannot be accepted from these results.

6.6 Hypothesis A5: That an organisation that uses proprietary performance management software will have higher performance than an organisation that uses none or its own software.

There was no significant correlation ($p<0.05$) for the extent to which such proprietary software delivers higher performance and CAAR (Appendix 6.5), which is as for CPA. This hypothesis is therefore rejected.

6.7 Hypothesis A6: That an organisation that involves employees more in performance management will have higher performance than an organisation that involves employees less.

Seven statements assess this hypothesis (Appendix 6.6). There is one significant correlation; for councils 4*.22 Extent of front-line employee involvement in service planning* (0.423*) which offers some support for the hypothesis, as do other statements (*4.41 Organisation focuses on employees* and *10.5 Extent use of employees' knowledge in performance management*), which is therefore accepted.

6.8 Hypothesis A7: That an organisation that uses the BSC/EFQM/TQM/MBO/Benchmarking/Strategy mapping will have higher performance than an organisation that does not.

There were no significant correlations (Appendix 6.7) although those for *5.3 Use EFQM EM or variant* and *5.5 Use Total Quality Management* were highest. The correlation could not be calculated for 5.6 *Use Benchmarking* because it was used by all organisations. On the basis of these results the hypothesis should be rejected but, as previously, it seems as though some techniques appear to have greater impact than others.

6.9 Hypothesis A8: That an organisation that is more innovative will be higher performing than an organisation that is less innovative.

Innovation is tested using the statements in Appendix 6.8. One of these is significant and for all organisations combined: *12.32 Extent of inclination for experimentation within organisation* (0.349*). Although, not significant many of the other correlations are fairly high and so on balance this hypothesis should be accepted.

6.10 Hypothesis A9: That an organisation that has a higher level of citizen/service user focus will be higher performing than one that focuses on citizens/service users less.

This hypothesis is assessed by 12 statements (Appendix 6.9) of which none are statistically significant. Given the strength of the coefficients the hypothesis should be rejected.

PERFORMANCE MANAGEMENT

6.11 Hypothesis B1: That an organisation with a comprehensive approach to employee appraisal will have higher performance than an organisation with a less comprehensive approach.

Thirteen statements (Appendix 6.10) test this hypothesis. None of the correlations are significant, although some are quite large such as *5.25 Appraisal competency based*. On balance this hypothesis should be rejected.

6.12 Hypothesis B2: That an organisation that heavily involves service departments in service planning and performance management is higher performing than an organisation that involves them less.

None of the seven statements (Appendix 6.11) are statistically significant although again there are a number fairly high, for example *4.23 Level of departmental involvement in developing service planning*. However, on the basis of all the statements the hypothesis should be rejected.

ADMINISTRATION

6.13 Hypothesis C1: That an organisation that exhibits a higher level of decentralisation will be higher performing than one that is more centralised.

Eight statements (Appendix 6.12) are used to test this hypothesis. Again, none of these have a significant correlation with CAAR, although many of the highest coefficients are negative. Interestingly, *6.6 Consistency of the level of practices/routines* is quite high and positive suggesting an organisation-wide (corporate) approach for certain activities is likely to be beneficial. On balance this hypothesis should be rejected, as it was in the CPA analysis.

6.14 Hypothesis C2: That an organisation with a higher level of decentralised service planning will be higher performing than one with a lower level.

The statement in Appendix 6.13 is not significant with CAAR and so the hypothesis should be rejected. Although, the coefficient is negative perhaps suggestive of the need for central direction and a framework to support the delivery of high organisational performance.

6.15 Hypothesis C3: That an organisation with a higher level of decentralised performance management will be higher performing than one with a lower level.

Two statements (Appendix 6.14) assess this hypothesis. None have a significant correlation with CAAR and so the hypothesis is rejected. The same comment as made for Hypothesis C2 may have some applicability here too.

6.16 Hypothesis C4: That an organisation with a consistency of rules and practices throughout will be higher performing than an organisation with less consistency.

There are no significant correlations (Appendix 6.15) although the largest is for *6.6 Consistency of the level of practices/routines* suggesting there may be some truth to this hypothesis although not sufficient for acceptance.

LEADERSHIP

6.17 Hypothesis D1: That an organisation that exhibits a high level of political and managerial leadership will be higher performing than one that shows a lower level.

As noted in the CPA analysis the statements on probity (4.45) and governance (6.9) are included because it is felt the results for these will depend to a significant extent on leadership and indeed there would appear to be a similarity of correlations supporting this contention. There is one significant correlation and it is for fire services: *7.2 Level of political leadership in organisation* (-0.709*). The coefficient is also quite high for fire services *for 4.45 Extent to which probity is valued* although not for councils (Appendix 6.16). The hypothesis is not accepted.

6.18 Hypothesis D2: That an organisation where officer leadership is more pronounced than that from the politicians will be higher performing than one where the reverse is the case.

Statement *7.2 Level of political leadership in organisation* (-0.709*) also appears in Appendix 6.17 and is the only significant correlation and for fire services. It is not clear why a high level of political leadership should appear to equate to lower organisational performance. There seems to be no impact for councils. The result is the opposite from the 2005 and 2009 surveys. The hypothesis is not accepted.

RESOURCES

6.19 Hypothesis E1: That an organisation with a higher level of resources will be higher performing than an organisation with a lower level

Twelve statements test this hypothesis (Appendix 6.18). There were no significant correlations although the highest for councils was *8.13 Quality of organisation's physical infrastructure*, which mirrors the finding for the CPAR, previously considered. This was also the highest correlation for fire services although in this case negative. There appears to be some relationship between resources and organisational performance (for example, *8.18 Extent of budgetary slack in the organisation*), although not sufficient to accept the hypothesis.

6.20 Hypothesis E2: That an organisation with a relatively higher level of resources devoted to activities at the centre than in services will be higher performing than an organisation with the reverse.

Building on the previous hypothesis (E1) we now consider this hypothesis tested by six statements (Appendix 6.19) with none significant. The strongest and most consistent is *8.11 Level of resources to do performance management in service departments* suggesting there may be some support but on its own, with the coefficients exhibited, not sufficient to accept the hypothesis.

6.21 Hypothesis E3: That an organisation with a higher level of resources spent on service planning will be higher performing than an organisation that spends less.

Three statements (Appendix 6.20) test this hypothesis with none significant. *8.12 Extent information available for corporate/ service planning* suggests information may be important for service planning but insufficient to accept the hypothesis.

6.22 Hypothesis E4: That an organisation with a higher level of resources spent on performance management will be higher performing than an organisation that spends less.

Three statements (Appendix 6.21) consider the impact of the level of resources used in performance management on performance. No statements are significant, with *8.11 Level of resources to do performance management in service departments* being the strongest. Again, the results are suggestive but insufficient to allow acceptance of the hypothesis.

6.23 Hypothesis E5: That an organisation that has well trained and motivated employees will be higher performing than an organisation whose employees are less well trained and motivated.

The statements in Appendix 6.22 evaluate this hypothesis. There are two significant correlations both for *4.14 Extent to which training improves organisation's performance* at -0.611* for fire and -0.305* for all organisation types combined. The results for the other statements show a positive direction and are fairly high, especially *8.3 Extent to which employees are well trained* and *8.4 E131 Level of motivation displayed by employees*. It is not clear why *4.14 Extent to which training improves organisation's performance* is negative. In the CPA analysis the coefficient was positive for all four measures for councils and fire excepting for CPAR for the latter. It was also negative in the case of PCTs for CPAR and SS although none of these were significant. The correlations suggest this hypothesis should be accepted.

6.24 Hypothesis E6: That an organisation where resources follow priorities will be higher performing than one where resources are allocated historically and not prioritised.

Two statements test this hypothesis (Appendix 6.23). The correlations are not significant. All, but one, being negative contradicts the results for 2005 and 2009 with CPAR, although the coefficients are quite low. The hypothesis should be rejected.

6.25 Hypothesis E7: That an organisation that uses ICT more will be higher performing than an organisation that uses it less

ICT is often seen as important in terms of performance and five statements test this. Appendix 6.24 shows no significant correlations, although those for *8.8 Use of ICT in the organisation* are quite high. This mirrors the CPAR results, excepting in 2009 for councils the coefficients were somewhat lower. Although there are no significant correlations, given the relatively high coefficient for 8.8 Use of ICT in the organisation, it is suggested, as for CPA, this hypothesis should be accepted using CAA also.

STAKEHOLDERS AND PARTNERSHIPS

6.26 Hypothesis F1: That an organisation that more actively engages with auditors, inspectors and other stakeholders will have higher performance than an organisation that has a lower level of engagement.

This hypothesis is tested using 17 statements (Appendix 6.25). There are no significant correlations with most being fairly low. Exceptions are 9.*25 Extent partnerships making strategies more meaningful* and *9.6 External auditors supportive of organisation* and *9.18 Extent of use of internal networks by organisation.* Again, 9.*25 Extent partnerships making strategies more meaningful* shows negative correlations whereas for the CPAR in both 2005 and 2009 the result was strongly positive, and statistically significant, for councils and fire services. Indeed many of the statements had stronger correlations for CPA than for CAA. This could be due to something having changed in the organisations and/or the national framework or CAA was actually measuring some things differently to CPA. Certainly, the area nature of CAA made the 'assumption' of partnership working perhaps more explicit than under CPA. On the basis of these results the hypothesis should be rejected.

6.27 Hypothesis F2: That an organisation that has outsourced more services (by cost) will be higher performing than an organisation that has outsourced less (by cost).

Three statements test this hypothesis (Appendix 6.26) and none are significant. The correlation for fire services for *9.2 Outsourced any customer services* is quite high, although it is unclear what this means when the other statements are considered. The hypothesis should be rejected.

6.28 Hypothesis F3: That an organisation that has greater involvement of stakeholders and citizens in performance management will have higher performance than an organisation that has lower involvement.

Twelve statements (Appendix 6.27) assess whether an increased involvement of stakeholders in performance management results in higher performance. There are no significant statements with a rather mixed picture, so this hypothesis should be rejected.

COMMUNICATION

6.29 Hypothesis G1: That an organisation that has a higher level of communication will be higher performing than an organisation that has a lower level

Five statements (Appendix 6.28) test this hypothesis. There is one significant correlation with *10.1 Extent organisation's relationship with media is good* (0.694*)

but for councils there appears to be almost no effect. Although there are some relatively strong correlations on balance the hypothesis should be rejected.

REPORTING PERFORMANCE

6.30 Hypothesis H1: That an organisation that has a higher level of performance reporting will be higher performing than an organisation that has a lower level of reporting.

Seven statements (Appendix 6.29) test this hypothesis. There is a single significant correlation, *11.3 Extent publishing performance data detrimental* (-0.397*), which is for councils. This does not support the acceptance of this hypothesis, although there is a hint publishing internally may be more beneficial than publishing externally.

ORGANISATIONAL CULTURE

6.31 Hypothesis I1: That an organisation with a high supportive and learning culture that encourages innovation and non-blame will be higher performing than one where this kind of culture is less so.

Appendix 6.30 contains 36 statements testing this hypothesis. There were two significant correlations for councils: *12.14 Extent to which officers and politicians have distinct and clear roles* (0.470*) and *12.30 Extent of learning from private sector* (0.468*). There were also two significant statements for fire services: *12.8 Level of 'good' ethical behaviour* (0.750*) and *12.35 Extent performance management sympathetic with organisational culture* (0.693*). These four were also significant for all organisation types combined 12.14 (0.380*), 12.30 (0.336*), 12.8 (0.376) and 12.35 (0.324*). In addition *12.5 Extent to which organisation has a blame culture* (-0.369*) and *12.32 Extent of inclination for experimentation within organisation* (0.349*) were also statistically significant for all organisation types combined. There are also some relatively high, if non-significant (p<0.05), correlations supporting the hypothesis. For example, *12.22 Extent of barriers to cooperation between service areas* and *12.23 Extent of barriers to cooperation between centre and service areas* are both negative suggesting fewer barriers leads to higher organisational performance. The hypothesis should be accepted.

6.32 Hypothesis I2: That an organisation where power is more diffused throughout the organisation will be higher performing than an organisation where power is more concentrated.

Four statements (Appendix 6.31) assess the extent to which the diffusion of power throughout an organisation leads to higher performance. None of these statements

are significant and there seem to be differences between councils and fire services for all except *7.4 Level of empowerment of officers*. On this evidence the hypothesis should be rejected.

In summary statements significantly associated with organisational performance, as assessed by CAA, are training improving performance, a focus on ends rather than means, measuring what matters, having a range of qualitative and quantitative indicators and the active management of performance. Also important are top-management commitment to performance management, political leadership, a good relationship with the media, the lack of a blame culture, good ethical behaviour and learning from others.

The next section puts the statistically significant statements through a PCA to establish an order of effect of summary factors contributing to organisational performance.

6.33 Principal Component Analysis

A PCA using oblimin rotation has been undertaken using IBM SPSS Statistics 20 utilising the correlations significant to $p<0.05$. A number of runs were carried out to explore the data. The number of components extracted was determined by the default eigenvalue of one with the scree plots being examined to consider further. In terms of the pattern matrix a value of 0.40 was chosen for consideration.

A PCA could only be undertaken for all four organisation types combined, councils and fire services. As for the CPA PCA analysis, the 11 summary factors will be used: Strategy, Human resources, Performance management, Resources, Engagement, Innovation, Physical infrastructure, Leadership, Culture, Risk and Reputation. As noted previously there is, invariably, an element of overlap between these summary factors reflecting the nature of organisational performance.

6.34 PCA for 2010 Survey with CAA Rating

The first PCA was for all organisation types combined. The resulting SPSS Total Variance Explained is reproduced at Appendix 6.32, truncated to show the three components extracted explaining 63.819% of the variance with a determinant of 0.060. The KMO was 0.686 and the result is significant. There were 63.0% of non-redundant residuals with absolute values >0.05. Table 6.1 shows Culture and

Strategy ranked joint first followed by Performance management. Culture is placed first by virtue of the addition of the second component.

Appendix 6.33 shows the SPSS Total Variance Explained extract, for councils, truncated to the two components extracted explaining 75.962% of the variance and the determinant was 0.132. The KMO was 0.526 and the result is significant. There were 70.0% of non-redundant residuals with absolute values >0.05. In Table 6.2 five summary factors are identified with Performance management ranked first by the addition of component two. Reputation and Strategy are joint second with Culture and Engagement joint third.

Table 6.1: Contribution to organisational performance by various summary factors in 2010 for all four organisation types combined as measured by CAA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Culture	1, 2	2.988 (2.338)
Strategy	1	2.988
Performance management	2	2.338
Human resources	3	1.144
Engagement		
Innovation		
Leadership		
Physical Infrastructure		
Reputation		
Resources		
Risk		

Table 6.2: Contribution to organisational performance by various summary factors in 2010 for councils as measured by CAA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Performance management	1,2	2.231 (1.190)
Reputation	1	2.231
Strategy	1	2.231
Culture	2	1.190
Engagement	2	1.190
Human resources		
Innovation		
Leadership		
Physical Infrastructure		
Resources		
Risk		

Finally, Appendix 6.34 shows the SPSS Total Variance Explained, for fire services, truncated to show the two components extracted explaining 73.720% of the variance and the determinant was 0.00006381. The KMO was 0.646 with a significance of 0.723 so not meeting $p<0.05$. There were 72.0% of non-redundant residuals with absolute values >0.05. Table 6.3 ranks the summary factors for fire services and CAAR with Human resources and Performance management joint first by virtue of the contribution of component two. Leadership and Reputation are joint second with Culture third.

Table 6.3: Contribution to organisational performance by various summary factors in 2010 for fire services as measured by CAA Rating

Summary factor	Components included (sub-factors)	Strength of contribution
Human resources	1, 2	4.571, 3.747
Performance management	1, 2	4.571, 3.747
Leadership	1	4.571
Reputation	1	4.571
Culture	2	3.747
Engagement		
Innovation		
Physical Infrastructure		
Resources		
Risk		
Strategy		

Although, there are statistical issues with the PCAs they have a consistency as shown by Table 6.4 with Performance management, Reputation and Culture being shared by councils and fire services.

For all four organisation types together Culture and Strategy are joint first followed by Performance management and then Human resources. Adding the components together in each summary factor does not change the order for all organisation types combined; Culture is ranked first and Strategy second (i.e. not now joint first rank). For councils Performance management is ranked first on its own with Reputation and Strategy joint second. There is no change for fire services.

Table 6.4: Rankings of summary factors for CAA Rating by loading of the strongest component only

Rank	All organisations	Councils	Fire services
1	Culture $	Performance management $a	Human resources $
2	Strategy $	Reputation $a	Performance management$
3	Performance management	Strategy $a	Leadership$
4	Human resources	Culture $b	Reputation$
5		Engagement $b	Culture
$, $a, $b denotes ranked jointly			

7. Results 3 – BVPP Content Analysis 'Can the content analysis of a corporate document be used to determine the performance of the organisation that produced it?'

7.1 Introduction

The hypothesis is the content, and 'quality' of the content, of a council's BVPP is positively associated with their score achieved in CPA awarded by the Audit Commission.

7.2 Background

The requirement for councils to publish a BVPP was part of the BV regime introduced to replace CCT (see Martin and Hartley, 2000 and Martin and Davis, 2001 for a discussion). Russell Barter (1999) reviewed the early experiences within eight councils of their BVPPs. She noted authorities had adopted a variety of approaches to content and presentation within a 'hierarchical' template. This template contained vision, priorities, performance information (both targets and actual performance) and service specific plans. Boyne (2000) identified BVPPs as one of the internal management processes intended to produce continuous improvement in performance.

The Audit Commission reported on lessons from early BVPPs including performance information, managing performance, involving councillors, aspects of consultation, challenge and to retain a focus on service delivery (Audit Commission, 2000b, p. 34). BVPPs therefore contained some content by law but authorities had some latitude. The BVPP was audited by the authority's external auditor (see Percy, 2001 for a discussion of auditing) to ensure it complied with legislation. Additionally the BVPP was a key document for use by inspectors in CPA.

Boyne, Gould-Williams and Law et al (2002b) evaluated Welsh BVPPs from the point of view of the quality of information contained and accountability to stakeholders and the needs of various users. They concluded few of the BVPPs contained relevant data. The principal reasons given for this were a lack of PIs prior to BV and the limited expertise of officers in performance management. Over the years since their introduction, it is clear the BVPP is less of a document for the public (as originally intended – a mantra was '…the duty of BV owed to local people') and more for government, auditors, inspectors, partners and internal use.

BVPPs were required to contain data for the full suite of BVPIs including some measures of satisfaction supplemented with local PIs. However, Boyne, Gould-Williams and Law et al (2001) suggested councillors needed to become more involved in BV by, for example, using data published in BVPPs to hold managers to account.

Ryan, Stanley and Nelson (2002) noted, in the Australian context, the quality of reporting by local government improved over time but there were gaps in the information reported, including performance data. In addition their results indicated a correlation between the size of the local authority and the quality of reporting but quality is not correlated with the timeliness of the reports. Still in Australia, Mack and Ryan (2004) noted the increased emphasis on performance and accountability over the past 25 years has led to the increased prominence of the annual report. However, as in Britain, the requirement for local government to produce such a report arose from legislation. The results of their research indicated the annual report as an important source of information for many stakeholders, although the importance varied.

Steccolini (2004) found, for Italian local government, annual reports are designed to comply with detailed statutory requirements and are used mainly by internal stakeholders. In the case of New Zealand, Thompson (1995) suggests the essential requirements for a service performance report: a linked hierarchy of objectives and a clearly stated reliable and appropriate set of PIs for assessing those objectives have been difficult to achieve. He attributes this to the lack of know-how to make it work.

Bart, Bontis and Taggar (2001) considered the impact of mission statements on firm performance in North American corporations. It was found mission statements can affect firms' financial performance but this was most evident through positive employee behaviour. The mission (or vision) statement within the remit of strategic or corporate planning is often found in BVPPs and was made one of the assessment criteria.

The use and usefulness of performance measures in the public sector is considered by Propper and Wilson (2003). They quote Kravchuk and Schack (1996), with approval, as regards ten design principles for an effective performance

measurement system. These include having a clear coherent mission, develop an explicit measurement strategy, involve key users and avoid excessive aggregation of information. Rutherford (2000) considers practices of reporting may undermine desirable factors of PIs, such as being understandable, comparability and perceived importance. This work is useful for consideration of how it may well translate across to the components of BVPP content.

7.3 Results

The individual criteria scores were scored by the researcher on a scale of zero to five for each BVPP using a template (Appendix 4.2). From this the total percentage score was calculated for each council. In addition it was hypothesised those authorities rated more highly in CPA would have a relatively larger number of criteria scoring four and five and those authorities rated lower would have a relatively high number of criteria scoring zero and one. Appendix 4.3 contains the overall total percentage scores, the highest being for Dorset County Council at 90% and the lowest Kingston-upon-Hull City Council at 18%.

Appendix 7.1 shows the Pearson correlations for the 21 criteria with the four CPA measures. Of the 21 criteria ten have significant correlations with CPAR, nine with PMS, nine with SS and seven with CA (p<0.05). For CPAR the strongest correlation is with priority PIs being shown, for PMS it is prioritisation is evident, with SS as for CPAR (priority PIs) and for CA, a selection of local PIs included. A paper reported these results to the BAM conference in 2012 (Goodchild, 2012).

A PCA using varimax rotation was undertaken using CPAR and the 21 criteria. This converged in 13 iterations producing six components explaining 62.33% of the variance (Appendix 7.2).

The first component explaining 16.8% of the variance is strategy (for example having a mission/vision statement) or corporate planning (including prioritisation of objectives). This is understandable since having a strategic approach would tend to emphasise the corporate nature of the organisation and reduce the tendency for ‘silo’ working. The second component, explaining 11.0% of the variance, is reviewing including BV reviews of services and review of the strategy, including the link with the community strategy. Again, it was important under BV and CPA that authorities’ critically considered their services and the strategic fit. The third component, explaining 10.4% of the total variance, is concerned with planning

below the strategic level; so service planning including the involvement of employees and associated performance management. It can be appreciated how this service planning neatly follows on from corporate planning, where top level objectives and priorities are decided, feeding down into service plans to be supplemented by service objectives and indicators.

The fourth component, explaining 9.4% of the total variance, is 'analysis' including the reasons for performance variances and the use of comparative data. The level of analysis will be important in the authority for learning as to the effectiveness of its strategic direction and decisions, planning and operations and may influence the allocation of resources, for example to effect service improvement. The fifth component, explaining 8.3% of the variance, concerns the use of local performance indicators (LPIs), other than national PI sets and linked to prioritisation. Thus, having a selection of LPIs may have provided additional focus and prioritisation, with enhancement to analyses produced, aiding strategic and service understanding. The sixth component, explaining 6.4% of the variance is HR, including leadership. This links with the previous five components in having a strategy providing direction feeding through to service delivery through the planning process.

Figure 7.1: Diagrammatic representation of the PCA showing the top six components explaining 62.3% of the variance for BVPP content and CPA Rating

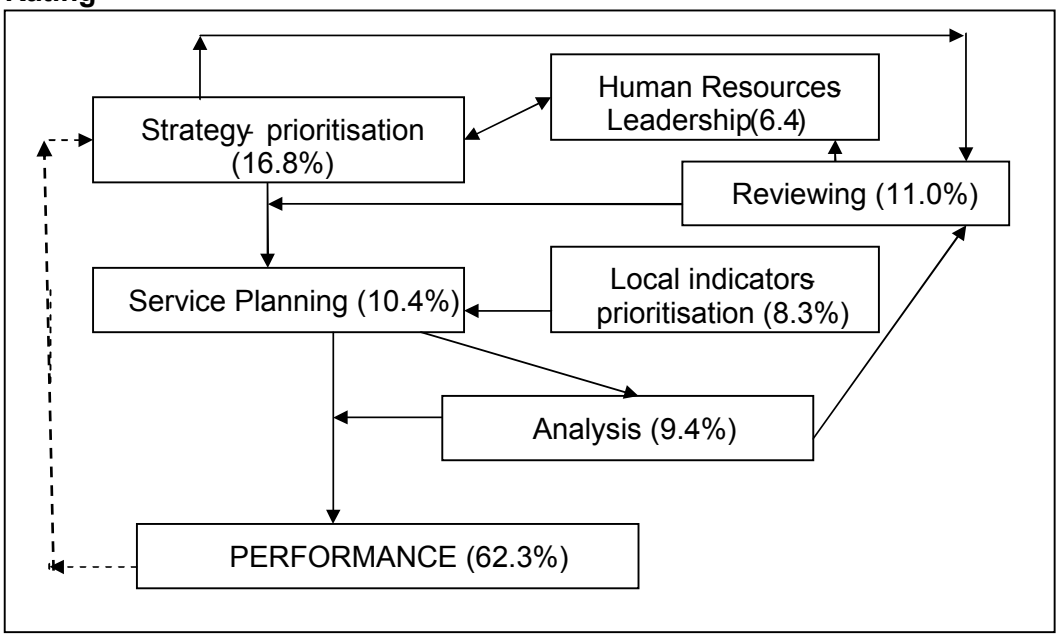


Figure 7.1 illustrates the PCA results with the arrows showing *possible* influences. Thus strategic decisions (Strategy – prioritisation) feed service planning. HR and leadership are important in ensuring employee involvement and commitment thus creating appreciation. Reviewing is important to test whether the strategy and service plans are delivering the required results, and suggesting possible alternative approaches.

Table 7.1 shows the average percentage score by CPAR for all authorities. It also shows the average percentage score, only counting those criteria scoring four and five (high scores) and zero and one (low scores). The table shows there is an increase in percentage score moving from poor to excellent in CPAR. The same applies for the percentage of criteria scoring four and five. Conversely excellent rated authorities have the lowest percentage of criteria scoring zero and one.

Table 7.1: BVPP content analysis by local authority CPA Rating

CPA Rating	**Total %**	**4 & 5 %**	**0 & 1 %**
Excellent	55%	42%	29%
Good	48%	32%	31%
Fair	44%	31%	39%
Weak	38%	23%	48%
Poor	35%	17%	50%
All	***46%***	***31%***	***37%***

Figure 7.2 shows the graph produced using Excel and the Pearson correlation (p<0.001) for CPAR and BVPP percentage score.

Table 7.2 shows the Pearson correlations produced using SPSS for the total percentage, the percentage scoring four and five and the percentage scoring zero and one for the same data (CPAR). Note the percentage content analysis score for criteria scoring zero and one is inversely correlated with a higher CPAR as expected. As well as CPAR the table also shows the content of BVPPs is correlated (p<0.01) with PMS, SS and CA (Appendix 7.3).

Figure 7.2 CPA Rating against BVPP content analysis percentage

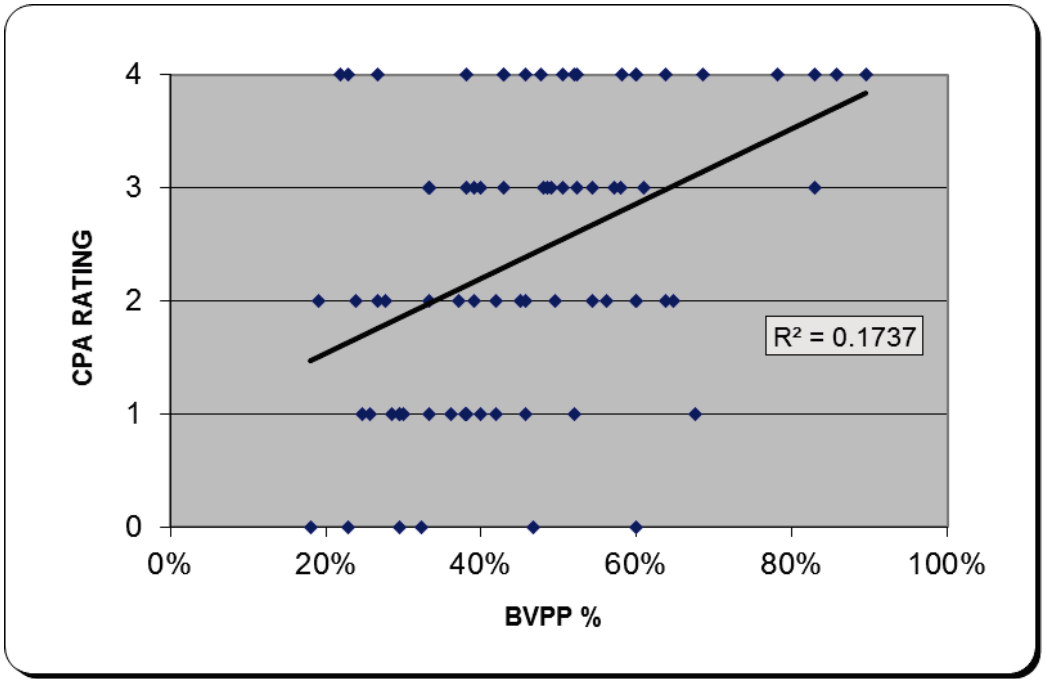


Table 7.2: BVPP content analysis correlations

	Total Percentage	Scoring 4 or 5	Scoring 0 or 1
CPA Rating	0.433**	0.379**	-0.409**
Performance Management Score	0.332**	0.329**	-0.302**
Service Score	0.351**	0.341**	-0.317**
Corporate Assessment	0.366**	0.323**	-0.350**
** p<0.01 level (2-tailed)			

The strongest correlation is for the total percentage scored with CPAR (0.433**), followed by the percentage of criteria scoring zero or one (-0.409**). Indeed the strongest correlations for the three different analyses are with CPAR. This may not be surprising given this was the overall rating given to a council. The calculated percentage score from the CA is the next strongest correlation. The CPA methodology considered a council without a strong corporate approach would unlikely to be high performing. This reflects the fact councils are (Political) organisations providing a range of services, and so SS is the next strongest correlation. When we consider the criteria scoring four or five and zero or one and CPAR, it is interesting the strongest correlation is with the zero or one score. This

may suggest authorities lack some key attributes and given the CA correlation it may be corporate capacity is a significant issue (see Andrews and Boyne, 2011). The PMS appears to be somewhat counter-intuitive, although given the discussion in the literature as to whether it is the use of performance management producing high performing organisations or high performing organisations using performance management (Armstrong and Baron, 1998, p. 208) this may not be surprising.

8. Results 4 - Organisational Profiles

8.1 Introduction

The surveys asked organisations to mark their position on a chart between ten pairs of statements, after Kernaghan (2000, p. 93) and Kernaghan, Marson and Borins (2000, pp. 1-14 and 266-286). Kernaghan used the model (a bureaucratic/post-bureaucratic framework) to assess how far an organisation meets the tenets of NPM. He was thus able to compare different organisations such as privatised utilities and those remaining in the public sector or those organisations still in the public sector given greater freedoms. This organisational profile concept can also be used to assess how organisations moved over time. The pairs of statements are:

- Organisation Centred to Citizen Centred
- Position Power to Leadership
- Rule Centred to People Centred
- Independent Action to Collaboration
- Status-Quo Oriented to Change Oriented
- Process Orientated to Results Oriented
- Centralisation to Decentralisation
- Departmental Form to Non-Departmental Form
- Budget Driven to Revenue Driven
- Monopolistic to Competitive

In the survey these statements were scored by the respondents on a (relative) scale of one to ten. An organisation exhibiting post-bureaucratic characteristics would tend to score more highly against the statements. Also it would be expected an organisation moving its practices in line with NPM would tend to increase its scores over time. Increased use of performance management and associated practices is generally considered one of the defining characteristics of NPM. It has been argued the modernisation agenda of local government, which began strongly in the late

1970s and arguably accelerated sharply under the Labour Government from 1997 (BV and then CPA), is a particularly strong example of NPM. Other parts of the public sector, including other local public services, were also subject to the same influences. For example, Andrews (2010b) suggests that modernisation of the fire service in England did indeed improve performance, especially noting the introduction of the Integrated Personal Development System and Integrated Risk Management Plans.

Table 8.1: Modes of control and management arrangements (Flynn, 2002)

Mode of control	Strategy	Organisational form	Performance management
Bureaucracy	Compliance with law and instructions	Hierarchy and stability	Conformance to procedures
Professional	Compliance with standards	Flat. Distinction between professionals and others	Peer review
Management	Rational, hierarchical planning	Accountability, relatively autonomous units	Management by objectives
Markets	Market positioning, based on cost and quality	Profit centres, flexible structures	Profit and loss accounts and contribution performance
Audit and inspection	Compliance with current targets	Clear accountability	Conformance with procedures and comparative performance data
Outcomes and evaluation	Search for policy solutions	Flat, flexible, open	Outcome measurement-based
Collaboration	Search for strategic alliances and policy solutions	Boundary-less, links most important	Based on shared assessment of outcomes

It has already been noted, in line with NPM, public organisations are generally considered to be less bureaucratic and more market orientated than previously. Table 8.1 illustrates modes of control and the strategy, organisational form and performance management arrangements considered to apply (Flynn, 2002). This

is important since it potentially identifies the type of strategy depending on the internal and external environment, particularly the latter, the organisation operates in.

Martin and Bovaird (2004) have reported on a meta-evaluation of local government modernisation suggesting the performance of councils (in terms of service delivery) has improved and those originally rated poor and weak in CPA have improved the most, a finding supported by later work (Boyne, James and John et al, 2010). They especially identify leadership, performance management and devolution to frontline staff as strong drivers of improvement, supported by the research reported here.

The data available to test the overall hypothesis that a lower level of bureaucracy is associated with higher organisational performance covers the years 2000, 2005, 2009 and 2010. The 2005 survey asked respondents to complete the organisational profile as at that date but also do the same looking back to the year 2000. This needs to be borne in mind in interpretation as respondents may have assumed an increase in score was to be 'expected' given the explanation of the organisational profile. The data for 2000 and 2005 is for principal English, Scottish and Welsh councils. Since CPA did not apply in Scotland or Wales their data cannot be correlated with organisational performance but does provide a perspective given the differences between the three countries, in particular due to devolution. The data for 2009 and 2010 is for England only covering principal councils, fire services, police forces and PCTs. It is also necessary to consider the response rates to the surveys as the number returned for police and PCTs was very low in 2010.

From the data in the questionnaires means were calculated for each of the ten organisation factors for 2000, 2005 and 2009 by CPAR and graphed using Microsoft Excel 2013. CAA data was used for 2010 and in order to facilitate comparison the data for 2005 and 2009 also used a conversion to CAA Ratings (Table 8.2).

Table 8.2: Conversion of CPA Ratings to CAA Ratings

CPA Ratings	CAA Ratings
Poor (0)	Poor
Weak (1)	
Fair (2)	Adequate
Good (3)	Well
Excellent (4)	Excellent

PCA was calculated using varimax and oblimin rotation through IBM SPSS Statistics 20. Following Field (2013, p. 681), and the results of the PCA runs, as previously, it was concluded oblimin rotation better reflected the nature of the data.

The first hypothesis considered is an organisation higher for *all* of the organisation factors will be more 'post bureaucratic', more in-line with the principles of NPM and hence higher performing, since NPM is *meant* to improve all round performance.

8.2 Hypothesis J1: That an organisation that exhibits higher scores in the organisational profile will be higher performing than an organisation that scores lower.

Figure 8.1 shows the organisational profile for all organisation types combined for 2000, 2005, 2009 and 2010. In the statements the first term refers to a total score of one whilst the second refers to a total score of ten. For example, for the statement Organisation to Citizen Centred a score of seven is more citizen centred than organisation centred and so on. The 2000 and 2005 scores are for English councils only with 2009 and 2010 being all four types of organisation (councils, fire services, police forces and PCTs). The scores for 2000 stand out as being lower across the board for all ten statements. The profiles for 2009 and 2010 are virtually identical whilst 2005 has the highest scoring profile, although this shows the same profile shape as 2009 and 2010 except with a divergence for the last three statements. This starts at Centralised to Decentralised, being largest for the final statement Monopolistic to Competitive.

Figure 8.1: Organisational profiles for all organisation types combined 2000, 2005, 2009 and 2010

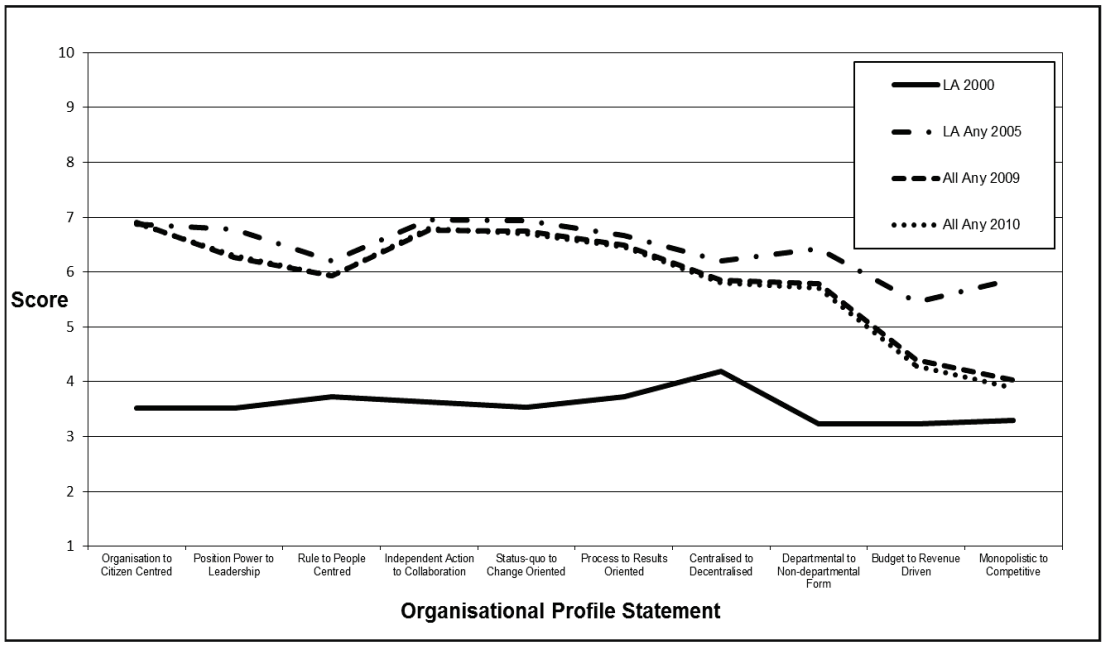


Figure 8.2 shows the organisational profiles for English councils for the four different years. As would be expected given Figure 8.1 the year 2000 stands out again as being different but this time the profiles for 2005, 2009 and 2010 are similar with 2009 showing the lowest scores for nearly all statements. The 2005 scores are generally between those for 2009 and 2010. The key point to note though is the range for each statement in these three different years is only around one point on a ten point scale.

Figure 8.3 shows the organisational profiles for English, Scottish and Welsh councils in 2000. The scores are low and all contained within about two (two to four) of the ten scales. The largest differences are for Organisation to Citizen centred, Independent action to Collaboration and Monopolistic to Competitive. The new Labour Government elected in 1997 replaced CCT with BV. Arguably this prompted a shift from a concentration on efficiency to effectiveness, considered in a discussion by Andrews and Entwistle (2013). There was also a divergence in policy and implementation between the three countries with the devolution of powers to Scotland and a lesser degree Wales so BV took different directions.

Figure 8.2: Organisational profiles for English councils 2000, 2005, 2009 and 2010

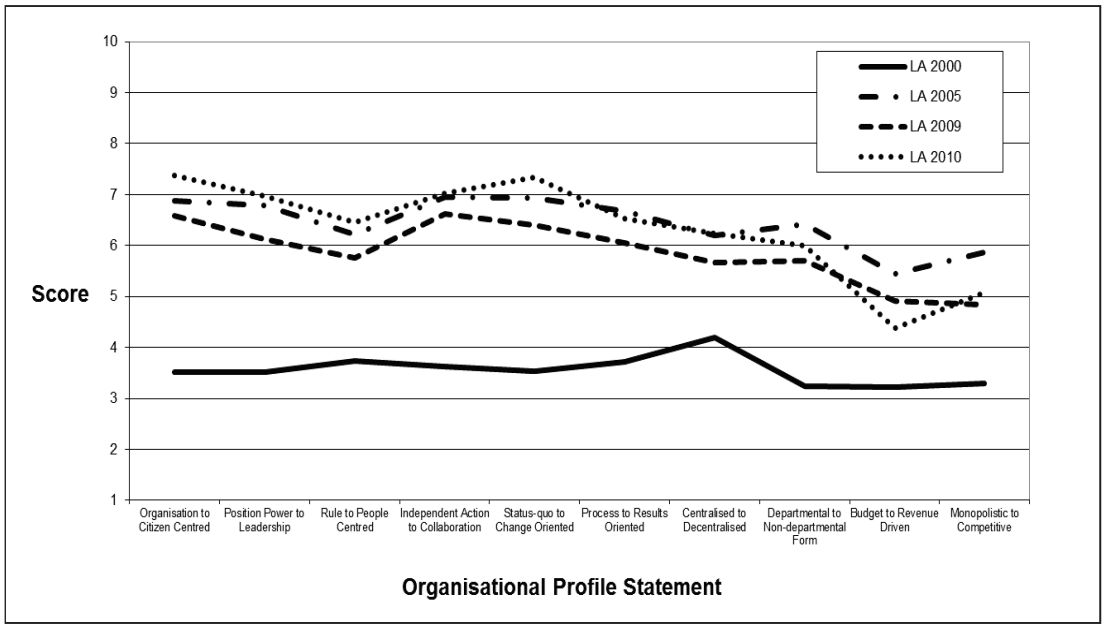


Figure 8.3: Organisational profiles for English, Scottish and Welsh councils 2000

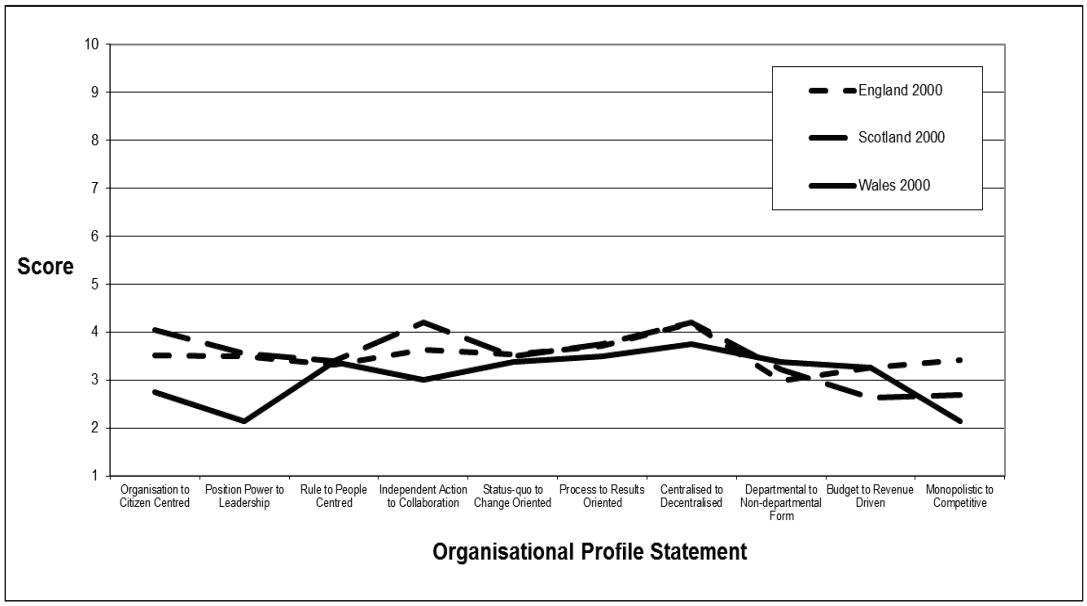


Figure 8.4 shows the organisational profiles for 2005. The profile scores for all three countries have increased over the 2000 scores, although, as stated previously, this is not unexpected given the methodology. However, for 2005 there is also a clear difference with England having a higher profile score across all statements than Scotland or Wales. Scotland is also higher than Wales for most statements. Again,

the range for each statement is about two scales but for all statements spread over three scales (four to seven), so rather more than for 2000.

Figure 8.4: Organisational profiles for English, Scottish and Welsh councils 2005

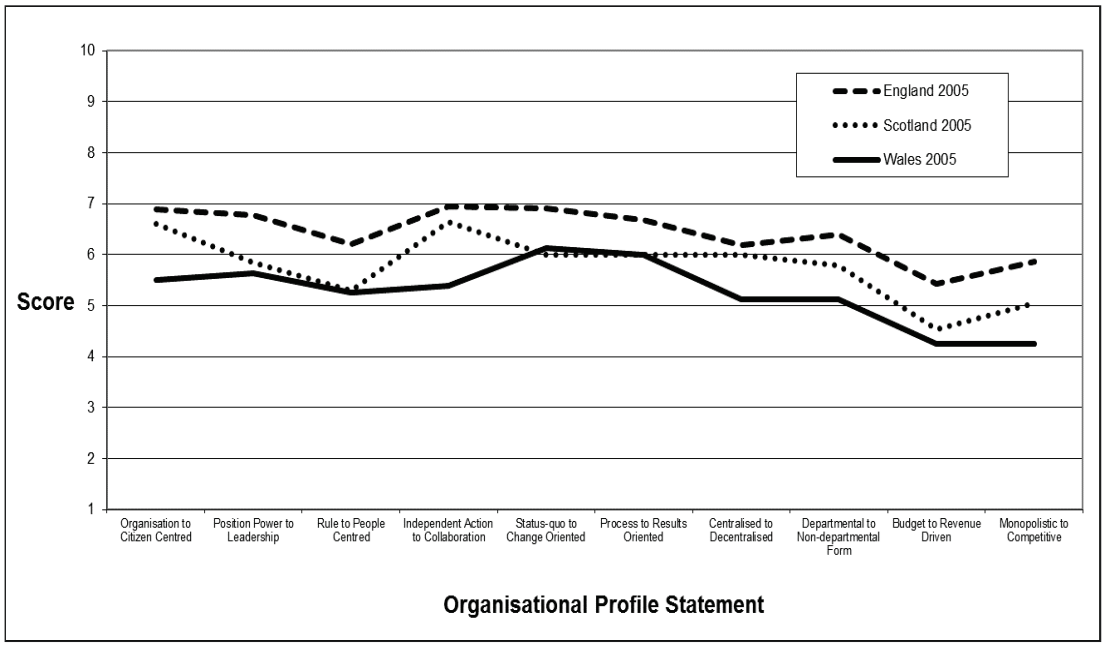


Figure 8.5: Organisational profiles for English councils 2000 and 2005

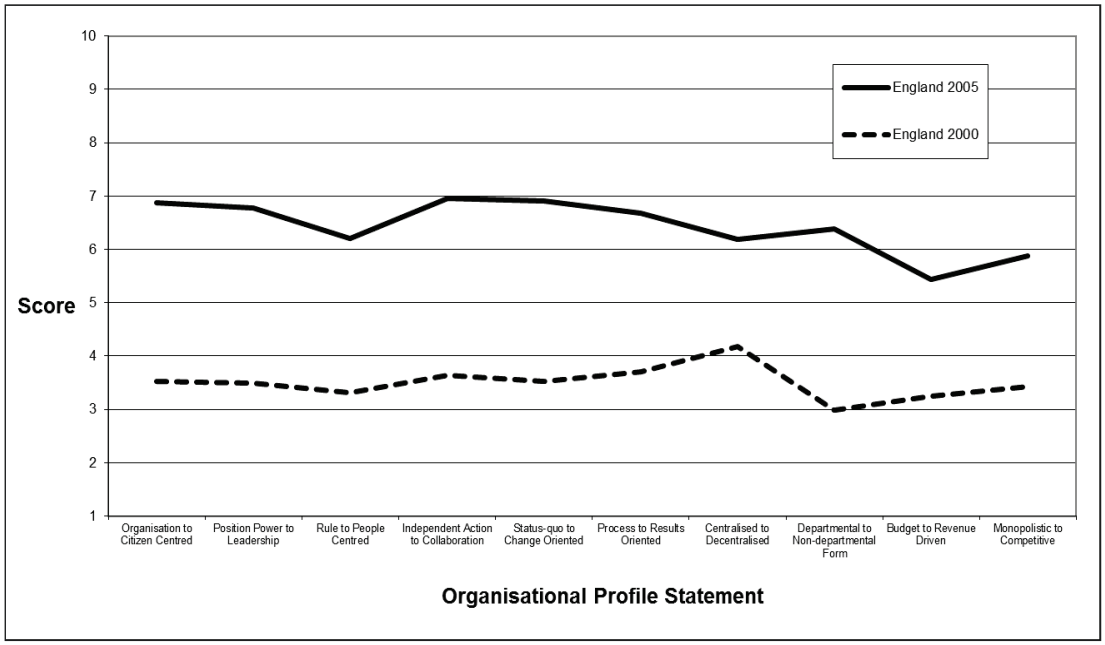


Figure 8.5 shows the data for English councils for 2000 and 2005 whilst Figure 8.6 shows the data for Scottish and Figure 8.7 for Welsh. Overall the gap between the scores for 2000 and 2005 is greater for England than for Scotland or Wales. In 2009 and 2010 data was collected for four types of local public service organisation and this data is presented next.

Figure 8.6: Organisational profiles for Scottish councils 2000 and 2005

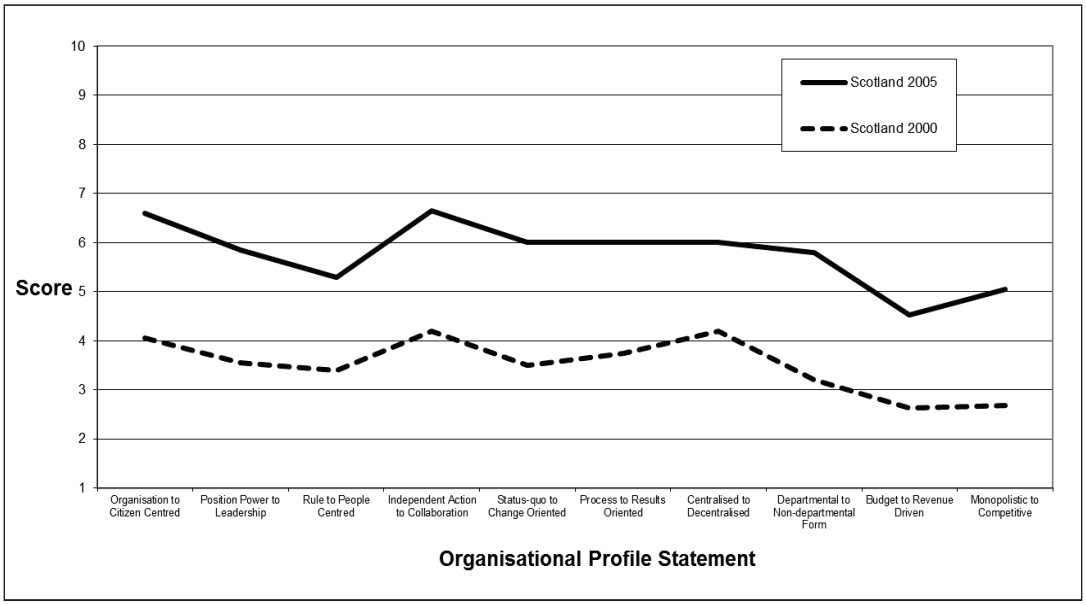
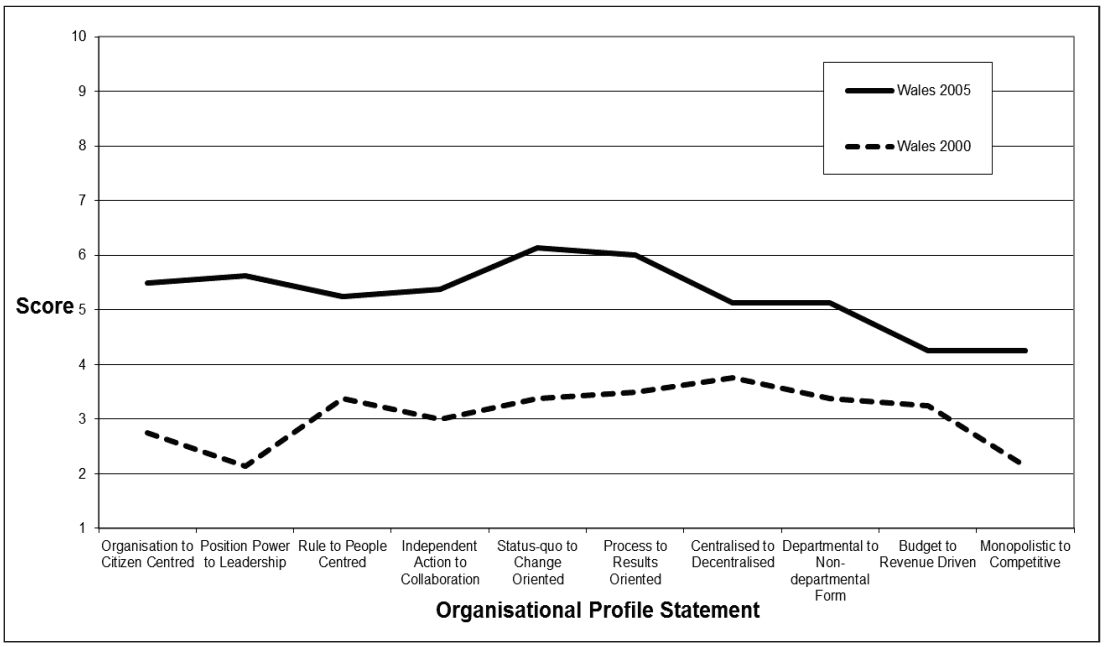


Figure 8.7: Organisational profiles for Welsh councils 2000 and 2005



Figures 8.8 and 8.9 shows the organisational profiles for the four types of organisation for 2009 and 2010 respectively. Taking 2009 first, the largest difference

is for the last two statements: Budget to Revenue driven and Monopolistic to Competitive, where police and fire have lower scores than councils and PCTs. This may be due to the nature of the services provided which are both effectively monopolies.

Figure 8.8: Organisational profiles for English councils, fire, police and PCTs for 2009

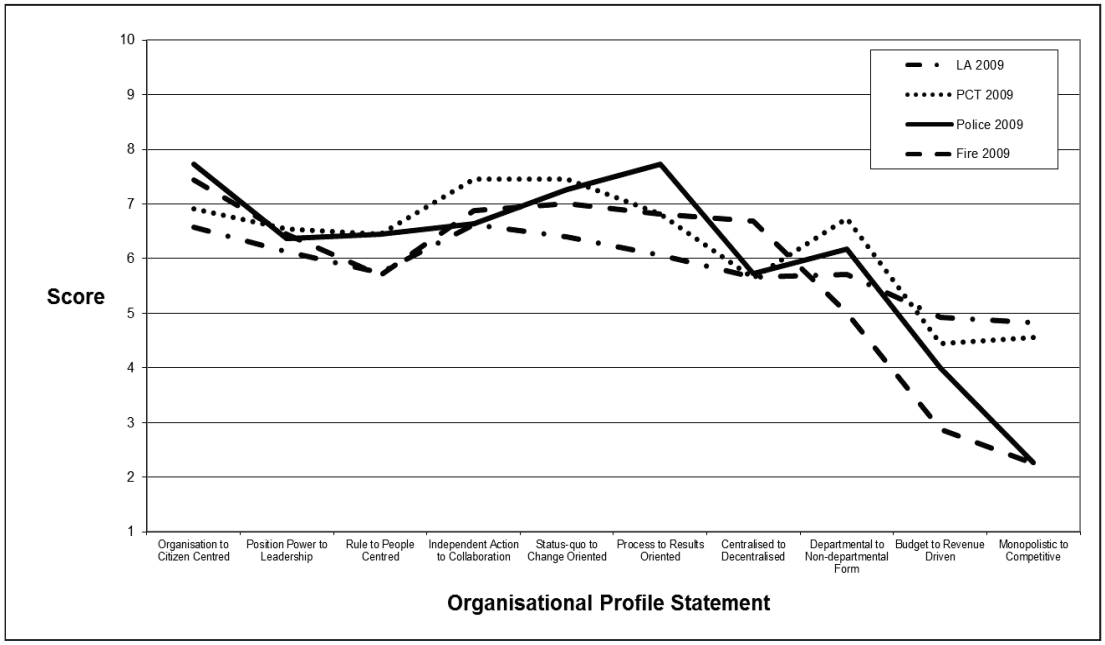
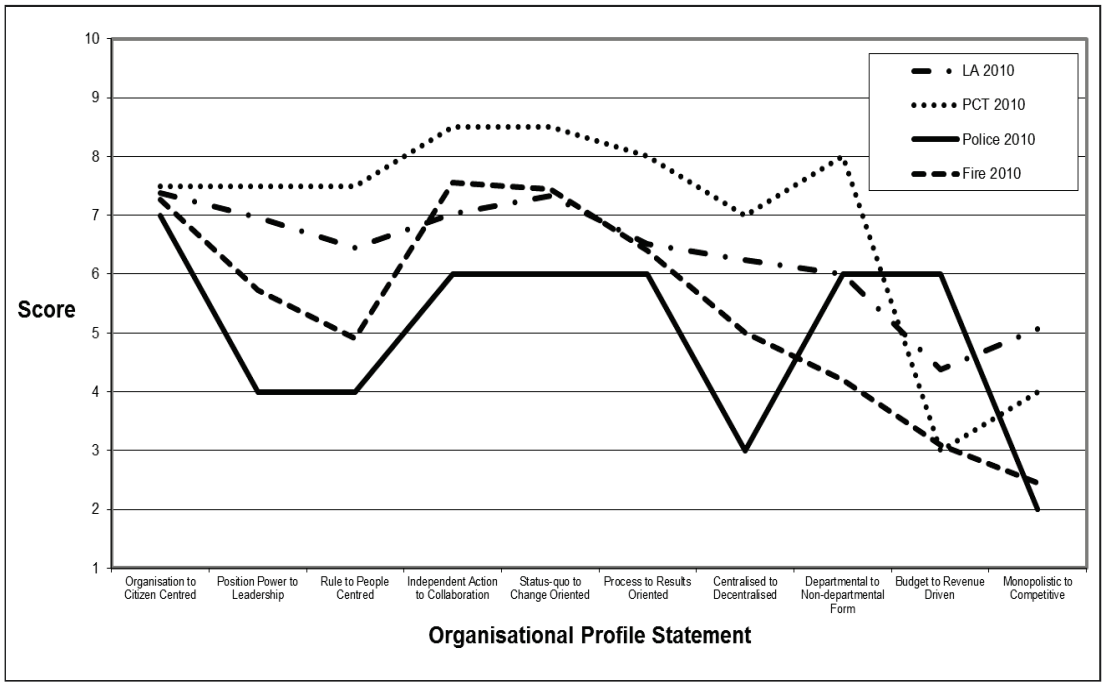


Figure 8.9: Organisational profiles for English councils, fire, police and PCTs for 2010



For 2010 (Figure 8.9) there is more variation although for the Police and PCT this is probably due to the small number of respondents. Interestingly the scores for Organisation to Citizen centred are virtually the same for all four organisation types. The largest ranges are for Position power to Leadership, Rule to People centred, Centralised to Decentralised and Departmental to Non-departmental form.

Figure 8.10: Organisational profiles for English councils, fire, police and PCT combined for 2009 and 2010

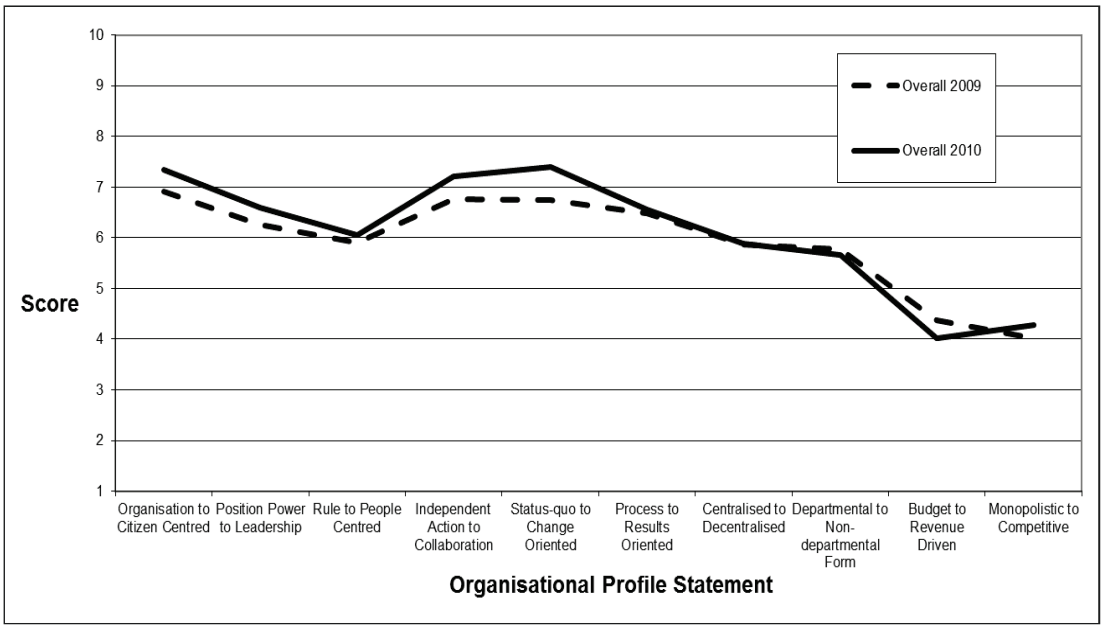


Figure 8.11: Organisational profiles for fire 2009 and 2010

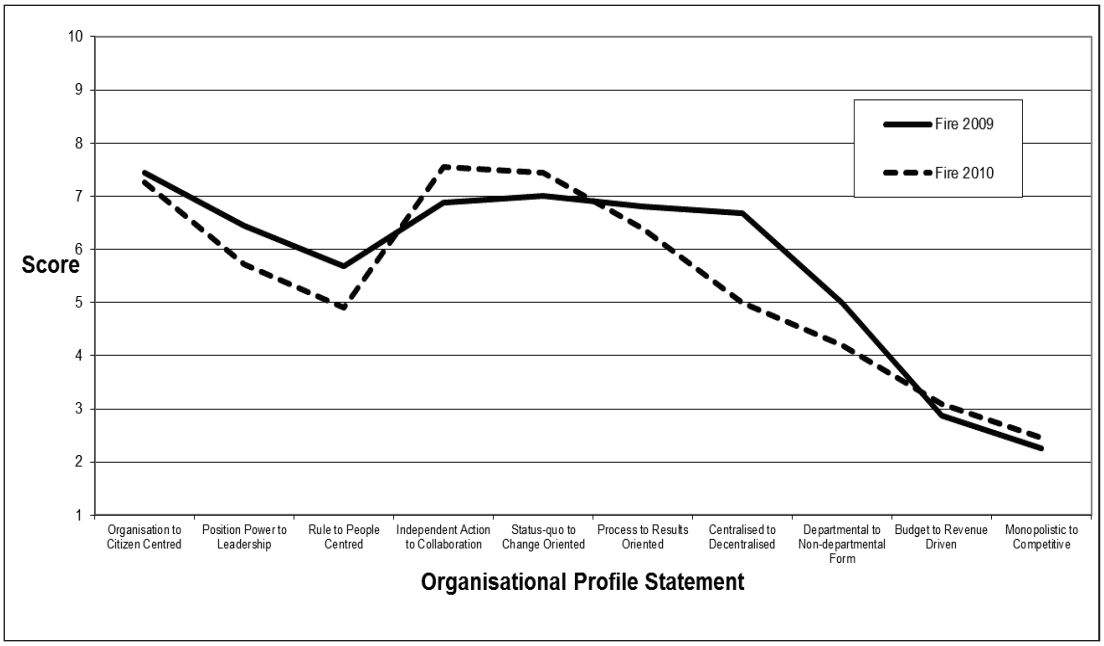


Figure 8.10 shows the results of the four organisation types combined for 2009 and 2010 with very little difference. The organisational profiles for councils has been presented in Figure 8.2. Figure 8.11 shows the organisational profile for fire services for 2009 and 2010 and Figures 8.12 and 8.13 do the same for police forces and PCTs respectively. Interpretation of these is limited by the number of responses received particularly in 2010 for police and PCTs.

Figure 8.12: Organisational profiles for police 2009 and 2010

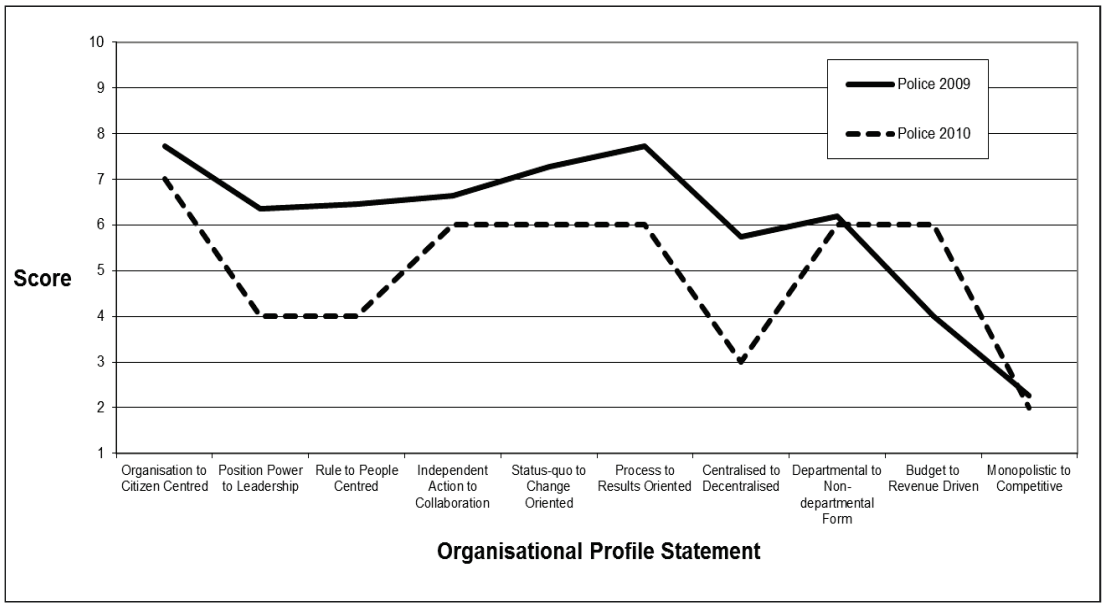
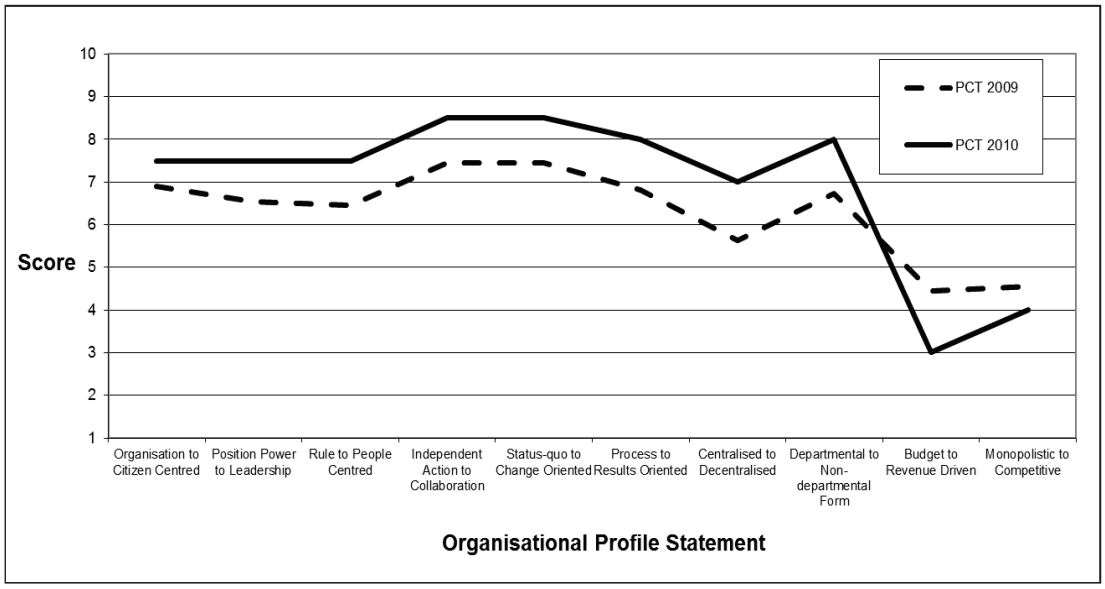


Figure 8.13: Organisational profiles for PCTs 2009 and 2010



It has been shown there is some variation in the organisational profiles over time and for the different types of organisations. However, we are especially interested in how these profiles vary with organisational performance and so the following sections consider this using the results of CPA and CAA. This data is not available for the year 2000 so the analysis and discussion covers the years 2005, 2009 and 2010. In order to facilitate the comparative analysis over the three different years it was necessary to convert the CPARs to CAAR and for individual organisations use an 'equivalent' for CPA. This uses the same conversions as the analysis of the criteria in the questionnaire. Figure 8.1 has presented the organisational profiles for any performance rating and now we consider the organisational profiles by rating.

Figure 8.14 shows the organisational profile of English councils by CPAR in 2005. The lowest scoring profiles across all ten statements are for poor followed by weak. The profiles for the other CPARs are similar with fair being very slightly below good and excellent. The largest range is for the statement Organisation to Citizen centred, with the score for poor being just over four with that for excellent being just over nine and the other three ratings (good, fair and weak) between six and seven. This tends to support the contention that for CPA there were two groups of councils differentiated and not five. Firstly, poor and weak and secondly, fair, good and excellent (Boyne and Enticott, 2004), although in this case those rated poor seem to be rather separate.

Figure 8.14: Organisational profiles for English councils by CPA Rating for 2005

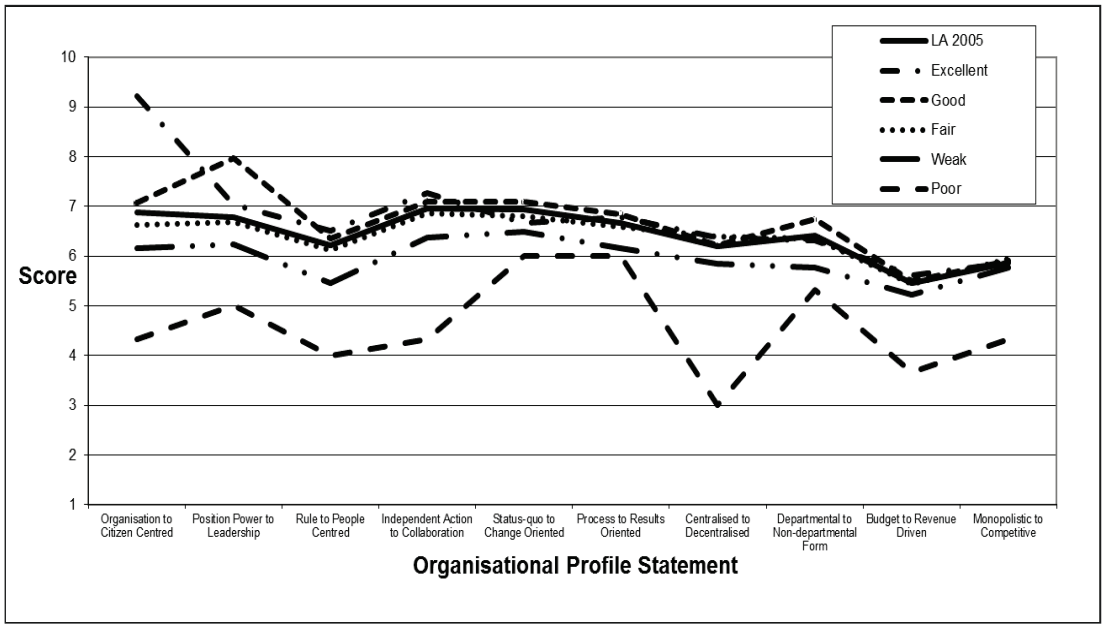
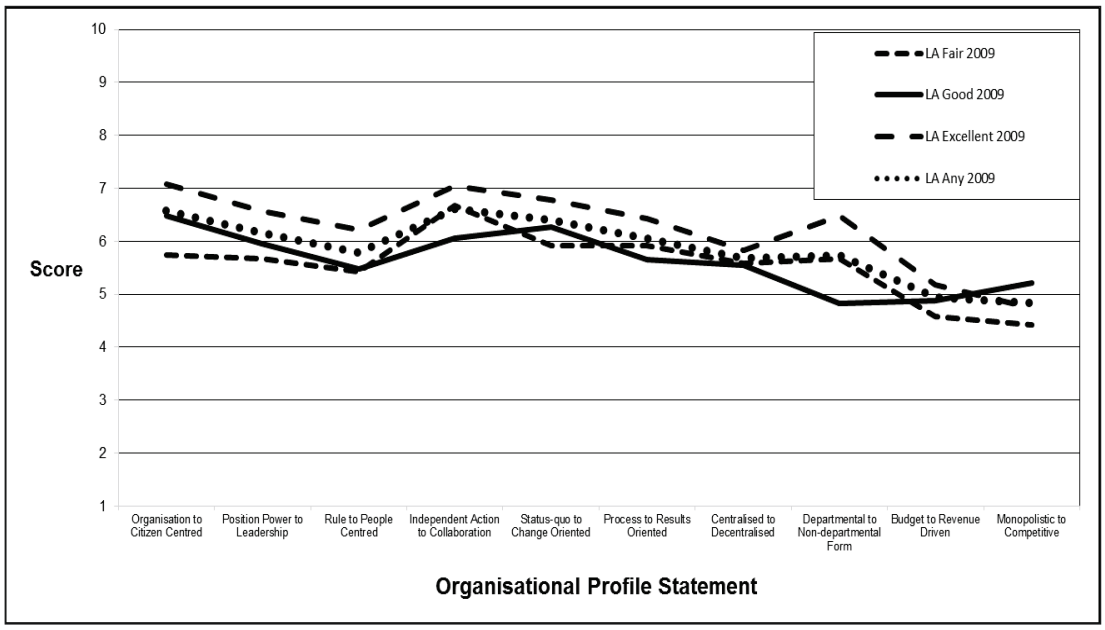


Figure 8.15 shows the organisational profiles for councils according to their CPAR for the 2009 survey. The profile for excellent scores is highest for nine of the statements; all except Monopolistic to Competitive. The scores for good and fair profiles are a mix with good scoring higher for some statements and fair for others.

Figure 8.15: Organisational profile for English councils by CPA Rating for 2009



The profiles for 2010 use the ratings allocated in the CAA, a four-point scale compared to the five-point scale in CPA, and this is shown in Figure 8.16. This shows a good differentiation in organisational profile scores by CAAR with the excellent rating being above well. The profile for adequate is above that for poor in six of the ten statements. This then is the picture for councils where there appears to be an association between performance and organisational profile statement scores. We now consider the three other organisation types in turn for which data is available for 2009 and 2010.

Figure 8.17 contains profile data for fire services by CPAR for 2009. None of the fire services responding were rated poor or weak. The chart shows those rated more highly have, in the main, a higher profile score; although for some statements the score is very similar. The largest range is for Rule to People centred and then Departmental to Non-departmental form statements. Figure 8.18 shows the data for

2010 using the CAAR on a four-point scale; no fire service responding was rated poor. The picture here is not as clear as for 2009.

Figure 8.16: Organisational profile for English councils by CAA Rating for 2010

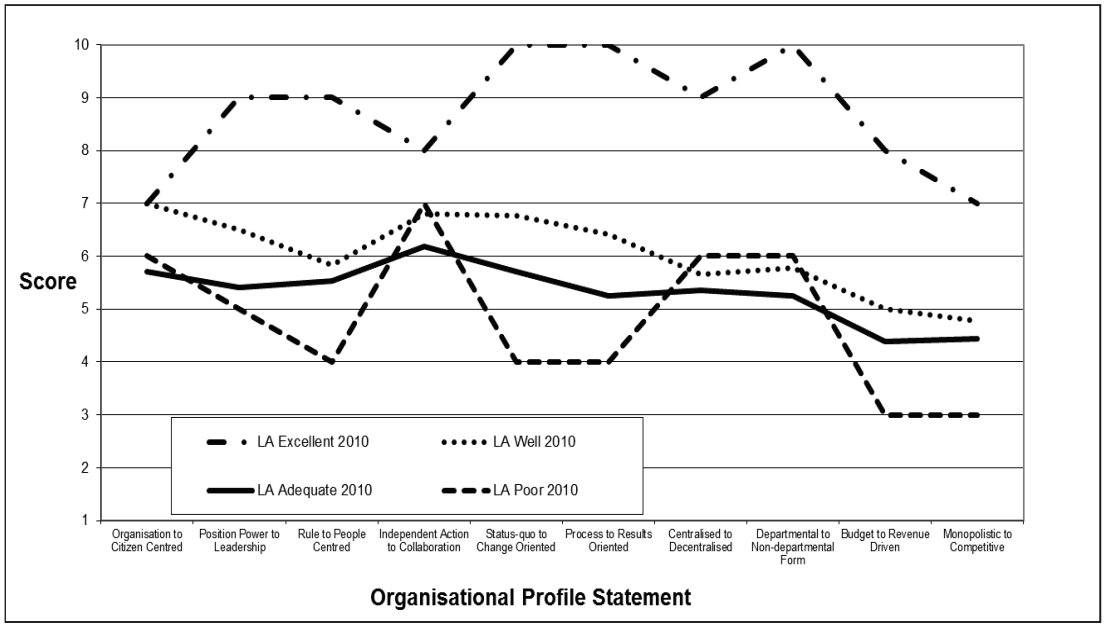


Figure 8.17: Organisational profile for fire by CPA Rating for 2009

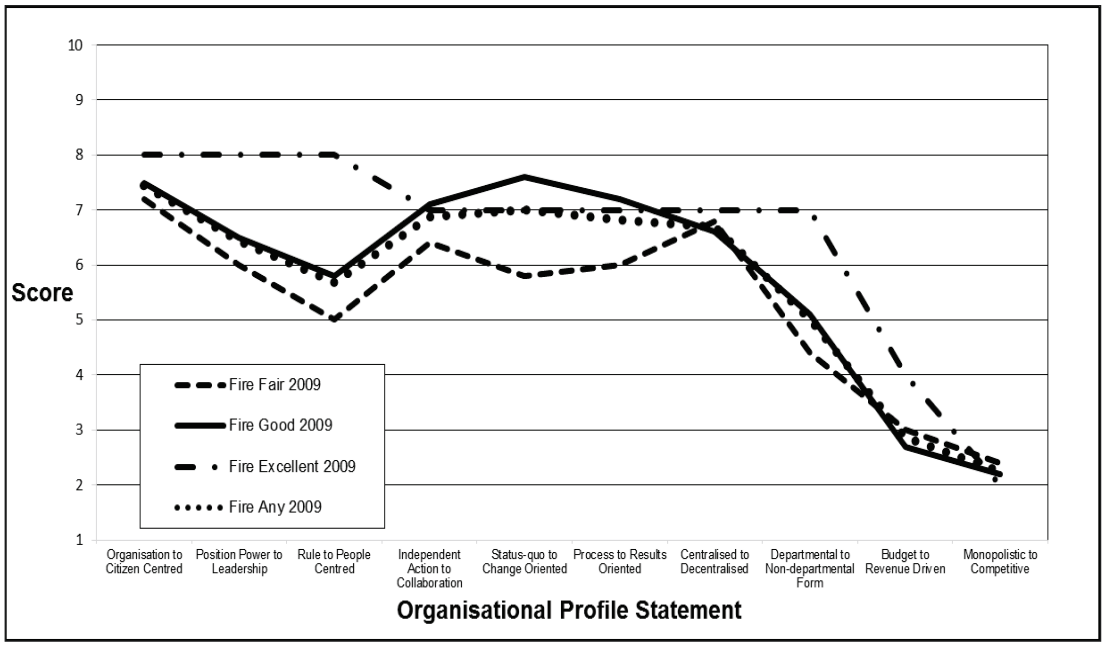
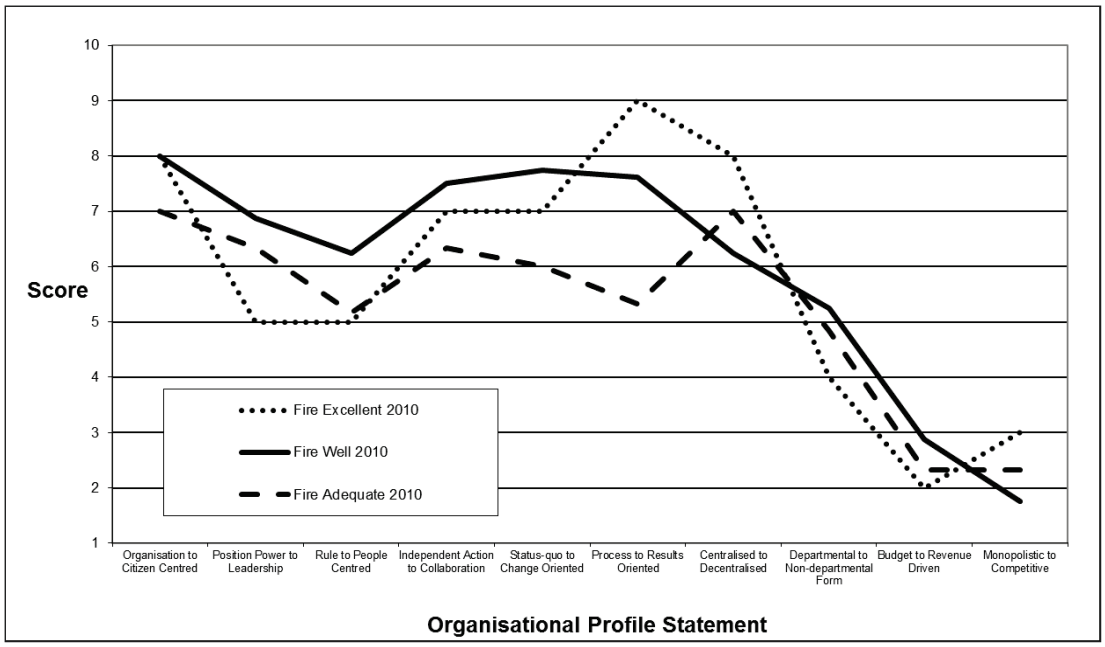


Figure 8.18: Organisational profile for fire by CAA Rating for 2010



The organisational profile for a well rating scores the highest for most statements followed by excellent. This means that for no organisational profile statement is adequate the highest score.

Figure 8.19: Organisational profile for police by CPA Rating 2009

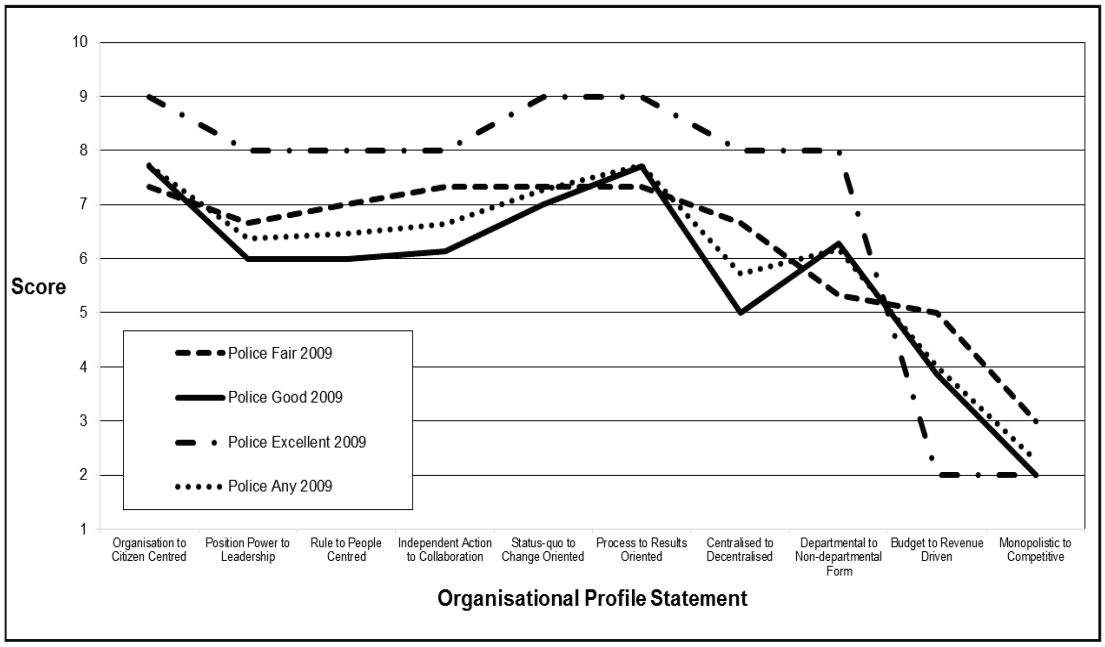


Figure 8.19 for police, shows the profile for excellent has the highest scores for eight of the statements and it has the lowest score for Budget to Revenue driven

and also with the good profile for Monopolistic to Competitive. However, the profile for good has a greater number of lower scores than the profile for adequate.

Moving to 2010 (Figure 8.20) the well profile has a higher score for seven of the statements. The final organisational type to consider is PCTs.

Figure 8.20: Organisational profile for police by CAA Rating 2010

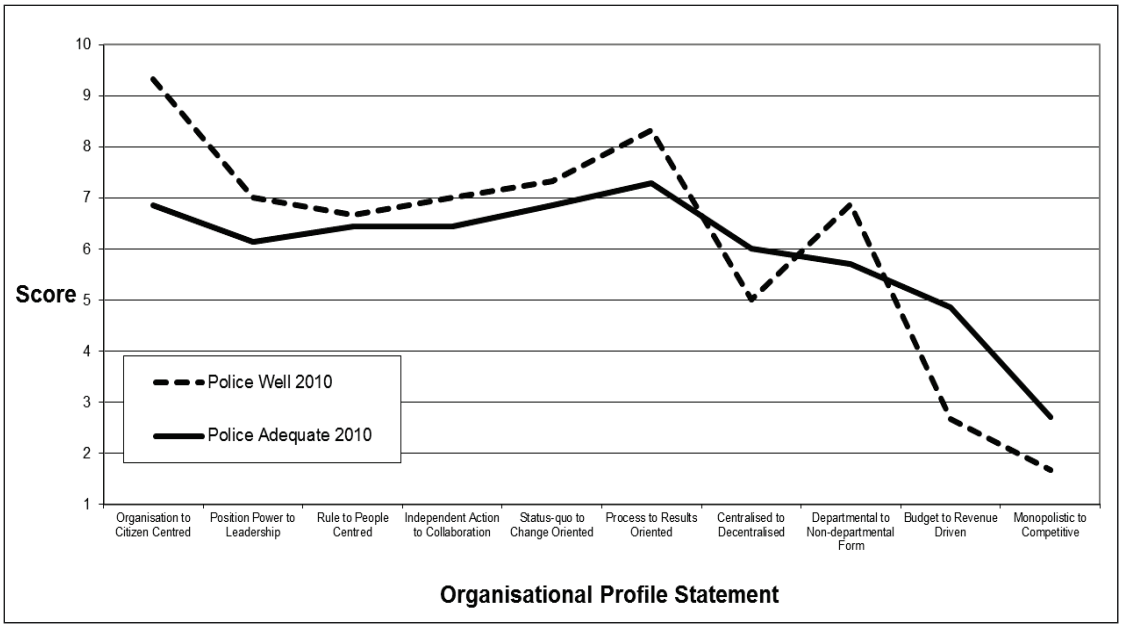
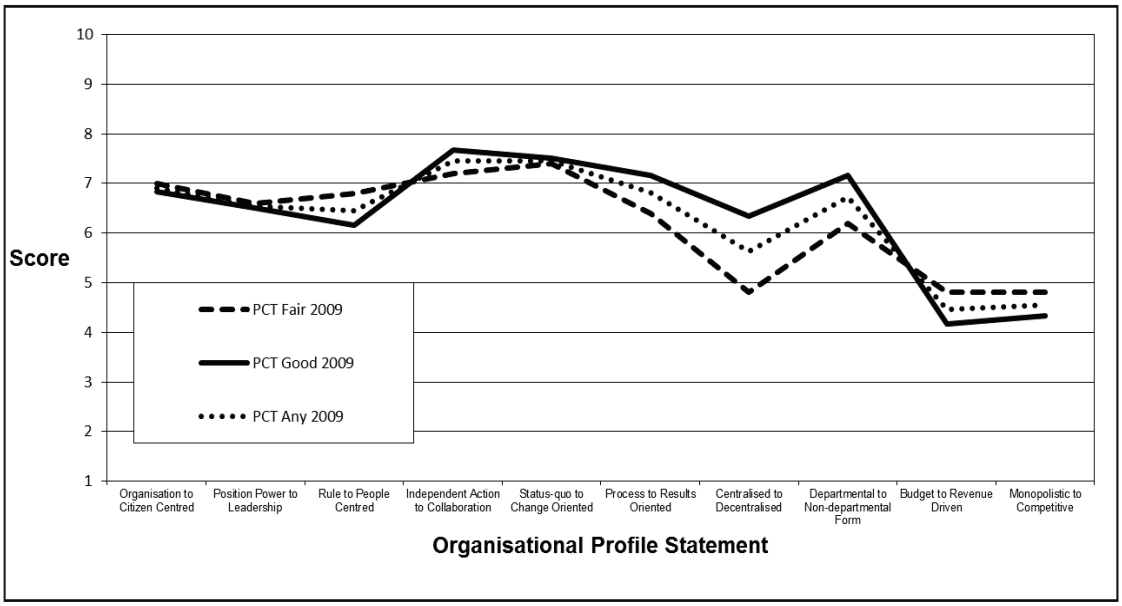


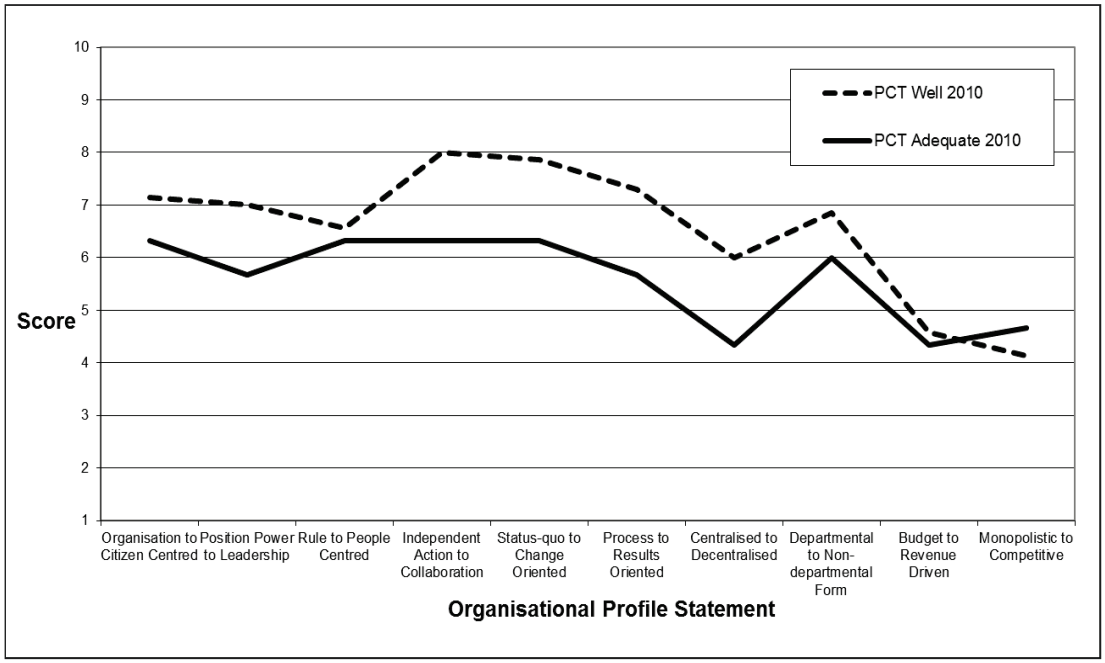
Figure 8.21 shows the data for PCTs for 2009 using CPAR and Figure 8.22 for 2010 using CAAR.

Figure 8.21: Organisational profile for PCT by CPA Rating for 2009



The chart for 2009 shows the good rating has a higher score for six of the statements. For 2010 the well rating has a higher score for nine of the statements, being lower than adequate for only Monopolistic to Competitive.

Figure 8.22: Organisational profile for PCT by CAA Rating for 2010



The second hypothesis is that an organisation moving further along the scale will be higher performing than an organisation moving less.

8.3 Hypothesis J2: That an organisation that has moved the furthest along the scales will be higher performing than an organisation that has moved less

As well as considering each of the four organisation types against each other we are also interested in any movement over time. In order to facilitate this the ratings have been converted to the CAA scale (Table 8.2) which gives each organisation one of four scores: poor, adequate, well or excellent. Figures 8.23 to 8.25 show the profiles for councils. For the poor rating (Figure 8.23) the 2010 scores are mainly lower than 2005 with only Independent action to Collaboration, Centralised to Decentralised and Departmental to Non-departmental form being higher. The same pattern is seen for the adequate rating (Figure 8.24) for which data is available for 2009 also. Figure 8.25 shows the profiles for the well rating. In this case 2005 has the highest scores, followed by 2010 with 2009 having the lowest. Finally, for councils the excellent rating is considered (Figure 8.26) which has 2010 with the highest profile scores

whilst 2005 and 2009 have quite similar profiles except for Organisation to Citizen centred, where 2005 also has the highest score.

Figure 8.23: Organisational profiles for councils with CAA Rating of poor for 2005 and 2010

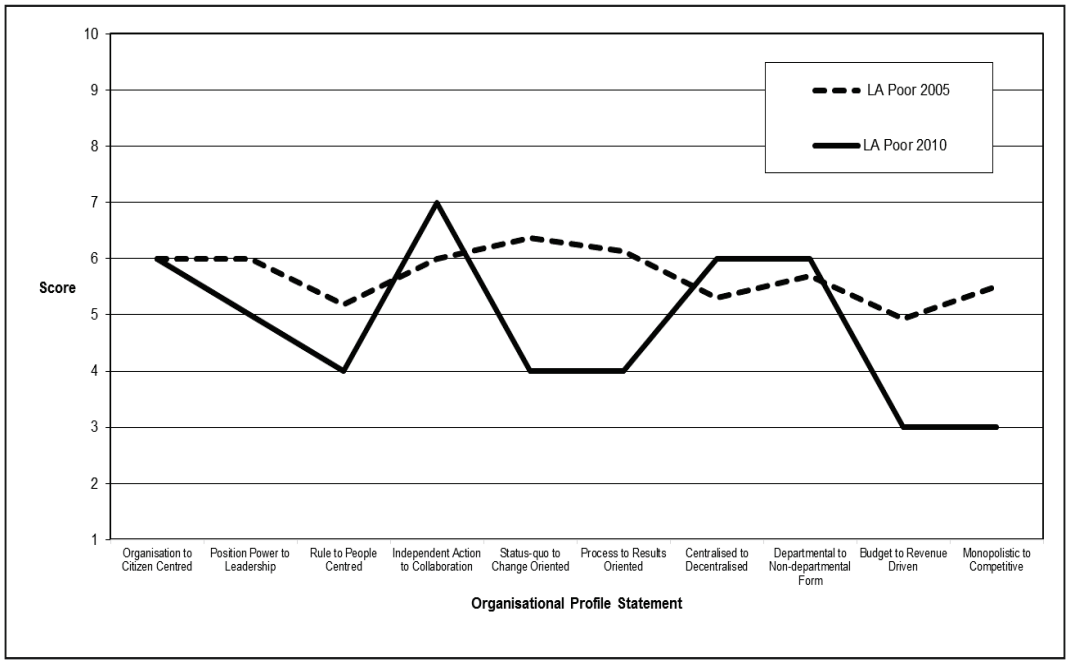


Figure 8.24: Organisational profiles for councils with CAA Rating of adequate for 2005, 2009 and 2010

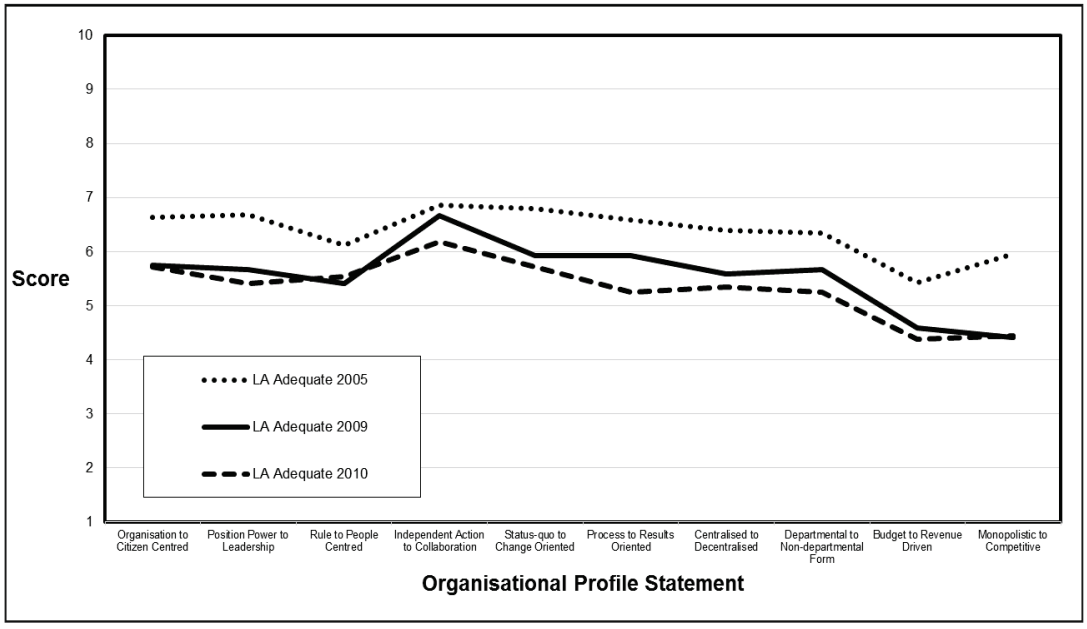


Figure 8.25: Organisational profiles for councils with CAA Rating of well for 2005, 2009 and 2010

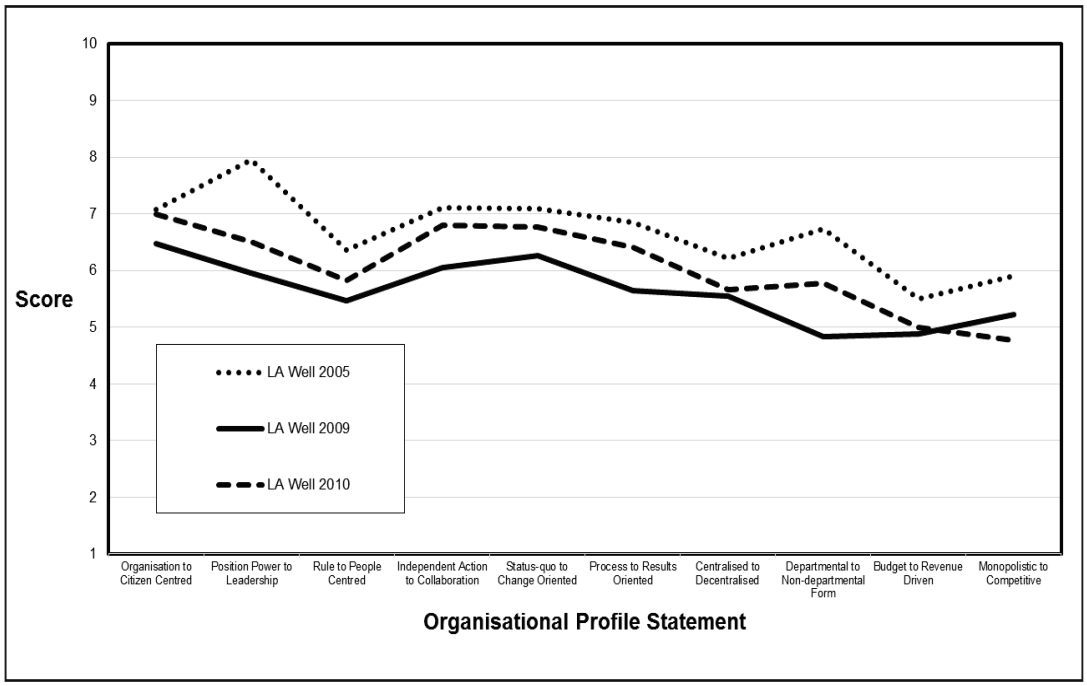
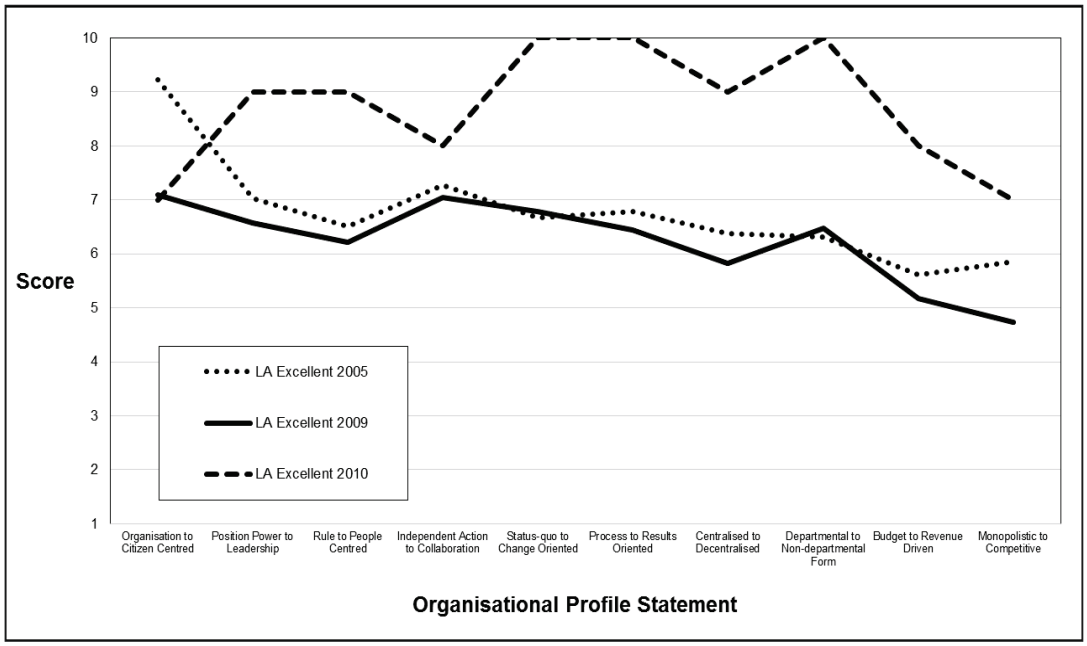


Figure 8.26: Organisational profiles for councils with CAA Rating of excellent for 2005, 2009 and 2010



Figures 8.27 to 8.29 show the 2009 and 2010 profiles for fire services. The profiles for the adequate rating are very similar, the largest differences being for Process to

Results oriented and Budget to Revenue driven; in both cases 2009 has the highest score.

Figure 8.27: Organisational profiles for fire with CAA Rating of adequate for 2009 and 2010

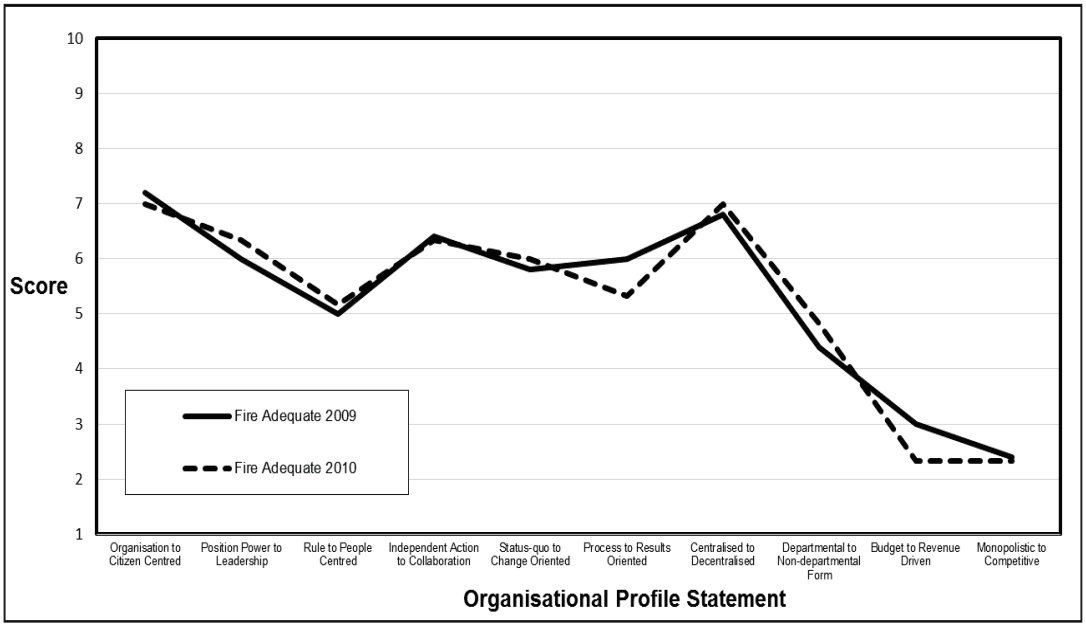
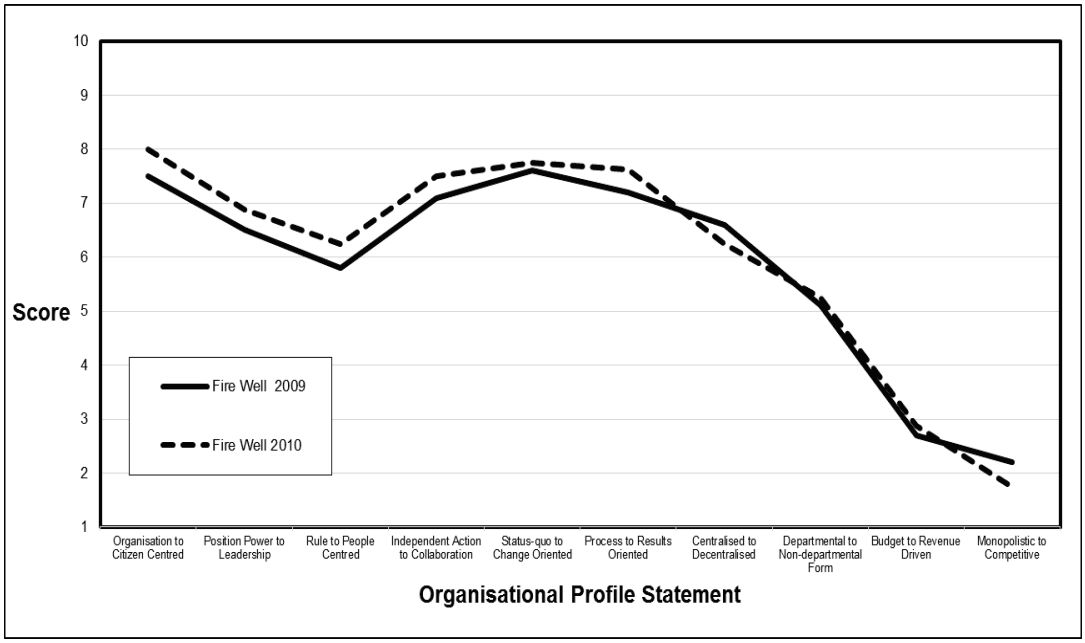
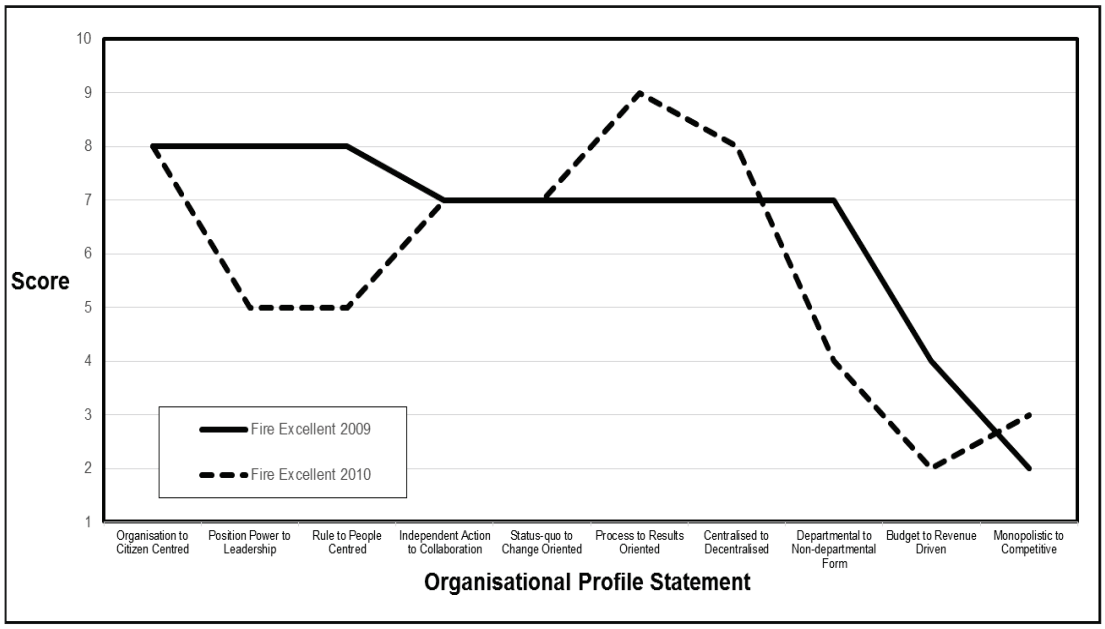


Figure 8.28: Organisational profiles for fire with CAA Rating of well (or equivalent) for 2009 and 2010



The well rating is shown in Figure 8.29 and, again, these are similar except 2010 has a slightly higher score for the first six statements. The excellent rating profiles in Figure 8.29 show greater differences between the scores for 2009 and 2010 with 2010 scoring higher for Process to Results oriented, Centralised to Decentralised and Monopolistic to Competitive.

Figure 8.29: Organisational profiles for fire with CAA Rating of excellent for 2009 and 2010



Figures 8.30 to 8.32 contain the organisational profiles for police forces using CAAR for 2009 and 2010. Only adequate and well ratings are available for both 2009 and 2010. For the adequate rating (Figure 8.30) the profile for 2009 has higher scores for most statements than the 2010 profile except for Departmental to Non-departmental form. However, this is largely reversed for the well profile (Figure 8.31) with 2010 scoring higher except for the statements Budget to Revenue driven and Monopolistic to Competitive. For the excellent profile (Figure 8.32) data is only available for 2009. It is of note this profile scores more highly than for adequate or well.

For PCTs data is only available for the adequate and well CAARs. As shown in Figure 8.33 the 2009 profile has higher scores than for 2010. This is somewhat reversed for the well rated profiles (Figure 8.34) although the differences are closer than for adequate, and 2009 scores are higher for Centralised to Decentralised and Departmental to Non-departmental form.

Figure 8.30: Organisational profiles for police with CAA Rating of adequate for 2009 and 2010

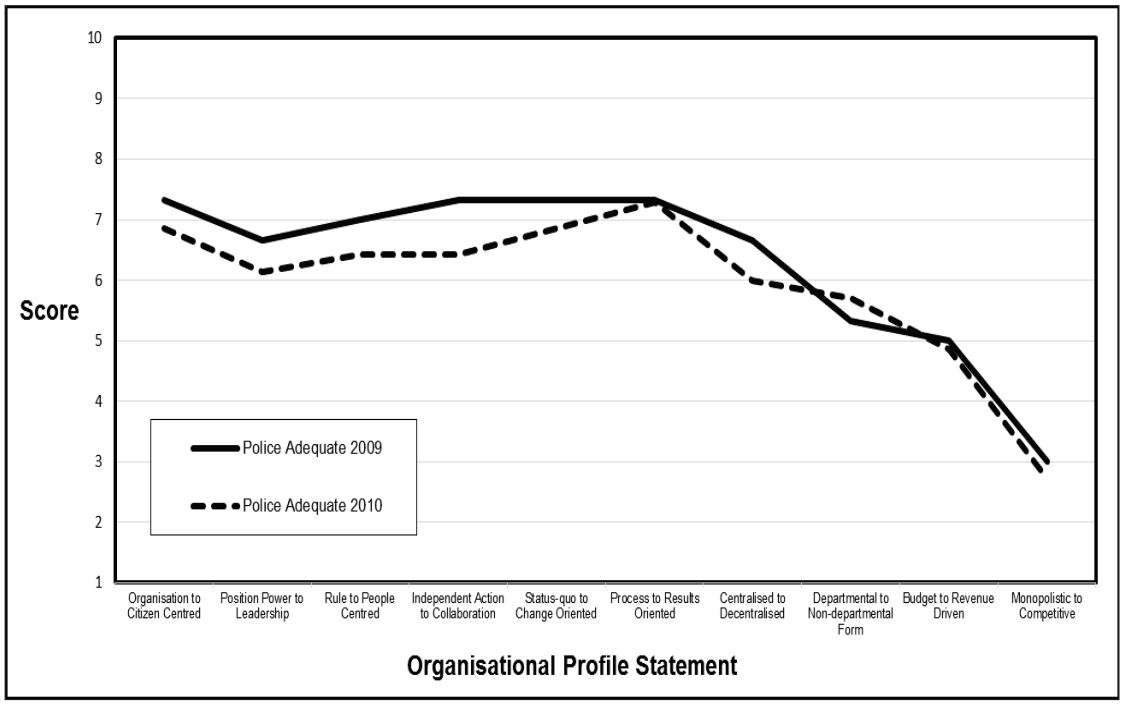


Figure 8.31: Organisational profiles for police with CAA Rating of well for 2009 and 2010

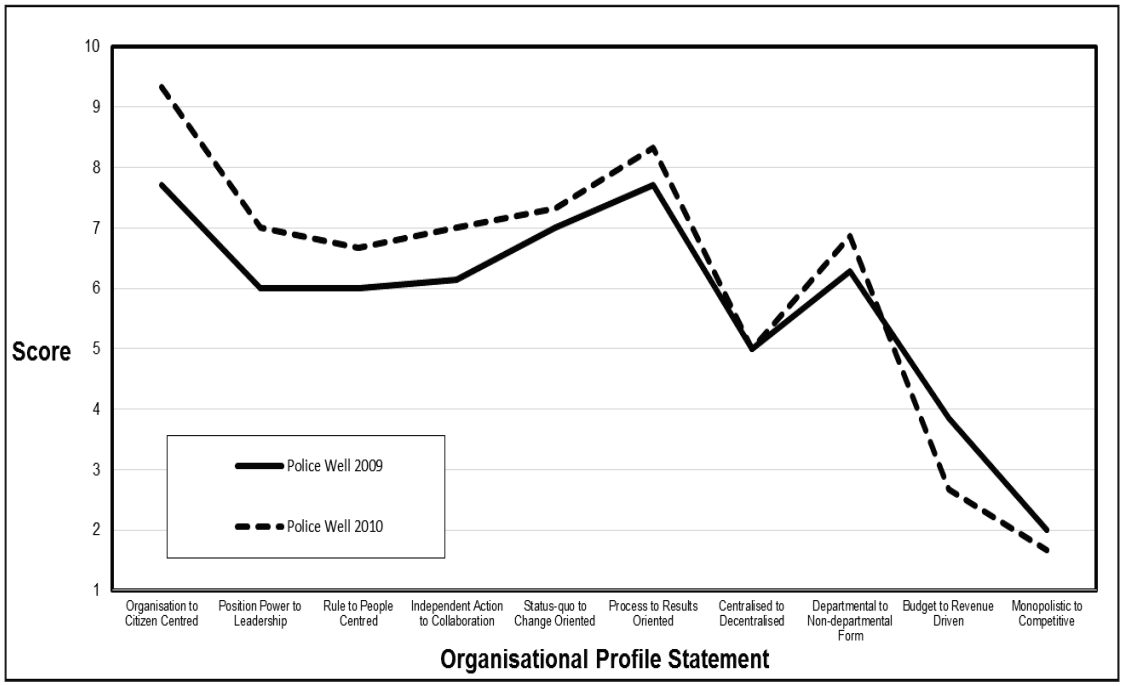


Figure 8.32: Organisational profiles for police with CAA Rating of excellent for 2009

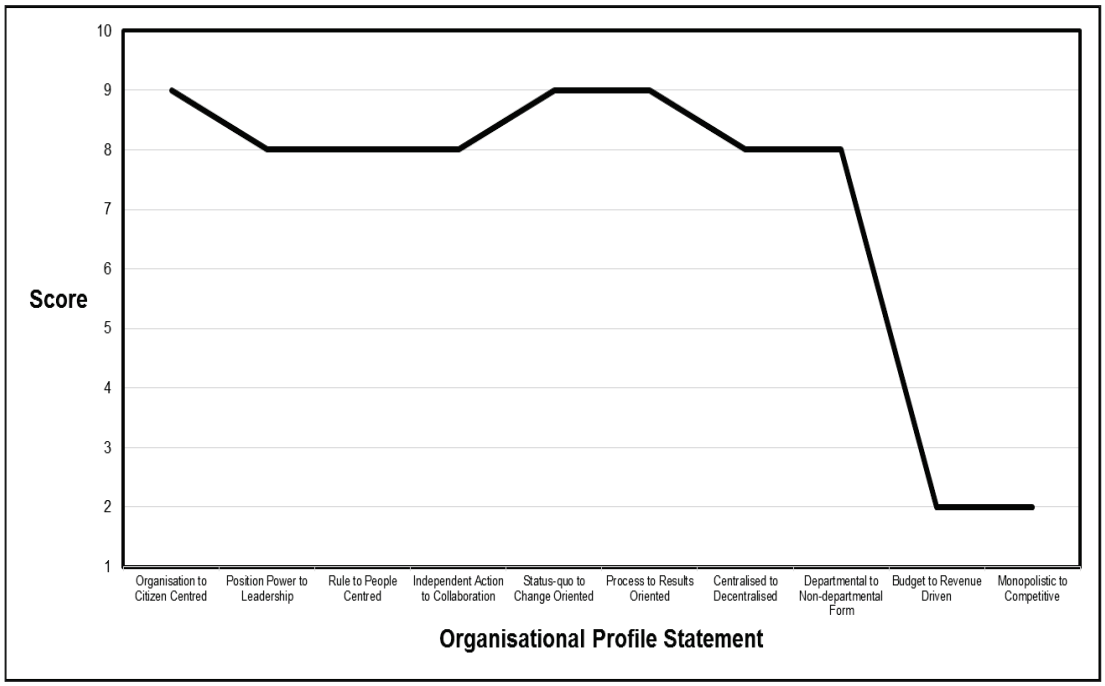


Figure 8.33: Organisational profiles for PCTs with CAA Rating of adequate for 2009 and 2010

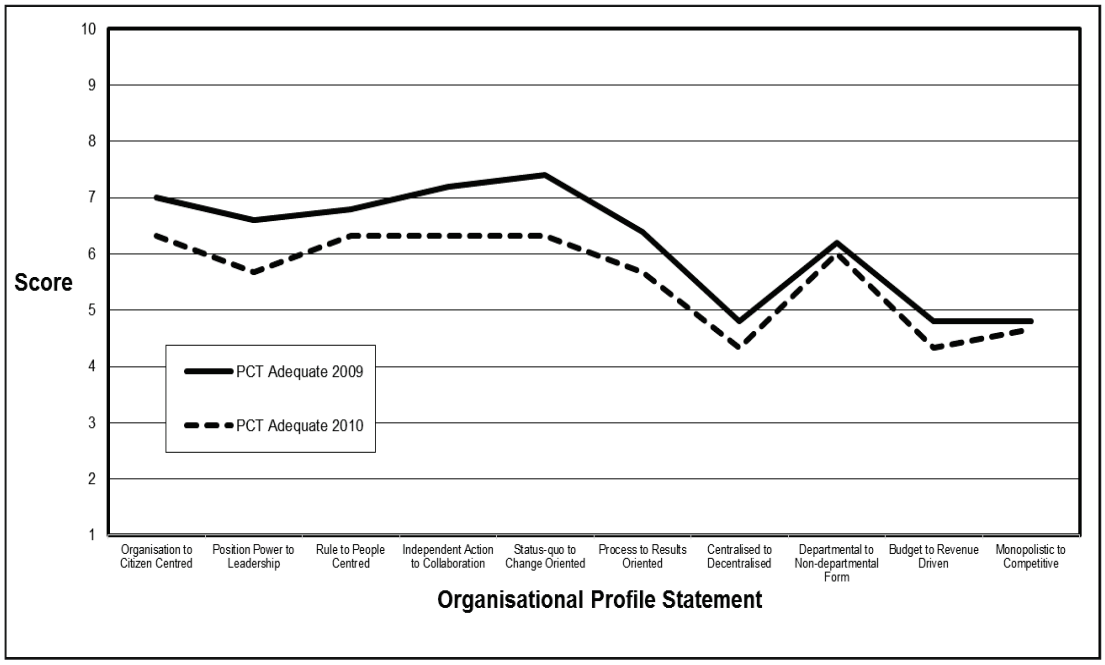
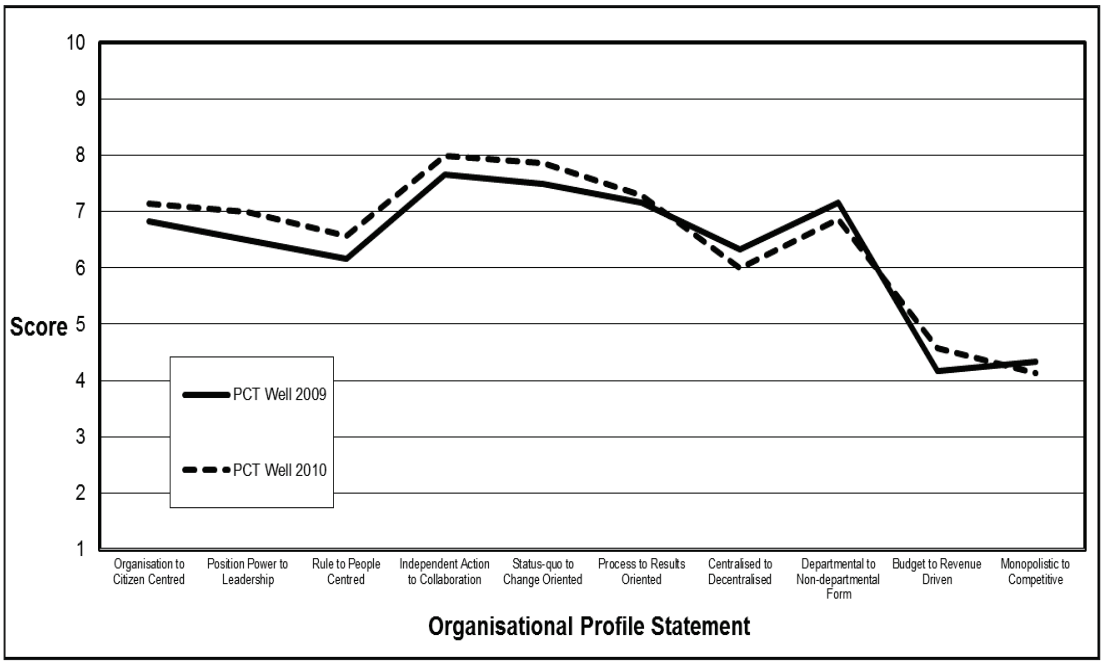
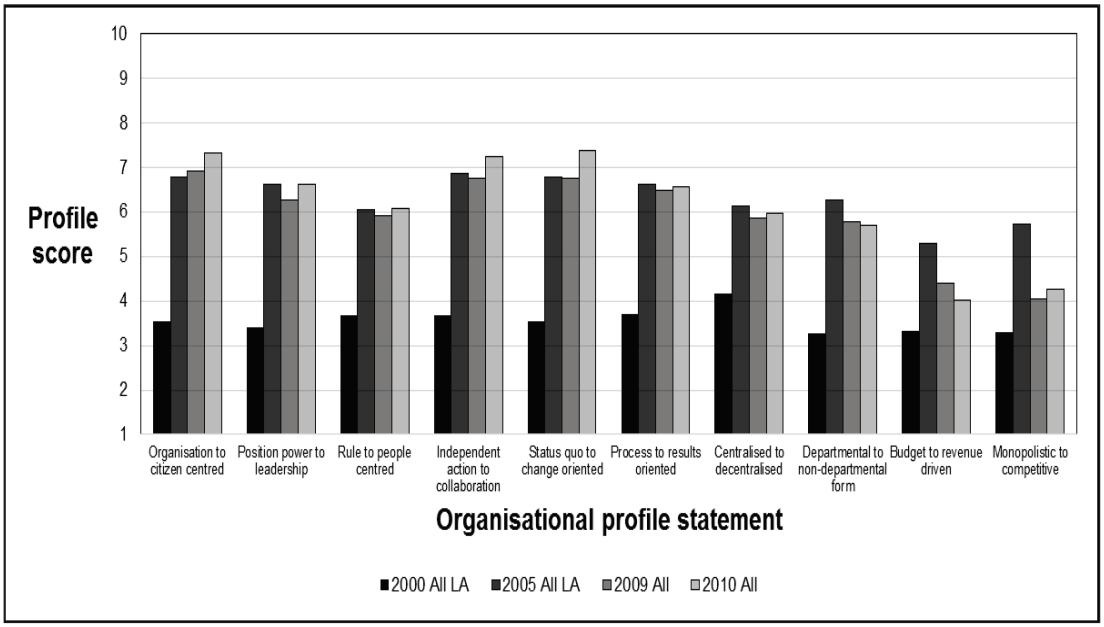


Figure 8.34: Organisational profiles for PCTs with CAA Rating of well for 2009 and 2010



The data for all organisations combined is shown in Figure 8.35. It is noteworthy 2000 stands out but this may be due to the methodology. However, notwithstanding this what is the difference between the scores for 2000 and 2005?

Figure 8.35: Organisational profile scores for all organisation types combined for the years 2000, 2005, 2009 and 2010



As Figure 8.36 shows the difference varies between 50% and 90% with the smallest being for Centralised to Decentralised and the largest (just), Position power to Leadership. We can also consider the mean scores of the ten profile statements.

Figure 8.36: The numeric and percentage differences in organisational profile scores for councils for the years 2000 and 2005

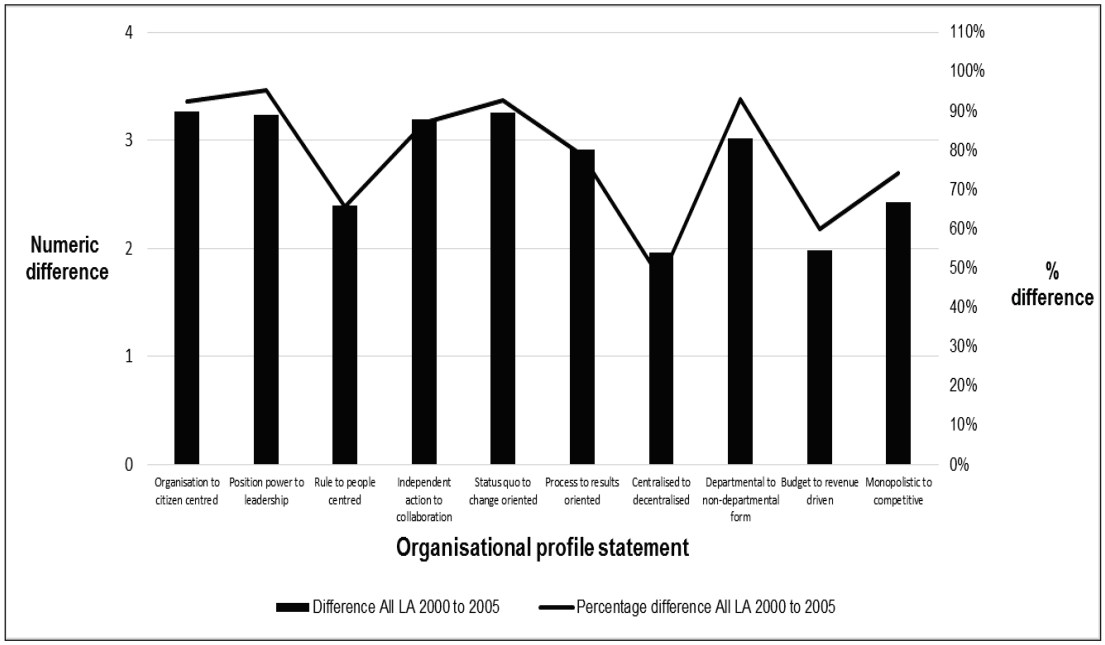


Figure 8.37 shows the mean profile scores for all the statements by CPAR for 2005. It will be noted this supports the first hypothesis suggesting organisations performing more highly have more post-bureaucratic characteristics. There is an equivalent set of data for 2009.

Figure 8.38 shows the mean organisational profile scores by CPA Ratings for 2009 for councils only, so it is comparable with 2005. There is an increase in the score by the three CPARs available, although the difference is small between fair and good. The next data concerns CAA 2010.

Figure 8.37: The mean organisational profile score for all statements by CPA Rating for 2005

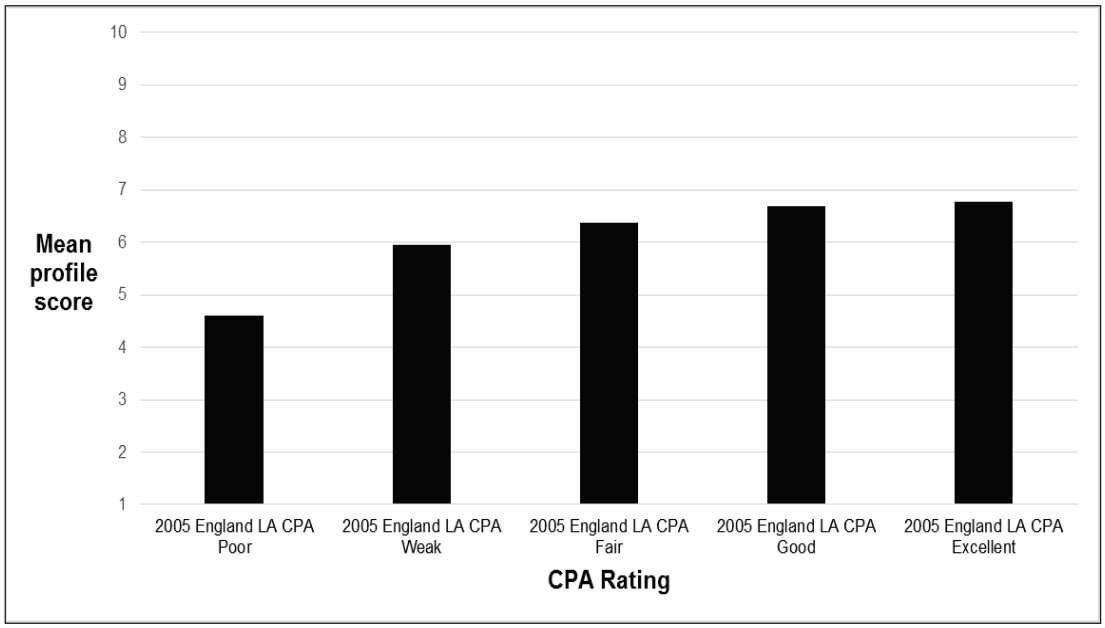


Figure 8.38: The mean organisational profile score for all statements by overall CPA Rating for 2009

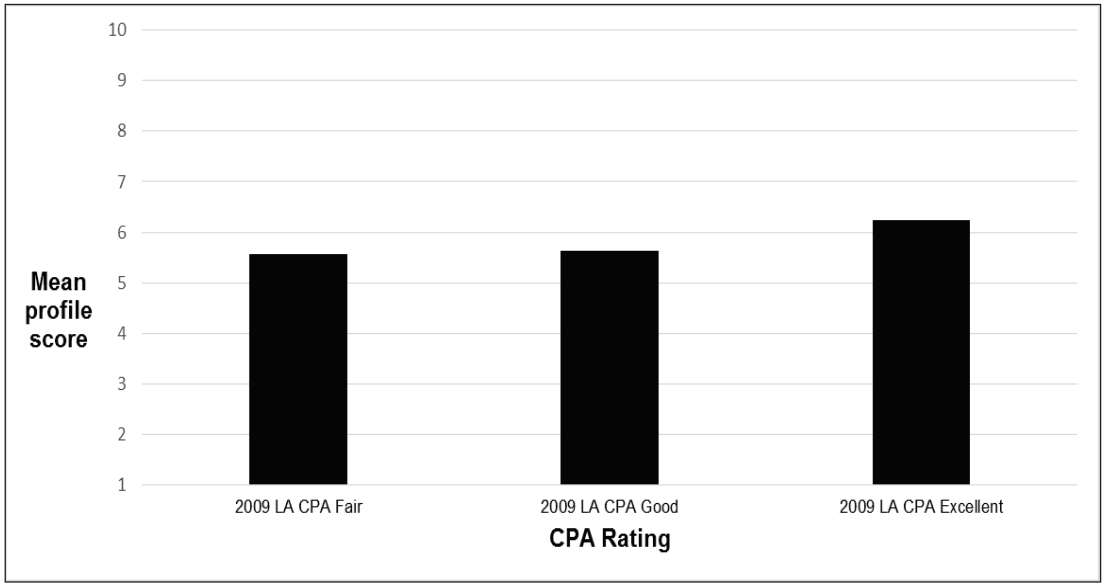


Figure 8.39 shows the mean scores for the CAARs 2010. The highest score is for the poor rating but this is the data for a single organisation. The data for adequate, well and excellent represents eight, 16 and four organisations respectively and does show an increasing score from adequate to excellent, although the difference

between well and excellent is small. CPA contained a number of measures of organisational performance: PMS, SS and CA.

Figure 8.39: The mean organisational profile score for all statements by CAA Rating for 2010

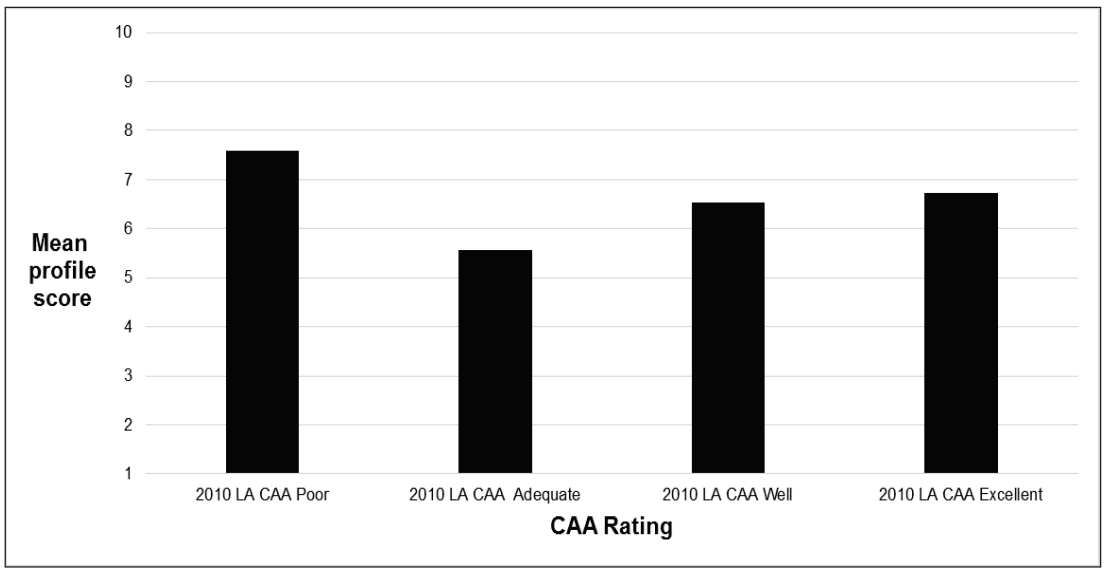


Figure 8.40 shows the mean profile score for PMSs of one to four for 2005 and 2009. Both years show an increase from a score of one to three which then drops back for a PMS of four.

Figure 8.40: The mean organisational profile score for all statements by Performance Management Score for 2005 and 2009

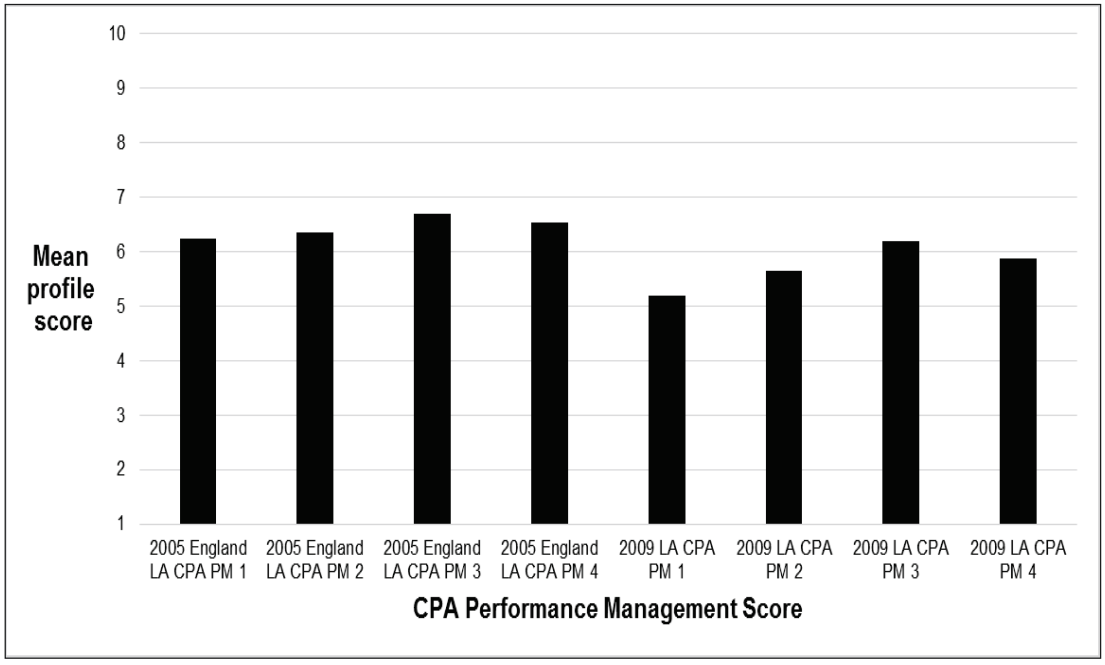


Figure 8.41 shows the data for SS which is available for both 2005 and 2009 for scores two, three and four. There is an increase in the profile from a SS of two to four for 2009 but for 2005 an increase from two to three falling back for a score of four. Figure 8.42 shows the final measure of performance, which is the CA, calculated so it is expressed between one and four with four being best. The pattern here is clear with a higher profile score equating to a higher CA score.

Figure 8.41: The mean organisational profile score for all statements by Service Score for 2005 and 2009

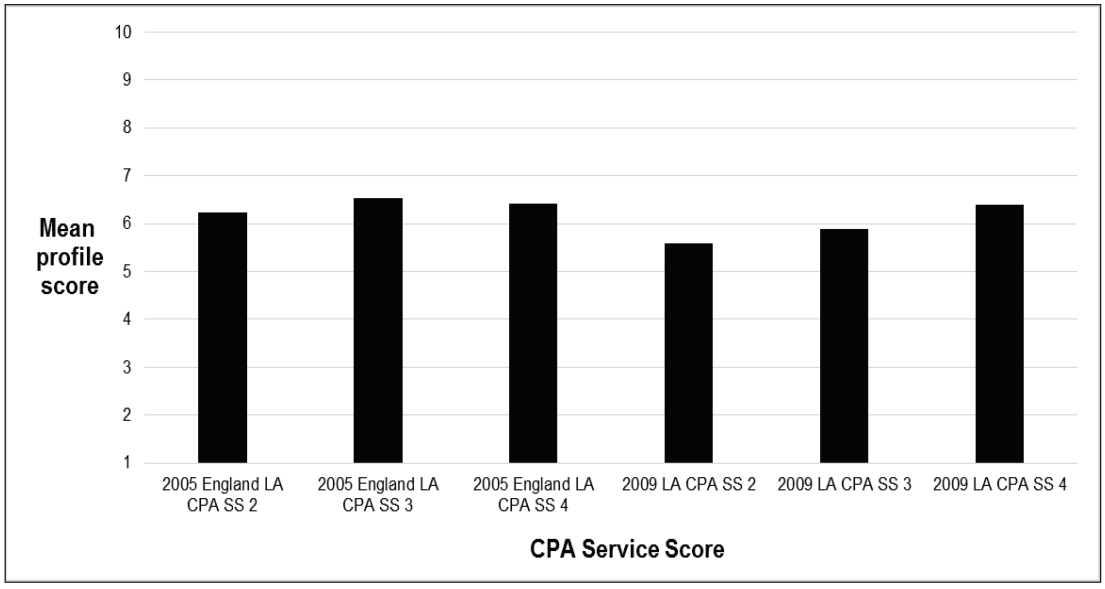
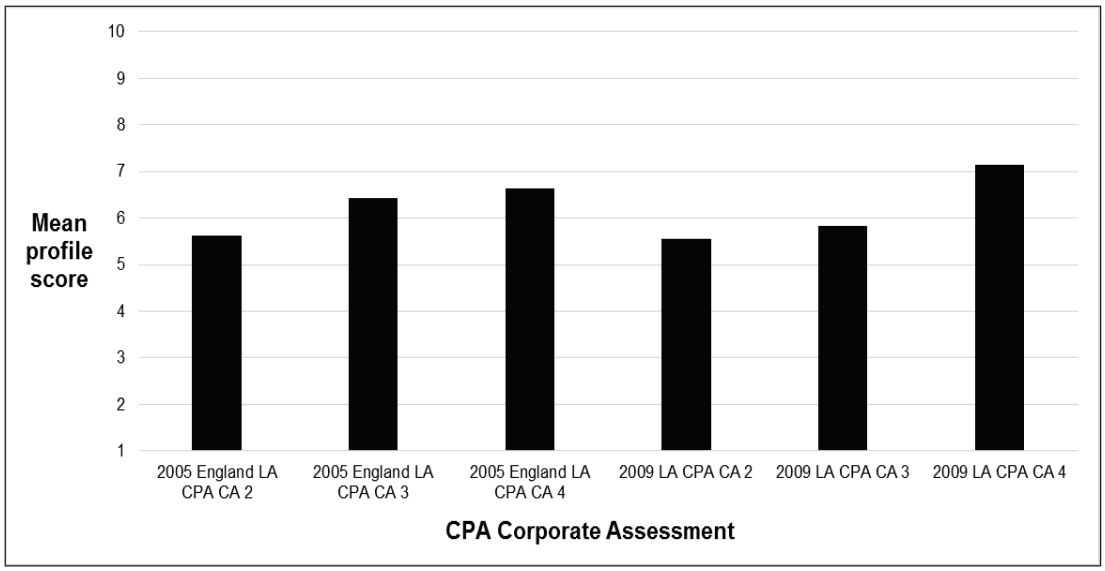


Figure 8.42: The mean organisational profile score for all statements by Corporate Assessment for 2005 and 2009



8.4 Summary so far

More organisations appear to have progressed in score (to being more 'post-bureaucratic') because the picture is complex, interpretation is difficult. For example, for the statement Organisation to Citizen centred, councils rated excellent have a higher score in both 2000 and 2005 and indeed increased the lead, although this fell back in 2009 (Table 8.3). However, note for all three years the scores increase with an increase in CPAR, except for the anomalous position of the poor rating in 2000. There is a similar but not as clear-cut distribution for other statements. The difference in score from 2000 to 2005 appears to show a clear picture. Also, the difference between the 2005 scores appears to follow a pattern compared to a less distinct pattern for the 2000 scores. As noted, it is suspected the 2000 scores are less soundly based. Considering the mean organisational profile scores tends to suggest that as organisational performance increases the organisational profile score also increases. Therefore, overall it would seem the hypotheses are supported. Next is considered the correlation between the organisations' scores in the organisational profile and performance ratings.

Table 8.3: Organisational profile mean score by CPA Rating for English councils for the statement Organisation (1) to citizen centred (10)

CPA Rating	Score in 2000	Score in 2005	Score in 2009
Excellent (4)	4.86	9.22	7.09
Good (3)	3.03	7.07	6.47
Fair (2)	3.24	6.63	5.75
Weak (1)	2.64	6.15	N/A
Poor (0)	3.67	4.33	N/A
All	3.52	6.88	6.57

8.5 Correlation

The scores for the organisational profile were correlated (using IBM SPSS Statistics 20) with CPAR, PMS, SS and CA for 2005 and 2009 and CAAR for 2010. Table 8.4 shows the Pearson correlations for the organisational profile statements and CPAR for 2005 and 2009 and CAAR for 2010 for councils.

The difference in sample sizes needs to be borne in mind in interpretation. The largest correlation for 2005 is Organisation to Citizen centred (p<0.01). The next three largest (p<0.05) are Independent action to Collaboration, Rule to People centred and Position power to Leadership. For 2009 only a single statement is significant (p<0.05), which is also the largest in 2005; Organisation to Citizen centred. The next two largest are within the top four in 2005. Considering 2010 and correlation with CAAR none of the profile statements is significant (p<0.05). The largest is for Status quo to Change oriented followed by Process to Results oriented, Organisation to Citizen centred and then Rule to People centred. There is clearly an element of consistency here which suggests certain of the profile statements are more likely to be associated with organisational performance than others.

Table 8.4: Correlations between CPA/CAA Rating for councils and organisational profile statements for 2005, 2009 and 2010

Organisational Profile Statement	**Pearson correlations with CPA/CAA Rating**		
	2005 CPA	**2009 CPA**	**2010 CAA**
Organisation to Citizen Centred	0.272**	0.321*	0.261
Position Power to Leadership	0.186*	0.216	0.234
Rule to People Centred	0.221*	0.209	0.252
Independent Action to Collaboration	0.260*	0.140	0.130
Status Quo to Change Orientated	0.151	0.174	0.291
Process to Results Orientated	0.153	0.130	0.274
Centralised to Decentralised	0.145	0.059	0.025
Departmental to Non-Departmental Form	0.116	0.186	-0.060
Budget to Revenue Driven	0.093	0.128	0.125
Monopolistic to Competitive	0.046	0.039	0.140
** p<0.01 (2-tailed) * p<0.05 (2-tailed)			

Next is considered the three other types of organisation; fire services, police forces and PCTs in 2009 and 2010. First, is considered the CPAR; for comparison the organisation results are repeated in the tables.

Table 8.5 shows the Pearson correlations for CPAR 2009 for all organisation types combined and then the four organisation types separately. The only significant correlation (p<0.05) is for councils, Organisation to Citizen centred, encountered previously. Taking all the organisations combined the largest correlation is for Departmental to Non-departmental form followed by Organisation to Citizen centred, then Position power to Leadership. For fire services the largest correlation is for Status quo to Change oriented followed by Rule to People centred and Position power to Leadership. For police forces the largest correlation is Departmental to Non-departmental form followed by Budget to Revenue driven although this is negative and Process to Results oriented.

Table 8.5: Correlations between CPA Rating (or equivalent) for the four organisation types and organisational profile statements for 2009

Organisational Profile Statement	Pearson correlations with CPA Rating 2009				
	All	LA	Fire	Police	PCT
Organisation to Citizen Centred	0.174	0.321*	0.196	0.262	-0.067
Position Power to Leadership	0.148	0.216	0.329	0.065	-0.040
Rule to People Centred	0.125	0.209	0.359	-0.012	-0.189
Independent Action to Collaboration	0.066	0.140	0.205	-0.074	0.155
Status Quo to Change Orientated	0.101	0.174	0.447	0.117	0.036
Process to Results Orientated	0.071	0.130	0.226	0.302	0.408
Centralised to Decentralised	0.032	0.058	-0.019	-0.042	0.444
Departmental to Non-Departmental Form	0.186	0.186	0.304	0.579	0.235
Budget to Revenue Driven	0.124	0.128	0.038	-0.405	-0.189
Monopolistic to Competitive	0.107	0.039	-0.093	-0.227	-0.106
* p<0.05 (2-tailed)					

The largest correlation for PCTs is Centralised to Decentralised followed by Process to Results oriented and Departmental to Non-departmental form. Some of the differences may be due to the nature of the organisation types, for example the commissioning agenda especially prevalent for PCTs, and fire services being

increasingly driven to change, for example the increased emphasis on community relations and fire prevention activities. The next section considers PMS (or equivalent) correlations with the organisational profile statements.

Table 8.6 shows the PMS results. There are a number of significant correlations (p<0.05), interestingly most are for all organisations combined, although one is for fire. Taking all organisations combined the largest correlation is for Organisation to Citizen centred followed by Process to Results oriented, Independent action to Collaboration (p<0.01) and Status quo to Change oriented (p<0.05).

Table 8.6: Correlations between Performance Management Score (or equivalent) for the four organisation types and organisational profile statements for 2009

Organisational Profile Statement	**Pearson correlations with Performance Management Score 2009**				
	All	**LA**	**Fire**	**Police**	**PCT**
Organisation to Citizen Centred	0.298**	0.230	0.146	0.271	-0.023
Position Power to Leadership	0.188	0.138	0.223	-0.036	0.396
Rule to People Centred	0.053	0.109	-0.255	-0.069	-0.009
Independent Action to Collaboration	0.251**	0.183	0.513*	0.041	0.096
Status Quo to Change Orientated	0.238*	0.114	0.307	0.230	0.565
Process to Results Orientated	0.254**	0.137	0.233	0.313	0.275
Centralised to Decentralised	0.059	0.168	-0.130	0.110	-0.067
Departmental to Non-Departmental Form	0.127	0.161	-0.072	0.566	-0.196
Budget to Revenue Driven	-0.155	-0.017	-0.108	-0.543	-0.103
Monopolistic to Competitive	-0.170	0.050	-0.343	-0.235	-0.210
** p<0.01 (2-tailed) * p<0.05 (2-tailed)					

The largest correlation for councils is Organisation to Citizen centred followed by Independent action to Collaboration and then Centralised to Decentralised. Fire services have a significant (p<0.05) correlation for Independent action to Collaboration with the next largest correlation for Monopolistic to Competitive (although this is negative) then Status quo to Change oriented.

The largest correlation for police forces is Departmental to Non-departmental form followed by Budget to Revenue driven (negative) then Process to Results oriented. Finally, the largest correlation for PCTs is for Status quo to Change oriented followed by Position power to Leadership and then Process to Results oriented. Next is considered the SS.

Table 8.7 shows the correlations for the SS with the organisational profile statements. The correlations for all organisations together are low, with the largest (-0.136) for Rule to People centred with the next largest being Process to Results oriented (0.098). For councils the largest correlation is for Departmental to Non-departmental form followed by Process to Results oriented and then Budget to Revenue drive. Two of the profile statements are significant for fire services: Independent action to Collaboration (p<0.01) and Organisation to Citizen centred (p<0.05) with the next largest correlation being Status quo to Change oriented.

There are two correlations (at p<0.05) for police forces: Process to Results oriented and Departmental to Non-departmental form. The next largest is Status quo to Change oriented. Finally, the largest correlations for PCTs are for Rule to people centred and Departmental to Non-departmental form followed by Organisation to Citizen centred, with all of these being negative. The CA (or equivalent) measures the corporate capacity and capability of the organisation and is considered next.

Table 8.7: Correlations between Service Score (or equivalent) for the four organisation types and organisational profile statements for 2009

Organisational Profile Statement	Pearson correlations with Service Score 2009				
	All	LA	Fire	Police	PCT
Organisation to Citizen Centred	0.094	0.133	0.604*	0.417	-0.280
Position Power to Leadership	0.023	0.077	0.293	-0.156	0.015
Rule to People Centred	-0.136	0.099	-0.046	-0.221	-0.381
Independent Action to Collaboration	0.037	0.122	0.667**	0.141	-0.150
Status Quo to Change Orientated	0.065	0.098	0.509	0.517	0.137
Process to Results Orientated	0.098	0.203	0.346	0.613*	0.030
Centralised to Decentralised	0.061	0.082	-0.120	0.044	-0.087
Departmental to Non-Departmental Form	-0.060	0.232	0.037	0.605*	-0.357
Budget to Revenue Driven	0.030	0.180	0.208	-0.193	0.174
Monopolistic to Competitive	-0.087	0.102	-0.325	0.025	-0.227
** $p<0.01$ (2-tailed) * $p<0.05$ (2-tailed)					

There are a number of correlations ($p<0.05$) between the CA (or equivalent) for 2009 as shown in Table 8.8. Taking all four organisations combined the largest correlation is for Position power to Leadership ($p<0.01$), Organisation to Citizen centred *(*$p<0.05$) followed by Budget to Revenue driven that is negative. The largest correlation ($p<0.01$) for councils is for Position power to Leadership. The next largest are Rule to People centred and Organisation to Citizen centred. There are four correlations ($p<0.05$) for the fire services which are Monopolistic to Competitive (negative), Organisation to Citizen centred, Position power to Leadership and Budget to Revenue driven (negative). None of the profile statements are significant for the police or PCTs.

The largest correlation for police is for Departmental to Non-departmental form, followed by Budget to Revenue driven (negative) and Process to Results oriented. For PCTs the largest correlation is also for Departmental to Non-departmental form, although in this case it is negative. The next largest correlations are Centralised to Decentralised and Organisation to Citizen centred, both also negative. Next is considered the data for 2010 where the correlation is with the CAAR.

Table 8.8: Correlations between Corporate Assessment (or equivalent) for the four organisation types and organisational profile statements for 2009

Organisational Profile Statement	**Pearson correlations with Corporate Assessment 2009**				
	All	**LA**	**Fire**	**Police**	**PCT**
Organisation to Citizen Centred	0.220*	0.219	0.534*	0.262	-0.214
Position Power to Leadership	0.309**	0.415**	0.520*	0.065	0.108
Rule to People Centred	0.092	0.227	0.117	-0.012	-0.189
Independent Action to Collaboration	0.069	0.187	0.213	-0.074	-0.210
Status Quo to Change Orientated	0.094	0.138	0.172	0.117	0.169
Process to Results Orientated	0.090	0.096	0.023	0.302	0.213
Centralised to Decentralised	0.148	0.191	0.141	-0.042	-0.299
Departmental to Non-Departmental Form	0.053	0.173	0.060	0.579	-0.389
Budget to Revenue Driven	-0.170	0.090	-0.511*	-0.405	-0.189
Monopolistic to Competitive	-0.061	0.191	-0.592*	-0.227	-0.105
** p<0.01 (2-tailed) * p<0.05 (2-tailed)					

Table 8.9 shows the correlation coefficients for the organisational profile statements and CAAR. Data is not available for police and PCTs as the number of responses is too small. However, their data will contribute to the results of the four organisation types combined. For this none are significant with the largest correlation being for Status quo to Change oriented followed by Organisation to Citizen centred and Position power to Leadership. Taking the individual organisation types: for councils the largest correlations are Status quo to Change oriented followed by Process to Results oriented, Organisation to Citizen centred and Rule to People centred. The largest correlation for fire services; Departmental to Non-departmental form is significant (p<0.05). The next largest are Centralised to Decentralised and Monopolistic to Competitive.

Table 8.9: Correlations between CAA Rating for the four organisation types and organisational profile statements for 2010

Organisational Profile Statement	**Pearson correlations with CAA Rating 2010**				
	All	**LA**	**Fire**	**Police**	**PCT**
Organisation to Citizen Centred	0.237	0.261	0.125	N/A	N/A
Position Power to Leadership	0.229	0.234	0.091	N/A	N/A
Rule to People Centred	0.195	0.252	-0.125	N/A	N/A
Independent Action to Collaboration	0.149	0.130	0.120	N/A	N/A
Status Quo to Change Orientated	0.250	0.291	-0.087	N/A	N/A
Process to Results Orientated	0.205	0.274	0.016	N/A	N/A
Centralised to Decentralised	0.137	0.025	0.238	N/A	N/A
Departmental to Non-Departmental Form	0.104	-0.060	0.764*	N/A	N/A
Budget to Revenue Driven	0.055	0.125	0.020	N/A	N/A
Monopolistic to Competitive	0.161	0.140	0.154	N/A	N/A
* p<0.05 (2-tailed)					

This analysis suggests some organisational profile statements are more associated with high performance in organisations than others and the type of organisation has

an influence. Also using the different measures of CPA suggests, as many authors note, performance is context dependent and as much definitional as measurable. However, there are certain organisational factors likely to be associated with high performance as regards CPA and CAA. Being citizen centred, working in partnership, focusing on people and being willing to change are prominent. Despite the complexity it would seem, from this data, an organisation scoring higher on organisational factors is likely to be higher performing than an organisation scoring lower. Even though there are some differences between individual factors there is a clear pattern and so the hypotheses should be accepted. The data is explored further using PCA to establish which organisational profile statements explain the most variation in performance.

8.6 Principal Component Analysis

PCA was undertaken, using the organisational profile data, for the four data sets (2000, 2005, 2009 and 2010) for all organisation types combined and individual organisations using IBM SPSS Statistics 20. Further, using the last three sets an analysis was done by CPA measures and CAAR where there were sufficient cases. This will give an indication of whether organisational performance (as measured by CPA and CAA) is associated with different organisational profile statements being of greater importance in explaining the variation. The PCA analysis undertaken extracted components with Eigenvalues of greater than 0.7 and used oblimin rotation since all the statements are correlated with each other at $p<0.05$ in 2000 and 2005. In 2009 and 2010 there are a large number of correlations mainly at $p<0.01$. Appendix 8.1 shows the PCA statistical checks for the 2000 and 2005 datasets. Each dataset has been marked as valid (or not) and for those the detail of the PCA analysis will be presented. The comments made previously regarding the use of exploratory PCA apply here too.

Appendices 8.2 and 8.3 do the same for 2009 and 2010 datasets respectively. In some of the analyses sample sizes were insufficient for PCA to be performed (indicated by N/A).

The maximum number of components extracted is five and so the organisational profile statements were allocated to one of the 11 summary factors (Table 8.10). Invariably there is an element of judgement involved in this given the complexity of organisational performance. The first component is designated as Human resources and contains the statements concerning an organisation becoming more citizen

oriented and secondly, being less concerned with rules and more people oriented. The second component is concerned with the Leadership of the organisation: operating more leadership rather than relying on position power and also included in this component becoming more competitive. The third component has only a single statement which is about the organisation working more collaboratively and hence Engagement. The fourth component is Strategy and is about an organisation more open to change than remaining static, is becoming more concerned with results than processes and is driven more by revenue generation than a budget. The final component, Culture, concerns the organisation becoming more decentralised and also moving from departmental to non-departmental forms.

Table 8.10: Organisational profile statements placed in their PCA summary factors

Organisational Profile Statements	**Summary factor**
1. Organisation to Citizen Centred	Human resources
2. Position Power to Leadership	Leadership
3. Rule to People Centred	Human resources
4. Independent action to Collaboration	Engagement
5. Status-Quo to Change Orientated	Strategy
6. Process to Results Orientated	Strategy
7. Centralised to Decentralised	Culture
8. Departmental to Non-Departmental Form	Culture
9. Budget to Revenue Driven	Strategy
10. Monopolistic to Competitive	Leadership

As noted previously it is important to reiterate that organisations are complex and the concept of organisational performance is multi-dimensional and open to varied interpretation. This will have impacted on how the surveys were completed and thus feed through to these results. However, we have already seen from the analysis of other parts of the survey these results are robust and open to consistent

interpretation. The following sections will report and consider in detail the results of the PCA.

Table 8.11 shows the results of the PCA with oblimin rotation for 2000 (shading serves to separate components in the top part and denotes *valid* analyses in the lower). As noted previously this data was recorded in the 2005 survey by requesting respondents to think back five years what they thought their profile would be. There would generally be the assumption over the period (2000 to 2005) that scores would increase as part of the methodology. The data for all councils combined, England and Scotland are valid and highlighted (Appendix 8.1), whereas the sample size for Wales was small and SPSS did not perform a PCA. Two components were extracted for England explaining 66.16% of the variance whilst three components were extracted for Scotland explaining 81.79% of the variance. The rotated totals however cannot be added together to give a percentage although it is clear the results are similar excepting component three for Scotland contributes more to the variance than component two. Since the number of authorities from England dominates the total, it will be more like the English result although with the addition of a third component. The HRM component is dominant followed by Leadership.

Table 8.11: PCA results for the 2000 datasets

Dataset	Components		
2000 All LA	HRM	Leadership	Strategy
2000 England LA	HRM	Leadership	
2000 Scotland LA	HRM	Strategy	Leadership
2000 Wales LA	Strategy	Leadersh	HRM

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2000 All LA	56.10	9.19	7.06			72.35	5.089	4.012	0.877		
2000 England LA	56.77	9.40				66.16	5.208	3.993			
2000 Scotland LA	59.02	13.99	8.78			81.79	5.075	1.292	4.362		
2000 Wales LA	59.11	23.13	10.53			92.76	4.675	3.351	3.990		

Table 8.12 shows the equivalent results for 2005. This time three components are extracted for England; HRM, Strategy and Culture. Scotland is similar except the first component is Engagement and not HRM. Strategy appears to have replaced Leadership in importance and this is what would be expected as the need to achieve high scores in CPA became more critical to English councils, although this is also mirrored in Scotland where, although CPA did not exist the Scottish Government

was attempting to drive up standards by the use of PIs and inspection through the Accounts Commission/Audit Scotland.

Table 8.12: PCA results for the 2005 datasets with no performance differentiation

Dataset	Components			
2005 All LA	HRM	Strategy	Culture	
2005 England LA	HRM	Strategy	Culture	N/A
2005 Scotland LA	Engagement	Strategy	Culture	
2005 Wales LA	Strategy	Cult	HRM	

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2005 All LA	52.36	10.12	7.07			69.54	4.458	3.320	2.440		
2005 England LA	50.966	10.025	7.807			68.80	4.130	3.119	2.747		
2005 Scotland LA	42.270	17.957	10.953			71.18	4.169	2.595	2.650		
2005 Wales LA	63.751	16.381	8.964			89.10	5.573	1.987	4.183		

We can now consider the extent to which the CPAR and scores in its constituent parts (PMS, SS and CA) are reflected in the PCA. As only English councils were rated this analysis does not include Scotland and Wales.

8.7 PCA for 2005 Datasets with CPA Rating

Table 8.13 shows the PCA results for the CPARs of poor, weak, fair, good and excellent. SPSS did not calculate a PCA for the rating poor and the determinant for the weak analysis was less than 0.0001 with a KMO statistic of 0.569. This extracted three components explaining 83.71% of the variance with components one and two explaining similar variances on rotation. The PCAs for those authorities rated fair, good or excellent extracted four components explaining between 75.20% (good) and 81.30% (excellent) of the variance. Using the rotated totals the Strategy component is the largest for excellent authorities followed by Leadership and then Culture, with HRM as the smallest. For authorities' rated as good HRM is the largest followed by Strategy. These results are different to authorities rated fair or weak where Strategy is less prominent. Organisational performance as measured by the CPAR appears to be reflected in the organisational profiles. We now consider the three other CPA measures, starting with PMS.

Table 8.13: PCA results for the 2005 datasets by CPA Rating

Dataset	Components
2005 England LA CPA Poor	Engagement HRM
2005 England LA CPA Weak	Engagement Strategy Cult
2005 England LA CPA Fair	HRM Engagement Leadersh Cult
2005 England LA CPA Good	Strategy Engagen HRM Leadersh
2005 England LA CPA Excellent	Strategy Culture HRM Leadership

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2005 England LA CPA Poor	71.781	28.219				100.00	6.300	4.895			
2005 England LA CPA Weak	60.027	16.054	7.634			83.71	5.152	4.525	0.848		
2005 England LA CPA Fair	49.826	11.266	10.275	7.328		78.70	3.813	3.368	2.552	0.884	
2005 England LA CPA Good	48.497	10.821	8.793	7.086		75.20	3.038	2.935	3.316	2.219	
2005 England LA CPA Excellent	50.571	13.410	8.902	8.475		81.36	4.022	2.112	1.927	3.501	

8.8 PCA for 2005 Datasets with Performance Management Score

Councils were awarded a PMS depending on their arrangements for performance management, which would encompass such as knowledge, systems, a range of indicators, although perhaps, more importantly implementation of a PMF to produce results in the organisation, especially through measured PIs. Table 8.14 shows the PCA results by PMS. Only the results for PMSs two and three meet the criteria for validity both extracting three components explaining 69.12% and 74.29% of the variance respectively. In both cases HRM is the largest component with PMS three showing more balance across the three rotated components than PMS two. The Strategy component is also larger for a score of three than two. The picture for PMS thus differs from CPAR. SS is considered next also measured on a scale of one to four.

Table 8.14: PCA results for the 2005 datasets by Performance Management Score

Dataset	Components
2005 England LA CPA PM 1	HRM Strategy Lea
2005 England LA CPA PM 2	HRM Stra Culture
2005 England LA CPA PM 3	HRM Leadership Strategy
2005 England LA CPA PM 4	Culture Strategy Engagen Leadersh

Dataset	Extracted %						Rotated Totals				
	1	2	3	4	5	Total	1	2	3	4	5
2005 England LA CPA PM 1	56.03	16.13	11.54			83.70	5.189	2.958	1.403		
2005 England LA CPA PM 2	49.377	10.961	8.783			69.12	3.855	2.302	3.398		
2005 England LA CPA PM 3	54.045	11.127	9.118			74.29	3.882	3.594	3.621		
2005 England LA CPA PM 4	42.216	23.909	11.926	10.708		88.76	2.766	3.131	2.269	2.424	

8.9 PCA for 2005 Datasets with Service Score

The SS measures the performance of council services as opposed to, for example, its corporate capacity and capability. Table 8.15 shows these results. Very few authorities scored one so the PCA was not calculated although it was successfully for scores of two, three and four. For a SS of two, three components were extracted; Engagement, Leadership and Culture. For SSs of three and four; four components were extracted explaining 74.78% and 81.54% of the variance respectively. Engagement appears to be important in the SS which is perhaps unsurprising given councils working in partnership with others to provide services is often considered to improve service effectiveness. The largest component for SS four is Culture which is about moving to non-departmental forms and becoming more decentralised. HRM is the second largest (in the rotated) followed by Leadership and then Engagement, the latter being the largest for SSs of two and three. Interestingly, Strategy doesn't appear, which as we have seen, is important for a high CPAR. Finally, for 2005 the CA is addressed.

Table 8.15: PCA results for the 2005 datasets by Service Score

Dataset	Components			
2005 England LA CPA SS 2	Engagement	Leadership	Culture	
2005 England LA CPA SS 3	Engagement	Leadership	HRM	Cult
2005 England LA CPA SS 4	Culture	Engagen	Leadersh	HRM

Dataset	Extracted %						Rotated Totals				
	1	2	3	4	5	Total	1	2	3	4	5
2005 England LA CPA SS 2	56.256	12.561	8.602			77.42	4.211	3.491	3.278		
2005 England LA CPA SS 3	48.031	10.876	8.472	7.404		74.78	3.034	3.158	3.093	1.713	
2005 England LA CPA SS 4	49.783	12.947	10.763	8.049		81.54	3.674	2.015	2.648	2.878	

8.10 PCA for 2005 Datasets with Corporate Assessment

The CA measures the capacity and capability of the corporate organisation. The PCA was not calculated for a CA of one and the sample size was too small for a CA of two, leaving scores of three and four providing valid PCA results (Table 8.16).

Table 8.16: PCA results for the 2005 datasets by Corporate Assessment

Dataset	Components
2005 England LA CPA CA 2	HRM Strategy
2005 England LA CPA CA 3	HRM Strategy Cultu Engager
2005 England LA CPA CA 4	Strategy Engagen Leadership HRM

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2005 England LA CPA CA 2	69.014	17.783				86.80	6.436	3.615			
2005 England LA CPA CA 3	48.595	10.006	8.475	7.651		74.73	3.657	3.091	1.479	3.120	
2005 England LA CPA CA 4	51.150	13.121	8.846	8.250		81.37	4.243	2.150	3.457	1.873	

For a CA of four the largest component after rotation is Strategy followed by Leadership. It will be recalled Leadership covers the move from position power to leadership and also becoming more competitive. This attribute would lead an organisation to apply for awards and so on thus boosting its prestige and reputation, if successful. The largest component, Strategy, would show an inclination towards change and being more orientated towards results than processes, although there may well be direction within the organisation and so a consistency of approach and systems. Engagement is also important as it is with a CA of three. The CA results appear to be more similar to those for PMS than SS. Next we consider the 2009 survey which also included fire services, police forces and PCTs.

The 2009 survey was administered in England to councils, fire services, police forces and PCTs. The response rate was smaller than in 2005. Due to this smaller sample size the number of PCAs calculated is reduced (Appendix 8.2).

Table 8.17 shows the PCA results for all four organisation types combined and then individually. The analyses for police and PCTs do not meet the validity criteria; although for PCTs it's more marginal with a KMO of 0.594 but a determinant lower than 0.00001. The PCA for councils extracted three components explaining 76.31% of the variance whilst for fire services four components were extracted explaining 82.29% of the variance. The largest component (rotated) for councils is Culture

followed by Leadership and then HRM. For fire services the largest rotated is for HRM followed by Culture then Strategy and Leadership. Next we consider the PCAs where the analysis is differentiated by organisational performance, firstly for all four organisation types combined.

Table 8.17: PCA results for the 2009 datasets overall and by organisation type with no performance differentiation

Dataset	Components				
2009 England All Organisations	Culture			Leadersh	Strategy
2009 England LA	Culture				Leadersh HRM
2009 England Fire	Strategy	HRM		Leadersh	Culture
2009 England Police	HRM		Strategy	Leadersh	Culture
2009 England PCT	HRM		Leadership		Strategy

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2009 England All Organisations	47.555	15.977	8.287			71.82	4.246	1.988	3.315		
2009 England LA	53.62	13.46	9.22			76.31	4.849	2.837	1.841		
2009 England Fire	37.998	20.236	14.158	9.901		82.29	2.523	2.645	1.836	2.552	
2009 England Police	44.60	21.74	18.06	9.41		93.80	3.642	2.472	2.191	2.570	
2009 England PCT	60.46	14.62	7.21			82.28	5.157	2.966	4.145		

8.11 PCA for 2009 Datasets for all organisation types combined by CPA measures

Table 8.18 shows the PCA results for 2009 for all organisation types combined according to CPA measures. Of the 14 analyses SPSS performed successfully, only six meet the criteria to be valid. Turning first to the CPAR there are valid PCAs for the fair (two stars) and good (three stars) ratings. For a fair rating four components were extracted explaining 82.55% of the variance and for a good rating three components explaining 74.68% of the variance. Culture is the largest rotated component for a good rating whilst HRM is the largest for a fair rating. Strategy is the second largest for a good rating with Culture for a fair rating.

For PMS only a single analysis meets all the validity criteria; a score of three although a score of two fails by virtue of having a determinant of less than 0.00001. The PMS of three extracted three components explaining 74.62% of the variance with the largest component being HRM followed by Culture and then Strategy.

Table 8.18: PCA results for the 2009 datasets for all four organisation types combined by CPA Rating, Performance Management Score, Service Score and Corporate Assessment

Dataset	Components
2009 England All Organisations CPA Fair	Culture, Strategy, Leadersh, HRM
2009 England All Organisations CPA Good	Culture, Leadersh, Strategy
2009 England All Organisations CPA Excellent	HRM, Leadersh, Culture, Strategy
2009 England All Organisations CPA PM 1	Leadership, Culture, Stra
2009 England All Organisations CPA PM 2	Culture, Leadersh, HRM, Strategy
2009 England All Organisations CPA PM 3	HRM, Strategy, Culture
2009 England All Organisations CPA PM 4	HRM, Strategy, Leadersh, Engagen
2009 England All Organisations CPA SS 1	HRM, Leadership
2009 England All Organisations CPA SS 2	Culture, Lead, Strategy, HRM
2009 England All Organisations CPA SS 3	Culture, Leadersh, Strategy
2009 England All Organisations CPA SS 4	Culture, Leadership, Strategy
2009 England All Organisations CPA CA 2	Culture, Strategy, Lea
2009 England All Organisations CPA CA 3	Culture, Strategy, HRM, Leadersh
2009 England All Organisations CPA CA 4	Strategy, Leadersh, Culture

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2009 England All Organisations CPA Fair	46.565	15.848	12.447	7.693		82.55	2.940	2.344	2.634	3.167	
2009 England All Organisations CPA Good	46.805	17.018	10.856			74.68	4.078	1.791	3.457		
2009 England All Organisations CPA Excellent	51.053	16.881	9.360	8.309		85.60	3.588	1.948	3.719	2.591	
2009 England All Organisations CPA PM 1	51.706	35.344	12.950			100.00	4.411	4.326	2.406		
2009 England All Organisations CPA PM 2	51.959	15.094	10.327	8.746		86.13	4.426	2.346	1.400	3.281	
2009 England All Organisations CPA PM 3	50.695	16.222	7.705			74.62	4.439	2.313	3.203		
2009 England All Organisations CPA PM 4	35.273	22.181	16.252	10.603		84.31	35.273	57.454	73.707	84.309	
2009 England All Organisations CPA SS 1	65.053	17.144				82.20	5.933	3.689			
2009 England All Organisations CPA SS 2	56.249	13.146	10.557	7.014		86.97	3.993	1.734	4.288	3.450	
2009 England All Organisations CPA SS 3	50.277	12.545	9.708			72.53	4.323	2.535	3.256		
2009 England All Organisations CPA SS 4	45.137	27.009	13.146			85.29	4.198	2.662	2.789		
2009 England All Organisations CPA CA 2	51.913	20.486	9.103			81.50	4.689	3.303	1.473		
2009 England All Organisations CPA CA 3	44.829	16.144	8.958	7.254		77.19	3.960	2.001	1.266	3.124	
2009 England All Organisations CPA CA 4	60.394	19.033	8.879			88.31	5.233	2.465	3.976		

For SS, two of the four analyses are valid these being for a score of two extracting four components explaining 86.92% of the variance and a score of three extracting three components explaining 72.53% of the variance. Using the rotated solution the largest component for a SS of two is Strategy followed by Culture, HRM and then Leadership. For SS three the order is (largest first) Culture, Strategy and Leadership. The results for a SS of four is similar to for three even though the PCA is invalid. On the other hand the invalid SS of one result has HRM as the largest followed by Leadership with only two components having been extracted.

Finally, in this section are the results for the CA of which only a single PCA is valid for a CA of three which extracts four components explaining 77.19% of the variance in the rotated order of Culture, Leadership, Strategy and then HRM. The CA score of two is invalid since the determinant is less than 0.00001, with the results being similar to for a score of three, although with Leadership and Strategy changing places. The following sections will consider the PCAs of the four organisation types beginning with councils.

8.12 PCA for 2009 Datasets for councils by CPA measures

Table 8.19 contains the PCA results for councils by CPA measures. Only three of 11 analyses meet the criteria for statistical validity, although some come relatively close to doing so. Taking the CPAR first none of the analyses are valid and the PCA was not calculated for the weak and poor ratings. In particular all the determinants are less than 0.00001 and for the fair rating the KMO is 0.369, for good 0.650 and for excellent 0.675.

Table 8.19: PCA results for the 2009 datasets for councils by CPA Rating, Performance Management Score, Service Score and Corporate Assessment

Dataset	Components
2009 England LA CPA Fair	Leadership, HRM, Culture
2009 England LA CPA Good	Culture, Strategy, HRM
2009 England LA CPA Excellent	Strategy, Leadersh, Culture, HRM
2009 England LA CPA PM 2	Culture, Leadersh, HRM, Strategy
2009 England LA CPA PM 3	Strategy, Leadership, HRM
2009 England LA CPA PM 4	Strategy, HRM, Culture, Leadersh
2009 England LA CPA SS 2	Leadership, Culture, HRM
2009 England LA CPA SS 3	Strategy, Culture, HRM
2009 England LA CPA CA 2	Leadership, Strategy, Culture
2009 England LA CPA CA 3	Strategy, Leadersh, HRM
2009 England LA CPA CA 4	Strategy, Eng, HRM

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2009 England LA CPA Fair	52.99	21.05	9.00			83.04	4.243	3.166	3.653		
2009 England LA CPA Good	56.241	19.128	9.876			85.25	4.447	3.705	2.881		
2009 England LA CPA Excellent	51.897	15.173	9.855	8.902		85.83	3.738	2.155	3.728	2.304	
2009 England LA CPA PM 2	53.366	17.452	10.940	8.106		89.86	4.572	2.094	1.845	3.433	
2009 England LA CPA PM 3	59.766	13.789	8.490			82.05	5.343	4.284	1.074		
2009 England LA CPA PM 4	47.153	26.922	15.074	9.975		99.12	3.341	2.795	2.373	3.402	
2009 England LA CPA SS 2	63.006	25.836	9.781			98.62	4.943	4.351	3.043		
2009 England LA CPA SS 3	56.419	13.685	10.263			80.37	4.770	4.020	1.525		
2009 England LA CPA CA 2	54.163	24.952	8.234			87.35	4.339	3.584	3.333		
2009 England LA CPA CA 3	52.349	14.579	10.965			77.89	5.010	2.419	1.273		
2009 England LA CPA CA 4	68.915	23.590	7.495			100.00	6.339	2.217	3.528		

The PCA extracted three components for each of the ratings of fair and good and four components for a rating of excellent, explaining 83.04%, 85.25% and 85.83% of the variance respectively. For the fair rating the rotated order of components (largest first) is Leadership, Culture and HRM; for good the order is Culture, Strategy and HRM and for the excellent rating; Strategy, Culture, HRM and Leadership. Table 8.20 summarises a comparison of the order of the components for 2009 with 2005. What becomes apparent from this is as the CPAR moves from fair to excellent the importance of the Strategy component increases and this is evident in both 2005 and 2009.

Table 8.20: A comparison in the order of the PCA rotated components for councils by CPA Rating for 2005 and 2009

Rotated component number	**CPA Rating Fair (2)**		**CPA Rating Good (3)**		**CPA Rating Excellent (4)**	
	2005	**2009**	**2005**	**2009**	**2005**	**2009**
1 (largest)	HRM	Leader-ship	HRM	Culture	Strategy	Strategy
2	Engage-ment	Culture	Strategy	Strategy	Leader-ship	Culture
3	Leader-ship	HRM	Engage-ment	HRM	Culture	HRM
4 (smallest)	Culture		Leader-ship		HRM	Leader-ship

Next is considered the PMS of which scores two and three are valid. A PCA was not calculated for a score of one whilst for a score of four although the calculation was done no KMO or other statistics were produced. For a PMS of two; four components were extracted, explaining 89.96% of the variance, in the rotated order (largest first) Culture, Strategy, Leadership and HRM. Three components were extracted for a score of three explaining 82.05% of the variance with the components in the rotated order; Strategy, Culture and HRM. Four components were extracted for the (non-valid) PMS of four, being in rotated order (largest first); Strategy, Leadership, HRM and Culture. Table 8.20 summarises a comparison of the order of the components for 2009 with 2005 for CPAR and Table 8.21 for PMS. Strategy is again an important component but more so for PMSs three and four. It can be seen for a PMS four in 2009 the rotated totals for Leadership and Strategy are very close. It does appear Strategy has become more important in explaining the variance moving from 2005 to 2009. Next we consider the SS.

Table 8.21: A comparison in the order of the PCA rotated components for councils by Performance Management Score for 2005 and 2009

Rotated component number	**Performance Management Score 2**		**Performance Management Score 3**		**Performance Management Score 4**	
	2005	**2009**	**2005**	**2009**	**2005**	**2009**
1 (largest)	HRM	Culture	HRM	Strategy	Strategy	Leader-ship
2	Culture	Strategy	Strategy	Leader-ship	Culture	Strategy
3	Strategy	Leader-ship	Leader-ship	HRM	Leader-ship	HRM
4 (smallest)		HRM			Engage-ment	Culture

For the SS SPSS did not calculate a PCA for scores of one and two and for scores three and four neither is valid, although a SS of three has a KMO of 0.732 and a determinant of less than 0.00001. The PCA extracted three components for a SS of three being (rotated) Strategy, Culture and HRM explaining some 80% of the variance. For comparison in 2005 four components were extracted in rotated order

(largest first); Leadership, HRM, Engagement and Culture. Finally, for councils the CA is considered.

The PCA was calculated for CAs of two, three and four, although only a score of three is valid. The CA two has a KMO of 0.482 but the determinant is less than 0.00001. For a score of three the PCA extracted three components explaining 77.89% of the variance, in the rotated order (largest first) Strategy, Leadership and HRM. For a score of two three components were also extracted explaining 87.35% of the variance with the components (largest first); Leadership, Strategy and Culture. Table 9.22 summarises a comparison of the order of the components for 2009 with 2005. Notwithstanding the concern regarding the PCA validity of some of the analyses; there would appear to be an increase in the size of the Strategy component as the CA increases. The importance of Strategy may also have increased from 2005 to 2009. The next section considers the PCA results for fire services.

Table 8.22: A comparison in the order of the PCA rotated components for councils by Corporate Assessment for 2005 and 2009

Rotated component number	**Corporate Assessment 2**		**Corporate Assessment 3**		**Corporate Assessment 4**	
	2005	**2009**	**2005 #**	**2009 #**	**2005 #**	**2009**
1 (largest)	HRM	Leader-ship	HRM	Strategy	Strategy	Strategy
2	Strategy	Strategy	Engage-ment	Leader-ship	Leader-ship	Engage-ment
3		Culture	Strategy	HRM	Engage-ment	HRM
4 (smallest)			Culture		HRM	
# Valid PCA analysis						

8.13 PCA for 2009 Datasets for fire services and police forces by CPA measures

Table 8.23 shows the PCA results for fire services with none of the analyses being valid. The KMO statistic was only produced for the analysis with a CA of three with a value of 0.379, the significance was 0.333. Whilst notwithstanding the limitations on interpretation it appears Strategy is more important as organisational performance increases (see PMS and CA). It has been shown that for SS the Strategy component does not appear to be as important as others, for example see Table 8.16. Next we will consider the PCA analyses of the police data.

Table 8.23: PCA results for the 2009 datasets for fire services by CPA Rating, Performance Management Score, Service Score and Corporate Assessment

Dataset	Components
2009 England Fire CPA Fair	HRM, Strategy, Leadersh, Cult
2009 England Fire CPA Good	Engagement, Culture, Stra, HRM, Lea
2009 England Fire CPA PM 3	Culture, Leadership, Stra, HRM
2009 England Fire CPA PM 4	Strategy, Leadership, HRM
2009 England Fire CPA SS 3	Strategy, Leadership, HRM, Cult
2009 England Fire CPA SS 4	Culture, Leadersh, Stra
2009 England Fire CPA CA 3	Engagement, Leadersh, Strategy, Cult, HRM
2009 England Fire CPA CA 4	Strategy, Leadership

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2009 England Fire CPA Fair	44.164	30.639	13.915	11.281		100.00	4.196	3.095	1.994	1.520	
2009 England Fire CPA Good	41.918	18.766	13.069	10.745	7.373	91.87	3.532	2.073	1.245	2.585	1.918
2009 England Fire CPA PM 3	48.703	19.513	14.576	10.410		93.20	3.795	3.196	1.638	2.722	
2009 England Fire CPA PM 4	55.101	32.618	12.281			100.00	4.568	4.155	3.264		
2009 England Fire CPA SS 3	36.694	25.460	20.707	13.829		96.69	3.577	2.509	2.111	1.614	
2009 England Fire CPA SS 4	54.723	23.747	12.433			90.90	5.415	2.366	1.718		
2009 England Fire CPA CA 3	31.483	22.361	14.865	10.584	8.639	87.93	2.389	1.744	2.126	1.870	1.874
2009 England Fire CPA CA 4	75.239	24.761				100.00	7.321	3.205			

Table 8.24 shows the PCA results for the police forces data. Only four analyses were produced and none of these are valid. HRM ranks first with Strategy second so this is consistent with other results. The PCA for PCTs is considered next.

Table 8.24: PCA results for the 2009 datasets for police forces by CPA Rating, Performance Management Score, Service Score and Corporate Assessment

Dataset	Components			
2009 England Police CPA Good	HRM	Strategy	Leadersh	Culture
2009 England Police CPA PM 3	HRM	Strategy	Leadersh	Cult
2009 England Police CPA SS 3	Culture		Strategy	
2009 England Police CPA CA 3	HRM	Strategy	Leadersh	Culture

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2009 England Police CPA Good	43.660	23.747	18.039	11.173		96.62	3.656	2.291	2.241	2.687	
2009 England Police CPA PM 3	41.277	24.784	19.023	10.529		95.61	3.621	2.463	2.349	1.985	
2009 England Police CPA SS 3	74.484	25.516				100.00	6.691	4.406			
2009 England Police CPA CA 3	43.660	23.747	18.039	11.173		96.62	3.656	2.291	2.241	2.687	

Similar to for police, none of the PCA analyses for PCTs are valid. Again, the component HRM dominates with Strategy being somewhat reduced (Table 8.25). The next set of analyses use the data collected in the survey conducted in 2010 of which the number returned was the lowest of the three waves.

Table 8.25: PCA results for the 2009 datasets for PCTs by CPA Rating, Performance Management Score, Service Score and Corporate Assessment

Dataset	Components			
2009 England PCT CPA Fair	HRM	Strategy	Leadersh	
2009 England PCT CPA Good	HRM		Lea	Stra
2009 England PCT CPA PM 2	Culture		Leadersh	
2009 England PCT CPA PM 3	HRM	Leadersh	Culture	
2009 England PCT CPA SS 2	HRM		Leadership	
2009 England PCT CPA SS 3	Culture		Strategy	Lea

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2009 England PCT CPA Fair	72.069	17.488	8.720			98.28	5.718	4.578	4.237		
2009 England PCT CPA Good	57.513	21.722	12.289			91.52	5.724	2.063	1.631		
2009 England PCT CPA PM 2	71.473	28.527				100.00	6.758	3.827			
2009 England PCT CPA PM 3	67.853	15.428	7.561			90.84	5.841	2.419	4.738		
2009 England PCT CPA SS 2	65.053	17.144				82.20	5.933	3.689			
2009 England PCT CPA SS 3	64.652	25.585	9.764			100.00	5.944	3.717	1.596		

8.14 PCA for 2010 Datasets

The survey undertaken in 2010 used the results of the 2009 CAA as the assessment of performance (Appendix 8.3). As noted elsewhere this was a rather different system to CPA. There were insufficient returns from the police and PCTs to analyse, although these returns are used in the all organisation types combined analysis. Table 8.26 shows the PCA analyses for all organisation types combined, councils and fire services. For all organisation types combined five components were extracted explaining 83.40% of the variance. In rotated order (largest first) these are HRM, Strategy, Leadership, Engagement and Culture.

Table 8.26: PCA results for the 2010 datasets overall and by organisation type with no performance differentiation

Dataset	Components				
2010 England All Organisations	Leadership	Enga	Strategy	HRM	Cult
2010 England LA	HRM	Strategy			Culture
2010 England Fire	Strategy	Leadership	Engagen		HRM

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2010 England All Organisations	47.903	11.294	9.257	7.941	7.003	83.40	2.825	1.959	2.982	3.389	1.355
2010 England LA	51.131	11.526	10.264			72.92	3.804	3.706	2.720		
2010 England Fire	42.191	18.958	15.711	10.226		87.09	2.901	3.013	2.058	2.218	

Table 8.27: A comparison in the order of the PCA rotated components for all organisation types combined, councils and fire services for 2009 and 2010

All organisation types combined		**Councils**		**Fire services**	
2009 #	**2010 #**	**2009 #**	**2010 #**	**2009 #**	**2010**
Culture	HRM	Culture	Strategy	HRM	Leadership
Strategy	Strategy	Leadership	HRM	Culture	Strategy
Leadership	Leadership	HRM	Culture	Strategy	HRM
	Engagement			Leadership	Engagement
	Culture				
# 'Valid' PCA analysis					

For councils the order is Strategy, HRM and Culture whilst for fire services it is Leadership, Strategy, HRM and Engagement. Table 8.27 presents this data for 2009 and 2010 which shows the components Culture, Strategy, HRM and Leadership appear to vary in their contribution.

Table 8.28 shows the PCA results for all organisations by CAAR. Only the rating of well produces a valid result, although the statistics for a rating of adequate are; a KMO of 0.447, significance of 0.228 and a determinant of less than 0.00001. Three components are extracted for a rating of well explaining 81.89% of the variance with the rotated order of HRM, Leadership, Strategy and Engagement. The rotated totals for each of the first three components are quite close. The rotated order for the good CPAR (or equivalent) all organisations in 2009 are Culture, Strategy and Leadership, so not similar. Councils are considered next.

Table 8.28 PCA results for the 2010 datasets for all organisation types combined by CAA Rating

Dataset	Components				
2010 England All Organisations CAA Adequate	Leadershi	Engagement	HRM	Culture	Stra
2010 England All Organisations CAA Well	Strategy	HRM	Leadersh	Engager	
2010 England All Organisations CAA Excellent	Culture	Leadersh	HRM	Eng	

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2010 England All Organisations CAA Adequate	32.79	21.20	16.42	12.72	7.30	90.43	2.488	1.928	1.927	2.412	1.496
2010 England All Organisations CAA Well	52.772	11.446	9.839	7.835		81.89	3.428	3.593	3.467	2.361	
2010 England All Organisations CAA Excellent	49.93	22.73	16.39	10.96		100.00	4.761	2.382	1.871	1.805	

The PCA analysis could be run three times for councils with a CAAR of adequate, well and excellent although none are valid (Table 8.29). The analysis for a CAAR of well comes closest having a KMO of 0.713, is significant at 0.05 but the determinant is less than 0.00001. For this rating four components were extracted explaining 86.01% of the variance; the component rotated order being (largest first); HRM, Engagement, Strategy and Culture. Table 8.30 summarises the order of rotated components for the CPA and CAARs for fair (adequate) and good (well) for councils in 2005, 2009 and 2010. No clear pattern is evident from this. Finally, is considered the PCA results for the fire service.

Table 8.29: PCA results for the 2010 datasets for councils by CAA Rating

Dataset	Components			
2010 England LA CAA Adequate	Leadership	Culture	HRM	Strategy
2010 England LA CAA Well	Strategy	HRM	Engagem	Culture
2010 England LA CAA Excellent	Strategy		HRM	Eng

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2010 England LA CAA Adequate	35.893	24.685	17.802	13.173		91.55	2.895	2.340	2.210	2.444	
2010 England LA CAA Well	54.41	13.23	10.61	7.76		86.01	2.984	3.877	3.396	2.799	
2010 England LA CAA Excellent	55.794	29.119	15.087			100.00	5.317	3.308	1.696		

Table 8.30: A comparison in the order of the PCA rotated components for councils rated fair or good in CPA 2005 and 2009 and adequate or well in CAA 2010

2005		2009		2010	
Fair #	**Good #**	**Fair**	**Good**	**Adequate**	**Well**
HRM	HRM	Leadership	Culture	Leadership	HRM
Engagement	Strategy	Culture	Strategy	Strategy	Engagement
Leadership	Engagement	HRM	HRM	Culture	Strategy
Culture	Leadership			HRM	Culture
# 'Valid' PCA analysis					

Table 8.31 shows the only PCA results extracted for the fire service although both of these are not valid. The same data in 2009 was also not valid. However, Strategy and Leadership dominate which appears quite similar to other analyses.

Table 8.31: PCA results for the 2010 datasets for fire services by CAA Rating

Dataset	Components		
2010 England Fire CAA Adequate	Strategy	Leadership	HRM
2010 England Fire CAA Well	Leadership	Strategy	HRM

	Extracted %						Rotated Totals				
Dataset	1	2	3	4	5	Total	1	2	3	4	5
2010 England Fire CAA Adequate	48.893	29.373	21.733			100.00	4.147	3.419	3.023		
2010 England Fire CAA Well	44.497	27.909	17.786			90.19	3.526	3.296	2.988		

8.15 Conclusions

It has been shown the two hypotheses (J1 That an organisation that exhibits higher scores in the organisational profile will be higher performing than an organisation that scores lower and J2 That an organisation that has moved the furthest along the scales will be higher performing than an organisation that has moved less) are supported by the extensive analysis of the organisational profile statements. The second part of this chapter considered the data further using exploratory PCA in an attempt to identify which of the ten statements contribute most to explaining performance using CPA (2005 and 2009) and CAA (2010). Although the detail appears complex, the analysis suggests the Strategy component explains a larger proportion of the organisational performance variance than the other components, followed by HRM. Further, the importance of Strategy in explaining organisational performance appears to increase as organisational performance increases.

9. Results 5 – Case Studies and Interviews

9.1 Case Studies in 2005

In order to consider the validity of the data collected by the 2005 survey questionnaire a small case study was undertaken in three councils representing a convenience sample: Chester-le-Street District Council, Darlington Borough Council and Durham County Council. Chester-le-Street DC and Durham CC were chosen to include a small authority (shire district), a large authority (shire county) respectively and to cover the ends of the CPAR. Chester-le-Street DC was rated poor in CPA and was undergoing the improvement process aided and funded by the ODPM. Durham CC was rated excellent. Darlington BC (also rated excellent) was included as a unitary authority. Chester-le-Street DC was abolished becoming part of the new Durham County Council unitary in 2009.

Appendix 9.1 shows the scores for the top 15 strongest correlations with CPAR (all $p<0.01$) for Darlington BC. The scores are shown for the officer who completed the questionnaire, individual interviewees, focus group and then the mean for all (not including the questionnaire respondent). A difference in score of one equates to a 16% variance. The average difference of 14 statements (excluding 9.5) is a score of 0.93 (15.5%). As regards statement *9.5 Inspectors supportive of organisation* all except the focus group of front line employees considered inspectors were supportive of the authority. The largest differences were for *4.10 Level of innovation in service delivery* (difference 2.2) scored low by the officer who completed the questionnaire and much higher by front-line employees but also the central policy/BV officer. The extent to which the council gives vfm (4.46) with a difference of 1.8 was also scored low by the officer who completed the questionnaire but given the maximum score by front-line employees and high scores by the two other policy/BV officers, with somewhat lower scores given by the two service managers.

Statement *12.3 Extent to which a high degree of mutual trust exists between different parts of the council* also had a difference of 1.8 but this time with the officer completing the questionnaire giving the highest score and front-line employees the lowest score. Service managers and policy/BV officers allocated scores in the middle range.

The lowest differences are for *4.20 Extent to which service developments are implemented strategically* (difference 0.2), *4.35 Extent of responsiveness of the authority to service users* (difference 0.4), *4.40 Extent to which the authority focuses on customers* (difference 0.4) and *4.39 Extent to which the authority is regarded as competitive* (difference 0.4).

For Chester-le-Street DC the largest differences are for 4*.26 Extent to which strategies and plans are linked* together (difference 1.2), *5.66 Extent to which the 'use' stage of performance management is successful* (difference 1.0) and *4.46 Extent to which the council gives vfm* (difference 1.0). There are three statements for which the difference is zero: *4.29 Extent to which policy decisions are based on evidence*, *4.10 Level of innovation in service delivery* and *4.42 Extent to which the authority focuses on service provision*. The average difference of the means for the 14 statements is a score of 0.47 or 7.8%. The differences are therefore not considered substantial.

The largest differences for Durham CC are for *4.40 Extent to which the authority focuses on customers* (difference 2.8) with the questionnaire score being low, *12.3 Extent to which a high degree of mutual trust exists between different parts of the council* (difference 2.4), with front-line staff scoring this is the lowest, *4.20 Extent to which service developments are implemented strategically* (difference 1.8) and *4.39 Extent to which the authority is regarded as competitive in terms of achievement* (difference 1.8). As regards 4.20 the questionnaire respondent scored this higher than others except for one service manager, for 4.39 the questionnaire respondent scored this lower than others.

In terms of the organisational profile for Darlington BC (Appendix 9.2) the mean difference is 2.2 with the questionnaire responses for the ten paired factors averaging 4.9 compared to 5.52 for those in the case study. The largest differences are for *Budget to Revenue Driven* (difference of 4.4), *Status Quo to Change Orientated* (3.8) and *Monopolistic to Competitive* (2.4). In these three instances the questionnaire score was lower than other respondents. The smallest differences are for *Process to Results Orientated* (0.8), *Departmental to Non-Departmental Form* (1.0), *Organisation to Citizen Centred* (1.8) and *Rule to People Centred*. Interestingly these appear to be key factors in terms of a council being high performing.

For Chester-le-Street DC the respective figures are 5.2 (questionnaire) and 4.06 (case study) with a mean difference of 1.36. The largest differences are for *Position Power to Leadership* (2.4), *Departmental to Non-Departmental Form* (2.4), *Process to Results Orientated* (2.2) and *Budget to Revenue Driven* (2.2). In these four instances the questionnaire respondent generally scored higher than those in the case study. The smallest differences are for *Status Quo to Change Orientated* (0.0), *Independent Action to Collaboration* (0.4) and *Monopolistic to Competitive* (0.6).

Durham CC had a mean difference of 1.1 and average scores of 7.9 for the questionnaire and 6.84 for the case study. The largest differences were for *Position Power to Leadership* (2.8*), Independent Action to Collaboration* (2.0) and *Monopolistic to Competitive* (2.0) with the questionnaire respondent generally scoring higher than those in the case study. The smallest differences were for *Rule to People Centred* (0.2), *Status Quo to Change Orientated* (0.2) and *Centralised to Decentralised* (0.6).

Table 9.1 provides a summary of the case study scores compared to those from the survey questionnaire. Overall, in terms of the questionnaire respondent giving similar scores to the case study Chester-le-Street DC had the smallest percentage variance difference for the statements. This statistic ignores the sign in calculation of the mean. Durham CC had the smallest percentage variance for the organisational profile.

Although the case study interviews and focus group average scores differed from those of the questionnaire respondent the differences do not seem to be of such magnitude to suggest significant doubts regarding the results of the questionnaire and thus the correlations. Rather they tend to support this analysis; invariably it is the case in any (large) organisation there will be a diversity of perceptions. Even though the questionnaire gathered the views of one officer at the centre it seems these views were overall more similar than different to the case studies. However, the key point is the questionnaire was completed by an officer at or near the top at the corporate centre of the organisation likely to be knowledgeable about the topic. Thus, although other workers (for example Ketokivi and Schroeder, 2004) have cautioned against using the perceptions of a single individual in organisational studies the evidence from this study suggests it can be an appropriate method and productive in the right circumstances.

Table 9.1: Summary of differences in survey questionnaire and case study mean scores for Chester-le-Street DC, Darlington BC and Durham CC

	Chester-le-Street DC	Darlington BC	Durham CC
Questionnaire Statements Mean Score	2.93	4.29	4.50
Case Study Mean Score	3.26	4.66	4.66
Difference	+0.33	+0.37	+0.16
Variance Mean Difference	0.47	0.93	0.93
Variance % Difference	7.8%	15.5%	15.5%
Questionnaire Organisational Profile Mean	5.20	4.90	7.90
Case Study Mean Score	4.06	5.52	6.84
Difference	-1.14	+0.62	-1.06
Variance Mean Difference	1.36	2.20	1.10
Variance % Difference	13.6%	22.0%	11.0%

In the case studies as well as scoring the 15 statements with the strongest correlation (all at $p<0.01$) a number of issues were discussed based on specific questions (Appendix 4.4). The following sections summarise the discussions.

The importance of the development and implementation of strategy

All respondents at Chester-le-Street DC felt developing and implementing a strategy was important but overall things were just beginning to happen in this area, "…key council strategies are coming together but if I had been asked the same question last year it would have been terrible…" There was also a view strategies were created then nothing happened so there was an issue of translating strategy into operations and also communicating strategy, "…services deliver but what they deliver may not be in line with the strategy…" In particular frontline employees felt, "….at the time of the CPA strategies were not important at all but now management team realise their importance…." and service managers are beginning to work with other service managers rather than alone. The view is that prior to the adverse CPA (in which the authority received a poor rating) although strategies were

developed they were not important and not related to service delivery but things are now changing with the new management. Now strategies are being regarded as important and are being communicated throughout the Council. However, there were some comments suggesting it is still early and the full impact may not be evident for a few years.

In Darlington BC the view was strategy is not only important but implemented and this has been particularly strong over the past three or four years. However, frontline employees felt, although strategy existed it was not always, or well, communicated to those delivering services.

At Durham CC strategy has been strong for the past eight years and the different strategies are linked and for implementation there is a robust framework. Also, "….strategy is driving funding not the other way round…." and the four corporate aims are easy to understand and staff know how they contribute. However, frontline employees felt, although there are strategies, they don't know much about them and they don't impact much on their jobs. Also funding doesn't necessarily follow a strategy.

Durham CC and Darlington BC appear to be similar in having good and implemented strategies (for the past several years) although, frontline employees may be somewhat disconnected and communication of the strategies may be an issue. Chester-le-Street DC is in the process of putting clear strategies in place with implementation plans.

Extent to which performance management is integrated with service planning

In Darlington BC performance management and service planning are regarded as being separate but in the process of being brought together, "….integrated to a certain extent not fully…." Frontline employees see PIs as linking performance management and service planning and had an idea of which applied to them. In particular they understood how service planning was integrating services, "….don't just look at litter when doing streets but also lamp posts and kerbs…." (frontline employee).

In Chester-le-Street DC it was felt the concept of integration was understood but practice lags although, "…it has improved over the last 12 months but not truly

embraced yet…" There is now linkage with high-level objectives that didn't used to be the case. Frontline employees were very positive about developments in this area and referred to *PerformancePlus*, a computerised system facilitating integration, "....local PIs being developed for briefing books...."

In Durham CC the general view was performance management and service planning are better linked with flexible service planning guidance centrally prescribed. Frontline staff felt they experienced the link but there was still work to do, for example, "….the service plan says one thing but may not be dealt with this way.…" (frontline employee). Proposed improvements to the appraisal system to provide better links, to service plans, for individuals is welcomed. Again, Darlington BC and Durham CC were similar, although the latter, perhaps had greater integration whilst Chester-le-Street DC recognised the need to do work in this area with progress being made.

Extent to which performance management and service planning are decentralised

In Chester-le-Street DC it was said there used to be no useful corporate guidance on performance management and service planning. A comment was, "A service plan has to actually mean something". Things were said to be getting better but still a lot to do – very decentralised, "There was no centralisation, silo-working". Frontline staff concurred performance management and service planning were very decentralised.

Darlington BC also appears to have a largely decentralised system for performance management and service planning, although a service manager noted the coordinating role of the Corporate Planning Network, "….that collectively agree the framework….". Frontline employees felt their views were fed into service planning to an extent.

In Durham CC decentralisation was emphasised but within a clear corporate framework. Frontline employees noted, "There is more togetherness..." but a need for some centralisation. Again, Darlington BC and Durham CC are similar in having clear minimum standards (alongside decentralisation of doing service planning and performance management) appearing to direct performance management and service planning, which does not appear to be the case in Chester-le-Street DC.

The relationship between councillors (members) and officers

At Chester-le-Street DC good and proper relationships were said to exist between councillors and officers although a service manager commented, "….don't like members coming on the shop floor with things for staff to do…." However, it was noted this had improved but the roles of members and officers still need greater definition. Frontline employees generally felt as above but they also felt members needed more development to fulfil their roles properly. In Durham CC some respondents noted the new political leader of about five years ago changed things for the better. Frontline employees noted the good relationship and clearly defined roles. The member's training programme appeared to be significant.

In Darlington BC the relationship also seems to be 'proper' but sometimes things are done for members that should not be, although this was not said to be an especially widespread problem. Generally, it appeared in all three authorities the relationship between members and officers was professional, although in both Chester-le-Street DC and Darlington BC the rules do not appear to be as well followed, as is now the case in Durham CC.

Level of resources to do performance management and service planning at centre and in departments

It was felt there is too little resource in some departments and at the centre in Chester-le-Street DC. "*PerformancePlus* has been bought but not being used, not enough effort or resources. No light at the end of the tunnel". Frontline employees felt performance management was added to people's jobs who don't have time and it really needs some dedicated resource. As regards Durham CC the general view is there are mostly sufficient resources in departments but the level at the centre is inadequate. Frontline employees felt there was a need for the centre and departments to work better together in this area to make more effective use of the council's resources. In Darlington BC the picture is variable, a service manager commented, "….don't know if *PerformancePlus* helps or not?" The view was also put by both service managers; many things happen due to the goodwill of employees.

For all three authorities resource for performance management was an issue. However, what didn't come out so much was deployment which appeared to vary by council.

Level of involvement in performance management

At Chester-le-Street DC involvement appeared to vary by department with some critical comment regarding the imposition of a framework, with little practical involvement. One comment was, “Departments are not joined up with the centre – do their own thing”. Another comment from the focus group, “It was CPA which prompted regular meetings”, suggesting things were moving but they needed to move further and become part of the way of working. In Darlington BC involvement was described as high but not always down to individuals, although personal development reviews (appraisals) do the job in part. The issue of sufficient time at the frontline to become involved appeared to be a problem. The position in Durham CC seemed to be very similar to Darlington BC and included the following comment, “Not enough voice for day-to-day views of frontline staff” (focus group).

How widely is performance discussed, communicated and formally reported?

In Chester-le-Street DC performance was said to be reasonably well discussed and reported amongst senior managers but below that to be poor (except in a very few specific areas) and to councillors not systematic, “...reports to Executive and Scrutiny, two out of 13 service teams only put reports together”. The lack of performance data on an Intranet was noted by some as a significant weakness. Apart from one service manager, formal reporting was noted as poor with the implication of the need for minimum corporate standards. Frontline staff felt far too much time was spent collecting data with not enough reporting and learning from it. Quarterly reports were noted but regarded as far too informal.

In Durham CC performance appeared widely discussed and communicated including at staff briefings, although the practice varied by department. “Happens twice a year and a choice of three sessions to make sure everyone gets a chance to go”. Formal reporting is regarded as quite comprehensive although the Intranet is not yet used, for example to report using *PerformancePlus*. The focus group felt some reporting still in silos and needed to reflect the corporate organisation more.

In Darlington BC there was widespread discussion at departmental management teams but going down further is variable and only sometimes picked up in appraisals (PDRs). The focus group concentrated on PDRs where performance issues do appear to be considered. Formal reporting was felt to be good to both

officers and members, although perhaps the scrutiny role could better use performance data.

Extent to which authority is a learning organisation and innovative

There was almost universal agreement that Chester-le-Street DC was not a learning authority (yet), “Likes to think itself better than it actually is in practice…dreadful in the past…slightly better now”. A view widely shared in the focus group was, “Only learning now because of CPA and the housing kick in the teeth – lower levels knew but senior levels wouldn’t listen” (frontline employee). One respondent described the CPA as a wakeup call but the amount of change required cannot happen overnight. As regards experimentation the council is described as risk averse – safety first with a fear of change. One respondent commented, “Still need to crack the trick of empowering the doers” (service manager) and another, “Staff are frightened of adapting to change” (frontline employee).

Durham CC was regarded much more of a learning authority now than a few years ago with a specific change programme in place. “Moved a long way. Made very conscious efforts and corporately a change programme to encourage change…a clear steer from members and senior officers to move forward”. This view appeared widely shared in the authority. There was also a view that whilst the Council can learn from the outside it is not so easy within the Council due to silo working of departments. Progress is expected.

In Darlington BC respondents were somewhat unsure whether the Council is a learning authority or not and whether the culture encourages experimentation. However, it was considered both had improved in the past three years or so, partly due to some latitude in resources. In the focus group it was said there was learning from other authorities at an operational level. A service manager commented relatively high levels of stress militated against learning.

High degree of mutual trust between parts of the authority

At Chester-le-Street DC the level of trust was said to vary between different actors but had recently improved, “No – getting a bit better, can’t get worse. At CMT level it is improving” (focus group). Some of the mistrust is put down to departments defending their corner, i.e. the lack of a corporate dimension or direction. There was a view, historically, the corporate centre had caused some of the problem by

their behaviour and approach, although this had largely gone, things can't change overnight.

In Darlington BC there was felt to be quite a high level of trust, although the legacy of CCT, had been mistrust. Some respondents felt the trust was on the surface but when tested it fell apart and then departments just defended their corner. The view of the focus group was much more negative saying there was not a lot of trust between departments. In Durham CC the situation appeared similar with the focus group talking about the silo mentality, a view also held by others but it was felt this would change with the new chief executive. Overall though, levels of trust were regarded as relatively high.

Any barriers between different parts of the council

A barrier identified in Chester-le-Street DC was a lack of a coherent organisation and some employees, "….don't know what the Council is about – no linkages between the jobs of individuals and a common vision/goals." Silo working needs breaking down and there is a geographical barrier with those who are not in the civic centre, not helped by poor ICT. The focus group were critical, "Terrible problems – professionalism, geographical, organisational, cultural" and don't know what the council is doing to address the barriers. If things get done it is only due to friendships of people in different departments.

In Darlington BC a barrier was said to be the lack of commitment to coordinate services providing customer benefits and, "Professional groups retreat to find a comfort zone, silo working, why should we help others if by doing so we miss our targets?" (service manager). This view was not as strongly held by other respondents. The focus group considered employees work for a particular department, not Darlington BC and also there is 'the depot' and 'town hall' – two different entities. Again, things get done because of relationships formed across the Council, sometimes despite the formal structure.

In Durham CC, perhaps the biggest barrier identified in the focus group was between 'the centre' (or County Hall) and other areas of the Council and this is possibly related to size and geography. Another barrier was some departments, such as Education, have had performance management for some time finding it hard to follow the corporate approach. Another respondent identified the need for more corporate leadership and ownership. Another issue was departments need

to, “Treat people on their competence and not on their tier…” Hence, in all three authorities a number of barriers were identified and although there was discussion about overcoming them for many there are no easy means of resolution.

In summary, the results of the case studies tend to support the results of the survey questionnaire, although there are some detail differences. Overall, the scores used in the analysis do not appear to be significantly different from those obtained in the interviews and focus groups. The responses based on the CPAR of the authorities are what would generally be expected.

9.2 Interviews in late 2012/early 2013

Five interviews were held in the period October 2012 to February 2013 to explore issues arising from the surveys and consider organisational performance in these settings. All interviews, scheduled for one hour, were conducted with those leading performance management in the organisations under anonymity so throughout this section Council A and Council B will be used along with Fire, Police and PCT to represent the organisations. The PCT was in the process of being abolished and of course the national performance framework had been abolished or substantially reduced. In particular the CAA proved to be short-lived, only reporting once. In addition the coalition government embarked on an unprecedented programme of spending cuts in the public sector which were beginning to bite when the interviews were undertaken. The interviews were not undertaken immediately, after the final survey, in order for some time to elapse so considered views, including the impact of the cuts could be gauged.

A semi-structured approach was adopted using the pro-forma at Appendix 4.5. The focus was on the organisation’s performance from 2005, with a series of questions on past performance, and then a look-forward from the abolition of much of the national framework(s), to how performance management may develop in the near future.

Views on the key determinants of organisational performance from 2005 to 2010

Council A felt determinants of performance were many but analytical ability or, “Maybe not analytical ability but its ability to draw together data because I think we’ve always been short on analysis”, was important to make use of data collected. Interpretation was regarded as a bit of a problem. It was also felt personalities were

very important in ensuring things happen. Council B took a different tack noting a strategic approach was probably necessary for effective performance. This required sufficient corporate resource and an organisation working as one. Departments need to be tied into the strategy and ensuring effective 'unitary' use of resources.

Fire focused on the PIs driving performance in certain directions whilst suggesting, "….try to express….the level of effect of you know things like social deprivation….we had a much higher focus on anti-social behaviour activity for fire than on any other piece of work that we were doing". The police didn't see these 'nuisance' fires as criminal acts and therefore as a priority. So, although there was quite a rigid national PI framework for fire services, local priorities were being addressed. There was also an effort to move to an evidence-based approach to drive performance.

The Police noted the very strong national framework that existed in 2005 with Police Performance Assessment Framework **(**PPAF) moving to the APACS structure. It was felt to be very 'nit-picking' and very much driven by crime figures, detection rates and arrest figures. "It was useful in some ways as forces understood what they were being targeted on…but too big, it wasn't grounded in data or a valid framework and it almost stopped organisations thinking for themselves, they were chasing targets…."

From 2006 PCTs were going through world class commissioning, an overarching label covering benchmarking and continuous improvement to give consistency across PCTs. It was very much driven by the Department of Health, "This is what you'll deliver, this is how you'll deliver it, this is how we're going to performance manage you." Each year PCTs were given their performance management framework including the 'must dos', for example MRSA targets, cancer-treatment targets and so on, "As a board this is what you will monitor progress on and monitor performance on and benchmark nationally." So, although implementation was local it was very much driven nationally.

Views on the determinants of organisational performance prior to 2005 (CPA 2002 to CPA 2005)

Council A felt determinants of organisational performance were the same prior to 2005. Council B noted the CPA 2005 framework became more rigorous and put a

greater premium on data quality. The corporate dimension was arguably made more important in the assessment framework with a premium on strategy and demonstrating how services link in, “Demonstrating the golden thread.”

For Fire the evidential basis and level of analysis was said to be lower and, “….you could argue that the CPA ‘harder test’ did challenge organisations to look at things in a different way and build-up further evidence around them.” The Police felt the biggest difference was the introduction of the ‘police’ BVPIs which tied in with partners through the LSP.

The PCT felt the NHS performance framework in place prior to 2005 focused on the move from health authorities to primary care groups leading to PCTs. “The politically mandated changes have, whatever the flavour, always determined what you’ll be measured against….”.

Views on what changed to impact on performance over this period

Council A felt performance was driven by the framework that ended up being ‘tired’ with too frequent reporting to too high a level. “We were drawn into a process of presenting data across the board without really the ability to say, yes, there’s all the numbers but that’s what we want. Forget all that, because that number there is the one you really want to be looking at”. With CAA the area focus became much more important and it was inspection driven, “….so the dialogue was always going to be coloured by the fact everybody wanted to get top marks. And so what happened was the level of honesty and integrity therefore, about that, was probably reduced”. Nonetheless it was felt to be a useful process and the final report format was thought to be at the right level.

Council B felt things had changed in some senses but not others. The number of indicators was in theory rationalised and the local area agreement defined clearer priorities but these were mainly those of central government. Partnership working on performance management issues increased and the complexity of certain, especially ‘wicked’, issues came more to the fore. “The need for data quality assurance and the like between, as well as within, organisations…partner organisations created much work and frustration!” Further, the need for greater control over services to ensure good data collection became an issue as failure to collect data as per the definition could see indicators qualified with detrimental consequences for the organisation.

Fire felt, since 2002, the performance picture has become much richer but actually they've changed in a way similar to other organisations. Service or accountable managers have access to a greater amount of performance information, using such as performance dashboards and is much more frequent. Governance structures have been improved and sought elected member involvement in scrutiny to a greater degree. Critically, "We've looked to improve in the last three or four years….is our strategic review which is probably more structured now than it was previously." Benchmarking was also regarded as important and has got more sophisticated over the years. Data is electronically submitted to DCLG (started from 2009). A key point is this was all mandatory.

For the Police what developed was far too big, "….there were far too many indicators. People got hung up on measuring everything to have a balanced scorecard or what they were thinking was a balanced scorecard." The whole situation seemed to have become even more defensive with the approach being, "I want to be best, I don't want to be red, I don't want to be on the HMIC radar, I don't want a nasty letter from the Home Secretary….and it almost became a game." There was also a clash between national and local priorities. For example knife and gun crime were given to all forces as a national priority but it's not a significant issue here and therefore has a low priority for resources. Over the period there was more of a focus on policies.

In terms of the PCT it was felt the menu varied a little, "….for example ten years ago you didn't have the rigorous targets around health care infections; *Clostridium difficile*, MRSA they weren't in the performance framework ten years ago whereas they are now because that's, you know, part of the push." The other thing more prominent in the performance framework is the, "….absolute drive for reporting near misses….a lot of investment has gone into that and in an effort to make it more of a transparent culture, and you know the whole thing around whistle blowing and transparency." Other big issues have always been part of PCT performance management: financial balance, waiting times, treatments, life expectancy outcomes. Relatively new issues are health care, infection, focusing on managing risk, transparency and information governance.

Views on the importance of organisation structure, resources, leadership, etc. on performance

The approach to strategy in Council A was described as kind of schizophrenic. There were two priorities and a number of themes. “We were monitoring themes and churning out data and information about that and worrying endlessly about how they related to each other and cross-cutting issues”.

Council B felt structure did matter as it could determine how well people worked together, particularly on corporate issues. Leadership was also noted and it was seen at many levels but at the top the strategy was determined and very importantly the culture, “It’s the classic do as I say not as I do syndrome which was toxic for a time”. There was significant investment in performance management both at the centre and in departments that produced results. A centralised driven direction was felt to be critical in the organisation, especially when dealing with the Audit Commission. Engagement was also important, “I remember attending an event on BV, or was it CPA, hosted by the Audit Commission at which they waved a list in the air stating they had taken note of which councils had attended….and they meant it!”

Fire felt the big change since 2005 was the development of agility. In particular making performance information more quickly available and accessible to managers. As regards CPA assessment they felt the process itself was incredibly burdensome. This diverted resources from improving performance management, although more resources were made available, “….if I’m honest I found the challenges from the Audit Commission to be very reactive and lacking in recognition of the strategic planning for an organisation….Because of the rigid PI framework they have a very very strong focus toward continual demonstrable improved performance across all areas, whereas we build our strategies in a way that might take us years to deliver improvements. And we do in some cases need years to assess how these improvements flow….come through”. The view was evaluation by the Audit Commission was not properly considered on their part so could end up in a position, “….where how you actually perform determines how you performance manage rather than the other way round”. In terms of leadership, teams were having to wrestle with the process and there were strong debates about performance at ‘leadership level’. So top management made the time to understand individual elements of performance and prioritise areas for improvement.

The Police felt in 2005 they were actually quite rich in resources, although it may not have felt so at the time. However, despite all the reviews, efficiency exercises and so on, "….all that really did was shuffle the deckchairs". So resources were thrown at issues, as priorities, without understanding and as resources tightened there was more of a search for evidence. It was felt leadership was hugely important and two different styles were evident during the period in question. The first was based on CompStat, imported from New York, a very transactional way of managing performance. This led to reductions in crime but also used additional resources. The force then moved to a more relaxed style, almost conversational, about what was happening and why. This didn't relate in any way to structure, it was about personal leadership. Structure started to come into play with the budget cuts.

The PCT noted the positive joint-working with a clear view of the strength each partner brought to the table even though it was a time of growth in health with much additional resources. "So thinking, for example….some of the investments that were made in children and young people's services with the council, around teenage pregnancy. So there was because of this growth in funding; it wasn't a case of saying shall we put some money into two GP practices and the local college, or shall we appoint a good person with sex and relationship education skills to work with teachers. We actually, in that period of growth, were able to do both - we didn't have to make decision either/or." However, in the absence of money joint working became even more important. And leadership was crucial but even more so, "….it was bringing the right people who had the right knowledge and skills to do the work, and to guide the work".

Views on the organisation making deliberate efforts to improve aspects of performance

Council A suggested efforts to improve aspects of performance were driven by the national agenda and even more so with the introduction of local area agreements. Certain services were targeted but not necessarily those prioritised locally. Authority B said education was deliberately targeted to improve examination results in schools and additional resources were employed but it was also about working smarter. Efforts were also made to improve partnership working in particular to increase effectiveness, although saving more, or reducing the increase was also an important factor.

Fire have already noted efforts to address anti-social behaviour (so called nuisance fires), "….we worked with a couple of examples of some identified problem areas….with local management teams to actually develop some worked or evidential examples of, first of recognition of prioritisation and then secondly, appropriate intervention and then thirdly, you know, improvements linked to outcomes basically…" The introduction of geospatial analysis was felt to be particularly powerful.

Police, again, noted the importance of the national framework in which areas of crime performance had to be improved. The national intelligence model, effectively a business model, also drove improvements.

The PCT suggested an example of where structural change in a geographic sense drove the organisation to prioritise the 'equalisation' of different performance in different parts of the area and also in some cases to meet the minimum standard or the English average. "And really there was a huge investment and a drive to improve the quality of how those commissioning decisions were made. Also an investment around public engagement and senior managers were tasked and it was written into their objectives about them having a locality lead…."

Views on the national framework(s) determining performance management (practice, processes, staffing, reporting, etc.)

Council A noted the national framework was in effect written into their community strategy with all the numbers which is what drove the organisation. Almost blindly so, "I feel that, and that was….what become part of the reason that people got tired of it….one of the calculations that wasn't done very effectively was about the ability to change. How feasible is to move that number and you could end-up 'hand wringing' over a number that you couldn't really influence very much, or could be blown off-course by factors outside your control entirely. Unemployment numbers is a classic one."

Council B felt the national framework determined many things in the organisation. To do well with the Audit Commission, a strategy was important with a performance management framework adequately resourced and directed. Data quality issues needed to be addressed that demanded good processes and procedures and effective internal audit. Reporting needed to be effective at both management and political levels and when appropriate should demonstrably lead to action.

For Fire, “I mean the overall….the national framework for fire services influenced…. well had ultimate influence, because a lot of the aspects around performance management were mandatory for us”. Fire went on to note it was not an option to ignore in any away the national framework. Similarly, for Police it largely determined the operation of performance management.

The PCT noted world class commissioning with national benchmarking and site visits, inspections, examination of the accounts and organisational capacity. “The commissioning and performance management of health care services still remains very tightly controlled both from the Department of Health and Treasury”. This was described as the ‘grip’ controlling the PCT with it equalling assurance processes recognising the potential severe financial problems for a government losing control of NHS spending.

Views on what was important about the national framework(s)

For Council A, it provided a structure to work within and also tied in other public sector partners. There was also a common language and terminology providing the ability to converse widely. Council B noted the above and additionally felt it encouraged some sharing within the public sector as well as providing a focus for prioritisation, albeit many were nationally derived. It also influenced the culture of the organisation as to the importance of the management of performance and the influence of the corporate centre. Expertise was developed by the likes of the Audit Commission which also disseminated good practice.

Fire felt it was the underlying principles that were of most importance. However, as noted previously, it also prioritised certain areas which could not be given a lower priority even though this was desired. It helped make changes to performance arrangements, governance and resource allocation. It also eventually influenced arrangements for programme management, financial management and risk management. However, with the changes in 2010 the less intrusive performance management has allowed the organisation to continue to develop.

The Police noted the framework was well understood and allowed national comparisons to try and understand performance, “It tried to bring in a balanced scorecard performance framework but it didn’t succeed….because it became a means of control machine”.

The PCT felt the national framework had improved the health care experience for a lot of the population, supported prevention, the public health agenda and promoted working across sectors.

Views on the advantages of the national framework(s)

Table 9.2 lists two advantages of the national framework when asked as a direct question to the interviewee.

Table 9.2 Summary of two advantages for the national framework

Council A	Council B	Fire	Police	PCT
Common language	Promoted management of performance and prioritisation	Clarity	Shared understanding	Shared understanding
Common focus	Promoted 'corporateness'	Direction	Benchmarking	Local flexibility

Views on the disadvantages of the national framework(s)

Table 9.3 lists two disadvantages of the national framework when asked as a direct question to the interviewee.

Table 9.3 Summary of two disadvantages for the national framework

Council A	Council B	Fire	Police	PCT
Outputs confused with outcomes	Inadequately reflected local conditions	Autocratic	It was all about numbers	National targets don't reflect local position
Chasing numbers not issues	Obsession with numbers didn't promote understanding	Inflexible	Too bureaucratic	Too many targets

Views on how partnership working evolved from 2005

Council A felt partnership working improved as partners got to know each other better but there were still underlying tensions around prioritisation and resources. Council B suggested, as partnerships matured, practical issues such as data quality became increasingly addressed out of necessity. Fire felt the national framework facilitated partnerships and this didn't change although it was hard for

the fire service to get influence with others to reflect some of its priorities in plans, when it was regarded by others as a 'minority' activity.

The Police noted a lot of partnership activity involved the sharing of data and being held to account for other people's data and the other party for the police's. It was about swapping data rather than understanding. The local area agreement moved this on with real discussion about priorities and targets that could be delivered, "….we had this conversation about which partners would contribute what and how we could drive these things together, rather than just we've got this massive data collection exercise that we all have to do".

The PCT felt partnership was about sharing challenges and stories about the way things were and what had happened. Invariably, the dialogue developed over time and this influenced the extent of partnership working that became more involved.

Views on the practical consequences of this partnership evolution

Council A felt the key practical consequence was understanding of others' positions improved as time went on. Council B noted, again, there was some practical integration of systems and audit assurance (of performance) data became important.

Fire stressed the big practical consequence being the resources required, "To engage with partnerships….for a relatively small service the broad range of partnership agendas….it was a strange one because it's almost as if everybody wants the fire service to be there yet the agenda is, you know, like I say….the focus of activity is very rarely to the benefit of fire service priorities, is what I would say".

For the Police it raised awareness, in practical terms, you cannot address this agenda on you own, partners came to understand each other's business. For example, "The CPS had a target for offenders and drug use…. who were charged and went to court. The police force had a detection rate target. Now there's a direct link between two because you can only take someone to court if they've actually committed a crime in the first place. Now because we were reducing crime and we were increasing our detection rate but that measured a rate against the crime. So you could have one crime with three offenders but you only get one detection. So this indicator's measuring offenders, we're measuring offences….CPS is pushing us for more offenders and we're saying that's not the right way to do it because

we've got fewer crimes and fewer offenders anyway. Some of them are prolific so if you want more offenders we start to criminalise ten year olds". In essence the police were being asked to search for crimes to meet a target.

The PCT felt partnership working advanced understanding even if central government hindered this sometimes by not being joined-up themselves.

Views on changes in partnership working after the introduction of CPA 2005

Council A said partnership working became more important but at the same time it started to look tired and had to be worked at even harder. Council B noted, as has been mentioned already, the increasing working on a practical level on things such as data quality. There was a coordination role taken on by the authority at this practical level but it was difficult given the pressures partners were under. Fire noted their communications and engagement strategy, "and one part of that is, if we're engaging effectively then we'll be doing that with partners as well", this became more important as partnership working developed. For the Police there appeared to be little change. In terms of the PCT, again there was little change in practice, although things probably became more intense, in terms of partners' demands for data.

Views on the changes, if any, in performance management after the introduction of the CPA 2005 the 'harder test'

Council A felt performance management became more rigorous after 2005 with data quality in particular becoming increasingly important. Being able to calculate the CPA score given all the individual components became a given. Council B responded in a very similar manner, adding the need to manage inspections became a premium activity. There was also the perennial issue of access to health data.

For Fire the impact was similar to for councils. Since the police were not subject to CPA there was limited impact except in how it changed partners' behaviour, for example in becoming rather more circumspect and critical of data. The same was true of the PCT although it was noted that 'financial balance' was a serous must do, "that trumps everything else". It was also said since PCTs are part of the NHS money can be moved in a way that is not possible with, for example, councils. Governance was also regarded as critical and improved throughout the period.

Views on the reporting of performance

Some comments have also been made on reporting in other sections. Council A said reporting was probably too frequent and didn't sufficiently differentiate what key indicators were. Council B echoed this adding it was difficult to get effective scrutiny and invariably everything had to be 'checked up' the management hierarchy, as almost all indicators were deemed politically sensitive in one way or another. There was particular difficulty getting reporting direct from the computerised system accepted, "….typically reports were designed by almost a committee with all the consequences that this brings".

Fire used to publish three documents a year and was working to reduce this and make performance data more accessible locally. Now they have many more discussions about performance rather than almost endless formal reports. The Police had an annual report for policing looking backward and forward. It was excessive collecting the data for the reports, "People wanting figures for everything and the Home Office, you know, would have been our central collection point but when it was to be officially disseminated….frustration about having qualified stats and then they were out of date….with three month old crime data the offenders were long gone by then".

For the PCT there was and is extensive reporting, mainly to the Department of Health. Things became more outcome-focused as commissioning became more prevalent.

Views on how the abolition of (some of) the national framework(s) affected the organisation

For Council A the abolition had an impact but this was dwarfed by the very large cuts starting to be implemented. The council still had a performance management framework but much reduced, less formal and it was unclear how it would develop. The partnership work with others on performance management all but stopped. This was mirrored in Council B, which noted the LGA was developing a framework to cover some of what was lost but this was voluntary. It is possible, even likely, many councils would not participate. Fire still has a substantial national framework but again, the cuts have highlighted things like interoperability with other fire services.

Police said it appeared, "…to have left a massive void with some forces thinking what do we do now. What we did here….was to stop and say, what is our structure? What do we do?" This led to the production of a balanced scorecard strategy map and talking about vision, values and key questions were introduced. Strategy documents became much different with a summary plan on a page and the number of indicators reduced from 980 to 150. "So it had a massive impact. We were suddenly in control of our own destiny and we chose to measure that information that was useful". We still had to return data to the Home Office and they certainly look at it but nowhere near as previously, "There isn't that feel of that big stick from the centre anymore".

The PCT noted, although they were being abolished, the targets would remain and so a new architecture was being put into place. The public health element of the PCT's role was moving to councils with, "local determination but…. accountable for the delivery of these public health outcomes".

Views on the reduction of external audit

Council A said, of course, performance audit has reduced as there are now no indicators to audit so it's all financial with some governance. Council B mirrored this adding vfm was still considered as part of the financial audit but not as easy to do without robust and comprehensive performance data. Fire mentioned peer review and the processes developed in accordance with the Chief Fire Officers Association.

For Police the danger in a reduction of audit was recognised, "I mean our plan has data quality on there….we've got rid of our strategic risk register….it's the new partnership plan which we heat-map red-amber-green….it includes a risk matrix…and one of our risks is about data quality." The view was data quality issues will be recognised and dealt with locally. The PCT's view was similar in outline but more about inspection than audit.

Views on the reduction of inspection

Council A's view on inspection was similar to for the reduction of external audit although there was still schools inspection as well as social care. In addition Council B mentioned the facility of peer review/challenge. Fire had definitely noticed the reduction in inspection and suggested it allowed the service to take

more of a lead on its own performance management. However for the Police, “Inspections have reduced; well I’m saying that. Do you know it probably hasn’t reduced, the burden has probably increased but the number of inspections to ‘feed the beast’ has reduced.” The approach is now risk-based from HMIC. They don’t look at data quality in a way they used to.

The PCT noted the move towards peer review rather than inspection, “….there just doesn’t feel the same urgency about it….in the absence of an external framework of inspection what do we need to do therefore internally?” It was suggested time was needed to see how it would pan out.

Views on the use of the single data list

Council A were well aware of the single data list and feeding it with data but not sure the extent to which it would be used in practice. Council B concurred with this view noting it was far from the statutory BVPIs or NIs. Fire noted they still had a basket of indicators they must report on so the position was different to councils. The Police were not aware of the single data list but were required to submit against the annual data requirement, to the Home Office, which is similar to the single data list but, again, not used to performance manage police forces. The PCT still have the health framework with a wide range of data collated by HSCIC.

Views on the use of benchmarking

Council A said the use of benchmarking was popular in some parts of the organisation and centrally through CIPFA but it was unclear the extent to which this would continue, given the pressure on finances. Council B held a similar view whilst noting it had been of some, if limited use, as it was used defensively especially as part of the BV review four Cs. Fire noted the extensive benchmarking they have done in the past and continue to do. The regional control centre was mentioned, although of course abandoned. It was noted for Police the reporting of crimes through a national website, a form of benchmarking, although the geo-demographic differences in areas can drive types of crime not really considered. For the PCT the view was, “….it was used more in local authority than health because of the whole thing….about statistical neighbours and although, in the latter days of the PCT it was being increasingly used in health…. Well, how else, we can measure that in some way but isn’t benchmarking against similar demographic a good way, or one way, of making that assessment”. This was in

relation to, for example, vfm on smoking cessation services. It was not clear what was going to happen in the future.

Views on the organisation's performance since the demise of (some of) the national framework(s)

Council A felt it was too early to say and given the reduction in performance management how would it be demonstrated anyway. Through the single data list, or the use of LG Inform? The level of complaints? Resident and user satisfaction? Council B held similar views and also noted the cuts must have an impact on performance as well as councils ceasing to undertake certain activities.

For Fire changes were proposed, in particular the movement to regional control centres was abandoned. Increasingly working with other fire services is becoming the norm, "….in the future fire services will be in a closer understanding operating environment than where they were many years ago. So, for instance….at some point there will be aspects of regional control centre working that would still be possible so we can provide support to other parts of the country and they can do likewise for us. But like I say, would that have been driven by the national framework? I don't think so; I think we would have got there in any case."

Police felt their performance has improved, "….and the reason being I think it's got better is because we know what we want to tackle. And once you're clear what you want to achieve then your performance framework can fall out of that." It wasn't thought the national framework didn't work; it did so because a transactional kind of leadership worked for certain things and now the force has moved to situational leadership. There were benefits, "….even now we still think in terms of the police performance assessment framework (PPAF). So without a doubt there were some lessons learnt from that."

The changes for the PCT seemed to be rather less, apart from abolition, "We've still got the national operating framework that comes out annually. That gives us our big must dos in health and that's supplemented by sub-indicators and sub-targets….I suppose the difference is that, I think, it's been left much more to local relationships and local partnerships." There was then some talk regarding the challenges of operating with declining budgets, especially the impact on council social care.

Views on the potential impact of the abolition of the Audit Commission

Council A felt the abolition of the Audit Commission was removing a means of common understanding, "….but the loss won't be felt for a number of years….and if you set that in the context of reduced budgets and a whole range of disinvestments in the public sector, and performance management and monitoring being a target….the consequences are likely to be dire." Council B noted the Audit Commission had produced a lot of good work overshadowed by some of the negative headlines. Generally, the impact would probably be negative in ways difficult to predict, unless replaced by something else. Learning would probably be reduced across the sector as it was still not clear the extent to which the LGA could fulfil the role. There was a tendency for peer review to be more variable than inspection and more could be 'hidden'.

Fire suggested it depends on what it was intended to achieve, and "….some of the comparisons that were used as sector best practice….you know, again the data was very very questionable when you looked at it….What I'm saying is, I think, there needs to be some moderation but does it need to be in the context of which the Audit Commission were assessing with that and the answer for me would be 'No'".

Police noted the Audit Commission did some of their data quality audits and vfm work and some of this is being picked up by HMIC but not all. However, "…..four or five years down the line when we've no national, then this may be of concern and can this be a sound approach?"

The PCT said the Care Quality Commission would still exist so there would be regulation of the quality of services and safeguarding. Experience suggests something would replace it and there would not be a lack of scrutiny, "Whether it will be moved to being much more of a local scrutiny, a local focus rather than a national organisation I'm not sure."

Views on performance measurement and management in the organisation now

Council A said the process is now much lighter with a better focus on local priorities but there were concerns regarding the availability of data and also the reduction in the, already inadequate, analysis capacity. Council B had similar views also noting the impact of the cuts may be unpredictable and could take out capability not

replaceable at short-notice. The use of the national resource being put together by the LGA was uncertain.

Fire suggested how a performance management framework is introduced is important, "….can actually create a situation where your staff become very very focused on a mono-dimensional view on performance which is just about whether a target's been met. Yes, so we've been, in the last couple of years trying to change that mind-set a little bit….Because we did find that our organisation suffered from, 'I'm feeling I must improve' or 'I've achieved target….I've succeeded.'" This also means trying to understand the consequences of the variation in demand on resources.

Police use their plan on a page (balanced scorecard strategy map) to manage their performance now with a RAG rating and also covering strategic risk. Quarterly performance meetings are held with each of the commands addressing things impacting on organisational performance. "We introduce questions in there; things like how do you improve your confidence? How do you increase respect? How do you reduce crime? How do you reduce re-offending?....We spent two years learning about questions….people are now much clearer, much more understanding, so I think we have moved a long way from just managing the indicators".

The PCT felt, in practice, it hadn't actually changed much for the reasons already noted.

Views on reporting of performance post-abolition of (some of) the national framework

Council A suggested their reporting was still evolving and included some of the former national indicators. There was less reporting although it did not appear to have a greater focus. Council B's view was their reporting had reduced also and was rather less systematic. Reporting to scrutiny committees was heavily reduced and also departmentally. The council discontinued use of its performance management software reverting to the use of Microsoft Excel. It was anticipated further changes would be made, in particular, as resources were reduced further.

For Fire reporting had evolved with the framework as noted previously. The Police noted the annual data requirement (ADR) return to the Home Office, reporting to

the executive, police and crime commissioner and on their website to the public. The view was this is now done rather differently from previously but it has not reduced. It was similar for the PCT with their reporting having changed little.

Views on the development of performance management in the organisation up to around 2015

Council A suggested this was not really known at this time but performance management would be much less than has recently been the case. Council B echoed this view and hoped it would be usefully selective and more focused for different audiences. It depended to some extent on the use of LG Inform and not just by this Council but how much it was used by others.

Fire linked this to the transparency agenda and the wish to involve the public more, better ways for them to express an opinion by, "Change the way we consult basically and not just about whether we open a fire station one hour earlier but also about what we do and how we do it." Also changes were going to be made to the back office by way of greater integration and the use of business intelligence, "….for two purposes: one to give greater end-user interaction and also for the benefits of cross-analyses across the whole enterprise of different data domains." It was suggested stakeholder engagement would also be evaluated as to the most effective methods.

For the Police it was about consolidating what's been learnt over the last two or three years of 'independence'. "….we'll become much more astute at gathering data that helps us answer questions and not just having data for the sake of it." The potential impact of police and crime commissioners is still to be seen and could have a large impact.

The PCT felt resources becoming scarcer was a big issue, "I think there will need to be a more economic basis for decision-making and commissioning decisions. I think there will be more scrutiny….we don't yet know how Health Watch will work. The question is what happens when you identify poor performance or when you're not performing, if we don't have the capacity or workforce to address it? You know, what's the fallout?"

Views on the key drivers for performance management

Council A said key drivers were a greater focus on priorities. They had moved on from encompassing all areas of life to the mainstream, not necessarily priorities but drivers. There was also to be a focus on outputs relating to outcomes, recognising outcomes tend to be long term. Council B suggested the biggest driver was probably the effective management of budget cuts because otherwise they'd go bust. Beyond that the improved management of remaining resources against a reduced and more focused set of priorities.

Fire echoed this, "….I mean one of the key drivers has got to be about making sure we have the most effective outcomes for the resources we put into things really. It's probably one of the biggest challenges for everybody at the minute." Other drivers were continuing to develop the organisation, for example equipping people with new skills. "So we have a new focus on Lean ways of working, process improvement….not necessarily widely understood but it does get utilised."

For the Police it was money and the political agenda both nationally and locally. With the public and what they expect, a risk of reputation, "I think there will come a point where we don't have sufficient resources to deal with conditions we have due to government cuts. I'm not saying we can't make savings but historically." There were also concerns about societal impacts, including changes to the welfare system that may drive police performance being directed to certain topic areas. "I was cynical quite early on. I wondered if the government had taken performance management out, knowing they were going to make big cuts, so that declines in performance would not be highlighted. Whilst giving responsibility elsewhere."

The PCT felt one of the key drivers was the cuts not just in health but in other services which could impact heavily on health issues. Politics was identified as a driver but unpredictable and not usually based on much evidence.

9.3 Overview

In summary what this demonstrates is how CPA and CAA impacted the four organisation types in different ways. The police forces and PCTs both had extensive separate frameworks controlled by central government departments, the Home Office and Department of Health respectively. That for local councils and fire services was controlled by the Department for Communities and Local Government but for councils with input from others, including those above and in

addition the Department for Education, Department for Transport, Department for Work and Pensions and so on. It is no surprise therefore the responses are somewhat different following the election of the new government in May 2010. When interviewees were asked about determinants of organisational performance they mainly talked about the impact of the national framework(s) rather than activities such as HR or planning. Of, course the framework(s), whilst not 'mandating' such activities required certain things to be undertaken, such as management against PIs. Under CPA the corporate dimension, including strategic and service planning were important, in the achievement of high scores. There was some mention of strategy and resources and having an evidence base for action.

There were changes impacting on performance over the period but these were not necessarily the same for all organisation types, although the local area agreement 'encouraged' the four organisation types to work together. The quality of data became an issue with external auditors, at the behest of the Audit Commission, becoming more 'critical' in their investigations. This is a performance issue because it provided a greater focus on what was actually delivered. For example, there was a BVPI, *BV165 Percentage pedestrian crossings with facilities for disabled people*. The council had agreed with the local umbrella disability group as to what was important and therefore would be prioritised. Unfortunately, this did not have the same priority list as BV165. The result was despite meeting locally expressed needs the council scored very low on this indicator. Therefore efforts were made to increase performance by achieving the national standards also, although this was quite contentious.

Views on the importance of structure, resources and leadership, etc. on performance lacked clarity, almost as if practitioners tend not think in this (compartmentalised) manner. Strategy, performance management, culture, engagement, leadership, agility, evidence and joint-working were all mentioned, although with no particular priority order.

The organisations all made deliberate efforts to improve performance, although it may have been surprising if this was not the case and in most cases national priorities dominated. All agreed the national framework(s) was important in determining the nature of their performance management. It was felt to be important in providing a structure, underlying principles, a common terminology

and prioritisation. The advantages mirrored these whilst the disadvantages were about inflexibility, not reflecting local priorities and an obsession with the numbers.

Over the period partnership working evolved and became more involved as the practicalities, for example of data quality, were grappled with. The practical consequences appeared to be a greater appreciation of partners' positions and circumstances. In addition the resolution of many issues required the applied and directed concerted action of several partners. Generally the nature of partnership working changed little, except as noted the increasing importance of the practicalities, such as data quality. The change in CPA to the 'harder test' affected performance management by making it more intensive but this only applied to councils and fire services. Police forces and PCTs were principally affected at their interface with councils and fire services; for example being consulted by inspectors and data quality issues.

The reporting of performance was generally extensive, if not always done particularly well. For example, being too frequent, too formal and not targeted according to need. The abolition of much of the national framework(s) impacted the organisation types; however for fire services remaining substantially in place, the impact on them was lower. The PCT were also affected less, especially as regarding the interface with councils, notwithstanding their disappearance and transfer of public health responsibility to councils. The biggest impact was the unprecedented cuts in funding already having an impact, especially on councils.

The views on the impact of the reduction of external audit and inspection were mixed and there was a hint of potential future problems. It was too early to see how the single data list and nationally maintained data sets would be used and hence their value. Benchmarking was felt to have been useful, in the past, although it was unclear the extent to which it would continue and the form it would take.

The interviewees appeared to find it difficult to articulate their organisations' performance following the demise of some of the national framework(s). This appeared to be more of an issue for councils than the other organisation types, probably because they had some framework remaining.

Similar to for external audit and inspection it was felt by some the (possibly) adverse consequences of the abolition of the Audit Commission may not be felt for

several years. This depended on the extent to which key roles were going to be undertaken by others, such as the National Audit Office.

The current picture regarding performance management had clearly (already) shown a large amount of rationalisation and more local determination. The councils seemed to be less certain as things were still being formulated and the impact of the cuts planned and starting to be managed. Likewise reporting had been reduced and there was the need to take some time to accommodate the new circumstances. Again, councils appear to have been affected rather more than the other organisations. As regards the future development of performance management, there was a great deal of uncertainty. For example the extent to which national initiatives, such as LG Inform, would have a positive impact. The tightening of resources was also part of the equation, which would be expected to play an important role in (re)shaping performance management.

The key drivers for performance management in this new era were said to be: greater prioritisation, a focus on outputs leading to outcomes, the development of new organisational skills (such as Lean), politics and the level of resources (i.e. cuts).

10. Results – Overall

10.1 Questionnaire

The results of the questionnaire statements as regards the testing of the hypotheses are summarised in Table 10.1.

Table 10.1: Summary of the results of hypotheses testing for the surveys in 2005, 2009 (CPA) and 2010 (CAA)

Hypothesis	Summary factor	Accepted?	
		CPA	CAA
A1. That an organisation that has a high level of strategic direction will have higher performance than one that has a lower level.	Strategy	Yes	Yes
A2. That an organisation that has a high level of strategic and service planning will have higher performance than one that has a lower level.	Strategy	Yes	Yes?
A3. That an organisation with a high level of performance management will have higher performance than one that has a lower level.	Performance management	Yes	Yes
A4. That an organisation with a formal published organisational development strategy will have higher performance than one without such an ODS.	Human resources	Yes	No
A5. That an organisation that uses proprietary performance management software will have higher performance than an organisation that uses none or its own software.	Performance management	No	No
A6. That an organisation that involves employees more in PM will have higher performance than an organisation that involves employees less.	Performance management	Yes	Yes
A7. That an organisation that uses the Balanced Scorecard/EFQM/TQM/ MBO/ Benchmarking/Strategy mapping will have higher performance than an organisation that does not.	Strategy	Partly	No
A8. That an organisation that is more innovative will be higher performing than an organisation that is less innovative.	Innovation	Yes	Yes

Table 10.1: Summary of the results of hypotheses testing for the surveys in 2005, 2009 (CPA) and 2010 (CAA) (continued)

Hypothesis	Summary factor	Accepted?	
		CPA	CAA
A9. That an organisation that has a higher level of citizen/service user focus will be higher performing than one that focuses on citizens/service users less.	Strategy	Yes	No
B1. That an organisation with a comprehensive approach to employee appraisal will have higher performance than an organisation with a less comprehensive approach.	Human resources	Partly	No
B2. That an organisation that heavily involves service departments in service planning and performance management is higher performing than an organisation that involves them less.	Performance management	Yes	No
C1. That an organisation that exhibits a higher level of decentralisation will be higher performing than one that is more centralised.	Strategy	No	No
C2. That an organisation with a higher level of decentralised service planning will be higher performing than one with a lower level.	Performance management	No	No
C3. That an organisation with a higher level of decentralised performance management will be higher performing than one with a lower level.	Performance management	No	No
C4. That an organisation with a consistency of rules and practices throughout will be higher performing than an organisation with less consistency.	Culture	Yes	No
D1. That an organisation that exhibits a high level of political and managerial leadership will be higher performing than one that shows a lower level.	Leadership	Yes	No
D2. That an organisation where officer leadership is more pronounced than that from politicians will be higher performing than one where the reverse is the case.	Leadership	No	No
E1. That an organisation with a higher level of resources will be higher performing than an organisation with a lower level.	Resources	Partly	No

Table 10.1: Summary of the results of hypotheses testing for the surveys in 2005, 2009 (CPA) and 2010 (CAA) (continued)

Hypothesis	Summary factor	Accepted?	
		CPA	CAA
E2. That an organisation with a relatively higher level of resources devoted to activities at the centre than in services will be higher performing than an organisation with the reverse.	Resources	No	No
E3. That an organisation with a higher level of resources spent on service planning will be higher performing than an organisation that spends less.	Resources	Yes	No
E4. That an organisation with a higher level of resources spent on performance management will be higher performing than an organisation that spends less.	Resources	Yes	No
E5. That an organisation that has well trained and motivated employees will be higher performing than an organisation whose employees are less well trained and motivated.	Human resources	Yes	Yes
E6. That an organisation where resources follow priorities will be higher performing than one where resources are allocated historically and not prioritised.	Resources	Yes	No
E7. That an organisation that uses ICT more will be higher performing than an organisation that uses it less.	Resources	Yes	Yes
F1. That an organisation that more actively engages with auditors, inspectors and other stakeholders will have higher performance than an organisation that has a lower level of engagement.	Engagement	Yes	No
F2. That an organisation that has outsourced more than services (by cost) will be higher performing than an organisation that has outsourced less (by cost).	Strategy	No	No
F3. That an organisation that has greater involvement of stakeholders and citizens in performance management will have higher performance than an organisation that has lower involvement.	Engagement	Yes	No

Table 10.1: Summary of the results of hypotheses testing for the surveys in 2005, 2009 (CPA) and 2010 (CAA) (continued)

Hypothesis	Summary factor	Accepted?	
		CPA	CAA
G1. That an organisation that has a higher level of communication will be higher performing than an organisation that has a lower level.	Engagement	Yes	No
H1. That an organisation that has a higher level of performance reporting will be higher performing than an organisation that has a lower level of reporting.	Performance management	Yes	No
I1. That an organisation with a high supportive and learning culture that encourages innovation and non-blame will be higher performing than one where this kind of culture is less so.	Culture	Yes	Yes
I2. That an organisation where power is more diffused throughout the organisation will be higher performing than an organisation where power is more concentrated.	Culture	Yes	Yes
J1.That an organisation that demonstrates more post-bureaucratic characteristics will be higher performing than an organisation that shows fewer	N/A	Yes	Yes
J2.That an organisation that has moved the furthest to demonstrating stronger post-bureaucratic characteristics (in aggregate) over time will be higher performing than an organisation that shows weaker	N/A	Yes	Yes
That the content of a local authority's BVPP will be related to their performance as measured by CPA	N/A	Yes	N/A

These findings mirror those of the Performance Management Measurement and Information (PMMI) Project researching performance management in well-performing authorities (Improvement and Development Agency, 2005). The present research has added quantification, considered lower performing organisations and provided systematic evidence. It may therefore be a more powerful diagnostic tool.

10.2 BVPP Content Analysis

The content analysis of a representative sample of 76 BVPPs demonstrated a statistically significant relationship between an authority's rating under CPA and the content (mission/vision statement, selection of local performance indicators, objectives clearly shown, prioritisation evident and priority performance indicators included, review of strategies and an organisation development strategy) of their plan.

10.3 Organisational Profile

The organisational profile results suggest those organisations with higher performance are generally more post-bureaucratic. Further, those that have moved further along the continuum (over the period of the research) also appear to be higher performing. This is consistent with NPM.

10.4 Overall Summary

Table 10.2 provides an overview of the results of the three surveys, BVPP content analysis and organisational profile. This shows that the summary factor Strategy exhibits the strongest association with organisational performance, followed by Performance management then Human resources.

It should be borne in mind the type of data may be expected to exercise an influence over the summary factors derived. For example, the BVPP content analysis was limited in terms of the input of data. The 2009 and 2010 surveys show the results for all organisations combined and councils separately. The council results can then be compared with the 2005 survey. The list is shown in rank order of the results of the 2005 survey. In summary, Strategy is the predominant summary factor contributing to the variance in organisational performance followed by Performance management, Human resources, Culture and then Engagement.

Table 10.2: The rank order of the summary factors by survey and method

Summary factor	Method						
	CPA Survey 2005	CPA Survey 2009		CAA Survey 2010		BVPP	Org'n profile
		All	LA	All	LA		
Strategy	1	1	2	2	2	1	1
Performance management	2	2	3	3	1	2	
Engagement	3		5		5		
Human resources	4	3	1	4		3	2
Culture	5		6	1	4		3
Resources	6	4	4			4	
Innovation	7						
Physical infrastructure	8						
Reputation	9		7		3		
Leadership	10					5	4
Risk	11						

11. Discussion

11.1 Introduction

To reiterate, the research question put simply is: What factors determine organisational performance? This chapter discusses the results of the research from theoretical and practical perspectives as well as highlighting the contribution to knowledge. It will consider the appropriateness of the methodology which consisted of using an independent assessment of organisational performance alongside postal and electronic questionnaires to collect data. The validation of this data by a small number of case studies will also be addressed. The triangulation of this data with the content analysis of a corporate document (BVPP) and the organisational profile related to a (post-) bureaucratic organisation will be demonstrated. The relation of methods in this work to those by previous researchers will be discussed demonstrating both similarities and differences, in particular the creative use of PCA. The importance of the longitudinal nature of the research will be considered and limitations addressed.

The substance of the research will then be discussed; the criteria contributing to summary factors associated with organisational performance. Which of these contribute most to organisational performance, which less and can some actually contribute to diminishing performance? The theoretical importance of the research will be summarised and the practical use demonstrated by means of an example whilst highlighting the limitations of settings and context.

11.2 Methodology

The methodology was designed to collect a large spread of data as to factors associated with organisational performance, in order to test a number of hypotheses. The association with performance would be demonstrated through correlation with known measures of performance namely the published results of CPA and CAA. Although, the CPA had its critics it was the result of considerable work led by the Audit Commission with input from other inspectorates, using a range of quantitative and qualitative data. It was therefore more suitable for this purpose when compared to other options. Similar problems arise in assessing performance in the private sector although in principle it, perhaps, ought to be simpler as the principal objective of the private sector is to make profit. However, the literature demonstrates it is not, in practice, as straightforward as a number of variables are involved as well as definitional issues.

Other means of measuring organisational performance considered were the use of PIs such as the BVPIs and their replacement NIs and/or other sets such as those in the NHS PAF and the police APACS. These would have been suitable as they were national in nature, subject to audit as to their accuracy and validity and published. However, whilst such PIs do represent an assessment of performance and eventually became a more important part of CPA, there would be a requirement to form a composite number for organisational assessment. The other key option would be to ask the organisation representatives to rate their own organisation's performance on a scale.

Although the use of the views of a single respondent has been questioned as the most appropriate method to collect organisational data, in practice it may be the only one feasible. In any event it is argued this research is quite specific in requiring informed views, i.e. those likely to be the most accurate. It was not clear simply polling more people in the organisation would be beneficial for most of the statements. It was reasoned a very senior individual at the corporate centre would give the most accurate assessment of the organisational position for most of the statements. Notwithstanding this, a case study was undertaken in three councils to establish if the views of the respondent, as to key statements on the questionnaire, differed materially from other views in the organisation. Whilst it was found there were some differences the similarities were much greater. It was concluded therefore, for the data being collected, the method was appropriate.

Given the number of organisations and the purpose of the research, for the main questionnaire survey, it was decided to survey the population. This was appropriate given the potential variation of variables in the organisations as to size, political affiliations, history, resources, culture and local external environment, such as levels of deprivation. It also facilitated consideration of other influences, other than defined by the statements, on organisational performance such as the above. If another means of selecting organisations had been chosen, say a quota by size, it would have been less comprehensive. A random sample could have been selected although it is not clear what advantages, this would have exhibited over, polling the entire population, which was a manageable size.

The study of BVPPs did use a sample of councils based on type, geographic spread and CPAR. This was necessary partly for logistical reasons but also due to the small number of councils scoring poor in CPA.

The case studies and interviews formed a convenience sample, which even so, covered three council types for the case studies and all four organisation types for the interviews.

11.3 Analysis

The analysis reflected the purpose of the research and therefore, arising from this, the data collected. For the questionnaire surveys the analysis was done in a number of stages. Firstly, the correlation coefficients were calculated for each of the statements with CPA measures and CAAR. These coefficients for the statements were then used to test a series of hypotheses with a significance level of $p<0.05$ being set. A number of statements were used to test each hypothesis reflecting the complex nature of the performance concept. Using those statements having a statistical significance ($p<0.05$) with CPA and CAA assessments of organisational performance, PCA calculated the strength of the contribution to organisational performance. The statements were then grouped into summary factors so that each summary factor explained a certain percentage of the variance in organisational performance. The rationale for this approach was since a large number of statements were being considered it was necessary to separately establish the relation of each to organisational performance. Once this was done, those of sufficient strength were taken forward to consider their relative contribution. They were then allocated to one of 11 summary factors, although invariably there is an amount of overlap, reflecting the multivariate nature of performance. When using PCA, as the literature notes, it is important decisions are taken by the analyst rather than by the computer thus giving an informed consideration.

Another point to be made is participants rated the statements on a scale of mainly one to six, which is effectively continuous although with discrete measurement points. The distance between the points was not designed to be equal, as it is not possible to practically design such a schema, when *subjective* views are being collected, even if such views are from an 'informed' participant. Indeed, it could be argued the very concept of organisational performance is not compatible with such an approach.

Much thought went into the analysis of the data collected through the questionnaires, especially beyond the initial correlation, which was decided before

the data collection commenced. The use of PCA was determined after a consideration of the options given the number of responses and the nature of the data collected. The data was confirmed to be close to a normal distribution and so Pearson correlation was used, although using SPSS, both Spearman and Kendall's correlation coefficients were also requested. These showed effectively the same values. The conventional significance level of $p<0.05$ was selected, which is appropriate for this study.

PCA was used to take the analysis further by analysing the characteristics that correlated most highly with performance. PCA is a widely used statistical technique, although its limitations need to be borne in mind and as noted it is important the researcher interprets output and not let the computer take the decision. Since this was being used in an exploratory manner a large number of runs were undertaken using both orthogonal (varimax) and oblique (direct oblimin) rotation and varying the number of components extracted. As Tabachnick and Fidell (2013, p. 616) note, given the exploratory nature, '….both the theoretical and practical limitations to FA are relaxed in favor of a frank exploration of the data. Decisions about the number of factors and rotational scheme are based on pragmatic rather than theoretical criteria'. This approach is evident in the literature.

11.4 BVPPs

This content analysis of BVPPs evaluated whether the content is related to their organisations' performance. There are several reasons to suspect this may be the case. Firstly, this was the prime vehicle through which an authority reported its performance.

Secondly, the factors used measured some organisational fundamentals including vision, strategic direction, having comprehensive PIs, clear objectives, prioritisation being evident, analysis of PIs with comparative data and reasons for variances. Further, there are links within the hierarchy of plans and strategies (corporate and service planning), an organisational development strategy and financial information.

Thirdly, it should be expected an authority would use its BVPP to communicate internally and externally such that it would highlight its strong points. It would therefore include such as analyses of its performance.

It has already been noted that authorities rated excellent and good were permitted to reduce the content of their BVPP and it is felt this has depressed BVPP scores for some authorities. In addition there are other means for authorities to cover some of the characteristics being taken from BVPPs, for example the use of separate documentation either in paper form or electronically, on the Council's website. The fact even with these impacts, that would tend to reduce the strength of the correlation, the hypothesis is supported suggests something fundamental is being assessed.

11.5 Organisational profile

As noted the literature identified the theoretical and in some cases the actual impact of NPM on the public sector and one of these is the reduction of bureaucracy, or rather a post-bureaucratic orientation. Kernaghan (2000) used a series of paired statements to measure this post-bureaucratic orientation. This provides a further dimension to what may be important determinants of organisational performance, as one of the claims of NPM is it increases performance by introducing private sector practices and the 'discipline of the market', including competition. Since the 2005 survey also included Scottish and Welsh councils comparison of organisations under differing regimes was possible, although for these there is no CPA data to use. In 2009 and 2010 the similarities and differences between the four organisation types could be considered. Practically, it was necessary to limit the analysis given the potential permutations. This was done considering what was likely to be important, from the literature and what the research seemed to be showing.

11.6 Summary Factors

Eleven summary factors were identified from the main questionnaire research. This was done after all the data had been collected and analysed to make use of the 'complete' picture. These summary factors could have been divided further but it was reasoned too much disaggregation would not add to answering the research question. In all the analyses, Strategy ranks either first or second in importance as a determinant of performance. Now, 'strategy' covers a wide range of concepts and associated activities. However, one of the key concepts is arguably of direction so setting a path for the organisation to follow to achieve specific measurable goals or objectives. The literature review identified the importance of strategic planning with 68% of 68 studies reporting a positive association with performance (Nandakumar, Ghobadian and O'Regan, 2012). This positive association is

supported by a range of other studies such as Walker and Boyne (2006), Andrews, Boyne and Law et al (2009) and Poister, Edwards and Pasha et al (2013). A successful strategic approach is likely to have implications for many other factors, which have been said to influence performance, such as the motivation of employees, encouraging a learning organisation and supportive culture. It may also demonstrate leadership and the (effective) use of performance management.

Performance management was ranked second overall taking all the methods into consideration. Performance management may provide confirmation of the strategy being delivered and further, a demonstration of the contribution employees make. Boyne and Enticott (2004) found the clearest differences; between high and low performing councils under CPA were in the areas of performance management and the clarity of organisational priorities. The clarity of organisational strategies is about having a well-defined strategic approach.

The summary factor ranked third is Human resources and the literature tends to argue it is best utilised in a strategic manner. Support for the view HR is an important determinant of organisational performance is widespread in the literature. Recent examples being Hoppas and Worrall (2012) who suggested HR improves organisational performance by strengthening human capital, employee attitudes and behaviour. Giauque, Anderfuhren-Biget, and Varone (2013) showed several HR practices appear to be strong predictors of organisational performance, including fairness, job enrichment, individual appraisal and professional development, which appear to be stronger predictors than public service motivation or organisational commitment. Further, writing in a new journal, dedicated to organisational effectiveness, Sparrow and Cooper (2014) suggested HR should be combined with a range of disciplines that all influence organisational performance.

These three summary factors appear to be the most important in determining organisational performance. The next most important factors appeared to be Culture and Engagement. The literature review compiled a table from a chapter in a book (Ashworth, Boyne and Entwistle, 2010) on public service improvement (Table 3.1, p. 51 in this thesis). This meta-review suggests a number of factors linked to the improvement of services. Table 11.1 lists these factors alongside the summary factors defined in this research. All the 11 summary factors had some relationship to organisational performance, although Innovation and Risk appeared to be very low.

Table 11.1: Comparison of the summary factors identified in this research with those noted in Ashworth, Boyne and Entwistle (2010) linked to organisational performance

This research	**From Ashworth, Boyne and Entwistle (2010)** (In *italics* may be linked to performance)
Strategy	Strategic planning Regulation
Performance management	Regulation Strategic planning
Engagement	Collaboration
Human resources	Human resources management
Culture	*Culture*
Resources	
Innovation	*Innovation* *Organisational learning*
Physical infrastructure	Organisation environment
Reputation	Organisation environment
Leadership	*Leadership*
Risk	

Matching the list from Ashworth, Boyne and Entwistle (2010) shows direct matches for Strategy, Human resources, Culture, Innovation and Leadership while Engagement and collaboration are similar, although Engagement is, probably, rather wider including with more stakeholders, such as the media and citizens. Performance management doesn't appear in the Ashworth, Boyne and Entwistle list although it may, arguably, be matched with regulation that determines the nature of the PMF and strategy (thus Strategic planning), since this must be framed with regulation at its forefront. Organisation environment and organisation learning are not well matched although organisational learning may be linked with Innovation and organisational environment with Physical infrastructure and Reputation. Reputation seemed to be of some importance for performance in organisations having good relations with stakeholders and being favourably disposed to by government and its various agents, such as the Audit Commission and other regulators. However, the importance appears to be substantially less than for the key summary factors.

Leadership is low down the list suggesting some agreement with the Ashworth, Boyne and Entwistle list where it is a 'maybe'.

Two summary factors, from this current research, are not matched; Resources and Risk. Arguably, Risk could be placed with Strategy as it is best dealt with using a strategic approach. Resources was ranked sixth in this research but is not mentioned in the Ashworth, Boyne and Entwistle list.

11.7 The Longitudinal Approach

An important part of the research was the longitudinal approach to examine the changes in factors over time that may influence organisational performance, although it is accepted the timeframe was rather short. As noted elsewhere the abolition of the national framework(s) effectively curtailed data collection. Another year of CAA data would have been useful and it was intended to vary the survey in an aim to boost response rates. Although, it is felt some certainty as to continuance of the national framework(s) would have had that effect in any case. The longitudinal approach gave a greater confidence in determining causation rather than simply association.

11.8 Theoretical Considerations

The literature review identified the theories as to what factors may result in improved organisational performance and some of the why. The results, in general, tend to support this in particular why Strategy, Performance management and Human resources appear to be important. Since the organisations in question are human constructs it should be of no surprise that the management of this key resource (as in RBV and HPWS), especially important in services, should be important for organisational performance (De Saá and Garcia-Falcón, 2002). However, other resources don't seem to have the same strength of association with organisational performance. This may be because they are only (effectively) deployed by people, so managing this (people) resource well may be the key to the effective utilisation of other types of resources. This of course does not mean other types of resource are not important, rather they are immobile and require activation.

11.9 Practical Considerations

An important part of the impetus for this research was to provide a means to identify what organisations can do in order to improve their performance. So, will implementing a BSC, TQM or the EFQM EM improve organisational performance?

What about increasing resources deployed on performance management – at the centre and/or in services? What about having a formal corporate plan and associated service plans, in other words a strategic approach? Or the active management of human resources? To use the results it is simply a matter of completing the questionnaire and then examining the statements correlating highly with performance. If the organisation scores low for (some of) these statements then this suggests where improvement(s) may be needed (Appendix 10.1). Of course it is important this is used with due regard to the organisation, its circumstances and environment; in other words in context. After each survey a summary report was sent to responding authorities and in 2006 a presentation was given at a Local Authorities Research Council Initiative (LARCI) conference in Birmingham (Goodchild, 2006). A number of a councils said they intended to use the results in improving their performance. A consultant requested the use of the questionnaire and results in his work with a council.

11.10 Limitations

All research has limitations due to such as time, availability of data, access to subjects, response rates, circumstances, events and a myriad other reasons. The key is to design the research to minimise these influences at the outset as it may not be possible to correct issues later. One of the key concerns of this research was the continuation of CPA, or at least some national method for rating organisations. It was known CPA would change and possibly replaced by something else, as indeed it was by CAA. Although CAA was different it still included an assessment of organisational performance, albeit in separate parts but these could be combined to provide an organisation rating. The lack of a national rating would effectively undermine the research; even through the use of national PIs would be an alternative. In the event CAA was abolished as was much of the national framework(s) including the national indicator set. However, even then a considerable amount of data had to be submitted to government, by councils, to be compiled as the single data list. Fire services, police forces and PCTs had to supply data also.

The questionnaire was the basis for a large amount of the data as regards the evaluation of organisational performance. It may be a richness and valid assessment requires more detailed research (see Martin, Walker and Enticott et al, 2003). The case study provided additional support for the validity of the first questionnaire wave and this was reinforced by the two other waves.

The questionnaire collected the views of a single officer in each organisation; even though it is felt it was a well 'informed' view. As noted previously Ketokivi and Schroeder (2004, p. 262) have cautioned against the use of single informant studies in specifically operations management research with regard to perceptual measures but also assert the use of perceptual measures is valid. It is believed the results of the research show the use of an *appropriate* single informant is able to produce meaningful results in studies such as this.

The questionnaire asked respondents to complete an organisation profile of where they thought their council was against a series of factors at present (2005) and going back five years (2000). Clearly this latter relies on memory and it thus may produce less useful data for the year 2000 than 2005. Although, proving this one way or another is not easy, the distance between 2000 and 2005 may suggest respondents had an expectation the score would be higher in 2005 than 2000. In a few cases the reverse was recorded.

The importance of the determinants of organisational performance may not be brought out in the questionnaires due to the wide-ranging nature of this research or it may not have been possible to identify its level of importance, if any. However, the consistency of the triangulation tends to suggest this was not the case and further, the results are consistent with other work, for example the meta-review of Ashworth, Boyne and Entwistle (2010).

The case studies undertaken in 2005 were of three authorities and further a limited number of individuals so they may not be sufficiently representative to be particularly meaningful. The case studies were supplementary to the questionnaire survey undertaken for two purposes; firstly to add a richness to the quantitative data and secondly, as a check on the possible single informant issue problem. As shown the latter seems to have been successfully achieved.

As regards the BVPP content analysis there are a number of potential limitations that could impact on the results. Some of these are inherent in the methodology and some are inherent in the nature of the BVPP and the government guidance that regulated its production. As regards the methodology, although the criteria were tested on a few BVPPs they represent a subset of those possible and so it is assumed they represent key criteria that determine an authority's *true*

performance. The results of the questionnaire survey provide corroboration. In addition the analysis of all 76 BVPPs was done by a single person and not subject to validation. There is some merit in a single person doing the analysis in that it would tend to promote consistency but it would be desirable to have at least two people rating, who could compare results derived independently and come to a consensus. It may also be suggested an experienced local government officer would have a good idea which the high performing and not so high performing authorities are and also their likely CPAR. A consideration of the results shows some authorities rated excellent received a relatively low score for their BVPP (for example Westminster) whilst some rated weak and poor received a relatively high score (for example Salford and North Shropshire). It is therefore considered there is not significant bias in this respect.

The CPA measures and CAAR may not reflect the 'true' performance of organisations (Andrews, Boyne and Walker et al, 2003 and Boyne and Enticott, 2004). This raises the question of what is 'true' performance and this is not a simple question to answer as it depends on a variety of considerations. This research assumes CPA and CAA consistently measure a real construct of performance in organisations. The conversion of police and PCT performance assessments to CPAR, PMS, SS and CA had to be undertaken (see Table 4.2, p. 136). Although this was successfully achieved the different measures used are not a perfect fit and how 'imperfect' is not known.

Respondents may be influenced in their responses by their organisation's CPAR and CAAR. Whilst this may or not be true it should equally apply whatever the performance of the organisation. Other factors including personal background and views may also impact on their responses and it is difficult to gauge the potential impact of these. However, the case studies suggest this was not a particular issue of concern.

The analysis using correlation may have not brought out the 'true' situation, especially the smaller number of cases in the 2009 and 2010 surveys. However, the results for the three surveys are generally consistent looking at the size of the correlations rather than just those significant at $p<0.05$. Of course, there are some differences between the four organisation types, which are to be expected. For example an organisation such as the police with a command structure is likely to

have some characteristics different from councils that also have many different services.

The PCA, especially through the use of a smaller than recommended number of cases, may have misrepresented the actual position. As explained previously when using PCA in an exploratory investigation such ‘constraints’ tend to be relaxed. A careful reading of the results would suggest a remarkable consistency has been achieved demonstrated by the triangulation and when compared with other studies noted. This gives confidence in this particular use of PCA.

12. Conclusions

12.1 Introduction

There are a number of conclusions arising from this research some of which relate to the research methodology and others the (potential) use of the results. The principal conclusions considered first address the findings of the research. These are the important outputs of the research demonstrating the contribution to knowledge.

The research also aimed to bridge the practitioner-academic divide by taking on board the practical realities of 'success' in local public service organisations, in particular performance management, whilst maintaining academic rigour.

12.2 Findings

The research has demonstrated that:

A high performing organisation would tend to have strategic direction with good strategic/service planning and performance management with involvement and practise evidence-based policy. There would be an ODS to give motivated and trained employees within a supportive learning culture, be innovative, have a high level of citizen focus with a consistency of practices. There would be both political and managerial leadership that would be demonstrably high but with diffusion of power throughout the organisation. Use of ICT would be high and there would be high levels of engagement and communication.

On its own, proprietary performance management computer software does not produce higher organisational performance. Such systems may, however, operate as a 'force multiplier' to improve further, a good PMF but will not solve 'problems' in those deficient.

When producing summary factors from the criteria, the top three of the 11 summary factors in explaining variation in organisational performance are Strategy, Performance management and Human resources.

Of the other summary factors, Culture and Engagement came next, forming a second tier. Resources, Reputation and Leadership explain some of the variation, representing a third tier. The summary factors of Innovation, Risk and Physical infrastructure seem to explain very little of the variation.

The evidence from this research suggests performance management properly applied does indeed result in improved organisational performance.

The causal nature and direction of the relationship is perhaps clear for many of the criteria but not so for some. For the 11 summary factors it is suggested these 'cause' high performance but feedback loops may operate. So, for example, a good reputation is gained through high organisational performance and this reputation further enhances performance, as the organisation strives to meet expectations.

The content analysis of BVPPs demonstrates such documents (tend to) reflect the performance of the organisation. Further the strongest correlation is with CPAR. Also, the other measures in CPA: PMS, SS and CA are all strongly correlated with the content of the BVPP. Further, the results of the content analysis and the questionnaire survey are mutually supportive.

The organisational profile work strongly suggests organisations with a more post-bureaucratic orientation exhibit higher performance and as they become more so, performance improves further.

There would appear to be some differences between England, Scotland and Wales as regards the impact of the different criteria, although the absence of an equivalent rating to the CPA in Scotland and Wales limited the scope for investigation.

Practitioners appear to have a different perspective from academics. A perspective grounded in operating on a day-to-day basis in the complex and variable nature of organisational performance. In particular the need to take into account the realities of Politics that may not be formally expressed. The national frameworks exert dominance and so practitioners see these as having particular influence and so strategies and operations reflect their needs. Academic work in contrast may seem rather abstract and remote from experience.

12.3 Conduct and Methodology

The questionnaire survey methodology appears to have been sound. A good response rate can be obtained from a large and relatively complicated

questionnaire but is subject to a variety of factors. The questionnaire survey instrument displayed a high degree of reliability and validity.
The response to the questionnaire in 2005 was broadly representative in terms of type of council although there is a slight bias in terms of CPAR towards authorities rated excellent and good. There may also be a slight bias towards larger councils, although responses were obtained from some of the smallest councils in England. The number of respondents in 2009 and 2010 was much lower and less representative. However, it is not thought this has significantly *biased* the results.

The views of a single respondent in an organisation can be usefully employed providing they are chosen with care in terms of the research topic and so obtaining the (informed) views of the Chief Executive (or other senior corporate policy officer) was very appropriate to the research topic. The use of case studies increased the level of confidence in the quality of the data obtained from the questionnaire.

The use of the Pearson correlation coefficient has been shown to be a sound basis for considering the responses to the questionnaire using CPA measures and CAAR.

PCA was an appropriate statistical technique for the exploratory investigation of the contribution to organisational performance of various factors, although it did require the relaxation of statistical bounds. This is not unusual in such exploratory research.

12.4 Use of the Results

This research can be utilised by local public service organisations as a first step in identifying what may be required to improve their performance.

Using the 2005 results and taking Darlington Borough Council, as an example, the 2005 BVPP contains a graph suggesting the Council has improved (Darlington Borough Council, 2005, p. 38). It is also the case the Council scored highly in many key statements such as 4.11, 4.18, 4.24, 4.26, 4.34, 4.39, 5.39, 5.58, 7.2, 7.3, 12.2, and 12.3. The high percentage rating for the BVPP supports this contention.

The applicability of the results to other organisation types and settings has not been tested and so may well be variable.

The research was undertaken in a highly regulated local public services environment and it has not been ascertained if a reduction in this has an impact on summary factors contributing to organisational performance. It may be the case the summary factors are not dependent significantly on regulation, as the literature suggests strategy and human resources (management) are important determinants of organisational performance in many settings. However, it may 'depend' and context is important.

12.5 Recommendations for Future Research

Future work could address the findings of this research and the methodologies that may enhance the search and validation of determinants of organisational performance. Whilst it is not expected any particular approach will capture all relevant details there are likely to be approaches better suited to this kind of endeavour. In particular, combine effectively the quantitative and qualitative to provide a statistically robust and rich picture of determinants of organisational performance.

The present research identified 11 summary factors associated with organisational performance of which three appear to be dominant. Three of the others appear to have a very low association leaving five with an intermediate association. The research used a national rating of performance no longer available so future work will need to use another method to measure local public services performance. It could be useful to provide a comprehensive review of what is available and their suitability.

As an exploratory PCA was used future research could aim to provide confirmation of the summary factors and their strength.

As well as considering determinants of organisational performance this research added to the knowledge on the effectiveness of performance management in local public service organisations. It also produced a framework for further study that could allow a longitudinal perspective to be achieved, so trends in effectiveness can be evaluated and perhaps correlated with a variety of factors such as organisational culture, the extent of central imposition and control and the strategic focus of organisations. It could provide the basic methodology for further research in this area.

It has previously been noted that it may not be the amount of resources that is important in influencing performance, rather how they are deployed. Deployment is not though limited to resources, for example (stakeholder) engagement often starts with a thorough analysis leading to a formal written strategy. How this strategy is deployed is likely to be important for the success, or otherwise, of the strategy. Given the results of the relevant statements in the questionnaire this could be an area of useful future research.

Future research could investigate each of the summary factors in more detail and the links between them. For example, the relationship between a strategic approach and engagement; the extent to which planning engagement can successfully be delivered and what is necessary for this to be achieved.

As regards the BVPP, future work could use corporate documentation to consider the relative importance of the 21 criteria and thus provide a basis for further differentiation.

The potential differences between organisation types could be investigated and other factors could be introduced such as organisation size, the deprivation of the organisation's area and geographic region. Other work could also consider the extent to which the BV and CPA frameworks influenced the concept of high performance.

A fruitful area of research could be a detailed extended case study of an organisation using the statements of statistically significant correlation coefficients, where organisational scores are currently low. By the organisation addressing attention to these areas it may be expected performance would improve. Such improvement could then be tracked over time with clear knowledge of the changes made. Consideration would need to be given as to the relationships between the different criteria and so the case study may be relatively complex. Another related option could be to develop a model using the criteria with appropriate relationships highlighted and use this to explore the dynamics utilising data from different organisations.

This research was predominantly in the English local public services and so could usefully be replicated in other settings such as other public services, private and voluntary sectors in Britain and other national administrations around the world.

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APPENDIX 3

Appendix 3.1

Summary of literature used to contribute to the determination of survey content and analyses

STATEMENT (CRITERIA)	REFERENCES
A. Strategy/Policy/Finance/HRM	
4.1 Written corporate strategy with top objectives tied into community strategy	Gani and Jermias (2012), Schniederjans and Cao (2009), Nandakumar, Ghobadian and O'Regan (2012), Dess and Davis (1984), Miller and Cardinal (1994), Bolton and Leach (2002), Poister, Edwards and Pasha et al (2013)
4.2 Written service plans	As 4.1
4.3 Corporate strategy planned in advance with stakeholders	Gregory (2003), Simmons (2003)
4.4 Agreed formal mission/ vision statement	Gregory (2003), Alavi and Karami (2009), Tvorik and McGivern (1997)
4.5 Published organisational development strategy	Joyce (2004), O'Donnell and Shields (2002), Watson (2001)
4.6 Published medium term financial plan	Phillips, Davies and Moutinho (1999), Audit Commission (2002b)
4.7 Organisation wide (corporate) training programme that includes management	Sharma and Gadenne (2008), Byrd and Marshall (1997), Chowhan (2013), Storey (2002), Improvement and Development Agency (2003)
4.8 Reviews using work measurement	Enticott, Walker and Boyne et al (2002), Entwistle, Dowson and Law (2003)
4.9 Took part in I&DeA's local government improvement programme or equivalent	Jones (2005), Improvement and Development Agency (1999a, 1999b), Jones (2004), Local Government Association (2009)
4.10 Level of innovation in service delivery	Lumpkin and Dess (1996), Cabinet Office (2003), Walker, Damanpour and Devece (2011), Parry and Proctor-Thomson (2003), Labroukos, Lioukas and Chambers (1995)

4.11 Level of innovation in service planning	As 4.10
4.12 Effectiveness more important than efficiency)	Ashworth, Boyne and Entwistle (2010), Davies, Nutley and Smith (1999), Rouse (1999), Pandey, Coursey and Moynihan (2007), Parry and Proctor-Thomson (2003), Boyne (2004), Porter (1996)
4.13 Organisational values widely discussed	Rouse (1999), Williams (2002), Hood (1991), Humphrey (2003)
4.14 Extent to which training improves organisation's performance	As 4.7
4.15 Political issues 'blow' strategy off course	Bartlett, Corrigan and Dibben et al (1999), Entwistle, Martin and Enticott (2005), Boyne (2003b), Collier (2006), Skelcher (1992)
4.16 Extent top-down approach to strategic planning	Seddon (2003), Grace and Martin (2008), McKevitt and Lawton (1996)
4.17 Central policy/ Best Value direction	Eskildsen, Kristensen and Juhl (2004). Bititci, Carrie and McDevitt (1997)
4.18 Corporate strategy linked to community strategy	Kloot and Martin (2000), Morgan and Djebarni (2012)
4.19 Extent organisation thinks strategically	As 4.1
4.20 Service developments implemented strategically	As 4.1
4.21 Extent of active management of HRM	Wright, Dunford and Snell (2001), De Sáa and Garcia-Falcón (2002)
4.22 Extent of front-line employee involvement in service planning	Franco and Bourne (2003), Fisher (1990), Cowling and Newman (1995), Audit Commission (2000a), Wooldridge and Floyd (1990), Entwistle, Dowson and Law (2003), Phillips, Davies and Moutinho (1999)
4.23 Level of departmental involvement in service planning	As 4.22
4.24 Extent of departmental involvement in doing service planning	As 4.22
4.25 Community priorities fed into plans	Collier (2006), Marr and Creelman (2009), Bagley and Lewis (2008), Boyne and

	Enticott (2004), Downe, Grace and Martin et al (2008)
4.26 Strategies and plans linked together	As 4.1
4.27 Budget linked to priorities	Kloot and Martin (2000)
4.28 Plan for short, medium and long term	Shrivastava, Mohanty and Lakhe (2006)
4.29 Policy decisions based on evidence	Taylor and Godfrey (2003)
4.30 Extent of formal risk management with written risk register	Macpherson (2001), Goldeng, Grünfeld and Benito (2008)
4.31 Extent of organisational slack in central functions	Boyne (2003a), Andrews, Boyne and Law et al (2005)
4.32 Extent of organisational slack in service departments	As 4.31
4.33 Budget devolved to departments	As 4.6
4.34 Delegation practiced within	Cox, Higgins and Tamkin (2012)
4.35 Extent of responsiveness of the authority to service users	Peters and Waterman (1982), Peters (1988), Crosby (1988), Osborne and Gaebler (1992), Marr and Creelman (2010), Skelcher (1992), Rahman and Bullock (2005), Pannirselvam and Ferguson (2001)
4.36 Employee's goals aligned with organisation	McGregor (1960), Latham and Locke (1979)
4.37 Extent that organisation is citizen centred	As 4.35
4.38 Organisation is budget driven	As 4.6
4.39 Organisation regarded as competitive in terms of achievement	Dunsire, Hartley and Parker (1991), Shrivastava, Mohanty and Lakhe (2006), Magd and Curry (2003), Fong, Cheng and Ho (1998), Maiga and Jacobs (2004), James and Field (1999), Grace, Fletcher and Martin et al (2007)
4.40 Extent to which organisation focuses on customers	As 4.35

4.41 Organisation focuses on employees	As 4.36
4.42 Organisation focuses on service provision	As 4.35
4.43 Extent performance management focused on group processes	Winstanley and Stuart-Smith (1996), Rahman and Bullock (2005)
4.44 Service planning is optimum	As 4.1
4.45 Extent to which probity is valued	Winstanley and Stuart-Smith (1996), Stanwick and Stanwick (2003), Batty and Hilton (2003), Lere and Gaumnitz (2003)
4.46 Extent to which organisation gives value for money	Magd and Curry (2003), Boyne, Gould-Williams and Law et al (2001)
4.47 Aims and objectives shared across organisation	As 4.36
4.48 Extent of separation between strategy and implementation	Lawton, McKevitt and Millar (2000), Stahr, Bulman and Stead (2000)
4.49 Extent of organisation focus on 'ends' rather than 'means'	See 4.1
4.50 Extent to which critical success factors are used	De Waal (2003b, 2004)
4.51 Extent to which HRM is important for organisational performance	Bourne, Franco-Santos and Pavlov et al (2008), Pannirselvan and Ferguson (2001), Chew and Sharma (2005), Den Hartog and Verburg (2004), Joyce (2004), McBain, Ghobadian and Switzer et al (2012)
4.52 Extent to which Best Value (other) reviews result in service improvement	Entwistle, Dowson and Law (2003), Enticott, Walker and Boyne et al (2002)
4.53 Extent to which employee incentives are financial	Dunsire, Hartley and Parker (1991), Goldeng, Grünfeld and Benito (2008), Verbeeten (2008)
4.54 Team/individual goals aligned to strategy	As 4.36

4.55 Aims/objectives corporate body and service providers linked	As 4.36
B. Performance Management	
5.1 Use of proprietary performance management software	Marr (2001), Marr and Neely (2003), Barrett (2004)
B57 Collect all Quality of Life Indicators	Audit Commission (2000a)
5.3 Use EFQM Excellence Model or variant	Macpherson (2001), Moeller, Breinlinger-O'Reilly and Elser (2000), McAdam and Walker (2003), Jacobs and Suckling (2007), Larsen (2001)
5.4 Use Balanced Scorecard or variant	Kaplan and Norton (1992, 2001), Talbot (1999), Malmi (2001), McAdam and Walker (2003), Cabinet Office (2001), Hoque and James (2000), De Geuser, Mooraj and Oyon (2009), Jacobs and Suckling (2007)
5.5 Use Total Quality Management	Leonard and McAdam (2004), Moura e Sá and Kanji (2003), Rouse (1999), Shrivastava, Mohanty and Lakhe (2006), Zakuan, Yusof and Laosirihongthong et al (2010), Al-Dhaafri, Yusoff and Al-Swidi (2003), Rahman and Bullock (2005)
5.6 Use Benchmarking	Longbottom (2000), Cox and Thompson (1998), Holloway, Francis and Hinton (1999), Audit Commission (2000a), Magd and Curry (2003), Maiga and Jacobs (2004)
5.7 Use Management by Objectives	Drucker (1955), Vedung (1997)
5.8 Use strategy mapping	Kaplan and Norton (2000b)
5.9 Use corporate planning	As 4.1
5.10 Use outcome (results) based accountability (O(R)BA)	As 4.1
5.11 Use other techniques for managing performance	Hines, Holweg and Rich (2004), Radnor, Walley and Stephens et al (2006), Holloway (2001)
5.13 Hold Investors in People	Cox, Higgins and Tamkin (2012), Franco-Santos, Khilji and Bourne (2011), Paton (2003), Bourne, Franco-Santos and Pavlov

	et al (2008), Bourne and Franco-Santos (2010)
5.15 Hold any performance-based awards (e.g. Beacon)	Rashman, Downe and Hartley (2005), Entwistle and Downe (2005), Hartley and Downe (2007), Withers and Hartley (2007), Wilford (2007), Department of Environment, Transport and the Regions (1999)
5.17 Have quality accreditation (ISO 9000)	Lambert and Ouedraogo (2008), Paton (2003)
5.18 Team based appraisal	Cox, Higgins and Tamkin (2012)
5.19 Managers formally appraised by subordinates	As 5.18
5.20 Performance management exist to extent if not for Best Value	Audit Commission (2000a), Martin and Davis (2001), Keenan (2000)
5.21 Extent to which meaningful indicators exist (excluding statutory)	Smith (1995), Stewart and Walsh (1994), Audit Commission (2000a), Bevan and Hood (2006), Greener (2003), Bevan (2006), Collier (2006), Boyne and Law (1991)
5.22 Performance related pay for Chief Executive/ Directors	Franco and Bourne (2003), Stanwick and Stanwick (2003)
B69 Performance related pay for other senior managers	As 5.22
5.24 Appraisal linked to financial reward	As 5.22
5.25 Appraisal competency based	As 5.18
5.26 Performance management produces sufficient timely information	Smith (1990), Van de Walle and Bovaird (2007)
5.27 Performance management increase accountability to citizens	Adserà (2003), Andrews and Van de Walle (2013), Lemieux-Charles, McGuire and Champagne et al (2003), Boyne and Law (1991), Audit Commission (2000c), Skelcher (1992), Jackson (1993), Boyne, Gould-Williams and Law et al (2002b)
5.28 Performance management increase accountability to central government	As 5.27

5.29 Performance management too complicated	Smith (1990, 1995), Midwinter (1994), Stewart and Walsh (1994), Noordegraaf and Abma (2003)
5.30 Performance of professionals managed	As 5.18
5.31 Too many performance indicators	Ballantine, Brignall and Modell (1998), Neely (2003), Boyne and Gould-Williams (2003)
5.32 Are targets ambitious	Pollitt (2000), Seddon (2003), Bevan and Hood (2006), Enticott, Walker and Boyne et al (2002)
5.33 Range of qualitative and quantitative indicators	As 5.21
5.34 Performance management method of control	Seddon (2003), Soltani, Singh and Liao et al (2010), Triantafillou (2007), Grubnic and Woods (2009)
5.35 Innovative approach to performance management	Cavalluzzo and Ittner (2004)
5.36 Approach to performance management top-down	Seddon (2003), Grace and Martin (2008), McKevitt and Lawton (1996)
5.37 Level of departmental involvement in developing performance management	As 4.22, 4.23, 4.24
5.38 Level of departmental involvement in running performance management	As 4.22, 4.23, 4.24
5.39 Adequacy of systems for collecting national indicators	As 4.17
5.40 Comprehensiveness of set of local indicators	As 5.21
5.41 Extent of employee rewards for good performance	As 4.53
5.42 Extent of sanctions against employees for poor performance	As 4.53
5.43 Extent performance managed not just measured	Burke (2004), Palmer (1993), Emiliani (2000)
5.44 Extent performance management an agent of change	Cowling and Newman (1995), Watson (2001), O'Donnell and Shields (2002), Audit Commission (2000a), Enticott, Walker and Boyne et al (2002), Entwistle, Dowson and Law (2003)

5.45 Extent managers have access to quality timely performance information	Lebas (1995), Ryan, Stanley and Nelson (2002), Mack and Ryan (2004), Steccolini (2004), Thompson (1995)
5.46 Extent Members (political representatives) have access to quality timely performance information	Lebas (1995), Boyne, Gould-Williams and Law et al (2001)
5.47 Extent performance management produces perverse incentives	Triantafillou (2007), Bevan and Hood (2006), Bevan (2006), Haubrich and McLean (2006a), McLean, Haubrich and Gutiérrez-Romero (2007), Higgins, James and Roper (2004)
5.48 Extent performance management skews organisation priorities	Department of Transport, Local Government and the Regions (2001), Bevan (2006), Collier (2006), Downe, Grace and Martin et al (2008), Audit Commission (2002a), Higgins, James and Roper (2004), Grubnic and Woods (2009), Entwistle and Enticott (2007), Sullivan and Gillanders (2005), Entwistle, Downe and Guarneros-Meza et al (2014)
5.49 Extent performance management measures things that matter	As 5.48
5.50 Level of game playing (auditors/government)	As 5.47
5.51 Extent performance management focused on learning	Bourne and Franco-Santos (2010), Lambert and Ouedraogo (2008), Davis (1998)
5.52 Extent performance management focused on qualitative measures	Rahman and Bullock (2005), Jacobs (2004), Kelman and Hong (2012)
5.53 Extent performance management is optimum	As 5.45
5.54 Extent organisational performance rated more highly than democratic	Martin and Davis (2001), Jackson (1993), Skelcher and Mathur (2004), Skelcher and Sullivan (2008)
5.55 External performance constrained by central government action	Audit Commission (2002b), Grace and Martin (2008)
5.56 Extent targets sub-optimise performance	As 5.47, 5.48, 5.49

5.57 Extent performance management agent of accountability	As 5.27, 5.28
5.58 Extent performance management integrated into strategy	As 4.1
5.59 Extent context is considered in analysis	Ashworth, Boyne and Entwistle (2010), Stewart and Walsh (1994), Chang, Lin and Northcott (2002), Downe, Grace and Martin et al (2008), Chang and Ku (2009), Ezzamel and Watson (1993)
5.60 Extent focus on national indicators to detriment of local indicators	Vincent-Jones (1999)
5.61 Extent focus on what measured rather than what matters	As 5.49
5.62 Extent performance management has local political commitment	Entwistle and Laffin (2005), Boyne (2003b), Stewart and Walsh (1994), Pedersen and Huniche (2011), Entwistle, Martin and Enticott (2005), Boyne, Gould-Williams and Law et al (2000a), Chang and Ku (2009)
5.63 Extent performance management has commitment top-level management	As 5.63
5.64 Extent effort spent improving accuracy PIs rather than managing services	Smith (1995), Midwinter (1994), Bevan and Hood (2006), Bevan (2006)
5.65 Extent 'equity' a driver of service performance	Hood (1991), Simmons (2003), De Waal, Goedegebuure and Hinfelaar (2012)
5.66 Extent to which 'use' stage of performance management successful	Lawton, McKevitt and Millar (2000), Radnor and Holweg (2011), Pedersen and Huniche (2011), Likierman (1993), Sole (2009), De Waal (2003b, 2004), Stahr, Bulman and Stead (2000), Soderberg, Kalagnanam and Sheehan et al (2011)
5.67 Extent EFQM/BSC integral part of strategic planning	Kaplan and Norton (1996b), De Waal (2003a), Malmi (2001), McAdam and Walker (2003), Cabinet Office (2001), Wilson, Hagarty and Gauthier (2003), Kollberg and Elg (2011)

5.68 Extent strategy maps are used	Kaplan and Norton (2000b)
C. Administration	
6.1 Level of centralisation of control	Labroukos, Lioukas and Chambers (1995), Ebinger, Grohs and Reiter (2011)
6.2 Level of centralisation of administration	As 6.1
6.3 Level of centralisation of service planning	As 6.1
6.4 Level of centralisation of performance management	As 6.1
6.5 Extent to which organisation departments operate independently	Lee and Choi (2000), Gyan-Baffour (1999), Ezzamel and Watson (1993)
6.6 Consistency of the level of practices/routines	Palmer (1993)
6.7 Extent to which need for 'control' tends to subvert 'purpose'	As 5.34
6.8 Extent to which administrative policies and practices are evidence-based	Davies, Nutley and Smith (1999), Taylor and Godfrey (2003)
6.9 Extent to which governance needs are discussed	Entwistle, Downe and Guarneros-Meza et al (2014), Andrews, Cowell and Downe (2008), Peck (2004), Skelcher and Mathur (2004), Johnson and Osborne (2003), Aucoin (2012)
D. Leadership	
7.1 Organisation characterised as officer led	Entwistle, Martin and Enticott (2005), Andrews and Boyne (2010), Michailidis and Charalamous (2012), Parry and Proctor-Thomson (2003), McBain, Ghobadian and Switzer et al (2012), Humphreys (2001), Bryman (2004)
7.2 Level of political leadership in organisation	As 7.1
7.3 Level of officer leadership in the organisation	As 7.1
7.4 Level of empowerment of officers	As 7.1

E. Resources	
8.1 Departmental under/overspends carried over one year to next	Phillips, Davies and Moutinho (1999)
8.2 Allocation of resources formally determined by priorities	Tvorik and McGivern (1997), Higgins, James and Roper (2004), Martin (1999)
8.3 Extent to which employees are well trained	As 4.7
8.4 Level of motivation displayed by employees	Cowling and Newman (1995), Seddon (2003), Improvement and Development Agency (2003), Latham and Locke (1979), McDonald and Smith (1995)
8.5 Extent managers overloaded with work	Andrews and Boyne (2010), Andrews and Brewer (2013), Martin and Hartley (2000), Withers and Hartley (2007)
8.6 Extent other employees are overloaded with work	As 8.5
8.7 Amount of resources deployed at corporate centre	Boyne (2003a), Lemieux-Charles, McGuire and Champagne et al (2003), Moeller, Breinlinger-O'Reilly and Elser (2000), Jones (2005), Carmeli (2001)
8.8 Use of ICT in the organisation	Byrd and Marshall (1997), Begemann and Bititci (1999), Bititci, Nudurupati and Turner et al (2002), Mithas, Ramasubbu and Sambamurthy (2011), Melville, Kraemer and Gurbaxani (2004)
8.9 Level of research capacity	As 8.17
8.10 Level of resources to do performance management at the centre	Boyne (2003a), Lemieux-Charles, McGuire and Champagne et al (2003), De Sáa and Garcia-Falcón (2002), Tvorik and McGivern (1997), Carmeli (2001), López (2003, 2006), Galbreath (2005), Douglas, Jenkins and Kennedy (2012), Improvement and Development Agency (2005)
8.11 Level of resources to do performance management in service departments	As 8.10
8.12 Extent information available for corporate/ service planning	HM Treasury (2001), Lemieux-Charles, McGuire and Champagne et al (2003), Van de Walle and Bovaird (2007), Wall and Martin (2003), Steccolini (2004)

8.13 Quality of organisation's physical infrastructure	Tends not to be considered in the literature although may be specific for example information technology: Bititci, Nudurupati and Turner et al (2002)
8.14 Extent employee creativity is harnessed	Paton (2003), Guha, Grover and Kettinger et al (1997), Fisher (1990)
8.15 Extent strategic capacity is overloaded	As 8.10, 8.11
8.16 Extent operational capacity is overloaded	As 8.10, 8.11
8.17 Extent policy analysis capacity is overloaded	Lemieux-Charles, McGuire and Champagne et al (2003)
8.18 Extent of budgetary slack in the organisation	Boyne (2003a), Andrews, Boyne and Walker et al (2003), Andrews, Boyne and Law et al (2005)
F. Stakeholders and Partnerships	
9.1 Outsourced any central services	Grace, Fletcher and Martin et al (2007), Marchington, Cooke and Hebson (2003), Dunsire, Hartley and Parker (1991), Vangen and Huxham (2004), Entwistle (2005), Stewart (1993), Greenwood and Wilson (1994)
9.2 Outsourced any customer services	As 9.1
9.3 Strategic partnership with provider of many services	As 9.1
9.4 Government supportive of organisation	Enticott, Walker and Boyne et al (2002), Entwistle and Laffin (2005), Marr and Creelman (2009), Paton (2003), Carter, Danford and Howcroft et al (2011), Cabinet Office (2001), Hartley and Allison (2000), Cabinet Office/HM Customs and Excise (2001), Vincent-Jones (1999), Bowerman, Francis and Ball et al (2002), Audit Commission (2000c)
9.5 Inspectors supportive of organisation	As 9.4
9.6 External auditors supportive of organisation	As 9.4
9.7 Views of organisation employees formally collected	Drucker (1955), Guha, Grover and Kettinger et al (1997), Fisher (1990), Zakuan, Yusof and Laosirihongthong et al

	(2010), Skelcher (1992), Tortosa, Moliner and Sánchez (2008), Lings and Greenley (2009), Gyan-Baffour (1999), Summers and Hyman (2005), Entwistle, Dowson and Law (2003), Enticott, Walker and Boyne et al (2002), Improvement and Development Agency (2003, 2005)
9.8 Views of Members (political representatives) formally collected	As 9.7
9.9 Extent internal audit involvement in performance management	Steccolini (2004), Boland and Fowler (2000)
9.10 Extent use of external audit to improve performance management	As 9.4
9.11 Extent of use consultants in centre	As 9.1
9.12 Extent use of inspection improves performance at service delivery	Department of Transport, Local Government and the Regions (2001), Department for Communities and Local Government (2006), Andrews, Boyne and Law et al (2003), Enticott, Walker and Boyne et al (2002), Entwistle, Dowson and Law (2003), Downe, Grace and Martin et al (2007)
9.13 Extent of use consultants in services	As 9.1
9.14 Extent of involvement of external stakeholders in authority	Rouse (1999), Walker, Brewer and Boyne et al (2011), Schuler and Jackson (2014), Smith (1988), Sundaram and Kasabov (2012), Gregory (2003), Simmons (2003), Boyne, Gould-Williams and Law et al (1998)
9.15 Level of engagement with inspectors	As 9.5, 9.12
9.16 Level of engagement with central government	As 9.4
9.17 Level of engagement with professional organisations	Lemieux-Charles, McGuire and Champagne et al (2003)
9.18 Extent of use of internal networks by authority	Walker, Andrews and Boyne et al (2010), Entwistle, Downe and Guarneros-Meza et al (2014)

9.19 Extent of use of external networks by authority	As 9.18
9.20 Extent of user (of services) consultation	Walker and Boyne (2006), Andrews, Boyne and Walker (2011), Enticott, Walker and Boyne et al (2002)
9.21 Transactions with citizens rather than relationships	Game (2006)
9.22 Extent to which stakeholders participate in performance management	As 9.23, 9.24, 9.25
9.23 Extent to which citizens participate in performance management	Walker, Brewer and Boyne et al (2011), Andrews, Boyne and Walker (2011), Stipak (1979), Enticott, Walker and Boyne et al (2002), Game (2006)
9.24 Extent partnerships fragmenting effort on performance management	Sullivan, Downe and Entwistle et al (2006), Peck (2004), Skelcher and Mathur (2004), Huxham (2003), McMurray (2007)
9.25 Extent partnerships making strategies more meaningful	Morgan and Djebarni (2012), Wildridge, Childs and Cawthra et al (2004), Skelcher and Sullivan (2008), Vangen and Huxham (2004), Barton and Valero-Silva (2011), Entwistle (2014), Audit Commission (2002b)
G. Communication	
10.1 Extent organisation's relationship with media is good	Wall and Martin (2003), Franco and Bourne (2003), Cowling and Newman (1995)
10.2 Extent communication on corporate/service planning	As 10.1
10.3 Extent of communication on service performance	As 10.1
10.4 Extent strategic direction widely communicated	As 10.1
10.5 Extent use of employees' knowledge in performance management	As 10.1
H. Reporting performance	
11.1 Performance reported on the organisation's Intranet	HM Treasury (2001), Andrews and Van de Walle (2013), Boyne, Gould-Williams and Law et al (2002b), Boyne and Law (1991), Thompson (1995), Wall and Martin (2003), Audit Commission (2000c), Steccolini

	(2004), Higgins, James and Roper (2004), Mack and Ryan (2004)
11.2 Performance reported on the organisation's website	As 11.1
11.3 Extent publishing performance data detrimental	As 11.1
11.4 Extent publishing performance data internally	As 11.1
11.5 Extent publishing performance data externally	As 11.1
11.6 Feedback to internal stakeholders on strategy/ performance management	As 11.1
11.7 Feedback to external stakeholders on strategy/ performance management	As 11.1
I. Organisational culture	
12.1 Extent that the organisation is a learning organisation	Ashworth, Boyne and Entwistle (2010), Bourne and Franco-Santos (2010), Seddon and Brand (2008), Davis (1998), Tvorik and McGivern (1997), McAdam and O'Neill (2002)
12.2 Extent to which a psychological contract exists between employees and organisation	As 4.5
12.3 Extent to which high degree of mutual trust between parts of the organisation	Bourne, Franco-Santos and Pavlov et al (2008), Farndale, Hope-Hailey and Kelliher (2011)
12.4 Extent to which decision making is by consensus	Vedung (1997), Seddon (2003), Improvement and Development Agency (2003 and 2005)
12.5 Extent to which organisation has a blame culture	Kangis, Gordon and Williams (2000), Chew and Sharma (2005), Lawson, Hatch and Desroches (2013), Williams (2002), Boyne, Gould-Williams and Law et al (2000a), Marchington, Cooke and Hebson (2003), Osborne and Cowen (2002)
12.6 Extent to which management create sense of urgency	As 4.1

12.7 Extent to which organisation has good relation trade unions	As 4.21
12.8 Level of 'good' ethical behaviour	Winstanley and Stuart-Smith (1996), Gregory (2003), Stanwick and Stanwick (2003), Adserà (2003)
12.9 Extent to which employee's level in organisation determines contribution	Paton (2003), Watson (2001), Gyan-Baffour (1999), Improvement and Development Agency (2003), McDonald and Smith (1995), Latham and Locke (1979)
12.10 Extent to which employee's role determined by job description	As 12.9
12.11 Extent to which organisation driven by achievement of targets	Pollitt (2000), Seddon (2003), Bevan and Hood (2006), Bevan (2006), Seddon and Brand (2008), Boyne and Gould-Williams (2003), Enticott, Walker and Boyne et al (2002)
12.12 Extent to which people come first in organisation	As 4.35, 4.40, 4.41
12.13 Extent to which organisation encourages taking initiative	Improvement and Development Agency (2003)
12.14 Extent to which officers and politicians have distinct and clear roles	Aucoin (2012), Fenwick and Miller (2012)
12.15 Extent to which power lies more in centre than departments	Kelman, Hong and Turbitt (2013)
12.16 Level of employees' morale	Entwistle and Downe (2005)
12.17 Extent to which organisational position determines contribution in teams	As 12.9, 12.10
12.18 Extent to which organisation driven by rules	As 4.12
12.19 Extent to which organisation operates independently in provision of services	As 4.1, 4.3
12.20 Extent to which organisation is change oriented	As 4.1

12.21 Extent to which organisation is results oriented	As 12.11
12.22 Extent of barriers to cooperation between service areas	Bourne, Franco-Santos and Pavlov et al (2008)
12.23 Extent of barriers to cooperation between centre and service areas	As 12.22
12.24 Extent service to public a high priority	As 4.12
12.25 Extent to which ideology drives organisation activities	Hood (1991), Painter (1999), Jackson (1993)
12.26 Extent to which management creates a supportive culture	Bititci, Mendibil and Nudurupati et al (2006), Ashworth, Boyne and Entwistle (2010), Franco and Bourne (2003), Kangis, Gordon and Williams (2000), Chew and Sharma (2005), Pandey. Coursey and Moynihan (2007), Lawson, Hatch and Desroches (2013), Den Hartog and Verburg (2004)
12.27 Extent internal environment has impact on organisation's performance	Bourne and Franco-Santos (2010), Rahman and Bullock (2005), Nandakumar, Ghobadian and O'Regan (2012)
12.28 Extent external environment has impact on organisation's performance	Ashworth, Boyne and Entwistle (2010), Franco and Bourne (2003), Arikibe (2011), Zajac and Shortell (1989), Meier, O'Toole and Boyne et al (2007), Boyne and Meier (2009), Andrews, Boyne and Meier et al (2009)
12.29 Extent of learning from other similar organisations	Ashworth, Boyne and Entwistle (2010), Bourne and Franco-Santos (2010), Woods and Grubnic (2008), Kloot and Martin (2000), Davis (1998), Lambert and Ouedraogo (2008), Rashman, Downe and Hartley (2005), Tvorik and McGivern (1997)
12.30 Extent of learning from private sector	As 12.29
12.31 Extent of learning from voluntary sector	As 12.29
12.32 Extent of inclination for experimentation within organisation	As 4.10, 4.11

12.33 Extent of misrepresentation of performance information	As 5.47
12.34 Extent of misrepresentation of financial information	As 5.47
12.35 Extent performance management sympathetic with organisational culture	Lawton, McKevitt and Millar (2000), Pratchett and Leach (2003), Joyce (2004), Noordegraaf and Abma (2003), Franco and Bourne (2003), Masterson and Taylor (1996), Watson (2001), Williams (2002), Winstanley and Stuart-Smith (1996), Chang and Ku (2009)
J. Organisational profile	Kernaghan (2000), Kernaghan, Marson and Borins (2000)
CONTENT ANALYSIS	Atinkemer, Chaturvedi and Kondareddy (1998), Koys (2000), Montabon, Sroufe and Narasimham (2007), Chew and Sharma (2005), Labroukos, Lioukas and Chambers (1995), McClelland, Liang and Barker (2010), Osborne, Stubbart and Ramaprasad (2001)
CORRELATION	Andrews, Boyne and Walker et al (2003), Shrivastava, Mohanty and Lakhe (2006), Meier and O'Toole (2002), Gani and Jermias (2012), Andrews, Boyne and Walker (2006), Gelade and Ivery (2003)
PRINCIPAL COMPONENT ANALYSIS	Shrivastava, Mohanty and Lakhe (2006), López (2003, 2006), Costello and Osborne (2005)

APPENDIX 4

Appendix 4.1

Survey Questionnaire

UNIVERSITY OF TEESSIDE

CRITERIA AND CHARACTERISTICS ASSOCIATED WITH HIGH PERFORMING ORGANISATIONS

Background: This questionnaire is the key element of a 3 year research project (as part of a part-time PhD at Teesside University) looking at the criteria and characteristics that may be associated with high performance, in particular the impact of management approaches such as (Total) Quality Management, the Excellence Model and the Balanced Scorecard. This research builds on that undertaken with local authorities in 2005 utilising the results of the Comprehensive Performance Assessment (CPA) which is now extended to other local statutory organisations.

Purpose: The aim of the research is to investigate the criteria/characteristics that may be responsible for organisations being high performing and successful in delivering services to their local communities and the role, if any, that performance management plays in this.

Participation: This questionnaire has been circulated to the 4 scored organisations (top-tier council, primary care trust, fire and rescue service and police force) of each LSP in England to be completed by the Chief Executive or an officer (with at least five years' experience in a senior position) selected by him or her from a central unit that deals with policy and/or performance management issues. Although the questionnaire appears lengthy it is specifically designed to collect data on all the principal characteristics that may impact on organisational performance and will therefore provide data of practical value. It should take about 45 minutes to complete.

Confidentiality: No organisation will be individually identified unless specific consent has been given by ticking the appropriate box and signing and dating in the requisite place later in this questionnaire.

Availability of results: A summary of the overall results of the research will be supplied in each of the 3 years to organisations that have requested a summary by indicating so in the appropriate place.

Any Questions: Thank you for your valued input and please don't hesitate to contact me (details are at the bottom of the form) if you have any questions or concerns or would like to discuss the research further.

Instructions: Please indicate your response by placing a cross (X) in the appropriate box. Some statements are in the form of a question requiring a Yes/No response and these are at the beginning of each section, if applicable. Most questions ask you for your opinion as to the extent to which you think that certain criteria or characteristics are rated High or Low in your organisation. A score of 6 means that the criterion or characteristic is present to a high level

whilst a score of 1 means that it is present to a low level. Please only mark one box for each statement and do not straddle two boxes. There are separate instructions for completion of the organisational profile that is the first section of this questionnaire. Please return the completed questionnaire by **DD MM YYYY**.

PLEASE STATE ORGANISATION:

_____

COMPLETED BY (JOB TITLE):

_____

ORGANISATIONAL PROFILE

The chart on the next page (after Kernaghan, 2000) is designed measure the organisation's profile with respect to the level of bureaucracy. Please mark a cross on the chart against each of the range of characteristics where you think the organisation is now. For example as shown below if you think that the organisation is totally *Organisation Centred* rather than *Citizen Centred* then you would place a cross in the leftmost box, and so on for each of the other pairs of statements.

EXAMPLE

Example A	**X**										Example A1
Example B		**X**									Example B1
Example C				**X**							Example C1

Next, please complete the chart on the following page.

PLEASE COMPLETE THIS SECTION

Characteristic											Characteristic
Organisation Centred (emphasis on needs of organisation)										→	Citizen Centred (quality service to citizens and other stakeholders)
Position Power (control, command, compliance)										→	Leadership (shared values, participative decision making)
Rule Centred (rules, procedures, constraints)										→	People Centred (empowering, caring as regards employees)
Independent Action (little consultation, cooperation or coordination)										→	Collaboration (a lot of consultation, cooperation or coordination)
Status-Quo Oriented (avoiding risks and mistakes)										→	Change Oriented (innovation, risk taking and continuous improvement)
Process Oriented (accountability for process)										→	Results Oriented (accountability for results)
Centralised (hierarchy and central controls)										→	Decentralised (decentralisation of organisation and control)
Departmental Form (programmes delivered by departments)										→	Non-Departmental Form (programmes delivered by variety mechanisms)
Budget Driven (programmes financed largely from appropriations)										→	Revenue Driven (programmes financed if possible on cost recovery basis)
Monopolistic (organisation has monopoly on programme delivery)										→	Competitive (competition with private sector for programme delivery)

SECTION A: STRATEGY/POLICY/FINANCE/HRM

No.	Criteria/Characteristic	Yes	No
4.1	Does the organisation have a written corporate strategy/plan with top-level objectives tied into a community strategy/plan?		
4.2	Does the organisation have written (not necessarily published) service plans covering every service?		
4.3	Does the organisation have a corporate strategy that is fully planned in advance involving stakeholders?		
4.4	Does the organisation have an agreed formal mission/vision statement that is widely published?		
4.5	Does the organisation have a formal published Organisational Development Strategy (ODS)?		
4.6	Has the organisation produced (not necessarily published) a medium term financial plan (MTFP)?		
4.7	Does the organisation have an organisation-wide (corporate) training programme that includes management (not just the professions)?		
4.8	Does the organisation undertake reviews utilising work measurement techniques?		
4.9	Has the organisation taken part in a “peer review” process?		

		High----------					-----Low
No.	**Criteria/Characteristics**	**6**	**5**	**4**	**3**	**2**	**1**
4.10	The level of innovation in the organisation’s approach to service delivery						
4.11	The level of innovation in the organisation’s approach to service planning						
4.12	The extent to which effectiveness is regarded as more important than efficiency in the organisation						
4.13	The extent to which organisational values are widely discussed and agreed within the organisation						
4.14	The extent to which training is considered to improve the organisation’s performance						
4.15	The extent to which political issues are considered to ‘blow’ the organisation’s strategy off course						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
4.16	The extent to which the organisation has a top-down approach to strategic (corporate/service) planning						
4.17	The extent to which the organisation has central policy/performance management direction						
4.18	The extent to which the corporate strategy/plan is linked to the community strategy/plan						
4.19	The extent to which the organisation thinks strategically						
4.20	The extent to which the organisation implements service developments/ initiatives in a strategic manner						
4.21	The extent to which the active management of human resources and formal HRM policies exist within the organisation						
4.22	The level of front-line employee involvement in service planning						
4.23	The level of departmental involvement in the development of service planning						
4.24	The level of departmental involvement in doing service planning						
4.25	The extent to which community priorities are fed into plans and services						
4.26	The extent to which strategies and plans at various levels are linked together						
4.27	The extent to which the budget is linked to the organisation's priorities						
4.28	The extent to which the organisation plans for the short (<3 years), medium (3-5 years) and long-term (>5 years) as a package						
4.29	The extent to which policy decisions in the organisation are based on evidence						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
4.30	The extent to which the organisation practices formal risk management with a written risk register						
4.31	The extent of organisational slack (spare capacity) in central functions of the organisation						
4.32	The extent of organisational slack (spare capacity) in service departments						
4.33	The extent to which budgets are devolved to departments						
4.34	The extent to which delegation is practised within the organisation						
4.35	The level of responsiveness of the organisation to users of services						
4.36	The extent to which employee's goals are aligned with organisation						
4.37	The extent to which the organisation is citizen centred						
4.38	The extent to which the organisation is budget driven						
4.39	The extent to which the organisation is regarded as competitive in terms of achievement, e.g. competing for awards						
4.40	The extent to which the organisation focuses on customers						
4.41	The extent to which the organisation focuses on employees						
4.42	The extent to which the organisation focuses on service provision						
4.43	The extent to which performance management is focused on group processes rather than the individual						
4.44	The extent to which service planning is optimum – more will produce diminishing returns						
4.45	The extent to which probity is valued in the organisation						
4.46	The extent to which the organisation gives value for money						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
4.47	The extent to which aims and objectives are shared across the organisation						
4.48	The extent of the separation between strategy (policy) making and implementation						
4.49	The extent to which the organisation focuses on 'ends' (what) rather than 'means' (how) in service delivery or 'What matters is what works'						
4.50	The extent to which the concept of critical success factors (CSF) including key PIs are used in the management of the organisation's performance						
4.51	The extent to which human resource management (HRM) is important for organisational performance						
4.52	The extent to which management reviews (carried out by the organisation's staff or consultants) have resulted in service improvements in the organisation						
4.53	The extent to which employee incentives are financial						
4.54	The extent to which team and individual goals are aligned to strategy						
4.55	The extent to which the aims and objectives of the corporate body and service providers are linked and aligned						

SECTION B: PERFORMANCE MANAGEMENT

No.	Criteria/Characteristic	Yes	No
5.1	Does the organisation use proprietary Performance Management software? **If 'Yes' please state which:**		
B57	Collect all Quality of Life indicators		
5.3	Does the organisation use the EFQM 'Excellence Model' (or a variant)?		
5.4	Does the organisation use the Balanced Scorecard (BSC) (or a variant)?		

No.	Criteria/Characteristic	Yes	No
5.5	Does the organisation use Total Quality Management (TQM)?		
5.6	Does the organisation use Benchmarking?		
5.7	Does the organisation use management by objectives (MBO)?		
5.8	Does the organisation use strategy mapping (linking up objectives)?		
5.9	Does the organisation use corporate planning?		
5.10	Does the organisation use outcome/results based accountability (O(R)BA)?		
5.11	Does the organisation use any other techniques for managing/improving performance? **Please list all that are used below: (5.12)**		
5.13	Does the organisation hold Investors in People status? i) whole organisation ii) part(s) of the organisation. **Please state for which part(s): (5.14)**		
5.15	Does the organisation hold any performance-based awards, for example Beacon? **Please list all that are used below: (5.16)**		
5.17	Does the organisation have quality accreditation (ISO 9000 or equivalent)?		
5.18	Does the organisation have team-based appraisal (in addition to individual employee appraisal)?		
5.19	Are managers in the organisation formally appraised by their subordinates (upward appraisal or 360 degree appraisal)?		
5.20	Would performance management exist in the organisation to the extent that it does if not for central government requirements?		
5.21	Does a range of meaningful (performance) indicators exist in the organisation (excluding the statutory national set)?		
5.22	Does the organisation have performance related pay (PRP) for senior managers (Chief Executive and Directors)?		
B69	Does the organisation have performance related pay (PRP) for other senior managers?		
5.23	Does the organisation have performance-related pay (PRP) for other than senior managers?		

No.	Criteria/Characteristic	Yes	No
5.24	In the organisation is appraisal linked to financial reward?		
5.25	Is the organisation's appraisal competency based?		
5.26	In the organisation does the performance management system/framework produce sufficient timely performance information?		
5.27	Does performance management increase the organisation's accountability to the citizen?		
5.28	Does performance management increase the organisation's accountability to central government?		
5.29	Is performance management in the organisation too complicated?		
5.30	Does the organisation manage the performance of professionals in the organisation		
5.31	Does the organisation have too many (performance) indicators?		
5.32	Are targets that are set by the organisation generally ambitious?		
5.33	Does the organisation have a range of qualitative (soft) indicators as well as quantitative (hard) indicators?		
5.34	Is performance management regarded as a method of control?		

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
5.35	The extent to which the organisation has an innovative approach to performance management						
5.36	The extent to which the organisation approach to performance management is 'top-down'						
5.37	The level of departmental involvement in the development of performance management systems						
5.38	The level of departmental involvement in running performance management						
5.39	The adequacy of systems for collecting national (performance) indicators						
5.40	The comprehensiveness of the organisation's set of local (performance) indicators						
5.41	The extent of employee rewards for good performance						
5.42	The extent of sanctions against employees for poor performance						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
5.43	The extent to which performance is managed rather than just measured in the organisation						
5.44	The extent to which performance management in the organisation is an agent of change						
5.45	The extent to which managers have access to sufficient good quality timely performance information to make decisions						
5.46	The extent to which Elected Members (democratic representatives) have access to sufficient good quality timely performance information to make decisions						
5.47	The extent to which performance management produces perverse incentives for the organisation (e.g. rewards for doing activities that are not organisation's priority)						
5.48	The extent to which performance management skews the organisation's priorities						
5.49	The extent to which performance management measures the things that matter to the organisation						
5.50	The level of 'game playing' (doing things that are required by others rather than because they benefit the organisation or the services provided) in performance management (as regards external auditors and central government)						
5.51	The extent to which performance management is focused on learning						
5.52	The extent to which performance management is focused on qualitative measures						
5.53	The extent to which performance management is optimum – more will produce diminishing returns						
5.54	The extent to which organisational performance is rated more highly than other factors, such as local democracy or accountability to citizens						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
5.55	The extent to which performance is constrained by central government actions						
5.56	The extent to which targets sub-optimise performance in the organisation						
5.57	The extent to which performance management is an agent of accountability						
5.58	The extent to which performance management is integrated into strategy and processes						
5.59	The extent to which context is considered in the analysis of performance						
5.60	The extent to which the focus is on national indicators to the detriment of local indicators						
5.61	The extent to which the organisation focuses on what is measured rather than what matters locally						
5.62	The extent to which performance management has local political commitment						
5.63	The extent to which performance management has the commitment of the top level management team						
5.64	The extent to which effort is expended improving the accuracy of PIs rather than managing services						
5.65	The extent to which 'Equity' is a driver of service performance in the organisation						
5.66	The extent to which the 'use' stage (i.e. performance management actually being used by managers to improve performance) of performance management has been successful						
5.67	The extent to which techniques such as the EFQM and BSC are an integral part of strategic and operational planning within the organisation						
5.68	The extent to which strategy maps are used within the organisation						

SECTION C: ADMINISTRATION

		High----------					----------Low
No.	**Criteria/Characteristics**	**6**	**5**	**4**	**3**	**2**	**1**
6.1	The level of centralisation of control within the organisation						
6.2	The level of centralisation of administration within the organisation						
6.3	The level of centralisation of service planning						
6.4	The level of centralisation of performance management						
6.5	The extent to which your organisation's departments or component parts operate independently (often described as in 'silos')						
6.6	The consistency of the level of practices and routines throughout the organisation						
6.7	The extent to which the need for 'Control' tends to subvert the 'Purpose' of the activity						
6.8	The extent to which administrative policies and practice are based on evidence						
6.9	The extent to which governance needs are discussed within the organisation						

SECTION D: LEADERSHIP

No.	**Criteria/Characteristic**	**Yes**	**No**
7.1	Can the organisation be characterised as officer-led? (as opposed to political leadership)		

		High----------					----------Low
No.	**Criteria/Characteristics**	**6**	**5**	**4**	**3**	**2**	**1**
7.2	The level of political leadership within the organisation						
7.3	The level of officer leadership within the organisation						
7.4	The level of empowerment that officers have within the organisation						

SECTION E: RESOURCES

No.	Criteria/Characteristic	Yes	No
8.1	Are departmental under/overspends normally carried over, in whole or part, from one year to the next?		
8.2	Is the allocation of resources mainly formally determined by priorities?		

		High----------Low					
No.	**Criteria/Characteristics**	**6**	**5**	**4**	**3**	**2**	**1**
8.3	The extent to which employees are well trained to perform their duties						
8.4	The general level of motivation displayed by employees						
8.5	The extent to which managers are overloaded with work						
8.6	The extent to which other employees are overloaded with work						
8.7	The amount of resources deployed at the corporate centre (policy/performance management)						
8.8	The use of ICT in the organisation						
8.9	The level of research capacity within the Organisation (or where joint arrangements are available that are paid for en block in advance)						
8.10	The adequacy of the level of resources to do performance management at the centre						
8.11	The adequacy of the level of resources to do performance management in service departments						
8.12	The extent to which information is available for corporate/service planning						
8.13	The quality of physical infrastructure (buildings, decoration, furnishings, etc.)						
8.14	The extent to which employee creativity is harnessed						
8.15	The extent to which strategic capacity in the organisation is overloaded						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
8.16	The extent to which operational capacity in the organisation is overloaded						
8.17	The extent to which policy analysis capacity in the organisation is overloaded						
8.18	The extent of budgetary slack within the organisation						

SECTION F: STAKEHOLDERS AND PARTNERSHIPS

No.	Criteria/Characteristic	Yes	No
9.1	Has the organisation outsourced any central services (e.g. HR, finance)?		
9.2	Has the organisation outsourced any customer services (e.g. refuse collection, highways maintenance, vehicle maintenance)?		
9.3	Does the organisation have a strategic partnership(s) with a provider of many services?		
9.4	Is the Government supportive of your organisation?		
9.5	Are inspectors supportive of your organisation?		
9.6	Are the external auditors supportive of your organisation?		
9.7	Are the views of organisation employees formally collected?		
9.8	Are the views of Elected Members (democratic representatives) formally collected?		

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
9.9	The extent of internal audit involvement in performance management						
9.10	The extent of the use of external audit involvement in improving the organisation's performance management						
9.11	The extent of the use of consultants in the centre (policy/ performance management)						
9.12	The extent to which external inspection improves the performance of the organisation at delivering services						
9.13	The extent of the use of consultants in services						
9.14	The extent of the involvement of stakeholders in organisation business						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
9.15	The level of engagement with inspectors						
9.16	The level of engagement with central government						
9.17	The level of engagement with professional organisations (e.g. CIPFA)						
9.18	The extent of the use of internal networks within the organisation						
9.19	The extent of the use of external networks by the organisation						
9.20	The extent of user (of services) consultation						
9.21	The extent to which the organisation has transactions with citizens rather than relationships						
9.22	The extent to which stakeholders participate in performance management						
9.23	The extent to which citizens participate in performance management						
9.24	The extent to which partnerships are fragmenting effort on performance management						
9.25	The extent to which partnerships (including the LSP) are making the development of the organisation's strategies more meaningful						

SECTION G: COMMUNICATION

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
10.1	The extent to which the organisation's relationship with the media is good						
10.2	The level of communication on corporate/service planning with the organisation's employees						
10.3	The level of communication on service performance with the organisation's employees						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
10.4	The extent to which the strategic direction of the organisation is widely communicated to employees						
10.5	The extent of the use of employees' knowledge in performance management						

SECTION H: REPORTING PERFORMANCE

No.	Criteria/Characteristic	Yes	No
11.1	Is the organisation's performance reported on the (internal) intranet?		
11.2	Is the organisation's performance reported on (external) website?		

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
11.3	The extent to which the publishing of performance data has been detrimental to the organisation						
11.4	The extent of publishing/reporting performance information – internally						
11.5	The extent of publishing/reporting performance information – externally						
11.6	The extent of feedback to internal stakeholders on strategy and performance management						
11.7	The extent of feedback to external stakeholders on strategy and performance management						

SECTION I: ORGANISATIONAL CULTURE

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
12.1	The extent to which the organisation is a learning organisation						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
12.2	The extent to which an agreement exists between the organisation and its employees (other than the formal contract of employment) such that there are considered to be additional obligations and commitments on both sides, often known as a psychological contract and often embodied in an organisational development strategy (ODS)						
12.3	The extent to which there is a high degree of mutual trust and dependency between the different parts of the organisation						
12.4	The extent to which decision making in the organisation is largely by consensus						
12.5	The extent to which the organisation has a blame culture						
12.6	The extent to which management create a sense of urgency within the organisation						
12.7	The extent to which the organisation has good relations with the trades unions						
12.8	The level of 'good' ethical behaviour both within the organisation and externally						
12.9	The extent to which the level of an employee in the organisation determines their perceived contribution						
12.10	The extent to which an employee's role is defined by their job description						
12.11	The extent to which the organisation is driven by the achievement of targets						
12.12	The extent to which people come first in the organisation						
12.13	The extent to which taking the initiative is encouraged in the organisation						
12.14	The extent to which officers and politicians have distinct and clear roles						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
12.15	The extent to which power lies more at the centre than in service departments						
12.16	The level of employee morale						
12.17	The extent to which the position of an employee determines their contribution to work teams						
12.18	The extent to which the organisation is driven by rules						
12.19	The extent to which organisation operates independently (of other organisations) in the provision of services						
12.20	The extent to which the organisation is change oriented						
12.21	The extent to which the organisation is results oriented						
12.22	The extent of barriers to co-operation between different service areas						
12.23	The extent of barriers to co-operation between centre and service areas						
12.24	The extent to which service to the public is a high priority						
12.25	The extent to which ideology drives organisation activities						
12.26	The extent to which management creates a supportive culture						
12.27	The extent to which the internal environment has a significant impact on the organisation's performance						
12.28	The extent to which the external environment has a significant impact on the organisation's performance						
12.29	The extent of learning from other local authorities						
12.30	The extent of learning from the private sector						
12.31	The extent of learning from the voluntary sector						
12.32	The extent of the inclination for experimentation within the organisation						
12.33	The extent of misleading use of performance information by the organisation						

High----------Low

No.	Criteria/Characteristics	6	5	4	3	2	1
12.34	The extent of misleading use of financial information (creative accounting) by the organisation						
12.35	The extent to which performance management is sympathetic with the organisational culture						

ADDITIONAL COMMENTS ON ANY ASPECT OF THIS SURVEY

_____
_____
_____
_____
_____
_____
_____

(Please continue on a separate sheet and attach to the questionnaire if necessary)

If you consent to your organisation being quoted by way of example or illustration in the research reports please place a cross in the box below and place your signature and designation alongside.

☐ _____ (signature)

_____ (designation)

If you would like a summary of the results when available please insert your name and address below. I will send by e-mail if you include your e-mail address.

Name: _____

Address: _____

_____

_____

E-mail: _____

Please return the completed form by **DD MM YYYY**. Please feel free to submit any additional comments that you feel may be of relevance to this research. I hope that you have found taking part interesting and have indicated that you would like a copy of the results.

David Goodchild, Policy Advisor, Chief Executive's Department, Darlington Borough Council, Town Hall, Feethams, Darlington. DL1 5QT (Tel: 01325 388015, E-mail: david.goodchild@darlington.gov.uk)

THANK YOU FOR YOUR TIME AND VALUED INPUT TO THIS SURVEY

DJG/2009

Appendix 4.2

Criteria rated in the content analysis of BVPPs

Criteria		Better<<<<<<<<<Worse					
		5	**4**	**3**	**2**	**1**	**0**
1	Mission/Vision statement						
2	Selection of Local Performance Indicators (LPIs)						
3	Inclusion of national Quality of Life (QoL) indicators						
4	Inclusion of other PI sets						
5	Clear structure (Intro-Strategy-Past Year-Future Years-Tabulations)						
6	Objectives clearly shown						
7	Prioritisation evident						
8	Level of analysis evident						
9	Link to Corporate Plan/Strategy						
10	Link to Community Plan/Strategy						
11	Introduction from Leader/Chief Executive						
12	Comparative data						
13	Reasons for variances						
14	PIs ordered by aims/objectives						
15	Priority PIs indicated						
16	Financial statement						
17	Best Value Reviews						
18	Service Planning						
19	Performance Management Framework						
20	Review of strategies						
21	Organisational Development Strategy/Review						

Appendix 4.3

Council BVPPs used in the research (with % score given indicated)

CPA Rating				
Excellent	**Good**	**Fair**	**Weak**	**Poor**
SHIRE COUNTY COUNCILS				
Cambridgeshire (58%)	Buckinghamshire (52%)	Lincolnshire (42%)	Bedfordshire (46%)	NONE
Dorset (90%)	Northumberland (54%)	Northamptonshire (60%)	Cumbria (30%)	
Durham (64%)	Oxfordshire (40%)	Staffordshire (24%)	ONLY 2	
Nottinghamshire (50%)				
METROPOLITAN DISTRICT COUNCILS				
Gateshead (69%)	Barnsley (83%)	Wakefield (46%)	Birmingham (30%)	NONE
Newcastle-upon-Tyne (48%)	Bury (39%)	Walsall (39%)	Oldham (52%)	
Wigan (38%)	Solihull (49%)	Wirral (60%)	Salford (68%)	
LONDON BOROUGH COUNCILS				
Bexley (83%)	Croydon (38%)	Barnet (65%)	Ealing (38%)	NONE
Kensington & Chelsea (22%)	Richmond-upon-Thames (33%)	Enfield (50%)	Hackney (38%)	
Westminster (27%)	Tower Hamlets (58%)	Harrow (45%)	Hillingdon (26%)	
SHIRE DISTRICT COUNCILS				
Basingstoke & Deane (52%)	Babergh (33%)	Adur (56%)	Berwick-upon Tweed (29%)	Chester-le-Street (23%)
Chester (52%)	Derwentside (61%)	Barrow-in-Furness (28%)	Corby (25%)	Harlow (32%)
Easington (60%)	Hastings (57%)	Boston (64%)	Oxford (42%)	Northampton (47%)
Hambleton (43%)	Oswestry (49%)	Norwich (27%)	Tunbridge Wells (30%)	North Shropshire (63%)
Runnymede (23%)	Preston (43%)	South Holland (37%)	Weymouth & Portland (36%)	Rossendale (30%)
UNITARY COUNCILS				
Hartlepool (43%)	Halton (46%)	Bristol (54%)	North East Lincolnshire (38%)	Kingston-upon-Hull (18%)
Darlington (86%)	Redcar & Cleveland (48%)	Nottingham (19%)	Plymouth (33%)	ONLY 1
Middlesbrough (60%)	South Gloucestershire (33%)	Peterborough (33%)	Swindon (40%)	

Telford & Wrekin (78%)	West Berkshire (50%)			
Note that the percentage score is given and that authorities rated Excellent and Good did not have to fully comply with government guidance regarding the content of BVPPs. Also that there are other mechanisms available to ‘deliver' against some of the criteria used in the content analysis and these are not included.				

Appendix 4.4

2005 Case Study Pro forma

UNIVERSITY OF TEESSIDE

There are a number of questions that aim to explore issues arising from the survey questionnaire sent to all principal English, Scottish and Welsh authorities (443) of which 220 or 49.66% were returned. The focus is on strategy, performance management and organisational culture. Please illustrate you answers with examples where appropriate.

Interview Questions

A. Please tell me the extent to which you think the development of strategy and its implementation are important and practiced in the authority?

B. Please tell me the extent to which you think performance management is integrated with service planning in the authority?

C. Please tell me the extent to which you think performance management and service planning are decentralised in the authority – the planning of and doing?

D. Please tell me what you think the relationship is between Elected Members and officers and who tends to lead in the authority?

E. Please tell me what you think about the level of resources in the authority to do performance management and service planning – at the centre and in departments?

F. Can you explain who is involved in performance management and service planning within the authority?

G. How widely do you think performance is discussed and communicated within the authority?

H. Where, how and to whom is performance reported to in the authority?

I. To what extent do you think the authority is a learning organisation and values experimentation?

To what extent do you think there is a high degree of mutual trust between different parts of the authority?

Do you think that there are any barriers between different service areas and the centre and service areas?

TOP 15 CORRELATIONS CPA RATING AND STATEMENTS

STATEMENT	PEARSON CORRELATION	Score Between 1 and 6 (6 is high)
5.58 Extent performance management integrated into strategy	0.405**	
4.40 Extent to which authority focuses on customers	0.407**	
4.20 Extent to which service developments are implemented strategically	0.409**	
4.39 Extent to which authority regarded as competitive in terms of achievement	0.411**	
12.3 Extent to which high degree of mutual trust between parts of the council	0.419**	
9.5 Extent to which inspectors are considered supportive of authority	0.422**	
4.42 Extent to which authority focuses on service provision	0.427**	
4.35 Extent of the responsiveness of the authority to service users	0.443**	
5.66 Extent to which 'use' stage of performance management is successful	0.445**	
4.26 Extent to which strategies and plans linked together	0.449**	

4.19 Extent that the authority thinks strategically	0.456**	
4.11 Level of innovation in service planning	0.464**	
4.46 Extent to which council gives value for money	0.468**	
4.10 Level of innovation in service delivery	0.469**	
4.29 Extent to which policy decisions based on evidence	0.493**	
** p<0.01		

Organisation profile scores for 2005 by CPA Rating (Concept after Kernaghan, 2000)

	CPA RATING						Interview Response (Between 1 and 10)
<<<1 TO 10>>>	**Poor**	**Weak**	**Fair**	**Good**	**Excell**	**All**	
Organisation to Citizen Centred	4.33	6.15	6.63	7.07	9.22	6.88	
Position Power to Leadership	5.00	6.23	6.68	7.96	7.03	6.78	
Rule to People Centred	4.00	5.46	6.12	6.36	6.51	6.21	
Independent Action to Collaboration	4.33	6.38	6.85	7.10	7.27	6.96	
Status Quo to Change Orientated	6.00	6.46	6.80	7.09	6.67	6.93	
Process to Results Orientated	6.00	6.15	6.59	6.84	6.78	6.67	
Centralised to Decentralised	3.00	5.85	6.39	6.21	6.37	6.20	
Departmental to Non-	5.33	5.77	6.35	6.74	6.31	6.42	

Departmental Form							
Budget to Revenue Driven	3.67	5.23	5.43	5.50	5.61	5.45	
Monopolistic to Competitive	4.33	5.77	5.95	5.91	5.86	5.87	

Appendix 4.5

2012/13 Interview Questions Pro forma

1. Background and introduction to the study

1.1. Research to date
1.2. Usefulness to organisations
1.3. Plans for completion

2. Purpose of the interview

2.1. How the case studies fit into the research
2.2. Request permission to name organisation
2.3. Request permission to use quotes/name and/or job title
2.4. Anonymity guaranteed if requested
2.5. Offer write-up to check for accuracy

3. Review organisation's performance as assessed by auditors/inspectors/regulators since 2005

3.1. History of performance as measured by CPA/CAA
3.2. Organisation/service reports
3.3. Corporate Assessment reports

4. Questions on past performance management

4.1. What do you think were the key determinants of your organisation's performance from 2005 up to mid-2010?

4.2. Are these the same as prior to 2005? (CPA from 2002 to the CPA Harder Test 2005)

4.3. What changed to impact performance over this period?

4.4. What was important in terms of organisation structure, resources, leadership and so on?

4.5. Did the organisation make deliberate efforts to improve any aspect of performance? If so what and how? Was it successful? If so how was it measured/ assessed/ evaluated?

4.6. To what extent did the national framework determine performance management (practice, processes, staffing, reporting, etc.) in your organisation? (BV from 1997, CPA 2002, CPA Harder Test 2005, CAA 2009)

4.7. What do you think was important about the framework? And the way it evolved?

4.8. What do you think were its advantages?

4.9. What do you think were its disadvantages?

4.10. In what way did partnership working evolve from 2005 onwards?

4.11. And what were the practical consequences of this?

4.12. Did partnership working change when CAA replaced CPA? If so how and why?

4.13. Did the change from CPA2002 to CPA2005 (the Harder Test) then to CAA have any impact on performance management? If so what and how?

4.14. Did you report performance to elected representatives, the executive, scrutiny, partners, and the public? How was this done?

5. Questions on future performance management

5.1. How did the abolition of the national framework for performance management affect your organisation?

5.2. What are the specifics?

5.3. Has the reduction of external audit been evident? If so with what consequences?

5.4. Has the reduction of inspection been evident? If so with what consequences?

5.5. Do you use the single data list?

5.6. Do you do benchmarking?

5.7. How do you think your organisation's performance has varied, if at all, since the framework's demise?

5.8. Do you think that the abolition of the Audit Commission will have an impact? Has it already? What is this impact?

5.9. How do you measure and manage the organisation's performance now?

5.10. Do you report performance to elected representatives, the executive, scrutiny, partners, and the public? How is this done?

5.11. How do you think performance management will develop in your organisation up to 2015? And beyond?

5.12. What do you think the key drivers for this are?

6. Anything else

6.1. Do you have anything else to add?

Thank you and close

DJG/30 July 2012/v1.1

Appendix 4.6

Comparison of the means for the first batch of responses received with those received after the reminder letter for the 2005 survey

STATEMENT	All	1st	2nd	Difference 1st to 2nd
4.1 Written corporate strategy with top objectives tied into community strategy (Yes = 2, No=1)	1.94	1.93	1.97	+0.04
4.2 Written service plans (Yes = 2, No=1)	1.96	1.95	1.97	+0.02
4.3 Corporate strategy planned in advance with stakeholders (Yes = 2, No=1)	1.78	1.78	1.78	0.00
4.4 Agreed formal mission/ vision statement (Yes = 2, No=1)	1.93	1.91	1.97	+0.06
4.5 Published organisational development strategy (Yes = 2, No=1)	1.31	1.30	1.34	+0.04
4.6 Published medium term financial plan (Yes = 2, No=1)	1.95	1.95	1.94	-0.01
4.7 Council wide (corporate) training programme that includes management (Yes = 2, No=1)	1.87	1.89	1.82	-0.07
4.8 Reviews using work measurement (Yes = 2, No=1)	1.47	1.49	1.44	-0.05
4.9 Took part in I&DeA's local government improvement programme or equivalent (Yes = 2, No=1)	1.60	1.57	1.67	+0.10
4.10 Level of innovation in service delivery (1 - Low to 6 - High)	4.34	4.39	4.22	-0.17
4.11 Level of innovation in service planning (1 - Low to 6 - High)	4.22	4.24	4.18	-0.06
4.12 Effectiveness more important than efficiency (1 - Low to 6 - High)	4.01	3.98	4.09	+0.11
4.13 Organisational values widely discussed (1 - Low to 6 - High)	4.13	4.20	3.99	-0.21
4.14 Extent to which training improves authority's performance (1 - Low to 6 - High)	4.46	4.49	4.39	-0.10

STATEMENT	All	1st	2nd	Difference 1st to 2nd
4.15 Political issues 'blow' strategy off course (1 - Low to 6 - High)	2.78	2.68	3.00	+0.32
4.16 Extent top-down approach to strategic planning (1 - Low to 6 - High)	4.22	4.26	4.12	-0.14
4.17 Central policy/ Best Value direction (1 - Low to 6 - High)	4.58	4.57	4.60	+0.03
4.18 Corporate strategy linked to community strategy (1 - Low to 6 - High)	4.89	4.90	4.85	-0.05
4.19 Extent authority thinks strategically (1 - Low to 6 - High)	4.60	4.62	4.55	-0.07
4.20 Service developments implemented strategically (1 - Low to 6 - High)	4.26	4.30	4.16	-0.14
4.21 Extent of active management of HRM (1 - Low to 6 - High)	4.18	4.22	4.09	-0.11
4.22 Extent of front-line employee involvement in service planning (1 - Low to 6 - High)	3.56	3.59	3.51	-0.08
4.23 Level of departmental involvement in service planning (1 - Low to 6 - High)	4.55	4.56	4.53	-0.03
4.24 Extent of departmental involvement in doing service planning (1 - Low to 6 - High)	4.82	4.83	4.67	-0.16
4.25 Community priorities fed into plans (1 - Low to 6 - High)	4.65	4.67	4.60	-0.07
4.26 Strategies and plans linked together (1 - Low to 6 - High)	4.45	4.49	4.37	-0.12
4.27 Budget linked to priorities (1 - Low to 6 - High)	3.90	4.64	4.45	-0.19
4.28 Plan for short, medium and long term (1 - Low to 6 - High)	4.17	4.14	4.22	+0.08
4.29 Policy decisions based on evidence (1 - Low to 6 - High)	4.18	4.16	4.23	+0.07
4.30 Extent of formal risk management with written risk register (1 - Low to 6 - High)	3.63	3.73	3.41	-0.32

STATEMENT	All	1st	2nd	Difference 1st to 2nd
4.31 Extent of organisational slack in central functions (1 - Low to 6 - High)	1.82	1.80	1.86	+0.06
4.32 Extent of organisational slack in service departments (1 - Low to 6 - High)	1.96	1.94	2.00	+0.06
4.33 Budget devolved to departments (1 - Low to 6 - High)	4.85	4.78	5.02	+0.24
4.34 Delegation practiced within authority (1 - Low to 6 - High)	4.57	4.59	4.53	-0.06
4.35 Extent of responsiveness of the authority to service users (1 - Low to 6 - High)	4.28	4.53	4.41	-0.12
4.36 Employee's goals aligned with council's (1 - Low to 6 - High)	4.28	4.33	4.17	-0.16
4.37 Extent that authority is citizen centred (1 - Low to 6 - High)	4.16	4.13	4.23	+0.10
4.38 Authority is budget driven (1 - Low to 6 - High)	4.49	4.38	4.74	+0.36
4.39 Authority regarded as competitive in terms of achievement (1 - Low to 6 - High)	3.63	3.61	3.68	+0.07
4.40 Extent to which authority focuses on customers (1 - Low to 6 - High)	4.44	4.43	4.48	+0.05
4.41 Authority focuses on employees (1 - Low to 6 - High)	3.99	4.07	3.94	-0.14
4.42 Authority focuses on service provision (1 - Low to 6 - High)	4.84	4.85	4.82	-0.03
4.43 Extent performance management focused on group processes (1 - Low to 6 - High)	4.21	4.19	4.26	+0.07
4.44 Service planning is optimum (1 - Low to 6 - High)	3.67	3.66	3.69	+0.03
4.45 Extent to which probity is valued (1 - Low to 6 - High)	5.12	5.15	5.08	-0.07

STATEMENT	All	1st	2nd	Difference 1st to 2nd
4.46 Extent to which council gives value for money (1 - Low to 6 - High)	4.64	4.59	4.75	+0.16
4.47 Aims and objectives shared across authority (1 - Low to 6 - High)	4.72	4.75	4.65	-0.10
4.48 Extent of separation between strategy and implementation (1 - Low to 6 - High)	3.41	3.35	3.54	+0.19
4.49 Extent of authority focus on 'ends' rather than 'means' (1 - Low to 6 - High)	4.26	4.27	4.24	-0.03
4.50 Extent to which critical success factors are used (1 - Low to 6 - High)	4.38	4.37	4.39	+0.02
4.51 Extent to which HRM is important for organisational performance (1 - Low to 6 - High)	4.33	4.36	4.26	-0.10
4.52 Extent to which Best Value reviews result in service improvement (1 - Low to 6 - High)	3.87	3.84	3.95	+0.11
4.53 Extent to which employee incentives are financial (1 - Low to 6 - High)	2.33	2.30	2.42	+0.12
4.54 Team/individual goals aligned to strategy (1 - Low to 6 - High)	4.35	4.40	4.23	-0.17
4.55 Aims/objectives corporate body and service providers linked (1 - Low to 6 - High)	4.51	4.49	4.56	+0.07
5.1 Use of proprietary performance management software (Yes = 2, No=1)	1.43	1.45	1.39	-0.06
B57 Collect all Quality of Life Indicators (Yes = 2, No=1)	1.44	1.41	1.50	+0.09
5.3 Use EFQM Excellence Model or variant (Yes = 2, No=1)	1.32	1.34	1.28	-0.06
5.4 Use Balanced Scorecard or variant (Yes = 2, No=1)	1.38	1.36	1.42	+0.06
5.5 Use Total Quality Management (Yes = 2, No=1)	1.11	1.09	1.17	+0.08

STATEMENT	All	1st	2nd	Difference 1st to 2nd
5.6 Use Benchmarking (Yes = 2, No=1)	1.89	1.88	1.92	+0.04
5.7 Use Management by Objectives (Yes = 2, No=1)	1.29	1.26	1.37	+0.11
5.8 Use strategy mapping (Yes = 2, No=1)	1.50	1.46	1.60	+0.14
5.18 Team based appraisal (Yes = 2, No=1)	1.22	1.21	1.23	+0.02
5.19 Managers formally appraised by subordinates (Yes = 2, No=1)	1.38	1.38	1.39	+0.01
5.20 Performance management exist to extent if not for Best Value (Yes = 2, No=1)	1.71	1.71	1.71	0.00
5.21 Extent to which meaningful indicators exist (excluding statutory) (Yes = 2, No=1)	1.89	1.90	1.85	-0.05
5.22 Performance related pay for Chief Executive/ Directors (Yes = 2, No=1)	1.23	1.22	1.25	+0.03
B69 Performance related pay for other senior managers (Yes = 2, No=1)	1.11	1.12	1.08	-0.04
5.24 Appraisal linked to financial reward (Yes = 2, No=1)	1.17	1.15	1.23	+0.08
5.25 Appraisal competency based (Yes = 2, No=1)	1.60	1.57	1.68	+0.11
5.26 Performance management produces sufficient timely information (Yes = 2, No=1)	1.83	1.84	1.80	-0.04
5.27 Performance management increase accountability to citizens (Yes = 2, No=1)	1.72	1.69	1.79	+0.10
5.28 Performance management increase accountability to central government (Yes = 2, No=1)	1.92	1.94	1.88	-0.06
5.29 Performance management too complicated (Yes = 2, No=1)	1.23	1.24	1.18	-0.06
5.30 Performance of professionals managed (Yes = 2, No=1)	1.75	1.74	1.77	+0.03

STATEMENT	All	1st	2nd	Difference 1st to 2nd
5.31 Too many performance indicators (Yes = 2, No=1)	1.53	1.52	1.57	+0.05
5.32 Are targets ambitious (Yes = 2, No=1)	1.78	1.80	1.74	-0.06
5.33 Range of qualitative and quantitative indicators (Yes = 2, No=1)	1.79	1.80	1.77	-0.03
5.34 Performance management method of control (Yes = 2, No=1)	1.54	1.54	1.56	+0.02
5.35 Innovative approach to performance management (1 - Low to 6 - High)	4.32	4.28	4.41	+0.13
5.36 Approach to performance management top-down (1 - Low to 6 - High)	4.29	4.29	4.29	0.00
5.37 Level of departmental involvement in developing performance management (1 - Low to 6 - High)	4.30	4.26	4.38	+0.12
5.38 Level of departmental involvement in running performance management (1 - Low to 6 - High)	4.58	4.52	4.72	+0.20
5.39 Adequacy of systems for collecting national indicators (1 - Low to 6 - High)	4.66	4.69	4.61	-0.08
5.40 Comprehensiveness of set of local indicators (1 - Low to 6 - High)	4.17	4.16	4.20	+0.04
5.41 Extent of employee rewards for good performance (1 - Low to 6 - High)	2.41	2.38	2.47	+0.09
5.42 Extent of sanctions against employees for poor performance (1 - Low to 6 - High)	2.53	2.52	2.56	+0.04
5.43 Extent performance managed not just measured (1 - Low to 6 - High)	4.07	4.12	3.95	-0.17

STATEMENT	All	1st	2nd	Difference 1st to 2nd
5.44 Extent performance management an agent of change (1 - Low to 6 - High)	4.16	4.18	4.11	-0.07
5.45 Extent managers have access to quality timely performance information (1 - Low to 6 - High)	4.22	4.25	4.15	-0.10
5.46 Extent Members have access to quality timely performance information (1 - Low to 6 - High)	4.27	4.26	4.30	+0.04
5.47 Extent performance management produces perverse incentives (1 - Low to 6 - High)	3.08	3.00	3.29	+0.29
5.48 Extent performance management skews authority priorities (1 - Low to 6 - High)	2.84	2.78	2.98	+0.20
5.49 Extent performance management measures things that matter (1 - Low to 6 - High)	4.37	4.38	4.36	-0.02
5.50 Level of game playing (auditors/government) (1 - Low to 6 - High)	3.49	3.45	3.59	+0.14
5.51 Extent performance management focused on learning (1 - Low to 6 - High)	3.58	3.55	3.65	+0.10
5.52 Extent performance management focused on qualitative measures (1 - Low to 6 - High)	3.55	3.48	3.71	+0.23
5.53 Extent performance management is optimum (1 - Low to 6 - High)	3.32	3.31	3.32	+0.01
5.54 Extent organisational performance rated more highly than democratic (1 - Low to 6 - High)	3.74	3.77	3.66	-0.11
5.55 External performance constrained by central government action (1 - Low to 6 - High)	3.94	3.97	3.86	-0.11

STATEMENT	All	1st	2nd	Difference 1st to 2nd
5.56 Extent targets sub-optimise performance (1 - Low to 6 - High)	3.13	3.07	3.28	+0.21
5.57 Extent Performance management agent of accountability (1 - Low to 6 - High)	4.43	4.46	4.36	+0.10
5.58 Extent performance management integrated into strategy (1 - Low to 6 - High)	4.49	4.52	4.42	-0.10
5.59 Extent context is considered in analysis (1 - Low to 6 - High)	4.48	4.51	4.41	-0.10
5.60 Extent focus on national indicators to detriment of local indicators (1 - Low to 6 - High)	3.77	3.74	3.83	+0.09
5.61 Extent focus on what measured rather than what matters (1 - Low to 6 - High)	3.16	3.09	3.32	+0.23
5.62 Extent performance management has local political commitment (1 - Low to 6 - High)	4.18	4.34	4.12	-0.22
5.63 Extent performance management has commitment top-level management (1 - Low to 6 - High)	5.02	5.03	5.00	-0.03
5.64 Extent effort spent improving accuracy PIs rather than managing services (1 - Low to 6 - High)	3.22	3.21	3.26	+0.05
5.65 Extent 'equity' a driver of service performance (1 - Low to 6 - High)	3.68	3.65	3.77	+0.12
5.66 Extent to which 'use' stage of performance management successful (1 - Low to 6 - High)	3.96	4.01	3.85	-0.16
5.67 Extent EFQM/BSC integral part of strategic planning (1 - Low to 6 - High)	2.64	2.53	2.91	+0.38
5.68 Extent strategy maps are used (1 - Low to 6 - High)	2.43	2.23	2.85	+0.62
6.1 Level of centralisation of control (1 - Low to 6 - High)	3.66	3.56	3.89	+0.33

STATEMENT	All	1st	2nd	Difference 1st to 2nd
6.2 Level of centralisation of administration (1 - Low to 6 - High)	3.33	3.39	3.30	-0.09
6.3 Level of centralisation of service planning (1 - Low to 6 - High)	3.21	3.22	3.21	-0.01
6.4 Level of centralisation of performance management (1 - Low to 6 - High)	4.07	4.02	4.20	+0.18
6.5 Extent to which council departments operate independently (1 - Low to 6 - High)	3.52	3.45	3.67	+0.22
6.6 Consistency of the level of practices/routines (1 - Low to 6 - High)	3.67	3.62	3.77	+0.15
6.7 Extent to which need for 'control' tends to subvert 'purpose' (1 - Low to 6 - High)	3.06	2.99	3.22	+0.23
6.8 Extent to which administrative policies and practices are evidence-based (1 - Low to 6 - High)	3.94	3.97	3.88	-0.09
6.9 Extent to which governance needs are discussed (1 - Low to 6 - High)	4.38	4.44	4.24	-0.20
7.1 Authority characterised as officer led (Yes = 2, No=1)	1.45	1.45	1.45	0.00
7.2 Level of political leadership in authority (1 - Low to 6 - High)	4.41	4.40	4.45	+0.05
7.3 Level of officer leadership in the authority (1 - Low to 6 - High)	4.82	4.85	4.74	-0.11
7.4 Level of empowerment of officers (1 - Low to 6 - High)	4.47	4.50	4.38	-0.12
8.1 Departmental under/overspends carried over one year to next (Yes = 2, No=1)	1.38	1.38	1.38	0.00
8.2 Allocation of resources formally determined by priorities (Yes = 2, No=1)	1.78	1.79	1.77	-0.02
8.3 Extent to which employees are well trained (1 - Low to 6 - High)	4.39	4.38	4.39	+0.01
8.4 Level of motivation displayed by employees (1 - Low to 6 - High)	4.33	4.39	4.20	+0.19

STATEMENT	All	1st	2nd	Difference 1st to 2nd
8.5 Extent managers overloaded with work (1 - Low to 6 - High)	4.49	4.47	4.53	+0.06
8.6 Extent other employees are overloaded with work (1 - Low to 6 - High)	4.01	3.99	4.08	+0.09
8.7 Amount of resources deployed at corporate centre (1 - Low to 6 - High)	3.02	3.03	3.02	-0.01
8.8 Use of ICT in the authority (1 - Low to 6 - High)	4.56	4.65	4.37	-0.28
8.9 Level of research capacity (1 - Low to 6 - High)	3.03	3.02	3.06	+0.04
8.10 Level of resources to do performance management at the centre (1 - Low to 6 - High)	3.52	3.64	3.24	-0.40
8.11 Level of resources to do performance management in service departments (1 - Low to 6 - High)	3.40	3.41	3.37	-0.04
8.12 Extent information available for corporate/ service planning (1 - Low to 6 - High)	4.22	4.22	4.23	+0.01
8.13 Quality of authority's physical infrastructure (1 - Low to 6 - High)	3.62	3.60	3.67	+0.07
8.14 Extent employee creativity is harnessed (1 - Low to 6 - High)	3.53	3.55	3.48	-0.07
8.15 Extent strategic capacity is overloaded (1 - Low to 6 - High)	4.25	4.27	4.20	-0.07
8.16 Extent operational capacity is overloaded (1 - Low to 6 - High)	4.13	4.09	4.24	+0.13
8.17 Extent policy analysis capacity is overloaded (1 - Low to 6 - High)	4.25	4.30	4.14	-0.16
8.18 Extent of budgetary slack in the authority (1 - Low to 6 - High)	1.94	2.05	1.71	-0.34
9.1 Outsourced any central services (Yes = 2, No=1)	1.21	1.21	1.22	+0.01
9.2 Outsourced any customer services (Yes = 2, No=1)	1.66	1.67	1.63	-0.04

STATEMENT	All	1st	2nd	Difference 1st to 2nd
9.3 Strategic partnership with provider of many services (Yes = 2, No=1)	1.39	1.38	1.42	+0.04
9.4 Government supportive of authority (Yes = 2, No=1)	1.77	1.77	1.76	-0.01
9.5 Inspectors supportive of authority (Yes = 2, No=1)	1.83	1.84	1.81	-0.03
9.6 External auditors supportive of authority (Yes = 2, No=1)	1.92	1.91	1.94	+0.03
9.7 Views of council employees formally collected (Yes = 2, No=1)	1.83	1.81	1.86	+0.05
9.8 Views of council Elected Members formally collected (Yes = 2, No=1)	1.52	1.49	1.59	+0.10
9.9 Extent internal audit involvement in performance management (1 - Low to 6 - High)	3.57	3.53	3.68	+0.15
9.10 Extent use of external audit to improve performance management (1 - Low to 6 - High)	3.93	3.87	4.09	+0.22
9.11 Extent of use consultants in centre (1 - Low to 6 - High)	2.45	2.36	2.65	+0.29
9.12 Extent use of inspection improves performance at service delivery (1 - Low to 6 - High)	3.95	3.92	4.03	+0.11
9.13 Extent of use consultants in services (1 - Low to 6 - High)	3.04	3.01	3.09	+0.08
9.14 Extent of involvement of external stakeholders in authority (1 - Low to 6 - High)	3.89	3.79	4.13	+0.34
9.15 Level of engagement with inspectors (1 - Low to 6 - High)	4.48	4.42	4.62	+0.20
9.16 Level of engagement with central government (1 - Low to 6 - High)	3.88	3.81	4.05	+0.24
9.17 Level of engagement with professional organisations (1 - Low to 6 - High)	3.95	3.88	4.13	+0.25

STATEMENT	All	1st	2nd	Difference 1st to 2nd
9.18 Extent of use of internal networks by authority (1 - Low to 6 - High)	4.34	4.30	4.44	+0.14
9.19 Extent of use of external networks by authority (1 - Low to 6 - High)	4.36	4.31	4.47	+0.16
9.20 Extent of user (of services) consultation (1 - Low to 6 - High)	4.31	4.32	4.29	-0.03
9.21 Transactions with citizens rather than relationships (1 - Low to 6 - High)	3.68	3.69	3.67	-0.02
9.22 Extent to which stakeholders participate in performance management (1 - Low to 6 - High)	2.93	2.93	2.92	-0.01
9.23 Extent to which citizens participate in performance management (1 - Low to 6 - High)	2.60	2.52	2.79	+0.27
9.24 Extent partnerships fragmenting effort on performance management (1 - Low to 6 - High)	2.76	2.70	2.92	+0.22
9.25 Extent partnerships making strategies more meaningful (1 - Low to 6 - High)	4.06	4.05	4.08	+0.03
10.1 Extent authority's relationship with media is good (1 - Low to 6 - High)	4.18	4.17	4.18	+0.01
10.2 Extent communication on corporate/service planning (1 - Low to 6 - High)	4.21	4.27	4.08	-0.19
10.3 Extent of communication on service performance (1 - Low to 6 - High)	4.10	4.11	4.08	-0.03
10.4 Extent strategic direction widely communicated (1 - Low to 6 - High)	4.55	4.54	4.57	+0.03
10.5 Extent use of employees' knowledge in performance management (1 - Low to 6 - High)	3.70	3.66	3.71	+0.05
11.1 Performance reported on the council's intranet (Yes = 2, No=1)	1.80	1.80	1.79	-0.01

STATEMENT	All	1st	2nd	Difference 1st to 2nd
11.2 Performance reported on the council's website (Yes = 2, No=1)	4.41	4.40	4.45	+0.05
11.3 Extent publishing performance data detrimental (1 - Low to 6 - High)	2.06	2.01	2.17	+0.16
11.4 Extent publishing performance data internally (1 - Low to 6 - High)	3.91	3.88	3.98	+0.10
11.5 Extent publishing performance data externally (1 - Low to 6 - High)	3.61	3.61	3.62	+0.01
11.6 Feedback to internal stakeholders on strategy/ performance management (1 - Low to 6 - High)	3.64	3.68	3.54	-0.14
11.7 Feedback to external stakeholders on strategy/ performance management (1 - Low to 6 - High)	3.26	3.23	3.30	+0.07
12.1 Extent that the authority is a learning organisation (1 - Low to 6 – High)	4.05	4.07	3.98	-0.09
12.2 Extent to which a psychological contract exists between employees and council (1 - Low to 6 - High)	2.80	2.75	2.89	+0.14
12.3 Extent to which high degree of mutual trust between parts of the council (1 - Low to 6 - High)	3.94	3.99	3.83	-0.16
12.4 Extent to which decision making is by consensus (1 - Low to 6 - High)	3.99	4.05	3.85	-0.20
12.5 Extent to which authority has a blame culture (1 - Low to 6 - High)	2.75	2.68	2.92	+0.24
12.6 Extent to which management create sense of urgency (1 - Low to 6 - High)	4.13	4.09	4.21	+0.12
12.7 Extent to which authority has good relation trade unions (1 - Low to 6 - High)	4.49	4.47	4.55	+0.08
12.8 Level of 'good' ethical behaviour (1 - Low to 6 - High)	5.00	5.03	4.94	-0.09

STATEMENT	All	1st	2nd	Difference 1st to 2nd
12.9 Extent to which employee's level in organisation determines contribution (1 - Low to 6 - High)	3.36	3.34	3.38	+0.04
12.10 Extent to which employee's role determined by job description (1 - Low to 6 - High)	3.88	3.81	3.98	+0.17
12.11 Extent to which authority driven by achievement of targets (1 - Low to 6 - High)	4.12	4.14	4.08	-0.06
12.12 Extent to which people come first in authority (1 - Low to 6 - High)	3.93	3.95	3.89	-0.06
12.13 Extent to which authority encourages taking initiative (1 - Low to 6 - High)	4.12	4.17	4.00	-0.17
12.14 Extent to which officers and politicians have distinct and clear roles (1 - Low to 6 - High)	4.58	4.58	4.58	0.00
12.15 Extent to which power lies more in centre than departments (1 - Low to 6 - High)	3.51	3.44	3.68	+0.24
12.16 Level of employees' morale (1 - Low to 6 - High)	3.99	3.92	4.01	+0.09
12.17 Extent to which organisational position determines contribution in teams (1 - Low to 6 - High)	3.35	3.34	3.36	+0.02
12.18 Extent to which authority driven by rules (1 - Low to 6 - High)	3.77	3.74	3.85	+0.11
12.19 Extent to which authority operates independently in provision of services (1 - Low to 6 - High)	3.61	3.55	3.73	+0.18
12.20 Extent to which authority is change oriented (1 - Low to 6 - High)	4.37	4.39	4.32	-0.07
12.21 Extent to which authority is results oriented (1 - Low to 6 - High)	4.41	4.44	4.35	-0.09
12.22 Extent of barriers to cooperation between service areas (1 - Low to 6 - High)	3.14	3.13	3.17	+0.04

STATEMENT	All	1st	2nd	Difference 1st to 2nd
12.23 Extent of barriers to cooperation between centre and service areas (1 - Low to 6 - High)	3.00	2.98	3.06	+0.08
12.24 Extent service to public a high priority (1 - Low to 6 - High)	5.09	5.13	5.00	-0.13
12.25 Extent to which ideology drives council activities (1 - Low to 6 - High)	2.99	2.90	3.18	+0.28
12.26 Extent to which management creates a supportive culture (1 - Low to 6 - High)	4.30	4.34	4.20	-0.14
12.27 Extent internal environment has impact on authority's performance (1 - Low to 6 - High)	4.34	4.37	4.26	-0.11
12.28 Extent external environment has impact on authority's performance (1 - Low to 6 - High)	4.24	4.24	4.24	0.00
12.29 Extent of learning from other authorities (1 - Low to 6 - High)	4.00	4.01	4.00	-0.01
12.30 Extent of learning from private sector (1 - Low to 6 - High)	3.07	3.01	3.21	+0.20
12.31 Extent of learning from voluntary sector (1 - Low to 6 - High)	2.88	2.76	3.15	+0.39
12.32 Extent of inclination for experimentation within authority (1 - Low to 6 - High)	3.65	3.73	3.45	-0.28
12.33 Extent of misrepresentation of performance information (1 - Low to 6 - High)	1.87	1.79	2.05	+0.26
12.34 Extent of misrepresentation of financial information (1 - Low to 6 - High)	1.54	1.47	1.71	+0.24
12.35 Extent performance management sympathetic with organisational culture (1 - Low to 6 - High)	4.05	4.15	3.83	-0.32

APPENDIX 5

Appendix 5.1

Summary of statistically significant correlations for statements with organisational performance as assessed by CPA and CAA

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
4.1 Written corporate strategy with top objectives tied into community strategy	X								
4.2 Written service plans			X						
4.3 Corporate strategy planned in advance with stakeholders	XX								
4.5 Published organisational development strategy	X	X							X
4.8 Reviews using work measurement	X				X				
4.10 Level of innovation in service delivery	XX	X							
4.11 Level of innovation in service planning	XX								
4.12 Effectiveness more important than efficiency	XX	XX							
4.13 Organisational values widely discussed	XX								
4.14 Extent to which training improves organisation's performance	XX						X		X
4.15 Political issues 'blow' strategy off course	XX	XX	X						

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
4.17 Central policy/ Best Value direction	XX		X						
4.18 Corporate strategy linked to community strategy	XX			X					
4.19 Extent organisation thinks strategically	XX								
4.20 Service developments implemented strategically	XX								
4.21 Extent of active management of HRM	XX	XX	XX	X					
4.22 Extent of front-line employee involvement in service planning	XX								
4.23 Level of departmental involvement in development service planning	XX	XX	XX	X				X	
4.24 Extent of departmental involvement in doing service planning (1 - Low to 6 - High)	XX	XX	XX	X					
4.25 Community priorities fed into plans	XX								
4.26 Strategies and plans linked together	XX								
4.27 Budget linked to priorities	XX								
4.28 Plan for short, medium and long term	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
4.29 Policy decisions based on evidence	XX	X	XX	X					
4.30 Extent of formal risk management with written risk register	XX								
4.33 Budget devolved to departments	X		X	X					
4.34 Delegation practiced within organisation	XX								
4.35 Extent of responsiveness of the organisation to service users	XX								
4.36 Employee's goals aligned with organisation's	XX								
4.37 Extent that organisation is citizen centred	XX								
4.39 Organisation regarded as competitive in terms of achievement	XX	XX	XX		X				
4.40 Extent to which organisation focuses on customers	XX	XX		X					
4.41 Organisation focuses on employees	XX	XX							
4.42 Organisation focuses on service provision	XX								
4.43 Extent performance management focused on group processes	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
4.44 Service planning is optimum	XX	X	X						
4.45 Extent to which probity is valued	X								
4.46 Extent to which organisation gives value for money	XX								
4.47 Aims and objectives shared across organisation	XX								
4.48 Extent of separation between strategy and implementation			X	XX					
4.49 Extent of organisation focus on 'ends' rather than 'means'	XX						X		
4.50 Extent to which critical success factors are used	XX								
4.51 Extent to which HRM is important for organisational performance	XX	XX	XX	X					
4.52 Extent to which Best Value reviews result in service improvement	XX	X							
4.53 Extent to which employee incentives are financial	XX								
4.54 Team/ individual goals aligned to strategy	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
4.55 Aims/ objectives corporate body and service providers linked	XX	XX							
5.3 Use EFQM Excellence Model or variant	XX								
5.6/ Use Benchmarking			X						
5.8/ Use strategy mapping	X					X			
5.9 Use corporate planning	N/A								
5.10 Use outcome based accountability (OBA/RBA)	N/A			X					
5.13 Hold Investor in People	N/A	XX	XX		X				
B69 Performance related pay for other senior managers	XX	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5.23 Performance related pay other than for senior managers	XX								
5.24 Appraisal linked to financial reward	XX								
5.26 Performance management produces sufficient timely information	XX								
5.27 Performance management increase accountability to citizens	XX								
5.28 Performance management increase accountability to central government	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
5.30 Performance of professionals managed	XX								
5.31 Too many performance indicators		X							
5.32 Are targets ambitious	X								
5.33 Range of qualitative and quantitative indicators	XX								X
5.34 Performance management method of control	X								
5.35 Innovative approach to performance management	XX								
5.37 Level of departmental involvement in developing performance management	XX								
5.38 Level of departmental involvement in running performance management	XX								
5.39 Adequacy of systems for collecting national indicators	XX								
5.40 Comprehensive-ness of set of local indicators	XX								
5.41 Extent of employee rewards for good performance	XX								
5.43 Extent performance managed not just measured	XX								X

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
5.44 Extent performance management an agent of change	XX								
5.45 Extent managers have access to quality timely performance information	XX								
5.46 Extent politicians have access to quality timely performance information	XX								
5.47 Extent performance management produces perverse incentives						XX			
5.48 Extent performance management skews organisation priorities							XX	XX	
5.49 Extent performance management measures things that matter	XX						X		
5.51 Extent performance management focused on learning	XX			X					
5.52 Extent performance management focused on qualitative measures	XX								
5.53 Extent performance management is optimum	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
5.54 Extent organisational performance rated more highly than democratic		X	XX						
5.55 External performance constrained by central government action	X								
5.57 Extent Performance management agent of accountability	XX								
5.58 Extent performance management integrated into strategy	XX								
5.59 Extent context is considered in analysis	XX	X	X						
5.61 Extent focus on what measured rather than what matters	XX					XX			
5.62 Extent performance management has local political commitment	XX								
5.63 Extent performance management has commitment top-level management	XX								X
5.65 Extent 'equity' a driver of service performance	XX								
5.66 Extent to which 'use' stage of performance management successful	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
5.67 Extent EFQM/BSC integral part of strategic planning	XX								
5.68 Extent strategy maps are used	XX								
6.2 Level of centralisation of administration						X			
6.5 Extent to which organisation departments operate independently	XX								
6.6 Consistency of the level of practices/routines	XX	XX							
6.7 Extent to which need for 'control' tends to subvert 'purpose'	X		X						
6.8 Extent to which administrative policies and practices are evidence-based	XX								
6.9 Extent to which governance needs are discussed	XX								
7.2 Level of political leadership in organisation	XX			XX					X
7.3 Level of officer leadership in the organisation	XX								
7.4 Level of empowerment of officers	XX								
8.2 Allocation of resources formally determined by priorities	XX								
8.3 Extent to which employees are well trained	XX	X							

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
8.4 Level of motivation displayed by employees	XX	X							
8.6 Extent other employees are overloaded with work				X					
8.8 Use of ICT in the organisation	XX								
8.9 Level of research capacity	XX	XX	X						
8.10 Level of resources to do performance management at the centre	X	X							
8.11 Level of resources to do performance management in service departments	XX	XX	X						
8.12 Extent information available for corporate/ service planning	XX								
8.13 Quality of organisation's physical infrastructure	XX								
8.14 Extent employee creativity is harnessed	XX								
8.15 Extent strategic capacity is overloaded	XX			XX					
8.16 Extent operational capacity is overloaded	X								
9.3 Strategic partnership with provider of many services			X						

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
9.4 Government supportive of organisation	XX	X							
9.5 Inspectors supportive of organisation	XX	XX							
9.6 External auditors supportive of organisation	XX								
9.7 Views of organisation employees formally collected	X								
9.8 Views of politicians formally collected	X								
9.9 Extent internal audit involvement in performance management	XX								
9.12 Extent use of inspection improves performance at service delivery	X								
9.14 Extent of involvement of external stakeholders in organisation	XX								
9.15 Level of engagement with inspectors	XX	X							
9.16 Level of engagement with central government		X							
9.17 Level of engagement with professional organisations	XX								
9.18 Extent of use of internal networks by organisation	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
9.19 Extent of use of external networks by organisation	XX								
9.20 Extent of user (of services) consultation	XX								
9.22 Extent to which stakeholders participate in performance management	XX								
9.23 Extent to which citizens participate in performance management	XX								
9.25 Extent partnerships making strategies more meaningful	XX	X	XX	X					
10.1 Extent organisation's relationship with media is good	XX								X
10.2 Extent communication on corporate/service planning	XX	X							
10.3 Extent of communication on service performance	XX								
10.4 Extent strategic direction widely communicated	XX								
10.5 Extent use of employees' knowledge in performance management	XX								
11.1 Performance reported on the organisation's Intranet	X								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
11.3 Extent publishing performance data detrimental	XX			X				X	
11.4 Extent publishing performance data internally	X								
11.5 Extent publishing performance data externally	X				X				
11.6 Feedback to internal stakeholders on strategy/ performance management	XX								
11.7 Feedback to external stakeholders on strategy/ performance management	XX								
12.1 Extent that the organisation is a learning organisation	XX								
12.2 Extent to which a psychological contract exists between employees and organisation	XX								
12.3 Extent to which high degree of mutual trust between parts of the organisation	XX								
12.4 Extent to which decision making is by consensus	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)correlations ($p<0.05$) for all the surveys									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
12.5 Extent to which organisation has a blame culture	XX						X		
12.7 Extent to which organisation has good relation trade unions	XX			X					
12.8 Level of 'good' ethical behaviour	XX						X		X
12.10 Extent to which employee's role determined by job description					X				
12.11 Extent to which organisation driven by achievement of targets	XX								
12.12 Extent to which people come first in organisation	XX								
12.13 Extent to which organisation encourages taking initiative	XX								
12.14 Extent to which officers and politicians have distinct and clear roles	XX						X	X	
12.15 Extent to which power lies more in centre than departments			X	X					
12.16 Level of employees' morale	X	X							
12.20 Extent to which organisation is change oriented	XX			X					
12.21 Extent to which organisation is results oriented	XX								

Summary of statistically significant statement correlations for all the surveys (X $p<0.05$, XX $p<0.01$. Shading shows the significance at these levels across more than one survey)correlations ($p<0.05$) for all the surveys									
Statement	**2005 CPA**	**2009 (CPA)**					**2010 (CAA)**		
	LA	**LA**	**All**	**Fire**	**Police**	**PCT**	**All**	**LA**	**Fire**
12.22 Extent of barriers to cooperation between service areas	XX								
12.23 Extent of barriers to cooperation between centre and service areas	XX								
12.24 Extent service to public a high priority	XX								
12.29 Extent of learning from other authorities	XX								
12.30 Extent of learning from private sector	XX						X	X	
12.31 Extent of learning from voluntary sector	XX								
12.32 Extent of inclination for experimentation within organisation	XX						X		
12.33 Extent of misrepresentation of performance information	X								
12.34 Extent of misrepresentation of financial information	X				X				
12.35 Extent performance management sympathetic with organisational culture	X						X		X

Explanation for Appendices 5.2 to 5.32

Appendices 5.2 to 5.32 contain the correlations between the statements in the survey questionnaire and organisational performance as assessed by the Audit Commission through the Comprehensive Performance Assessment. Correlations are shown for six organisation groups: local authorities in 2005, for all four organisation types combined in 2009 and then for each of the four organisation types separately. The statistical significance of the correlation is shown thus: *p<0.05 and **p<0.01. Below the main headings at the top of the table a summary of the number of statements significant at these levels is shown with a grand total to the far left

STATEMENT *** p<0.05 (2-tailed)** **** p<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**			**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**33**	**121**	4	36	10	28	10	24	9	33
All 2009	**22**	**9**	8	2	5	6	1	0	8	1
LA 2009	**18**	**8**	4	3	6	4	1	0	7	1
Fire 2009	**13**	**8**	3	1	2	2	1	5	7	0
Police 2009	**4**	**2**	0	0	0	2	2	0	2	0
PCT 2009	**6**	**2**	1	0	0	0	5	2	0	0
4.1 Written corporate strategy with top objectives tied into community strategy			0.160* -0.142 -0.140 NC NC NC		0.112 -0.178 -0.264 NC NC NC		0.155* -0.018 0.007 NC NC NC		0.122 -0.027 -0.036 NC NC NC	

The total number of statements (variables) statistically significant at *p<0.05 and **p<0.01 with all four CPA performance measures added

The number of statements (variables) statistically significant at *p<0.05 and **p<0.01 with each CPA performance measure

Appendix 5.2

Pearson correlation coefficients for strategic direction statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**			**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**33**	**121**	4	36	10	28	10	24	9	33
All 2009	**22**	**9**	8	2	5	6	1	0	8	1
LA 2009	**18**	**8**	4	3	6	4	1	0	7	1
Fire 2009	**13**	**8**	3	1	2	2	1	5	7	0
Police 2009	**4**	**2**	0	0	0	2	2	0	2	0
PCT 2009	**6**	**2**	1	0	0	0	5	2	0	0
4.1 Written corporate strategy with top objectives tied into community strategy			0.160* -0.142 -0.140 NC NC NC		0.112 -0.178 -0.264 NC NC NC		0.155* -0.018 0.007 NC NC NC		0.122 -0.027 -0.036 NC NC NC	
4.2 Written service plans			0.047 0.229* 0.036 0.346 0.371 0.218		0.122 0.003 0.111 0.051 0.093 0.145		-0.020 0.185 -0.146 0.113 -0.057 0.024		0.081 0.145 0.210 0.067 0.093 -0.218	
4.3 Corporate strategy planned in advance with stakeholders			0.266** 0.006 -0.025 0.072 NC 0.333		0.159* 0.072 -0.161 0.579* NC -0.111		0.175* 0.065 -0.116 0.711** NC 0.259		0.229** -0.157 -0.111 -0.207 NC -0.333	

4.4 Agreed formal mission/ vision statement	-0.001 -0.081 -0.040 NC NC NC	0.078 0.014 -0.024 NC NC NC	0.003 -0.031 0.012 NC NC NC	-0.010 -0.156 -0.209 NC NC NC
4.5 Published organisational development strategy	0.191** 0.154 0.344* 0.000 0.186 NC	0.133 0.348** 0.450** 0.197 0.186 NC	0.162* -0.050 0.230 0.157 0.200 NC	0.181* 0.125 0.196 0.516* 0.186 NC
4.6 Published medium term financial plan	0.032 0.000 -0.144 0.346 NC NC	-0.019 -0.255* -0.265 -0.323 NC NC	0.043 -0.132 0.010 -0.283 NC NC	0.020 -0.172 -0.285* 0.067 NC NC
4.9 Took part in I&DeA's local government improvement programme or equivalent	0.080 0.005 -0.049 0.346 0.371 NC	0.120 0.122 0.045 0.221 0.557 NC	-0.035 0.084 0.105 NC 0.727* NC	0.082 0.046 -0.094 0.600* 0.557 NC
4.15 Political issues 'blow' strategy off course	-0.333** -0.218* -0.233 -.0223 0.166 -0.111	-0.274** 0.051 -0.079 0.438 -0.166 -0.111	-0.134 -0.070 -0.110 0.335 -0.274 -0.235	-0.365** -0.019 -0.141 0.378 -0.166 -0.111
4.16 A16 Extent top-down approach to strategic planning	-0.036 0.002 0.040 0.179 -0.283 0.091	-0.081 0.021 -0.083 0.210 -0.057 -0.361	0.060 -0.003 -0.021 0.292 -0.124 -0.693*	-0.071 0.053 -0.032 0.183 -0.057 -0.091
4.17 Central policy/ Best Value direction	0.378** 0.216* 0.496** 0.147 -0.416 0.214	0.300** 0.199 0.277** -0.039 -0.416 -0.238	0.220** -0.052 0.245 0.086 -0.389 -0.408	0.340** 0.098 0.256 -0.085 -0.416 -0.408
4.18 Corporate strategy linked to community strategy	0.200** 0.017 0.068 -0.507*	0.189* 0.105 0.057 0.333	0.173* 0.125 0.170 0.314	0.164* -0.030 -0.040 -0.176

	-0.055 0.000	0.055 0.373	-0.281 -0.248	0.055 0.447
4.19 Extent organisation thinks strategically	0.456** 0.127 0.182 0.342 0.479 -0.120	0.319** 0.325** 0.251 0.425 0.240 0.161	0.238** 0.132 0.221 0.661** 0.368 -0.308	0.398** 0.124 0.143 0.018 0.240 -0.120
4.20 Service developments implemented strategically	0.409** 0.139 0.454** 0.496 0.493 0.156	0.305** 0.285** 0.247 0.237 0.377 -0.156	0.198** 0.065 0.151 0.528 0.548 -0.503	0.369** 0.233* 0.255 0.072 0.377 0.156
4.25 Community priorities fed into plans	0.308** 0.123 0.177 -0.019 0.160 -0.218	0.271** 0.083 0.075 0.077 0.196 -0.327	0.214** 0.065 0.199 0.343 0.358 -0.509	0.268** 0.031 0.057 0.100 0.196 -0.436
4.26 Strategies and plans linked together	0.449** 0.179 0.211 0.183 0.203 0.000	0.366** 0.260* 0.301* 0.285 0.087 -0.452	0.264** 0.151 0.288* 0.394 0.192 -0.369	0.385** 0.218* 0.273 0.316 0.087 -0.302
4.27 Budget linked to priorities	0.243** 0.147 0.185 0.352 -0.022 0.535	0.276** 0.059 0.030 0.037 -0.201 0.089	0.150* -0.021 0.131 0.090 -0.168 -0.059	0.247** 0.139 0.169 0.378 -0.201 0.000
4.28 Plan for short, medium and long term	0.365** 0.105 0.114 0.229 0.643 0.231	0.256** 0.247* 0.126 0.452 0.189 0.103	0.118 0.027 0.066 0.609* 0.320 0.060	0.329** 0.044 0.006 0.291 0.189 0.077
4.29 Policy decisions based on evidence	0.493** 0.280** 0.340* 0.541* 0.557 0.000	0.405** 0.251* 0.237 0.205 0.371 -0.218	0.269** 0.149 0.237 0.389 0.485 -0.399	0.443** 0.254* 0.281* 0.214 0.371 -0.436

4.30 Extent of formal risk management with written risk register	0.296** -0.039 0.084 -0.048 -0.415 0.200	0.143* 0.191 0.197 0.120 -0.138 0.000	0.251** 0.094 0.226 0.462 -0.276 0.111	0.253** 0.090 0.168 0.138 -0.138 -0.200
4.36 Employee's goals aligned with organisation's	0.351** 0.181 0.224 0.000 0.486 -0.417	0.244** 0.297** 0.251 0.263 0.527 0.487	0.186* 0.065 0.105 0.367 0.330 0.046	0.287** 0.183 0.204 0.258 0.527 0.539
4.38 Organisation is budget driven	-0.067 -0.055 -0.206 0.330 0.557 -0.218	-0.112 0.003 -0.160 0.175 0.268 -0.145	-0.070 -0.064 -0.093 0.224 0.326 -0.388	-0.067 -0.031 -0.229 0.395 0.268 -0.218
4.42 Organisation focuses on service provision	0.427** 0.137 0.247 0.269 0.062 0.273	0.249** 0.187 0.216 0.142 0.248 -0.394	0.246** 0.023 0.215 0.415 0.513 -0.899**	0.341** 0.239* 0.199 0.111 0.248 -0.091
4.45 Extent to which probity is valued	0.249** 0.136 0.138 0.466 0.138 0.500	0.138 0.223* 0.187 0.206 0.415 -0.250	0.157* -0.029 0.255 0.441 0.149 -0.667*	0.206** 0.072 0.151 -0.126 0.415 0.000
4.47 Aims and objectives shared across organisation	0.363** 0.067 0.193 -0.190 0.246 0.335	0.189* 0.339** 0.194 0.588* 0.201 0.265	0.178* 0.077 0.022 0.764** 0.100 -0.182	0.258** 0.176 0.246 -0.016 0.201 0.000
4.48 Extent of separation between strategy and implementation	0.063 -0.267* -0.089 -0.632** -0.082 -0.249	-0.062 -0.179 -0.355* 0.155 -0.055 -0.277	-0.023 -0.273* -0.068 -0.291 -0.282 -0.138	-0.029 -0.268* -0.341* 0.000 -0.055 -0.083
4.49 Extent of organisation focus on 'ends' rather than 'means'	0.259* 0.085 0.228 0.366	0.290** 0.150 0.161 0.111	0.189* -0.032 0.177 0.225	0.299** -0.047 0.193 -0.410

	-0.527 -0.128	-0.486 0.085	-0.293 0.156	-0.046 0.384
4.54 Team/individual goals aligned to strategy	0.324** 0.143 0.215 0.000 0.168 0.100	0.188* 0.420** 0.328* 0.677** 0.112 0.040	0.149* 0.182 0.200 0.684** 0.189 -0.461	0.259** 0.164 0.142 0.346 0.112 -0.100
4.55 Aims/objectives corporate body and service providers linked	0.342** 0.337** 0.363** 0.125 0.600 0.384	0.223** 0.370** 0.450** 0.276 0.233 0.128	0.084 0.201 0.220 0.292 0.266 -0.156	0.291** 0.309** 0.319* 0.332 0.233 -0.384
B57 Collect all Quality of Life Indicators	0.121 NX NX NX NX NX	0.211** NX NX NX NX NX	0.103 NX NX NX NX NX	0.158* NX NX NX NX NX
5.3 Use EFQM Excellence Model or variant	0.268** 0.009 0.127 0.000 0.105 -0.218	0.150* 0.141 0.008 0.014 0.000 0.582	0.272** 0.146 0.193 0.101 -0.026 0.461	0.244** -0.002 -0.143 0.327 0.000 0.218
5.4 Use Balanced Scorecard or variant	0.038 -0.032 0.042 0.189 -0.219 -0.333	0.117 0.092 0.089 0.289 -0.474 -0.111	0.229** -0.024 0.115 0.181 0.022 0.259	0.093 -0.083 -0.146 0.518* -0.474 0.333
5.5 Use Total Quality Management	0.134 0.007 0.085 -0.139 0.139 0.218	0.142 0.029 -0.083 0.055 0.000 -0.145	0.088 -0.161 -0.085 0.114 0.069 -0.267	0.173* -0.066 -0.154 0.288 0.000 -0.218
5.6 Use Benchmarking	0.079 0.222* 0.214 0.354 NC NC	0.024 0.137 0.113 0.279 NC NC	0.122 -0.029 0.006 0.182 NC NC	0.119 0.145 0.218 0.468 NC NC

5.7 Use Management by Objectives	0.001 -0.094 -0.071 -0.289 0.614 -0.218	0.042 0.151 -0.027 0.398 0.474 0.145	0.014 0.005 0.180 0.247 0.174 0.024	0.001 -0.063 -0.083 0.055 0.474 -0.218
5.8 Use strategy mapping	0.197** 0.047 0.121 0.228 0.175 -0.655*	0.238** 0.128 0.182 0.125 0.000 0.145	0.245** 0.006 0.070 0.224 0.217 0.024	0.190* 0.084 0.173 0.320 0.000 -0.218
5.9 Use corporate planning	NX 0.089 0.182 -0.175 NC NC	NX 0.272* 0.307* 0.240 NC NC	NX -0.019 0.054 0.135 NC NC	NX 0.068 0.140 0.077 NC NC
5.32 Are targets ambitious	0.178* 0.000 0.092 NC 0.555 NC	0.173* 0.193 0.143 NC 0.750* NC	0.188** 0.005 0.120 NC 0.584 NC	0.157* 0.236* 0.276* NC 0.750* NC
5.34 Performance management method of control	-0.163* 0.024 -0.055 0.100 0.555 0.000	-0.090 -0.005 -0.078 0.049 0.750* -0.272	-0.077 0.053 -0.033 0.053 0.584 -0.045	-0.210** 0.033 -0.221 0.472 0.750* 0.000
5.37 Level of departmental involvement in developing performance management	0.241** 0.109 0.164 0.200 -0.208 -0.365	0.236** 0.044 0.078 0.049 0.000 -0.304	0.336** 0.075 0.000 0.320 0.240 -0.203	0.238** 0.091 0.066 0.189 0.000 0.183
5.38 Level of departmental involvement in running performance management	0.289** -0.015 -0.025 0.037 -0.310 -0.302	0.295** -0.076 -0.050 0.061 -0.197 -0.452	0.309** 0.000 0.073 0.332 -0.045 -0.536	0.255** -0.080 -0.087 0.193 -0.197 0.000
5.48 Extent performance management skews organisation's priorities	0.014 0.000 -0.034 0.355	-0.061 0.082 -0.078 0.415	0.069 -0.161 -0.025 0.410	-0.050 0.016 0.025 0.067

	0.589 -0.588	0.516 -0.033	0.173 -0.305	0.516 0.000
5.49 Extent performance management measures things that matter	0.291** -0.017 -0.075 0.489 -0.069 0.325	0.315** 0.017 0.027 -0.048 0.000 -0.373	0.228** -0.031 -0.079 0.256 0.172 -0.705*	0.299** 0.098 0.039 0.266 0.000 -0.350
5.50 Level of game playing (auditors/government)	0.061 -0.145 -0.097 -0.080 -0.588 -0.219	-0.041 0.018 -0.015 0.185 -0.354 -0.135	0.118 -0.105 -0.001 0.000 -0.413 -0.166	0.035 -0.159 -0.140 0.098 -0.354 -0.219
5.58 Extent performance management integrated into strategy	0.405** 0.066 0.054 0.293 -0.069 0.000	0.341** 0.149 0.155 0.265 0.000 -0.167	0.269** 0.017 -0.027 0.367 0.172 -0.167	0.352** 0.007 0.075 0.155 0.000 -0.500
5.59 Extent context is considered in analysis	0.404** 0.226* 0.353* -0.083 -0.131 0.000	0.357** 0.053 0.326* -0.328 0.000 -0.458	0.260** -0.013 0.131 0.106 -0.182 -0.389	0.356** 0.126 0.347* -0.195 0.000 -0.250
5.65 Extent ‘equity’ a driver of service performance	0.364** 0.028 0.213 0.352 -0.196 0.000	0.277** 0.128 0.306* 0.093 -0.354 -0.229	0.238** -0.114 0.093 0.289 -0.267 -0.419	0.301** 0.149 0.199 0.249 -0.354 0.171
5.66 Extent to which ‘use’ stage of performance management successful	0.445** 0.139 0.255 0.258 -0.127 0.372	0.405** 0.151 0.190 0.064 0.000 -0.413	0.267** -0.160 0.053 0.158 0.173 -0.758*	0.394** 0.271* 0.451** 0.366 0.000 -0.372
5.67 Extent EFQM/BSC integral part of strategic planning	0.218** -0.063 0.092 0.272 -0.419 -0.286	0.239** 0.004 -0.055 0.286 -0.567 -0.429	0.259** -0.132 0.127 0.150 -0.493 -0.111	0.195** -0.079 -0.027 0.309 -0.567 -0.143

5.68 Extent strategy maps are used	0.209** -0.023 0.014 0.359 -0.044 -0.385	0.229** -0.007 -0.238 0.418 -0.316 0.282	0.254** -0.014 0.002 0.532 -0.065 0.026	0.199** 0.029 -0.064 0.586* -0.316 0.231
6.5 Extent to which organisation departments operate independently	-0.245** -0.075 -0.125 0.083 0.211 -0.384	-0.232** -0.218* -0.412** -0.020 0.176 0.341	-0.008 0.007 -0.016 -0.023 -0.137 0.270	-0.280** -0.119 -0.302* 0.275 0.176 0.128
6.9 Extent to which governance needs are discussed	0.256** 0.022 0.038 0.419 -0.175 -0.224	0.168* 0.083 0.175 -0.064 0.000 0.000	0.217** -0.161 0.123 0.035 -0.087 -0.248	0.204** 0.061 0.114 0.555* 0.000 0.000
9.3 Strategic partnership with provider of many services	0.011 -0.240* -0.157 -0.289 -0.219 -0.333	-0.013 0.110 0.010 0.455 -0.474 0.444	0.029 -0.133 -0.154 0.395 -0.304 0.259	0.043 -0.217* -0.174 -0.327 -0.474 0.333
9.25 Extent partnerships making strategies more meaningful	0.218** 0.302** 0.316* 0.519* 0.091 0.258	0.207** 0.152 0.240 0.303 -0.247 -0.430	0.114 0.167 0.234 0.425 -0.429 0.000	0.188* 0.201 0.200 0.551* -0.247 -0.258
10.4 Extent strategic direction widely communicated	0.241** -0.086 -0.007 -0.168 0.166 -0.196	0.155* 0.212 0.187 0.587** -0.257 -0.458	0.116 0.024 0.030 0.696** 0.047 -0.784**	0.165* 0.115 0.114 0.182 -0.257 -0.392
11.6 Feedback to internal stakeholders on strategy/ performance management	0.262** -0.015 0.019 0.160 0.187 0.250	0.250** 0.158 0.130 0.185 0.359 -0.375	0.216** -0.112 0.213 0.276 0.286 -0.722*	0.238** 0.042 -0.096 0.551* 0.359 0.000
11.7 Feedback to external stakeholders on strategy/ performance management	0.264** 0.052 0.258 0.236	0.294** 0.174 0.183 0.128	0.221** -0.152 0.200 0.357	0.279** 0.031 0.104 0.089

	0.524 -0.111	0.247 -0.296	0.497 -0.481	0.247 -0.111
12.19 Extent to which organisation operates independently in provision of services	-0.093 -0.132 0.139 -0.442 -0.614 0.138	-0.150* -0.051 -0.003 -0.479 -0.474 0.365	-0.105 -0.139 0.194 -0.486 -0.728* 0.138	-0.157* 0.016 0.085 -0.177 -0.424 0.526

Appendix 5.3

Pearson correlation coefficients for higher level of strategic and service planning statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A2)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**			**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**8**	**30**	1	10	2	7	5	4	0	9
All 2009	**8**	**6**	3	2	4	2	0	0	1	2
LA 2009	**8**	**4**	4	1	2	3	0	0	2	0
Fire 2009	**6**	**2**	2	0	2	0	0	2	2	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**2**	**1**	0	0	1	0	1	1	0	0
4.1 Written corporate strategy with top objectives tied into community strategy			0.160* -0.142 -0.140 NC NC NC		0.112 -0.178 -0.264 NC NC NC		0.155* -0.018 0.007 NC NC NC		0.122 -0.027 -0.036 NC NC NC	
4.2 Written service plans			0.047 0.229* 0.036 0.346 0.371 0.218		0.122 0.003 0.111 -0.051 0.093 0.145		-0.020 0.185 -0.146 0.113 -0.057 0.024		0.081 0.145 0.210 0.067 0.093 -0.218	
4.3 Corporate strategy planned in advance with stakeholders			0.266** 0.006 -0.025 0.072 NC 0.333		0.159* 0.072 -0.161 0.579* NC -0.111		0.175* 0.065 -0.116 0.711** NC 0.259		0.229** -0.157 -0.111 -0.207 NC -0.333	

4.4 Agreed formal mission/ vision statement	-0.001 -0.081 -0.040 0.000 0.186 NC	0.078 0.014 -0.024 NC NC NC	0.003 -0.031 0.012 NC NC NC	-0.010 -0.156 -0.209 NC NC NC
4.11 Level of innovation in service planning	0.464** 0.121 0.171 0.089 0.036 0.000	0.322** 0.129 0.203 0.013 0.124 -0.497	0.252** 0.035 0.200 0.221 0.304 -0.433	0.417** 0.053 0.092 0.155 0.124 -0.229
4.16 Extent top-down approach to strategic planning	-0.036 0.002 0.040 0.179 -0.283 0.091	-0.081 0.021 -0.083 0.210 -0.057 -0.361	0.060 -0.003 -0.021 0.292 -0.124 -0.693*	-0.071 0.053 -0.032 0.183 -0.057 -0.091
4.23 Level of departmental involvement in development service planning	0.285** 0.302** 0.334* 0.567* 0.055 -0.218	0.198** 0.255* 0.361** 0.242 0.129 -0.145	0.149* 0.122 0.144 0.575 0.219 -0.024	0.223** 0.173 0.204 0.529 0.129 0.000
4.24 Extent of departmental involvement in doing service planning	0.378** 0.314* 0.304* 0.511* 0.371 -0.128	0.244** 0.234* 0.345* 0.081 0.325 -0.128	0.246** 0.111 0.124 0.221 0.585 -0.270	0.283** 0.224* 0.228 0.460 0.325 -0.128
4.44 Service planning is optimum	0.303** 0.247* 0.288* 0.169 0.547 -0.302	0.240** 0.207 0.054 0.406 0.166 -0.050	0.151* 0.172 0.138 0.520 0.464 -0.134	0.272** 0.354** 0.311* 0.553* 0.166 0.302
4.47 Aims and objectives shared across organisation	0.363** 0.067 0.193 -0.190 0.246 0.335	0.189* 0.339** 0.194 0.588* 0.201 0.265	0.178* 0.077 0.022 0.764** 0.100 -0.182	0.258** 0.176 0.246 -0.016 0.201 0.000
4.55 Aims/objectives corporate body and service providers linked	0.342** 0.337** 0.363** 0.125	0.223** 0.370** 0.450** 0.276	0.084 0.201 0.220 0.292	0.291** 0.309** 0.319* 0.332

	0.600 0.384	0.233 0.128	0.266 -0.156	0.233 -0.384
5.9 Use corporate planning	NX 0.089 0.182 -0.175 NC NC	NX 0.272* 0.307* 0.240 NC NC	NX -0.019 0.054 0.135 NC NC	NX 0.068 0.140 0.077 NC NC
5.67 Extent EFQM/BSC integral part of strategic planning	0.218** -0.063 0.092 0.359 -0.044 -0.385	0.239** 0.004 -0.055 0.286 -0.567 -0.429	0.259** -0.132 0.127 0.150 -0.493 -0.111	0.195** -0.079 -0.027 0.309 -0.567 -0.143
6.3 Level of centralisation of service planning	0.004 -0.188 -0.087 0.378 -0.385 0.143	0.012 -0.017 -0.090 -0.130 -0.416 -0.286	0.004 -0.094 -0.150 0.045 -0.016 -0.524	0.008 -0.071 -0.086 0.607* -0.416 -0.143
8.12 Extent information available for corporate/ service planning	0.344** 0.147 0.274 0.103 -0.236 0.429	0.308** 0.043 0.117 0.068 -0.463 -0.762*	0.215** 0.030 0.039 -0.080 0.092 -0.841**	0.360** 0.190 0.203 0.208 -0.463 -0.429
10.2 Extent communication on corporate/service planning	0.207** 0.199 0.311* 0.294 0.048 -0.459	0.123 0.227* 0.373** 0.157 -0.257 -0.306	0.057 0.040 0.153 0.322 -0.153 -0.561	0.131 0.300** 0.299* 0.412 -0.257 0.229

Appendix 5.4

Pearson correlation coefficients for a higher level of performance management statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A3)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**42**	**130**	9	47	10	47	12	31	11	45
All 2009	**16**	**8**	3	2	6	2	3	4	4	0
LA 2009	**21**	**9**	5	3	8	3	2	0	6	3
Fire 2009	**16**	**5**	3	0	0	2	4	1	9	2
Police 2009	**6**	**0**	2	0	2	0	2	0	0	0
PCT 2009	**19**	**7**	1	2	2	1	13	2	3	2
4.12 Effectiveness more important than efficiency			0.220** 0.129 0.420** -0.029 -0.139 -0.625		0.124 0.215* 0.372** -0.285 0.347 -0.025		0.182* -0.073 0.191 -0.268 0.141 -0.246		0.112 0.247* 0.396** 0.017 0.347 0.625	
4.43 Extent performance management focused on group processes			0.177* 0.087 0.220 0.224 -0.093 -0.320		0.163* 0.204 0.117 0.099 0.093 0.454		0.029 0.083 0.135 0.097 -0.057 0.053		0.135 0.059 0.098 -0.129 0.093 0.160	
4.50 Extent to which critical success factors are used			0.400** 0.067 0.120 0.402 -0.531 0.469		0.387** 0.309** 0.243 0.343 -0.277 0.156		0.273** -0.010 0.078 0.501 -0.035 -0.191		0.394** 0.071 0.155 0.232 -0.277 -0.156	

4.52 Extent to which management (Best Value) reviews result in service improvement	0.393** 0.165 0.327* 0.091 -0.199 -0.218	0.348** 0.234* 0.339* -0.067 -0.050 -0.327	0.261** 0.086 0.233 0.228 0.183 -0.267	0.344** 0.218 0.318* 0.088 -0.166 0.000
5.1 Use of proprietary performance management software	0.035 -0.137 -0.238 0.213 -0.219 -0.218	0.060 -0.202 -0.195 0.074 -0.474 -0.218	0.071 -0.017 -0.089 -0.019 -0.434 0.024	0.063 -0.156 -0.220 0.107 -0.474 -0.218
B57 Collect all Quality of Life Indicators	0.115 NX NX NX NX NX	0.211** NX NX NX NX NX	0.103 NX NX NX NX NX	0.158* NX NX NX NX NX
5.3 Use EFQM Excellence Model or variant	0.268** 0.009 0.127 0.000 0.105 -0.218	0.150* 0.141 0.008 0.114 0.000 0.582	0.272** 0.146 0.193 0.101 -0.026 0.461	0.244** -0.002 -0.143 0.327 0.000 0.218
5.4 Use Balanced Scorecard or variant	0.038 -0.032 0.042 0.189 -0.219 -0.333	0.117 0.092 0.089 0.289 -0.474 -0.111	0.229** -0.024 0.115 0.181 0.022 0.259	0.093 -0.083 -0.146 0.518* -0.474 0.333
5.5 Use Total Quality Management	0.134 0.007 0.085 -0.139 0.139 0.218	0.142 0.029 -0.083 0.055 0.000 -0.145	0.088 -0.161 -0.085 0.114 0.069 -0.267	0.173* -0.066 -0.154 0.288 0.000 -0.218
5.6 Use Benchmarking	0.079 0.222* 0.214 0.354 NC NC	0.024 0.137 0.113 0.279 NC NC	0.122 -0.029 0.006 0.182 NC NC	0.119 0.145 0.218 0.468 NC NC
5.7 Use Management by Objectives	0.001 -0.094 -0.071 -0.289	0.042 0.151 -0.027 0.398	0.014 0.005 0.180 0.247	0.001 -0.063 -0.083 0.055

	0.614 -0.218	0.474 0.145	0.174 0.024	0.474 -0.218
5.8 Use strategy mapping	0.197* 0.047 0.121 0.228 0.175 -0.655*	0.238** 0.128 0.182 0.125 0.000 0.145	0.245** 0.006 0.070 0.224 0.217 0.024	0.190 0.084 0.173 0.320 0.000 -0.218
5.10 Use Outcome based accountability	NX 0.181 0.182 0.645* 0.614 -0.350	NX 0.185 -0.022 0.351 0.474 0.614	NX 0.217 0.263 0.577* 0.565 0.271	NX 0.189 0.030 0.320 0.474 1.000**
5.11 Use of other techniques for performance management	NX -0.019 0.147 -0.094 -0.570 0.408	NX 0.169 0.128 0.289 -0.474 0.068	NX 0.043 0.155 0.395 -0.347 0.181	NX -0.142 0.075 -0.286 -0.474 -0.408
5.13 Hold Investor in People	NX -0.429** -0.405** -0.279 -0.690* 0.271	NX -0.289* -0.332* -0.496 -0.514 -0.107	NX -0.385** -0.322* -0.468 -0.342 -0.043	NX -0.191 -0.142 -0.260 -0.514 0.217
5.15 Hold any performance-based awards (e.g. Beacon)	NX 0.125 0.240 -0.094 0.105 0.158	NX 0.057 -0.016 0.289 0.000 0.277	NX 0.099 0.249 0.118 -0.104 0.086	NX 0.007 -0.053 0.518* 0.000 -0.158
5.17 Quality accreditation (ISO9000)	NX 0.196 0.101 0.289 0.139 0.395	NX 0.044 -0.101 0.455 0.000 0.125	NX 0.280* -0.052 0.556 0.137 0.125	NX 0.127 0.038 -0.055 0.000 0.316
5.18 Team based appraisal	0.097 0.043 0.004 0.189 0.105 -0.333	0.149* 0.022 -0.033 0.317 0.000 0.111	0.032 0.057 0.165 0.277 -0.182 -0.259	0.101 0.097 0.006 0.464 0.000 0.333

5.19 Managers formally appraised by subordinates	0.007 0.031 -0.024 0.000 0.139 0.000	0.050 -0.044 -0.182 0.398 0.000 0.272	-0.060 0.069 0.042 0.320 0.069 -0.181	-0.027 0.181 0.035 0.327 0.000 0.816**
5.20 Performance management exist to extent if not for central government requirements (Best Value)	0.119 -0.084 -0.131 -0.258 -0.105 0.000	0.131 0.072 0.128 0.354 0.000 -0.583	0.035 -0.015 0.048 0.500 -0.286 -0.722*	0.127 -0.041 -0.087 -0.283 0.000 0.000
5.21 Extent to which meaningful indicators exist (excluding statutory)	0.057 -0.131 -0.078 NC NC NC	0.148* 0.104 0.086 NC NC NC	0.052 -0.092 -0.093 NC NC NC	0.098 -0.061 -0.079 NC NC NC
5.22 Performance related pay for (senior managers) Chief Executive/ Directors	0.110 -0.139 -0.122 0.277 0.269 0.000	0.074 -0.145 -0.231 -0.355 0.516 -0.583	0.153* -0.293** 0.092 -0.182 0.824* -0.444	0.068 -0.209 -0.255 -0.105 0.576 0.000
B69 Performance related pay for other senior managers	0.227** NX NX NX NX NX	0.175* NX NX NX NX NX	0.219* NX NX NX NX NX	0.197* NX NX NX NX NX
5.24 Appraisal linked to financial reward	0.242** -0.143 -0.047 0.000 0.219 -0.408	0.214** -0.101 -0.199 0.070 0.000 -0.612	0.200* -0.300** 0.088 0.019 -0.152 -0.726*	0.229** -0.183 -0.184 -0.134 0.000 -0.408
5.25 Appraisal competency based	0.003 0.036 0.009 0.189 NC 0.218	0.019 0.084 0.111 0.000 NC -0.218	0.015 -0.145 -0.004 -0.225 NC -0.703*	0.028 0.088 0.075 0.175 NC -0.218
5.26 Extent to which performance management produces sufficient timely information	0.217** 0.188 0.015 0.354	0.198** 0.116 0.083 0.453	0.122 0.083 -0.104 0.477	0.195** 0.145 0.050 0.468

	NC 0.408	NC -0.272	NC -0.499	NC -0.408
5.27 Performance management increase accountability to citizens	0.234** -0.029 -0.068 0.194 -0.069 0.060	0.231** 0.207 0.227 0.147 0.000 0.236	0.189* 0.027 0.020 0.135 -0.137 -0.130	0.200** -0.011 -0.135 0.510 0.000 -0.060
5.28 Performance management increase accountability to central government	0.231** 0.102 0.096 0.378 NC 0.000	0.112 0.125 0.047 0.242 NC 0.250	0.261** 0.099 -0.007 NC NC 0.111	0.162* 0.115 -0.087 0.607* NC 0.500
5.29 Extent that performance management too complicated	-0.058 0.036 0.116 0.426 0.139 -0.408	-0.062 0.067 0.003 0.084 0.000 0.272	-0.031 0.008 0.131 0.019 0.069 0.272	-0.057 0.044 0.118 0.141 0.000 0.000
5.30 Performance of professionals managed	0.252** -0.038 -0.057 0.139 0.367 0.333	0.255** 0.137 0.079 0.150 0.567 -0.111	0.225** 0.005 -0.013 0.182 0.337 0.259	0.272** -0.032 0.009 -0.288 0.567 -0.333
5.31 Too many performance indicators	0.013 0.205 0.321* 0.289 0.570 0.000	0.028 0.157 0.134 0.114 0.474 -0.167	0.044 -0.047 0.243 -0.018 0.478 0.111	0.002 0.133 0.261 0.055 0.474 0.000
5.32 Are targets ambitious	0.178* 0.000 0.092 NC 0.555 NC	0.173* 0.193 0.143 NC 0.750* NC	0.188* 0.005 0.120 NC 0.584 NC	0.157* 0.236* 0.276* NC 0.750* NC
5.33 Range of qualitative and quantitative indicators	0.191** 0.000 -0.035 0.400 -0.555 NC	0.261** 0.038 0.250 -0.099 -0.500 NC	0.193** -0.153 -0.019 -0.178 -0.206 NC	0.202** -0.113 -0.098 0.472 -0.500 NC

5.34 Performance management method of control	-0.163* 0.024 -0.055 0.100 0.555 0.000	-0.090 -0.005 -0.078 0.049 0.750* -0.272	-0.077 0.053 -0.033 0.053 0.584 -0.045	-0.210** 0.033 -0.221 0.472 0.750* 0.000
5.35 Innovative approach to performance management	0.382** 0.116 0.039 0.446 0.031 0.000	0.473** 0.133 0.183 -0.015 0.169 0.111	0.222** 0.048 0.117 0.212 0.433 0.111	0.381** 0.078 0.060 0.449 0.169 0.667*
5.36 Approach to performance management top-down	0.107 -0.058 0.040 -0.066 0.237 -0.302	-0.066 0.054 0.106 -0.382 0.640 -0.302	0.077 -0.029 0.160 -0.308 0.512 -0.302	0.008 0.150 0.091 0.174 0.640 0.302
5.37 Level of departmental involvement in developing performance management	0.241** 0.109 0.164 0.200 -0.208 -0.365	0.236** 0.044 0.078 0.049 0.000 -0.304	0.336** 0.075 0.000 0.320 0.240 -0.203	0.228** 0.091 0.066 0.189 0.000 0.183
5.38 Level of departmental involvement in running performance management	0.289** -0.015 -0.025 0.037 -0.310 -0.302	0.295** -0.076 -0.050 0.061 -0.197 -0.452	0.309** 0.000 0.073 0.332 -0.045 -0.536	0.255** -0.080 -0.087 0.193 -0.197 0.000
5.39 Adequacy of systems for collecting national indicators	0.299** 0.031 0.106 -0.080 0.000 -0.218	0.203** 0.061 0.026 0.160 0.000 -0.218	0.236** 0.038 0.143 0.307 0.309 -0.703*	0.267** 0.035 -0.084 0.100 0.000 0.218
5.40 Comprehensiveness of set of local indicators	0.285** -0.148 -0.083 0.221 0.175 -0.120	0.281** 0.032 -0.007 -0.152 0.237 -0.441	0.213** -0.177 -0.157 -0.076 0.478 -0.709*	0.256** 0.103 0.054 0.292 0.237 -0.120
5.41 Extent of employee rewards for good performance	0.254** 0.015 0.128 -0.139	0.245** 0.167 0.266 0.123	0.270** -0.167 0.042 -0.016	0.221** 0.066 0.079 0.419

	0.296 -0.429	0.320 -0.667*	0.278 -0.587	0.320 -0.429
5.42 Extent of sanctions against employees for poor performance	0.137 -0.119 -0.107 0.191 -0.240 -0.384	0.151* 0.044 0.157 0.083 -0.577 -0.512	0.196* -0.134 -0.031 -0.033 -0.198 -0.156	0.163* -0.090 -0.079 0.274 -0.577 -0.384
5.43 Extent performance managed not just measured	0.380** 0.176 0.242 0.336 0.075 0.218	0.372** 0.226* 0.399** -0.070 0.202 -0.509	0.214** -0.042 0.145 0.239 0.509 -0.388	0.371** 0.149 0.427** 0.016 0.202 -0.655*
5.44 Extent performance management an agent of change	0.351** 0.069 0.089 0.452 -0.109 0.436	0.340** 0.119 0.190 -0.166 0.169 -0.145	0.282** -0.047 0.183 0.120 0.294 -0.509	0.297** 0.025 0.127 0.085 0.169 -0.218
5.45 Extent managers have access to quality timely performance information	0.342** 0.128 0.100 0.462 0.102 0.557	0.260** 0.136 0.157 0.116 0.221 -0.557	0.217** 0.037 0.021 0.367 0.415 -0.763*	0.329** 0.152 0.127 0.492 0.221 -0.557
5.46 Extent democratic representatives have access to quality timely performance information	0.311** 0.000 -0.043 0.042 -0.105 0.217	0.278** -0.007 0.058 -0.091 0.189 -0.665	0.161* 0.001 0.026 0.097 0.234 -0.853**	0.313** 0.031 0.034 -0.063 0.189 -0.461
5.47 Extent performance management produces perverse incentives	-0.080 -0.081 -0.020 0.055 0.286 -0.784**	-0.136 -0.103 -0.166 0.188 0.000 -0.033	-0.014 -0.148 -0.051 0.000 -0.233 0.131	-0.121 -0.052 -0.027 -0.024 0.000 0.196
5.48 Extent performance management skews organisation's priorities	0.014 0.000 -0.034 0.355 0.589 -0.588	-0.061 0.082 -0.078 0.415 0.516 -0.033	0.069 -0.161 -0.025 0.410 0.173 -0.305	-0.050 0.016 0.025 0.067 0.516 0.000

5.49 Extent performance management measures things that matter	0.291** -0.017 -0.075 0.489 -0.069 0.325	0.315** 0.017 0.027 -0.048 0.000 -0.373	0.228** -0.031 -0.079 0.256 0.172 -0.705*	0.299** 0.098 0.039 0.266 0.000 -0.350
5.50 Level of game playing (auditors/government)	0.061 -0.145 -0.097 -0.080 -0.588 -0.219	-0.041 0.018 -0.015 0.185 -0.354 -0.135	0.118 -0.105 -0.001 0.000 -0.413 -0.166	0.035 -0.159 -0.140 0.098 -0.354 -0.219
5.51 Extent performance management focused on learning	0.330** 0.108 0.194 0.616* -0.103 -0.125	0.281** 0.169 0.129 0.305 -0.320 0.022	0.172* 0.082 0.206 0.520 -0.117 -0.095	0.282** 0.191 0.258 0.255 -0.320 0.550
5.52 Extent performance management focused on qualitative measures	0.220** 0.108 0.164 0.128 -0.219 0.113	0.217** 0.213 0.161 0.654** -0.474 -0.020	0.180* -0.062 0.005 0.635* -0.261 -0.576	0.217** -0.024 0.002 0.434 -0.474 -0.294
5.53 Extent performance management is optimum	0.228** 0.092 0.215 0.000 0.105 -0.395	0.235** 0.164 0.079 0.232 0.283 -0.381	0.238** 0.034 0.106 0.635* 0.636 -0.665	0.210** 0.070 0.199 -0.094 0.283 -0.316
5.54 Extent organisational performance rated more highly than democratic	0.126 -0.316** -0.336* -0.406 0.419 -0.384	0.086 -0.054 -0.283* 0.307 0.189 -0.341	0.110 0.006 -0.075 0.351 0.260 0.014	0.084 -0.009 -0.183 0.179 0.189 -0.128
5.55 External performance constrained by central government action	0.143 -0.086 -0.131 -0.303 -0.160 -0.550	0.009 0.069 -0.121 0.722** 0.000 0.040	0.048 0.035 -0.002 0.332 -0.238 0.277	0.113 -0.189 -0.152 -0.033 0.000 0.125
5.56 Extent targets sub-optimise performance	0.010 0.128 -0.114 -0.083	-0.039 -0.032 -0.168 0.214	0.028 -0.188 -0.026 -0.010	0.010 0.047 0.043 0.152

	0.243 -0.436	0.000 -0.145	0.037 -0.267	0.000 0.128
5.57 Extent performance management agent of accountability	0.380** 0.065 0.135 -0.038 -0.381 -0.333	0.302** 0.283** 0.365** 0.331 -0.375 -0.444	0.310** 0.048 0.110 0.415 -0.240 -0.444	0.296** 0.041 0.177 0.014 -0.375 -0.333
5.58 Extent performance management integrated into strategy	0.405** 0.066 0.054 0.293 -0.069 0.000	0.341** 0.149 0.155 0.265 0.000 -0.167	0.269** 0.017 -0.027 0.367 0.172 -0.167	0.352** 0.007 0.075 0.155 0.000 -0.500
5.59 Extent context is considered in analysis	0.404** 0.226* 0.353* -0.083 -0.183 0.000	0.357** 0.053 0.326* -0.328 0.000 -0.458	0.260** -0.013 0.131 0.106 -0.182 -0.389	0.356** 0.126 0.347* -0.195 0.000 -0.250
5.60 Extent focus on national indicators to detriment of local indicators	-0.004 0.153 0.152 0.354 0.347 -0.603	-0.167* -0.071 -0.065 -0.094 0.000 -0.050	-0.070 0.001 0.218 -0.357 -0.137 0.218	-0.027 0.114 0.156 0.272 0.000 0.151
5.61 Extent focus on what measured rather than what matters	-0.216** -0.106 -0.148 0.293 0.000 -0.791**	-0.213** -0.144 -0.281* 0.144 -0.224 0.000	-0.119 -0.013 -0.001 0.000 -0.491 0.000	-0.235** -0.114 -0.134 0.138 -0.224 0.316
5.62 Extent performance management has local political commitment	0.275** 0.043 -0.053 0.294 0.595 -0.194	0.290** 0.079 0.104 0.281 0.514 -0.162	0.250** 0.070 0.064 0.409 0.612 -0.840**	0.244** 0.165 0.016 0.531* 0.514 -0.387
5.63 Extent performance management has commitment top-level management	0.224** -0.017 0.099 0.244 -0.127 -0.408	0.253** 0.243* 0.285* 0.229 0.000 -0.408	0.107 0.014 0.227 0.356 0.221 -0.635*	0.186* 0.121 0.173 0.254 0.000 0.000

5.64 Extent effort spent improving accuracy PIs rather than managing services	-0.108 0.040 0.056 0.446 0.075 0.000	-0.156* 0.007 -0.053 0.132 -0.202 0.030	-0.070 -0.038 -0.033 0.059 -0.019 0.180	-0.135 0.174 0.155 0.168 -0.202 0.539
5.65 Extent 'equity' a driver of service performance	0.364** 0.028 0.213 0.352 -0.196 0.000	0.277** 0.128 0.306* 0.093 -0.354 -0.229	0.238** -0.114 0.093 0.289 -0.267 -0.419	0.301** 0.149 0.199 0.249 -0.354 0.171
5.66 Extent to which 'use' stage of performance management successful	0.445** 0.139 0.255 0.258 -0.127 0.372	0.405** 0.151 0.190 0.064 0.000 -0.413	0.267** -0.160 0.053 0.158 0.173 -0.758*	0.394** 0.271* 0.451** 0.366 0.000 -0.372
5.67 Extent EFQM/BSC integral part of strategic planning	0.218** -0.063 0.092 0.272 -0.419 -0.286	0.239** 0.004 -0.055 0.286 -0.567 -0.429	0.259** -0.132 0.127 0.150 -0.493 -0.111	0.195** -0.079 -0.027 0.309 -0.567 -0.143
5.68 Extent strategy maps are used	0.209** -0.023 0.014 0.359 -0.044 -0.385	0.229** -0.007 -0.238 0.418 -0.316 0.282	0.254** -0.014 0.002 0.532 -0.065 0.026	0.199** 0.029 -0.064 0.586* -0.316 0.231
6.4 Level of centralisation of performance management	0.053 -0.047 0.122 -0.239 -0.555 0.156	0.015 0.037 0.083 -0.206 -0.375 -0.364	0.009 -0.188 -0.014 -0.069 -0.275 -0.885**	0.011 0.072 0.133 0.056 -0.375 -0.156
8.2 Allocation of resources formally determined by priorities	0.192** -0.005 0.031 NC NC 0.333	0.196** -0.006 -0.045 NC NC -0.111	0.131 0.038 -0.009 NC NC 0.259	0.171* -0.151 -0.204 NC NC -0.333
8.10 Level of resources to do performance management at the centre	0.202** 0.181 0.332* 0.000	0.183* 0.088 0.094 0.244	0.050 0.045 0.268 0.287	0.206** 0.068 0.125 0.200

	-0.114 0.384	0.000 -0.768**	0.177 -0.697*	0.000 -0.640*
8.11 Level of resources to do performance management in service departments	0.250** 0.280* 0.454** 0.196 -0.240 0.149	0.140 -0.051 0.105 -0.042 -0.144 -0.745*	0.138 0.023 0.340* 0.092 -0.139 -0.745*	0.254** 0.131 0.310* 0.414 -0.144 -0.745*
9.9 Extent internal audit involvement in performance management	0.218** -0.026 0.087 0.188 -0.082 -0.186	0.209** 0.175 0.182 0.185 0.000 -0.062	0.164* -0.093 0.024 0.240 -0.041 0.041	0.242** 0.132 0.130 0.533* 0.000 0.371
9.10 Extent use of external audit to improve performance management	0.124 -0.026 0.182 0.131 -0.440 -0.156	0.008 0.140 0.213 0.206 -0.367 -0.286	0.119 -0.021 0.139 0.111 -0.495 -0.069	0.073 0.143 0.107 0.716** -0.367 0.156
9.11 Extent of use consultants in centre	-0.074 -0.183 -0.076 0.146 -0.441 -0.302	-0.040 -0.108 -0.186 -0.079 -0.202 -0.201	-0.014 -0.296** -0.018 -0.180 -0.315 -0.201	-0.093 -0.084 -0.271 0.774** -0.202 0.000
9.12 Extent use of inspection improves performance at service delivery	0.152* -0.076 0.070 0.279 -0.243 0.000	0.018 0.108 0.183 0.031 -0.187 -0.442	0.125 -0.116 0.012 0.015 -0.017 -0.272	0.057 0.123 0.085 0.505 -0.188 0.000
9.22 Extent to which stakeholders participate in performance management	0.192* 0.030 -0.055 0.460 0.414 0.000	0.277** 0.083 -0.038 0.322 0.359 -0.294	0.198** -0.200 -0.258 0.329 0.205 -0.240	0.229** -0.037 -0.156 0.296 0.359 0.000
9.23 Extent to which citizens participate in performance management	0.259** 0.131 0.180 0.258 0.046 0.000	0.363** 0.186 0.177 0.445 0.000 0.089	0.292** -0.232* -0.220 0.438 -0.389 -0.356	0.326** -0.040 0.051 0.244 0.000 -0.267

9.24 Extent partnerships fragmenting effort on performance management	-0.102 0.025 0.040 0.200 -0.049 -0.246	0.008 0.044 0.156 -0.419 0.177 0.246	0.013 -0.115 -0.016 -0.749** -0.267 0.155	-0.048 0.149 0.174 0.286 0.177 0.410
10.3 Extent of communication on service performance	0.315** 0.121 0.167 0.392 0.641 -0.267	0.258** 0.168 0.288* -0.013 0.289 -0.579	0.099 0.036 0.197 0.164 0.397 -0.653*	0.275** 0.248* 0.126 0.395 0.289 0.000
10.5 Extent use of employees' knowledge in performance management	0.221** 0.047 0.238 0.291 0.000 -0.557	0.194** 0.139 0.223 0.143 -0.204 -0.248	0.113 -0.154 -0.026 0.385 -0.140 -0.454	0.226** 0.179 0.290* 0.432 -0.204 0.000
11.1 Performance reported on the organisation's Intranet	0.161* -0.007 0.074 0.139 NC NC	0.144 0.219* 0.225 0.150 NC NC	0.080 -0.101 -0.031 NC NC NC	0.144 -0.056 -0.159 0.498 NC NC
11.2 Performance reported on the organisation's website	0.048 0.000 0.030 0.139 NC NC	0.144 0.051 -0.011 0.150 NC NC	-0.034 -0.060 0.015 NC NC NC	0.154* -0.152 -0.314* 0.498 NC NC
11.3 Extent publishing performance data detrimental	-0.288** -0.090 -0.138 0.577* -0.098 -0.392	-0.250** -0.139 -0.165 -0.028 0.000 -0.131	-0.144 -0.263* -0.061 -0.118 -0.097 -0.240	-0.274** -0.070 0.074 0.005 0.000 0.000
11.4 Extent publishing performance data internally	0.185* -0.086 -0.014 0.124 0.069 -0.071	0.192** 0.019 0.036 -0.049 0.375 -0.517	0.031 -0.084 0.145 -0.089 0.601 -0.635*	0.195** 0.130 -0.083 0.561* 0.375 0.071
11.5 Extent publishing performance data externally	0.181* 0.053 0.090 0.400	0.273** 0.032 0.165 -0.246	0.125 -0.202 0.044 -0.150	0.253** 0.113 0.023 0.283

	0.693* 0.079	0.375 -0.578	0.292 -0.622	0.375 -0.079
11.6 Feedback to internal stakeholders on strategy/ performance management	0.262** -0.015 0.109 0.160 0.187 0.250	0.250** 0.158 0.130 0.185 0.359 -0.375	0.216** -0.112 0.213 0.276 0.286 -0.722*	0.238** 0.042 -0.096 0.551* 0.359 0.000
11.7 Feedback to external stakeholders on strategy/ performance management	0.264** 0.052 0.258 0.236 0.524 -0.111	0.294** 0.174 0.183 0.128 0.247 -0.296	0.221** -0.152 0.200 0.357 0.497 -0.481	0.279** 0.031 0.104 0.549* 0.247 -0.418
12.11 Extent to which organisation driven by achievement of targets	0.311** -0.110 -0.004 0.400 0.308 -0.556	0.254** 0.159 0.029 0.419 0.416 -0.444	0.162* 0.003 0.147 0.476 0.667* -0.383	0.241** -0.034 -0.257 0.472 0.416 -0.111
12.33 Extent of misrepresentation of performance information	-0.140 0.042 0.080 -0.069 0.042 0.000	-0.246** -0.026 -0.005 -0.260 0.000 0.115	0.032 -0.057 0.043 -0.663* -0.262 0.433	-0.190* 0.006 -0.060 0.301 0.000 0.000
12.35 Extent performance management sympathetic with organisational culture	0.210** 0.050 0.064 -0.107 0.430 -0.500	0.207** 0.095 0.229 -0.257 0.405 -0.167	0.087 0.089 0.030 -0.337 0.602 -0.228	0.185* 0.149 0.054 0.342 0.405 0.000

Appendix 5.5

Pearson correlation coefficients for an organisation with an organisational development strategy statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A4)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**			**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**22**	**57**	1	22	7	11	10	6	4	18
All 2009	**10**	**15**	0	2	6	8	0	2	4	3
LA 2009	**19**	**11**	6	2	6	6	2	0	5	3
Fire 2009	**5**	**5**	3	0	1	2	0	3	1	0
Police 2009	**1**	**0**	0	0	0	0	1	0	0	0
PCT 2009	**6**	**2**	0	0	1	0	5	1	0	1
4.4 Agreed formal mission/ vision statement			-0.001 -0.081 -0.040 NC NC NC		0.078 0.014 -0.024 NC NC NC		0.003 -0.031 0.012 NC NC NC		-0.010 -0.156 -0.209 NC NC NC	
4.5 Published organisational development strategy			0.191** 0.154 0.344* 0.000 0.186 NC		0.133 0.348** 0.450** 0.197 0.186 NC		0.162* -0.050 0.230 0.417 0.200 NC		0.181* 0.125 0.196 0.516* 0.186 NC	
4.13 Extent to which effectiveness more important than efficiency			0.276** 0.058 0.190 0.236 -0.038 -0.180		0.154 0.334** 0.244 0.229 0.212 0.629		0.203** 0.097 0.196 0.351 0.453 0.180		0.226** 0.230 0.332* 0.241 0.212 0.359	

4.21 Extent of active management of HRM	0.239** 0.347** 0.454** 0.543* 0.170 0.249	0.111 0.280** 0.372** 0.115 0.469 -0.277	0.058 0.059 0.295* 0.220 0.334 -0.692*	0.180* 0.334** 0.410** 0.453 0.469 -0.415
4.34 Delegation practiced within organisation	0.362** 0.112 0.237 -0.141 0.227 -0.500	0.110 0.221* 0.280* 0.125 0.152 -0.167	0.203** 0.052 0.199 0.248 0.227 -0.167	0.287** 0.065 0.156 0.000 0.152 -0.500
4.36 Employee's goals aligned with organisation's	0.351** 0.181 0.224 0.000 0.486 -0.417	0.244** 0.297** 0.251 0.263 0.527 0.487	0.186* 0.065 0.105 0.367 0.330 0.046	0.287** 0.183 0.204 0.258 0.527 0.539
4.41 Organisation focuses on employees	0.353** 0.181 0.322* 0.241 0.268 -0.302	0.249** 0.199 0.172 0.122 0.351 -0.302	0.154* 0.017 0.196 0.266 0.403 -0.637*	0.314** 0.144 0.117 0.294 0.351 0.000
4.47 Aims and objectives shared across organisation	0.363** 0.067 0.193 -0.190 0.246 0.335	0.189* 0.339** 0.194 0.588* 0.201 0.265	0.178* 0.077 0.022 0.764** 0.100 -0.182	0.258** 0.176 0.246 -0.016 0.201 0.000
4.51 Extent to which HRM is important for organisational performance	0.311** 0.275** 0.419** 0.505* -0.028 0.000	0.209** 0.296** 0.407** -0.047 0.308 0.102	0.133 0.008 0.231 0.157 0.434 -0.522	0.235** 0.219* 0.322* 0.238 0.308 0.204
4.54 Team/individual goals aligned to strategy	0.324** 0.143 0.215 0.000 0.168 0.100	0.188* 0.420** 0.328* 0.677** 0.112 0.040	0.149 0.182 0.200 0.684** 0.189 -0.461	0.259** 0.164 0.142 0.346 0.112 -0.100
5.18 Team based appraisal	0.097 0.043 0.004 0.189	0.149* 0.022 -0.033 0.317	0.032 0.057 0.165 0.277	0.101 0.097 0.006 0.464

	0.105 -0.333	0.000 0.111	-0.182 -0.259	0.000 0.333
5.19 Managers formally appraised by subordinates	0.007 0.031 -0.024 0.000 0.139 0.000	0.050 -0.004 -0.182 0.398 0.000 0.272	-0.060 0.069 0.042 0.320 0.069 -0.181	-0.027 0.181 0.035 0.327 0.000 0.816**
5.22 Performance related pay for Chief Executive/ Directors	0.110 -0.139 -0.122 0.277 0.269 0.000	0.074 0.145 -0.231 -0.355 0.516 -0.583	0.153* -0.293** 0.092 -0.182 0.824* -0.444	0.068 -0.209 -0.255 0.105 0.576 0.000
B69 Performance related pay for other senior managers	0.227** NX NX NX NX NX	0.175* NX NX NX NX NX	0.219* NX NX NX NX NX	0.197** NX NX NX NX NX
5.24 Appraisal linked to financial reward	0.242** -0.143 -0.047 0.000 0.219 -0.408	0.214** -0.101 -0.199 0.070 0.000 -0.612	0.200** -0.300** 0.088 0.019 -0.152 -0.726*	0.229** -0.183 -0.184 0.134 0.000 -0.408
5.25 Appraisal competency based	0.003 0.036 0.009 0.189 NC 0.218	0.019 0.084 0.111 0.000 NC -0.218	0.015 -0.145 -0.004 -0.225 NC -0.703*	0.028 0.088 0.075 0.175 NC -0.218
5.41 Extent of employee rewards for good performance	0.254** 0.015 0.128 -0.139 0.296 -0.429	0.245** 0.167 0.266 0.123 0.320 -0.667*	0.270** -0.167 0.042 -0.016 0.278 -0.587	0.221** 0.066 0.079 0.419 0.320 -0.429
5.42 Extent of sanctions against employees for poor performance	0.137 -0.119 -0.107 0.191 -0.240 -0.384	0.151* 0.044 0.157 0.083 -0.577 -0.512	0.196* -0.134 -0.031 -0.033 -0.198 -0.156	0.163* -0.090 -0.079 0.274 -0.577 -0.384

5.51 Extent performance management focused on learning	0.330** 0.108 0.194 0.616* -0.103 -0.125	0.281** 0.169 0.129 0.305 -0.320 0.022	0.172* 0.082 0.206 0.520 -0.117 -0.095	0.282** 0.191 0.258 0.255 -0.320 0.550
8.3 Extent to which employees are well trained	0.241** 0.123 0.322* 0.066 -0.069 0.200	0.141 0.272* 0.425** -0.104 0.000 0.000	0.189* 0.112 0.171 -0.079 -0.086 -0.556	0.198** 0.381** 0.448** 0.191 0.000 -0.200
8.4 Level of motivation displayed by employees	0.386** 0.140 0.353* 0.055 -0.139 0.302	0.279** 0.272* 0.388** -0.071 0.000 -0.201	0.215** 0.066 0.283* 0.218 0.137 -0.536	0.343** 0.281** 0.419** 0.136 0.000 -0.603
8.14 Extent employee creativity is harnessed	0.298** 0.100 0.194 0.463 0.093 0.000	0.163* 0.207 0.174 0.205 0.202 0.264	0.199** 0.045 0.095 0.463 0.352 -0.176	0.254** 0.145 0.198 0.262 0.202 0.000
10.2 Extent communication on corporate/service planning	0.207** 0.199 0.311* 0.294 0.048 -0.459	0.123 0.227* 0.373** 0.157 -0.257 -0.306	0.057 0.040 0.153 0.322 -0.153 -0.561	0.131 0.300** 0.299* 0.412 -0.257 0.229
10.3 Extent of communication on service performance	0.315** 0.121 0.167 0.392 0.641 -0.267	0.258** 0.168 0.288* -0.013 0.289 -0.579	-0.099 0.036 0.197 0.164 0.397 -0.653*	0.275** 0.248* 0.126 0.395 0.289 0.000
10.4 Extent strategic direction widely communicated	0.241** -0.061 -0.007 -0.168 0.166 -0.196	0.155* 0.212 0.187 0.587** -0.257 -0.453	0.116 0.024 0.030 0.696** 0.047 -0.784**	0.165* 0.115 0.114 0.182 -0.257 -0.392
11.1 Performance reported on the organisation's Intranet	0.161* -0.007 0.074 0.139	0.144 0.219* 0.225 0.150	0.080 -0.101 -0.031 NC	0.144 -0.056 -0.159 0.498

	NC NC	NC NC	NC NC	NC NC
12.1 Extent that the organisation is a learning organisation	0.366** -0.016 0.204 0.482 0.033 -0.318	0.219** 0.283* 0.322* 0.174 0.000 0.495	0.139 -0.030 0.132 0.378 0.140 0.082	0.316** 0.109 0.188 0.274 0.000 0.138
12.5 Extent to which organisation has a blame culture	-0.238** -0.115 -0.254 0.102 0.198 0.316	-0.239** -0.204 -0.387** 0.185 0.000 -0.437	0.020 0.015 -0.153 -0.010 -0.314 0.125	-0.248** -0.108 -0.340* 0.221 0.000 -0.316
12.16 Level of employees' morale	0.391** 0.048 0.303* -0.177 0.131 0.156	0.325** 0.288** 0.374* -0.017 0.000 0.156	0.188* -0.011 0.220 0.308 0.337 -0.538	0.373** 0.269* 0.365* 0.200 0.000 0.156

Appendix 5.6

Pearson correlation coefficients for an organisation with proprietary performance management software statement and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A5)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC–Not calculated by SPSS**	**CORRELATION COEFFICIENTS**			
	CPA RATING	**PM SCORE**	**SERVICE SCORE**	**CORP ASSESS**
	* **	* **	* **	* **	* **
LA 2005	0 0	0 0	0 0	0 0	0 0
All 2009	0 0	0 0	0 0	0 0	0 0
LA 2009	0 0	0 0	0 0	0 0	0 0
Fire 2009	0 0	0 0	0 0	0 0	0 0
Police 2009	0 0	0 0	0 0	0 0	0 0
PCT 2009					
5.1 Use of proprietary performance management software	0.035 -0.137 -0.238 0.213 -0.219 -0.218	0.060 -0.202 -0.195 0.074 -0.474 -0.218	0.071 -0.017 -0.089 -0.019 -0.434 0.024	0.063 -0.156 -0.220 0.107 -0.474 -0.218

Appendix 5.7

Pearson correlation coefficients for a high level of employee involvement in performance management statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A6)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**4**	**15**	1	5	1	4	2	1	0	5
All 2009	**1**	**1**	0	0	1	1	0	0	0	0
LA 2009	**4**	**0**	1	0	1	0	0	0	2	0
Fire 2009	**0**	**0**	0	0	0	0	0	0	0	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**1**	**1**	0	0	0	0	1	1	0	0
4.16 Extent top-down approach to strategic planning			-0.036 0.002 0.040 0.179 -0.283 0.091		-0.081 0.021 -0.083 0.210 -0.057 -0.361		-0.060 -0.003 -0.021 0.292 -0.124 -0.693*		-0.071 0.053 -0.032 0.183 -0.057 -0.091	
4.22 Extent of front-line employee involvement in service planning			0.269** 0.202 0.207 0.357 0.327 0.000		0.239** 0.192 0.244 0.146 0.268 0.312		0.107 0.032 0.094 0.381 0.384 0.089		0.246** 0.175 0.288* 0.206 0.268 0.267	
4.34 Delegation practiced within organisation			0.362** 0.112 0.237 -0.141 0.227 -0.500		0.110 0.221* 0.280* 0.125 0.152 -0.167		0.203** 0.052 0.199 0.248 0.227 -0.167		0.287** 0.065 0.156 0.000 0.152 -0.500	

4.36 Employee's goals aligned with organisation's	0.351** 0.181 0.224 0.000 0.486 -0.417	0.244** 0.297** 0.251 0.263 0.527 0.487	0.186* 0.065 0.105 0.367 0.330 0.046	0.287** 0.183 0.204 0.258 0.527 0.539
4.41 Organisation focuses on employees	0.353** 0.181 0.322* 0.241 0.268 -0.302	0.249** 0.199 0.172 0.122 0.351 -0.302	0.154* 0.017 0.196 0.266 0.403 -0.637**	0.314** 0.144 0.117 0.294 0.351 0.000
4.43 Extent performance management focused on group processes	0.177* 0.087 0.220 0.224 -0.093 -0.320	0.163* 0.204 0.117 0.099 0.093 0.454	0.029 0.083 0.135 0.097 -0.057 0.053	0.135 0.059 0.098- 0.129 0.093 0.160
10.5 Extent use of employees' knowledge in performance management	0.221** 0.047 0.238 0.291 0.000 -0.557	0.194** 0.139 0.223 0.143 -0.204 -0.248	0.113 -0.154 -0.026 0.385 -0.140 -0.454	0.226** 0.179 0.290* 0.432 -0.204 0.000

Appendix 5.8

Pearson correlation coefficients for use of BSC/EFQM/TQM/MBO/ Benchmarking/Strategy mapping statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A7)

STATEMENT * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**3**	**11**	0	3	1	2	0	4	2	2
All 2009	**1**	**0**	1	0	0	0	0	0	0	0
LA 2009	**0**	**0**	0	0	0	0	0	0	0	0
Fire 2009	**1**	**0**	0	0	0	0	0	0	1	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**0**	**1**	0	1	0	0	0	0	0	0
5.3 Use EFQM Excellence Model or variant			0.268** 0.009 0.127 0.000 0.105 -0.218		0.150* 0.141 0.008 0.114 0.000 0.582		0.272** 0.146 0.193 0.101 -0.026 0.461		0.244** -0.002 -0.143 0.327 0.000 0.218	
5.4 Use Balanced Scorecard or variant			0.038 -0.032 0.042 0.189 -0.219 -0.333		0.117 0.092 0.089 0.289 -0.474 -0.111		0.229** -0.024 0.115 0.181 0.022 0.259		0.093 -0.083 -0.146 0.518* -0.474 0.333	
5.5 Use Total Quality Management			0.134 0.007 0.085 -0.139		0.142 0.029 -0.083 0.055		0.088 -0.161 -0.085 0.114		0.173* -0.066 -0.154 0.288	

	0.139 0.218	0.000 -0.145	0.069 -0.267	0.000 -0.218
5.6 Use Benchmarking	0.079 0.222* 0.214 0.354 NC NC	0.024 0.137 0.113 0.279 NC NC	0.122 -0.029 0.006 0.182 NC NC	0.119 0.145 0.218 0.468 NC NC
5.7 Use Management by Objectives	0.001 -0.094 -0.071 -0.289 0.614 -0.218	0.042 0.151 -0.027 0.398 0.474 0.145	0.014 0.005 0.180 0.247 0.174 0.024	0.001 -0.063 -0.083 0.055 0.474 -0.218
5.8 Use strategy mapping	0.197** 0.047 0.121 0.228 0.175 -0.655*	0.238** 0.128 0.182 0.125 0.000 0.145	0.245** 0.006 0.070 0.224 0.217 0.024	0.190* 0.084 0.173 0.320 0.000 -0.218
5.67 Extent EFQM/BSC integral part of strategic planning	0.218** -0.063 0.092 0.272 -0.419 -0.286	0.239** 0.004 -0.055 0.286 -0.567 -0.429	0.259** -0.132 0.127 0.150 -0.493 -0.111	0.195** -0.079 -0.027 0.309 -0.567 -0.143

Appendix 5.9

Pearson correlation coefficients for a high level of innovation statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A8)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC–Not calculated by SPSS**	**CORRELATION COEFFICIENTS**									
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**2**	**12**	0	4	1	3	0	2	1	3
All 2009	**1**	**0**	0	0	1	0	0	0	0	0
LA 2009	**1**	**0**	1	0	0	0	0	0	0	0
Fire 2009	**2**	**0**	1	0	0	0	0	0	1	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**2**	**0**	0	0	1	0	1	0	0	0
4.10 Level of innovation in service delivery			0.469** 0.170 0.342* 0.274 0.000 -0.143		0.323** 0.195 0.184 0.046 -0.064 0.429		0.314** 0.067 0.264 0.523 0.214 -0.206		0.418** 0.103 0.197 0.059 -0.064 0.143	
4.11 Level of innovation in service planning			0.464** 0.121 0.171 0.089 0.036 0.000		0.322** 0.129 0.203 0.013 0.124 -0.497		0.252** 0.035 0.200 0.221 0.304 -0.433		0.417** 0.053 0.092 0.155 0.124 -0.229	
12.20 Extent to which organisation is change oriented			0.241** 0.000 0.047 0.530* 0.237 0.106		0.150* -0.023 -0.101 -0.017 0.000 0.035		0.143 -0.111 0.138 0.186 0.381 -0.200		0.190* -0.088 0.255 0.535* 0.000 -0.318	

12.32 Extent of inclination for experimentation within organisation	0.295** 0.060 0.142 0.238 0.414 -0.459	0.213** 0.238* 0.145 0.258 0.179 0.688*	0.106 0.071 -0.012 0.466 0.402 0.688*	0.242** 0.093 0.151 0.276 0.179 0.451

Appendix 5.10

Pearson correlation coefficients for a high level of citizen/service user focus statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis A9)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC–Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**4**	**41**	0	11	1	11	3	8	0	11
All 2009	**4**	**2**	0	0	2	1	1	0	1	1
LA 2009	**3**	**1**	0	1	2	0	1	0	0	0
Fire 2009	**2**	**0**	1	0	0	0	1	0	0	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**0**	**1**	0	0	0	0	0	1	0	0
4.25 Community priorities fed into plans	0.308** 0.123 0.177 -0.019 0.160 -0.218		0.271** 0.083 0.075 0.077 0.196 -0.327		0.214** 0.065 0.199 0.343 0.356 -0.509		0.268** 0.031 0.057 0.100 0.196 -0.436	
4.35 Extent of responsiveness of the organisation to service users	0.443** 0.050 0.221 0.128 -0.298 -0.209		0.354** 0.010 0.087 -0.412 -0.199 -0.341		0.275** -0.040 0.124 -0.212 0.160 -0.614		0.428** 0.125 0.141 0.104 -0.199 -0.209	
4.37 Extent that organisation is citizen centred	0.377** 0.017 0.182 -0.096 -0.166 0.218		0.346** 0.201 0.009 0.450 0.166 0.036		0.205* -0.017 0.077 0.556 0.354 -0.509		0.368** 0.072 0.062 0.220 0.166 0.000	

4.40 Extent to which organisation focuses on customers	0.407** 0.070 0.364** 0.561* -0.199 -0.098	0.297** 0.233* 0.171 0.281 -0.050 0.000	0.166* 0.111 0.299* 0.394 0.221 -0.488	0.395** 0.183 0.254 -0.022 -0.050 -0.098
4.42 Organisation focuses on service provision	0.427** 0.137 0.247 0.269 0.062 0.273	0.249** 0.187 0.216 0.142 0.248 -0.394	0.246** 0.023 0.215 0.415 0.513 -0.899**	0.341** 0.239* 0.199 0.111 0.248 -0.091
4.46 Extent to which organisation gives value for money	0.468** 0.115 0.222 -0.123 0.248 0.384	0.303** 0.327** 0.304* 0.476 0.371 -0.128	0.300** 0.141 0.204 0.539* 0.532 -0.555	0.379** 0.305** 0.313* 0.260 0.371 -0.128
5.27 Performance management increase accountability to citizens	0.234** -0.029 -0.068 0.194 -0.069 0.060	0.231** 0.207 0.227 0.147 0.000 0.236	0.189** 0.027 0.020 0.135 -0.137 -0.130	0.200** -0.011 -0.135 0.510 0.000 -0.060
5.65 Extent 'equity' a driver of service performance	0.364** 0.028 0.213 0.352 -0.196 0.000	0.277** 0.128 0.306* 0.093 -0.354 -0.029	0.238** -0.114 0.093 0.289 -0.267 -0.419	0.301** 0.149 0.199 0.249 -0.354 0.171
9.20 Extent of user (of services) consultation	0.360** -0.039 -0.039 0.000 0.031 -0.180	0.279** 0.006 -0.027 0.197 -0.169 -0.120	0.320** -0.157 0.063 0.105 -0.216 -0.619	0.320** 0.051 0.106 0.356 -0.169 -0.180
9.21 Transactions with citizens rather than relationships	-0.067 -0.032 -0.155 -0.094 0.481 0.108	-0.159* 0.008 -0.006 -0.139 0.416 0.362	0.018 0.032 -0.010 -0.255 0.095 -0.060	-0.103 0.116 -0.109 0.089 0.416 0.542
9.23 Extent to which citizens participate in performance management	0.259** 0.131 0.180 0.258	0.363** 0.186 0.177 0.445	0.292** -0.232* -0.220 0.438	0.326** -0.040 0.051 0.244

	0.046 0.000	0.000 0.089	-0.389 -0.356	0.000 -0.267
12.24 Extent service to public a high priority	0.373** 0.148 0.056 -0.158 -0.098 -0.156	0.292** 0.228* 0.182 0.273 0.000 0.156	0.150* -0.043 0.064 0.433 0.291 -0.538	0.348** 0.186 0.265 -0.075 0.000 0.156

Appendix 5.11

Pearson correlation coefficients for a comprehensive approach to employee appraisal statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis B1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*****	******	*****	******	*****	******	*****	******
LA 2005	**9**	**19**	0	6	3	4	5	3	1	6
All 2009	**1**	**4**	0	0	1	1	0	2	0	1
LA 2009	**2**	**2**	1	0	0	1	0	0	1	1
Fire 2009	**0**	**0**	0	0	0	0	0	0	0	0
Police 2009	**2**	**0**	1	0	0	0	1	0	0	0
PCT 2009	**2**	**1**	0	0	1	0	1	0	0	1
4.36 Employee's goals aligned with organisation's			0.351** 0.181 0.224 0.000 0.486 -0.417		0.244** 0.297** 0.251 0.263 0.527 0.487		0.186* 0.065 0.105 0.367 0.330 0.046		0.287** 0.183 0.204 0.258 0.527 0.539	
4.53 Extent to which employee incentives are financial			0.264** 0.146 0.117 0.357 0.055 0.333		0.295** -0.038 0.025 -0.029 -0.192 -0.259		0.170* -0.019 0.127 0.240 0.076 -0.136		0.270** -0.005 0.025 -0.023 -0.192 0.111	
5.18 Team-based appraisal			0.097 0.043 0.004 0.189 0.105 -0.333		0.149* 0.022 -0.033 0.317 0.000 0.111		0.032 0.057 0.165 0.277 -0.182 -0.259		0.101 0.097 0.006 0.464 0.000 0.333	

5.19 Managers formally appraised by subordinates	0.007 0.031 -0.024 0.000 0.139 0.000	0.050 -0.004 -0.182 0.398 0.000 0.272	-0.060 0.069 0.042 0.320 0.069 -0.181	-0.027 0.181 0.035 0.327 0.000 0.816**
5.22 Performance related pay for (senior managers) Chief Executive/ Directors	0.110 -0.139 -0.122 0.277 0.269 0.000	0.074 -0.145 -0.231 -0.355 0.576 -0.583	0.153* -0.293** 0.092 -0.182 0.824* -0.444	0.068 -0.209 -0.255 0.105 0.516 0.000
B69 Performance related pay for other senior managers	0.227** NX NX NX NX NX	0.175* NX NX NX NX NX	0.219** NX NX NX NX NX	0.197** NX NX NX NX NX
5.23 Performance related pay other than for senior managers	NX 0.102 -0.005 NC 0.570 NC	NX 0.026 -0.086 NC 0.474 NC	NX 0.072 0.058 NC 0.478 NC	NX 0.017 -0.156 NC 0.474 NC
5.24 Appraisal linked to financial reward	0.242** -0.143 -0.047 0.000 0.219 -0.408	0.214** -0.101 -0.199 0.070 0.000 -0.612	0.200* -0.300** 0.088 0.019 -0.152 -0.726*	0.229** -0.183 -0.184 0.134 0.000 -0.408
5.25 Appraisal competency based	0.003 0.036 0.009 0.189 NC 0.218	0.019 0.084 0.111 0.000 NC -0.218	0.015 -0.145 -0.004 -0.225 NC -0.703*	0.028 0.088 0.075 0.175 NC -0.218
5.41 Extent of employee rewards for good performance	0.254** 0.015 0.128 -0.139 0.296 -.0429	0.245** 0.167 0.266 0.123 0.320 -0.667*	0.270** -0.167 0.042 -0.016 0.278 -0.587	0.221** 0.066 0.079 0.419 0.320 -0.429
5.42 Extent of sanctions against employees for poor performance	0.137 -0.119 -0.107 0.191	0.151* 0.044 0.157 0.083	0.196** -0.134 -0.031 -0.033	0.163* -0.090 -0.079 0.274

	-0.240 -0.384	-0.577 -0.512	-0.198 -0.156	-0.577 -0.384
8.3 Extent to which employees are well trained	0.241** 0.123 0.322* 0.066 -0.069 0.200	0.141 0.272* 0.425** -0.104 0.000 0.000	0.189* 0.112 0.171 -0.079 -0.086 -0.556	0.198** 0.381** 0.448** 0.191 -0.000 -0.200
12.9 Extent to which employee's level in organisation determines contribution	0.091 -0.124 -0.085 -0.277 0.186 0.175	-0.019 -0.042 -0.042 -0.287 0.000 -0.135	0.119 -0.189 -0.079 -0.423 0.000 -0.273	0.088 -0.062 -0.170 0.105 0.000 -0.219
12.10 Extent to which employee's role determined by job description	0.013 -0.049 0.066 0.170 0.681* -0.447	-0.109 -0.132 -0.132 0.218 0.378 0.000	0.044 0.035 -0.128 0.199 0.363 0.000	-0.049 0.069 -0.342* 0.385 0.378 0.447

Appendix 5.12

Pearson correlation coefficients for a higher level of service departments' involvement in service planning and performance management statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis B2)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01level (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*****	******	*****	******	*****	******	*****	******
LA 2005	**1**	**21**	0	6	0	5	1	4	0	6
All 2009	**4**	**2**	1	2	2	0	0	0	1	0
LA 2009	**5**	**2**	2	1	1	1	1	0	1	0
Fire 2009	**2**	**0**	2	0	0	0	0	0	0	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**3**	**0**	0	0	1	0	1	0	1	0
4.23 Level of departmental involvement in development service planning			0.285** 0.302** 0.334* 0.567* 0.055 -0.218		0.198** 0.255* 0.361** 0.242 0.129 -0.145		0.149* 0.122 0.144 0.575 0.219 -0.024		0.223** 0.173 0.204 0.529 0.129 0.000	
4.24 Extent of departmental involvement in doing service planning			0.378** 0.314** 0.304* 0.511* 0.371 -0.128		0.244** 0.234* 0.345* 0.081 0.325 -0.128		0.246** 0.111 0.124 0.221 0.585 -0.270		0.283** 0.224* 0.228 0.460 0.325 -0.128	
4.25 Community priorities fed into plans			0.308** 0.123 0.177 -0.019 0.160 -0.218		0.271** 0.083 0.075 0.077 0.196 -0.327		0.214** 0.065 0.199 0.343 0.358 -0.509		0.268** 0.031 0.057 0.100 0.196 -0.436	

5.36 Approach to performance management top-down	0.107 -0.058 0.040 -0.066 0.237 -0.302	-0.066 0.054 0.106 -0.382 0.640 -0.302	0.077 -0.029 0.160 -0.308 0.512 -0.302	0.008 0.150 0.091 0.174 0.640 0.302
5.37 Level of departmental involvement in developing performance management	0.241** 0.109 0.164 0.200 -0.208 -0.365	0.236** 0.044 0.078 0.049 0.000 -0.304	0.336** 0.075 0.000 0.320 0.240 -0.203	0.228** 0.091 0.066 0.189 0.000 0.183
5.38 Level of departmental involvement in running performance management	0.289** -0.015 -0.025 0.037 -0.310 -0.302	0.295** -0.076 -0.050 0.061 -0.197 -0.452	0.309** 0.000 0.073 0.332 -0.045 -0.536	0.255** -0.080 -0.087 0.193 -0.197 0.000
8.11 Level of resources to do performance management in service departments	0.250** 0.280* 0.454** 0.196 -0.240 0.149	0.140 -0.051 0.105 -0.042 -0.144 -0.745*	0.138 0.023 0.340* 0.092 -0.139 -0.745*	0.254** 0.131 0.310* 0.414 -0.240 -0.745*

Appendix 5.13

Pearson correlation coefficients for a higher level of decentralisation statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis C1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**1**	**7**	1	2	0	2	0	1	0	2
All 2009	**3**	**2**	2	0	1	1	0	0	0	1
LA 2009	**3**	**3**	0	1	1	2	0	0	2	0
Fire 2009	**3**	**1**	2	0	0	0	1	0	0	1
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**1**	**0**	1	0	0	0	0	0	0	0
4.33 Budget devolved to departments			0.162* 0.224* 0.166 0.569* 0.190 -0.538		0.070 -0.026 -0.069 0.164 0.395 -0.325		0.095 0.140 0.215 0.354 0.308 -0.223		0.129 0.047 0.013 0.475 0.395 -0.316	
6.1 Level of centralisation of control			-0.005 -0.142 -0.030 -0.102 -0.240 -0.577		-0.059 0.134 0.024 0.385 0.000 0.062		0.060 0.023 -0.057 0.609* 0.159 -0.144		-0.003 -0.061 -0.184 0.269 0.000 0.577	
6.2 Level of centralisation of administration			-0.044 -0.218 -0.207 0.034 -0.196 -0.683*		-0.044 -0.197 -0.322* -0.083 0.000 0.163		0.019 -0.068 -0.195 0.088 -0.146 -0.054		-0.062 -0.163 0.340* 0.064 0.000 0.488	

6.3 Level of centralisation of service planning	0.004 -0.188 -0.087 0.378 -0.385 0.143	0.012 -0.017 -0.090 -0.130 -0.416 -0.286	0.004 -0.094 -0.150 0.045 -0.076 -0.524	0.008 -0.071 -0.086 0.607* -0.416 -0.143
6.4 Level of centralisation of performance management	0.053 -0.047 0.122 -0.239 -0.555 0.156	0.015 0.037 0.083 -0.206 -0.375 -0.364	0.009 -0.188 -0.014 -0.069 -0.275 -0.885**	0.011 0.072 0.133 0.056 -0.375 -0.156
6.5 Extent to which organisation departments operate independently	-0.245** -0.075 -0.125 0.083 0.211 -0.384	-0.232** -0.218* -0.412** -0.020 0.176 0.341	-0.008 0.007 -0.016 -0.023 -0.137 0.270	-0.280** -0.119 -0.302* 0.275 0.176 0.128
6.6 Consistency of the level of practices/routines	0.375** 0.193 0.412** 0.122 0.320 0.267	0.244** 0.342** 0.380** 0.223 0.289 0.134	0.205** 0.174 0.214 0.400 0.397 -0.238	0.316** 0.378** 0.276 0.439 0.289 0.535
12.15 Extent to which power lies more in centre than departments	-0.002 -0.284* -0.157 -0.577* -0.116 -0.620	0.021 -0.094 -0.174 -0.256 0.000 -0.413	-0.065 0.025 0.062 -0.320 -0.131 -0.207	0.025 -0.076 -0.266 -0.327 0.000 -0.124

Appendix 5.14

Pearson correlation coefficients for a higher level of decentralised service planning statement and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis C2)

STATEMENT *** p<0.05 (2-tailed)** **** p<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*****	******	*****	******	*****	******	*****	******
LA 2005	**0**	**0**	0	0	0	0	0	0
All 2009	**0**	**0**	0	0	0	0	0	0
LA 2009	**0**	**0**	0	0	0	0	0	0
Fire 2009	**1**	**0**	0	0	0	0	1	0
Police 2009	**0**	**0**	0	0	0	0	0	0
PCT 2009	**0**	**0**	0	0	0	0	0	0
6.3 Level of centralisation of service planning			0.004 -0.188 -0.087 0.378 -0.385 0.143		0.012 -0.017 -0.090 -0.130 -0.416 -0.286		0.004 -0.094 0.150 0.045 -0.076 -0.524	
			0.008 -0.071 -0.086 0.607* -0.385 -0.143					

Appendix 5.15

Pearson correlation coefficients for a higher level of decentralisation of performance management statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis C3)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**			**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*****	******	*****	******	*****	******	*****	******	*****	******
LA 2005	**1**	**1**	1	0	0	0	0	0	0	1
All 2009	**0**	**0**	0	0	0	0	0	0	0	0
LA 2009	**0**	**0**	0	0	0	0	0	0	0	0
Fire 2009	**1**	**0**	0	0	0	0	0	0	1	0
Police 2009	**2**	**0**	0	0	1	0	0	0	1	0
PCT 2009	**0**	**1**	0	0	0	0	0	1	0	0
5.34 Performance management method of control			-0.163* 0.024 -0.055 0.100 0.555 0.000		-0.090 -0.005 -0.078 0.049 0.750* -0.272		-0.077 0.053 -0.033 0.053 0.584 -0.045		-0.210** 0.033 -0.221 0.472 0.750* 0.000	
6.4 Level of centralisation of performance management			0.053 -0.047 0.122 -0.239 -0.555 0.156		0.015 0.037 0.083 -0.206 -0.375 -0.364		0.009 -0.188 -0.004 -0.069 -0.275 -0.885**		0.011 0.072 0.133 0.056 -0.375 -0.156	

Appendix 5.16

Pearson correlation coefficients for a consistency of rules and practices statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis C4)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**			**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**3**	**15**	1	4	1	3	1	3	0	5
All 2009	**2**	**2**	1	0	1	1	0	0	0	1
LA 2009	**1**	**2**	0	1	1	1	0	0	0	0
Fire 2009	**1**	**0**	0	0	0	0	0	0	1	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**1**	**0**	0	0	0	0	1	0	0	0
4.45 Extent to which probity is valued			0.249** 0.136 0.138 0.466 0.138 0.500		0.138 0.223* 0.187 0.206 0.415 -0.250		0.157* -0.029 0.255 0.441 0.149 -0.667*		0.206** 0.072 0.151 -0.126 0.415 0.000	
6.6 Consistency of the level of practices/routines			0.375** 0.193 0.412** 0.122 0.320 0.267		0.244** 0.342** 0.380** 0.223 0.289 0.134		0.205** 0.174 0.214 0.400 0.397 -0.238		0.316** 0.378** 0.276 0.439 0.289 0.535	
6.7 Extent to which need for 'control' tends to subvert 'purpose'			-0.173* -0.259* -0.267 -0.217 0.423 -0.552		-0.221** -0.211 -0.314* -0.508 0.229 0.079		0.020 -0.160 -0.065 -0.470 -0.136 -0.009		-0.218** -0.024 -0.248 -0.102 0.229 0.394	

6.8 Extent to which administrative policies and practices are evidence-based	0.284** 0.080 0.217 -0.177 -0.113 -0.447	0.209** -0.047 0.014 -0.192 -0.204 -0.497	0.232** 0.126 0.166 0.022 0.028 -0.580	0.243** 0.205 0.189 0.200 -0.204 -0.194
6.9 Extent to which governance needs are discussed	0.256** 0.022 0.038 0.419 -0.175 -0.224	0.168* 0.083 0.175 -0.064 0.000 0.000	0.217** -0.161 0.123 0.035 -0.087 -0.248	0.204** 0.061 0.114 0.555* 0.000 0.000

Appendix 5.17

Pearson correlation coefficients for a higher level of political and managerial leadership statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis D1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**			**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**5**	**10**	0	4	2	1	3	1	0	4
All 2009	**2**	**1**	0	0	2	0	0	0	0	1
LA 2009	**0**	**1**	0	0	0	0	0	0	0	1
Fire 2009	**1**	**1**	0	1	0	0	0	0	1	0
Police 2009	**1**	**1**	0	0	0	0	1	0	1	0
PCT 2009	**1**	**1**	0	0	0	0	1	0	1	0
4.45 Extent to which probity is valued			0.249** 0.136 0.138 0.466 0.138 0.500		0.138 0.223* 0.187 0.206 0.415 -0.250		0.157* -0.029 0.255 0.441 0.149 -0.667*		0.206** 0.072 0.151 -0.126 0.415 0.000	
6.9 Extent to which governance needs are discussed			0.256** 0.022 0.038 0.419 -0.175 -0.224		0.168* 0.083 0.175 -0.054 0.000 0.000		0.217** -0.161 0.123 0.035 -0.087 -0.248		0.204** 0.061 0.114 0.555* 0.000 0.000	
7.2 Level of political leadership in organisation			0.261** 0.128 -0.113 0.725** 0.000 0.452		0.278** -0.074 -0.122 0.153 0.000 0.204		0.164* 0.174 -0.170 0.276 0.343 0.245		0.293** 0.155 0.036 0.782** 0.000 -0.065	

7.3 D126 Level of officer leadership in the organisation	0.251** -0.035 0.244 -0.177 0.367 0.100	0.177* 0.238* 0.247 -0.017 0.567 -0.040	0.166* -0.067 0.181 0.186 0.727* -0.515	0.214** 0.306** 0.420** 0.200 0.567 0.350

Appendix 5.18

Pearson correlation coefficients where officer leadership is more pronounced than that from elected members statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis D2)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**6**	**8**	0	3	2	2	4	0	0	3
All 2009	**2**	**1**	0	0	2	0	0	0	0	1
LA 2009	**0**	**1**	0	0	0	0	0	0	0	1
Fire 2009	**0**	**3**	0	1	0	0	0	1	0	1
Police 2009	**1**	**0**	0	0	0	0	1	0	0	0
PCT 2009	**0**	**0**	0	0	0	0	0	0	0	0
7.1 Organisation characterised as officer led			0.019 -0.017 0.267 0.000 NC 0.158		-0.157* 0.174 0.280 -0.244 NC -0.250		0.159* -0.170 0.094 -0.272 NC -0.429		-0.075 0.094 0.142 -0.200 NC -0.158	
7.2 Level of political leadership in organisation			0.261** 0.128 -0.113 0.725** 0.000 0.452		0.278** -0.074 -0.122 0.153 0.000 0.204		0.164* 0.174 -0.170 0.276 0.343 0.245		0.293** 0.155 0.036 0.782** 0.000 -0.065	
7.3 Level of officer leadership in the organisation			0.251** -0.035 0.244 -0.177 0.367 0.100		0.177* 0.238* 0.247 -0.017 0.567 -0.040		0.166* -0.067 0.181 0.186 0.727* -0.515		0.214** 0.306** 0.420** 0.200 0.567 0.350	

7.4 Level of empowerment of officers	0.332** -0.049 0.161 -0.122 0.055 0.040	0.232** 0.229* 0.221 0.373 0.150 -0.156	0.159* -0.013 0.059 0.685** 0.316 -0.493	0.333** 0.142 0.252 -0.023 0.150 -0.040

Appendix 5.19

Pearson correlation coefficients for a higher level of resources statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis E1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**6**	**15**	3	3	1	5	2	3	0	4
All 2009	**2**	**0**	1	0	0	0	1	0	0	0
LA 2009	**0**	**1**	0	1	0	0	0	0	0	0
Fire 2009	**4**	**1**	1	1	0	0	0	0	3	0
Police 2009	**1**	**0**	1	0	0	0	0	0	0	0
PCT 2009	**4**	**2**	0	0	1	0	1	1	2	1
4.8 Reviews using work measurement			0.174* 0.104 0.243 0.224 -0.681* -0.218		0.163* 0.051 0.092 -0.066 -0.557 -0.218		0.199** -0.055 0.059 0.059 -0.561 0.267		0.147 -0.053 0.086 0.000 -0.557 -0.218	
4.31 Extent of organisational slack in central functions			0.030 0.119 0.200 -0.065 0.055 0.106		-0.001 0.081 0.146 0.067 -0.055 -0.212		-0.068 -0.094 0.083 -0.036 -0.434 -0.153		0.022 0.131 0.266 -0.188 -0.055 0.106	
4.32 Extent of organisational slack in service departments			0.012 0.076 0.141 0.088 -0.091 0.000		-0.032 0.087 0.236 -0.238 -0.272 0.167		0.031 -0.018 0.063 -0.335 -0.543 0.222		0.010 0.110 0.151 -0.051 -0.072 0.200	

8.5 Extent managers overloaded with work	-0.130 -0.172 -0.196 0.288 -0.208 0.000	-0.226** -0.087 -0.150 -0.004 -0.250 0.068	-0.126 -0.018 0.092 -0.083 -0.446 0.408	-0.140 0.030 -0.015 0.590* -0.250 -0.408
8.6 Extent other employees are overloaded with work	-0.076 -0.093 -0.190 0.522* -0.105 -0.156	-0.119 -0.054 -0.165 0.244 0.000 -0.364	-0.150* -0.134 0.038 0.293 -0.441 -0.191	-0.084 -0.043 0.023 0.518* 0.000 -0.781**
8.9 Level of research capacity	0.277** 0.218* 0.366** 0.272 0.127 0.392	0.125 0.136 0.209 0.043 0.000 0.033	0.194** -0.031 0.277 0.130 -0.032 -0.240	0.235** 0.139 0.253 0.398 0.000 -0.392
8.12 Extent information available for corporate/ service planning	0.344** 0.147 0.274 0.103 -0.236 0.429	0.308** 0.043 0.117 0.068 -0.463 -0.762*	0.215** 0.030 0.039 -0.080 0.092 -0.841**	0.360** 0.190 0.203 0.208 -0.463 -0.429
8.13 Quality of organisation's physical infrastructure	0.249** 0.074 0.256 0.076 0.000 -0.124	0.216** 0.018 0.059 -0.177 0.250 -0.413	0.091 -0.144 0.130 -0.056 0.515 -0.758*	0.227** 0.132 0.205 0.231 0.250 -0.124
8.15 Extent strategic capacity is overloaded	-0.186* 0.002 -0.229 0.742** -0.262 -0.128	-0.252** -0.216 -0.239 -0.049 -0.257 -0.299	-0.130 -0.057 0.152 -0.008 -0.421 -0.299	-0.236** -0.086 -0.102 0.561* -0.257 -0.640*
8.16 Extent operational capacity is overloaded	-0.159* -0.061 -0.099 0.121 -0.355 -0.209	-0.197** -0.061 -0.140 0.323 -0.192 -0.449	-0.184* -0.226* 0.005 0.046 -0.545 -0.454	-0.139 -0.191 -0.212 0.413 -0.192 -0.329
8.17 Extent policy analysis capacity is overloaded	-0.091 -0.001 0.071 0.329	-0.120 0.039 -0.088 0.320	-0.108 -0.013 0.122 0.211	-0.088 0.084 0.190 0.202

	-0.198 0.060	0.000 -0.024	-0.098 -0.162	0.000 -0.329
8.18 Extent of budgetary slack in the organisation	0.068 -0.070 0.127 -0.375 -0.219 -0.077	0.094 0.031 0.177 -0.318 0.000 0.282	0.056 -0.144 -0.093 -0.248 -0.043 0.111	0.122 0.040 0.152 -0.560 0.000 0.692*

Appendix 5.20

Pearson correlation coefficients for a higher level of resources devoted to activities at the centre rather than in services statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis E2)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
			CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**	*	**
LA 2005	**2**	**10**	1	3	1	2	0	1	0	4
All 2009	**1**	**0**	1	0	0	0	0	0	0	0
LA 2009	**3**	**1**	1	1	0	0	1	0	1	0
Fire 2009	**2**	**1**	0	1	0	0	0	0	2	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**7**	**2**	0	0	2	1	2	1	3	0
8.7 Amount of resources deployed at corporate centre			0.052 -0.051 0.021 0.279 -0.337 -0.120		0.037 0.073 -0.017 0.362 0.000 -0.562		-0.094 -0.158 -0.169 0.134 -0.343 -0.361		0.065 0.025 -0.007 0.551* 0.000 -0.602	
8.10 Level of resources to do performance management at the centre			0.202** 0.181 0.332* 0.000 -0.114 0.384		0.183* 0.088 0.094 0.244 0.000 -0.768**		0.050 0.045 0.268 0.287 0.177 -0.697*		0.206** 0.068 0.125 0.200 0.000 -0.640*	
8.11 Level of resources to do performance management in service departments			0.250** 0.280* 0.454** 0.196 -0.240 0.149		0.140 -0.051 0.105 -0.042 -0.144 -0.745*		0.138 0.023 0.340* 0.092 -0.139 0.745*		0.254** 0.131 0.310* 0.414 -0.144 -0.745*	

8.12 Extent information available for corporate/ service planning	0.344** 0.147 0.274 0.103 -0.236 0.429	0.308** 0.043 0.117 0.068 -0.463 -0.762*	0.215** 0.030 0.039 -0.080 0.092 -0.841**	0.360** 0.190 0.203 0.208 -0.463 -0.429
8.15 Extent strategic capacity is overloaded	-0.186* 0.002 -0.229 0.742** -0.262 -0.128	-0.252** -0.216 -0.239 -0.049 -0.257 -0.299	-0.130 -0.057 0.152 -0.008 -0.412 -0.299	-0.236** -0.086 -0.102 0.561* -0.257 -0.640*
8.17 Extent policy analysis capacity is overloaded	-0.091 -0.001 0.071 0.329 -0.198 0.060	-0.120 0.039 -0.088 0.320 0.000 -0.024	-0.108 -0.013 0.122 0.211 -0.098 -0.162	-0.088 0.084 0.190 0.202 0.000 -0.329

Appendix 5.21

Pearson correlation coefficients for a higher level of resources spent on service planning statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis E3)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**0**	**6**	0	2	0	1	0	1
All 2009	**0**	**0**	0	0	0	0	0	0
LA 2009	**0**	**0**	0	0	0	0	0	0
Fire 2009	**1**	**0**	0	0	0	0	1	0
Police 2009	**0**	**0**	0	0	0	0	0	0
PCT 2009	**1**	**1**	0	0	1	0	0	0
8.2 Allocation of resources formally determined by priorities	0.192** -0.005 0.031 NC NC 0.333		0.196** -0.006 -0.045 NC NC -0.111		0.131 0.038 -0.009 NC NC 0.259		0.171* -0.151 -0.204 NC NC -0.333	
8.7 Amount of resources deployed at corporate centre	0.052 -0.051 0.021 0.279 -0.337 -0.120		0.037 0.073 -0.017 0.362 0.000 -0.562		-0.094 -0.158 -0.169 0.134 -0.343 -0.361		0.065 0.025 -0.007 0.551* 0.000 -0.602	
8.12 Extent information available for corporate/ service planning	0.344** 0.147 0.274 0.103 -0.236 0.429		0.308** 0.043 0.117 0.068 -0.463 -0.762*		0.215** 0.030 0.039 -0.080 0.092 -0.841**		0.360** 0.190 0.203 0.208 -0.463 -0.429	

Appendix 5.22

Pearson correlation coefficients for a higher level of resources spent on performance management statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis E4)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*****	******	*****	******	*****	******	*****	******
LA 2005	**1**	**4**	0	2	1	0	0	2
All 2009	**1**	**0**	1	0	0	0	0	0
LA 2009	**3**	**1**	1	1	0	0	1	0
Fire 2009	**1**	**0**	0	0	0	0	1	0
Police 2009	**0**	**0**	0	0	0	0	0	0
PCT 2009	**5**	**1**	0	0	1	1	2	0
8.7 Amount of resources deployed at corporate centre	0.052 -0.051 0.021 0.279 -0.337 -0.120		0.037 0.073 -0.017 0.362 0.000 -0.562		-0.094 -0.158 -0.169 0.134 -0.343 -0.361		0.065 0.025 -0.007 0.551* 0.000 -0.602	
8.10 Level of resources to do performance management at the centre	0.202** 0.181 0.332* 0.000 -0.114 0.384		0.183* 0.088 0.094 0.244 0.000 -0.768**		0.050 0.045 0.268 0.287 0.177 -0.697*		0.206** 0.068 0.125 0.200 0.000 -0.640*	
8.11 Level of resources to do performance management in service departments	0.250** 0.280* 0.454** 0.196 -0.240 0.149		0.140 -0.051 0.105 -0.042 -0.144 -0.745*		0.138 0.023 0.340* 0.092 -0.139 -0.745*		0.254** 0.131 0.310* 0.414 -0.144 -0.745*	

Appendix 5.23

Pearson correlation coefficients for well-trained and motivated employees statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis E5)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**									
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**			
	*	**	*	**	*	**	*	**	*	**
LA 2005	**2**	**10**	1	3	0	2	1	2	0	3
All 2009	**3**	**4**	0	1	2	1	0	0	1	2
LA 2009	**5**	**6**	2	1	1	2	2	0	0	3
Fire 2009	**0**	**0**	0	0	0	0	0	0	0	0
Police 2009	**3**	**0**	1	0	1	0	0	0	1	0
PCT 2009	**0**	**0**	0	0	0	0	0	0	0	0
4.7 Organisation wide (corporate) training programme that includes management	0.138 0.192 0.248 0.346 NC NC		0.005 0.139 0.171 -0.051 NC NC		0.073 -0.030 0.040 0.113 NC NC		0.067 0.253* 0.373** 0.067 NC NC			
4.14 Extent to which training improves organisation's performance	0.174* 0.023 0.210 -0.024 0.243 -0.186		0.077 0.315** 0.314* 0.031 0.693* 0.402		0.145 0.052 0.153 0.117 0.330 -0.062		0.122 0.197 0.225 0.177 0.693* 0.186			
4.39 Organisation regarded as competitive in terms of achievement	0.411** 0.308** 0.419** 0.119 0.657* -0.237		0.303** 0.168 0.155 -0.006 0.606 0.000		0.311** 0.127 0.333* 0.118 0.598 -0.257		0.369** 0.131 0.085 0.252 0.606 -0.237			

8.3 Extent to which employees are well trained	0.241** 0.123 0.322* 0.066 -0.069 0.200	0.141 0.272* 0.425** -0.104 0.000 0.000	0.189* 0.112 0.171 -0.079 -0.086 -0.556	0.198** 0.381** 0.448** 0.191 0.000 -0.200
8.4 Level of motivation displayed by employees	0.386** 0.140 0.353* 0.055 -0.139 0.302	0.279** 0.272* 0.388** -0.071 0.000 -0.201	0.215** 0.066 0.283* 0.218 0.137 -0.536	0.343** 0.281** 0.419** 0.136 0.000 -0.603

Appendix 5.24

Pearson correlation coefficients for resources follow priorities statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis E6)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**1**	**3**	0	1	0	1	1	0
All 2009	**0**	**0**	0	0	0	0	0	0
LA 2009	**0**	**1**	0	0	0	1	0	0
Fire 2009	**0**	**0**	0	0	0	0	0	0
Police 2009	**0**	**0**	0	0	0	0	0	0
PCT 2009	**0**	**0**	0	0	0	0	0	0
8.1 Departmental under/overspends carried over one year to next			0.063 -0.182 -0.248 -0.094 -0.219 NC		-0.021 -0.173 -0.307* -0.130 0.000 NC		0.208** 0.125 -0.021 -0.247 0.152 NC	
8.2 Allocation of resources formally determined by priorities			0.192** -0.005 0.031 0.066 -0.069 0.200		0.196** -0.006 -0.045 NC NC -0.111		0.131 0.038 -0.009 NC NC 0.259	
							0.171* -0.151 -0.204 NC NC -0.333	

Appendix 5.25

Pearson correlation coefficients for a higher level of ICT use statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis E7)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**1**	**1**	0	1	0	0	0	0	1	0
All 2009	**0**	**0**	0	0	0	0	0	0	0	0
LA 2009	**0**	**0**	0	0	0	0	0	0	0	0
Fire 2009	**0**	**0**	0	0	0	0	0	0	0	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**0**	**0**	0	0	0	0	0	0	0	0
5.1 Use of proprietary performance management software			0.035 -0.137 -0.238 0.213 -0.219 -0.218		0.060 -0.202 -0.195 0.074 -0.474 -0.218		0.071 -0.017 -0.089 -0.019 -0.434 0.024		0.063 -0.156 -0.220 0.107 -0.474 -0.218	
8.8 Use of ICT in the organisation			0.231** 0.003 0.069 0.322 0.199 0.500		0.133 0.117 0.004 0.254 0.269 -0.250		0.096 0.062 0.118 0.313 0.432 -0.250		0.185* 0.071 -0.023 0.426 0.269 -0.500	

Appendix 5.26

Pearson correlation coefficients for active engagement with auditors, inspectors and other stakeholders' statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis F1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**9**	**36**	1	12	2	7	3	8	3	9
All 2009	**6**	**3**	0	1	2	2	1	1	3	0
LA 2009	**7**	**3**	4	1	1	2	0	0	2	0
Fire 2009	**8**	**4**	1	0	1	0	1	0	5	4
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**1**	**1**	0	0	1	0	1	0	0	0
9.4 Government supportive of organisation			0.223** 0.164 0.330* 0.000 NC NC		0.237** 0.064 0.012 0.105 NC NC		0.103 -0.061 0.095 0.234 NC NC		0.195* 0.060 0.139 0.134 NC NC	
9.5 Inspectors supportive of organisation			0.422** 0.191 0.385** -0.189 NC NC		0.296** 0.413** 0.414** 0.521* NC NC		0.278** 0.034 0.149 0.523 NC NC		0.347** 0.235* 0.367* 0.071 NC NC	
9.6 External auditors supportive of organisation			0.277** 0.125 0.254 -0.189 NC NC		0.136 0.335** 0.476** -0.037 NC NC		0.244** -0.041 0.029 0.123 NC NC		0.196** 0.177 0.287* 0.071 NC NC	

9.9 Extent internal audit involvement in performance management	0.218** -0.026 0.087 0.188 -0.082 -0.186	0.209** 0.175 0.182 0.185 0.000 -0.062	0.164* -0.093 0.024 0.240 -0.041 0.041	0.242** 0.132 0.130 0.533* 0.000 0.371
9.10 Extent use of external audit to improve performance management	0.124 -0.026 0.182 0.131 -0.440 -0.156	0.008 0.140 0.213 0.206 -0.367 -0.286	0.119 -0.021 0.139 0.111 -0.495 -0.069	0.073 0.143 0.107 0.716** -0.367 0.156
9.11 Extent of use consultants in centre	-0.074 -0.183 -0.076 0.146 -0.441 -0.302	-0.040 -0.108 -0.186 -0.079 -0.202 -0.201	-0.014 -0.296** -0.018 -0.180 -0.315 -0.201	-0.093 -0.084 -0.271 0.774** -0.202 0.000
9.12 Extent use of inspection improves performance at service delivery	0.152* -0.076 0.070 0.279 -0.243 0.000	0.018 0.108 0.183 0.031 -0.187 -0.442	0.125 -0.116 -0.012 0.015 -0.017 -0.272	0.057 0.123 0.085 0.505 -0.188 0.000
9.13 Extent of use consultants in services	-0.119 -0.043 -0.084 0.300 0.000 -0.477	-0.075 -0.265* -0.265 -0.262 0.354 -0.373	-0.047 -0.196 -0.092 -0.216 0.243 -0.248	-0.132 -0.036 -0.163 0.609* 0.354 0.000
9.14 Extent of involvement of external stakeholders in organisation	0.273** -0.003 0.038 0.514 0.000 -0.111	0.273** 0.145 0.049 0.487 -0.204 -0.111	0.267** -0.156 0.042 0.583* 0.084 -0.605	0.216** 0.015 0.021 0.523* -0.204 -0.111
9.15 Level of engagement with inspectors	0.220** 0.213 0.299* 0.439 -0.308 0.000	0.101 0.249* 0.291* 0.405 0.000 -0.612	0.215** 0.183 0.210 0.493 0.305 -0.499	0.166* 0.230* 0.175 0.581* 0.000 -0.408
9.16 Level of engagement with central government	0.132 0.140 0.285* 0.111	0.109 0.190 0.032 0.361	0.153* 0.111 0.193 0.329	0.115 0.203 0.066 0.671**

	0.445 -0.408	0.344 0.272	0.457 0.045	0.344 0.204
9.17 Level of engagement with professional organisations	0.272** -0.140 -0.099 0.124 -0.020 -0.361	0.079 0.110 -0.099 0.298 -0.214 0.762*	0.288** 0.014 -0.124 0.252 -0.304 0.227	0.216** 0.120 -0.015 0.391 -0.214 0.602
9.18 Extent of use of internal networks by organisation	0.351** -0.005 0.031 0.387 0.485 0.052	0.163* 0.129 0.099 0.092 0.250 -0.114	0.204** -0.028 0.066 0.047 0.275 -0.775*	0.272** 0.247* 0.061 0.605* 0.250 -0.052
9.19 Extent of use of external networks by organisation	0.326** -0.029 0.038 0.200 0.320 0.000	0.168* 0.148 0.120 0.099 0.000 0.250	0.176* -0.035 0.056 0.076 -0.079 -0.167	0.262** 0.091 0.016 0.378 0.000 0.000
9.22 Extent to which stakeholders participate in performance management	0.192** 0.030 -0.055 0.460 0.414 0.000	0.277** 0.083 -0.038 0.322 0.359 -0.294	0.198** -0.200 -0.258 0.329 0.205 -0.240	0.229** -0.037 -0.156 0.296 0.359 0.000
9.23 Extent to which citizens participate in performance management	0.259** 0.131 0.180 0.258 0.046 0.000	0.363** 0.186 0.177 0.445 0.000 0.089	0.292** -0.232* -0.220 0.438 -0.389 -0.356	0.326** -0.040 0.051 0.000 0.046 -0.267
9.25 Extent partnerships making strategies more meaningful	0.218** 0.302** 0.316* 0.519* 0.091 0.258	0.207** 0.152 0.240 0.303 -0.247 -0.430	0.114 0.167 0.234 0.425 -0.429 0.000	0.188* 0.201 0.200 0.551* -0.247 -0.258

Appendix 5.27

Pearson correlation coefficients for a higher level of outsourcing of services statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis F2)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**0**	**0**	0	0	0	0	0	0
All 2009	**1**	**1**	0	1	0	0	0	0
LA 2009	**0**	**0**	0	0	0	0	0	0
Fire 2009	**1**	**0**	0	0	0	0	1	0
Police 2009	**0**	**0**	0	0	0	0	0	0
PCT 2009	**0**	**0**	0	0	0	0	0	0
9.1 Outsourced any central services			0.001 -0.118 -0.003 -0.094 0.105 0.000		0.060 0.121 0.089 0.428 0.000 -0.583		0.035 -0.112 -0.096 0.556* 0.286 -0.444	
9.2 Outsourced any customer services			0.037 -0.046 0.035 -0.094 -0.277 -0.488		0.076 -0.055 0.079 -0.130 -0.500 -0.143		-0.047 -0.079 0.103 -0.101 -0.412 -0.098	
9.3 Strategic partnership with provider of many services			0.011 -0.240* -0.157 -0.289 -0.219 -0.333		-0.013 0.110 0.010 0.455 -0.474 0.444		0.029 -0.133 -0.154 0.395 -0.304 0.259	

Appendix 5.28

Pearson correlation coefficients for greater involvement of stakeholders and citizens in performance management statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis F3)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**11**	**25**	1	9	6	3	1	6	3	7
All 2009	**2**	**1**	0	1	0	0	1	0	1	0
LA 2009	**1**	**0**	1	0	0	0	0	0	0	0
Fire 2009	**5**	**1**	1	0	0	0	1	1	3	0
Police 2009	**1**	**0**	0	0	0	0	1	0	0	0
PCT 2009	**3**	**1**	0	0	2	0	1	1	0	0
9.7 Views of organisation employees formally collected			0.181** 0.057 -0.076 0.000 0.555 NC		0.168* 0.025 0.037 0.105 0.000 NC		0.053 -0.147 -0.213 -0.114 0.069 NC		0.160* 0.170 0.129 0.468 0.000 NC	
9.8 Views of politicians formally collected			0.155* -0.151 -0.122 0.213 -0.577 0.316		0.136 0.079 0.079 0.389 -0.567 -0.687*		0.063 -0.196 -0.149 0.477 -0.675* -0.857**		0.151* 0.030 0.032 0.463 -0.567 -0.316	
9.14 Extent of involvement of external stakeholders in organisation			0.273** -0.003 0.038 0.514 0.000 -0.111		0.273** 0.145 0.049 0.487 -0.204 -0.111		0.267** -0.156 0.042 0.583* 0.084 -0.605		0.216** 0.015 0.021 0.523* -0.204 -0.111	

9.17 Level of engagement with professional organisations	0.272** -0.140 -0.099 0.124 -0.020 -0.361	0.079 0.110 -0.099 0.298 -0.214 0.762*	0.288** 0.014 -0.124 0.252 -0.304 0.227	0.216** 0.120 -0.015 0.391 -0.214 0.602
9.18 Extent of use of internal networks by organisation	0.351** -0.005 0.031 0.387 0.485 0.052	0.163* 0.129 0.099 0.092 0.250 -0.114	0.204** -0.028 0.066 0.047 0.275 -0.775*	0.272** 0.247* 0.061 0.605* 0.250 -0.052
9.19 Extent of use of external networks by organisation	0.326** -0.029 0.038 0.200 0.320 0.000	0.168* 0.148 0.120 0.099 0.000 0.250	0.176* -0.035 0.056 0.076 -0.079 -0.167	0.262** 0.091 0.016 0.378 0.000 0.000
9.20 Extent of user (of services) consultation	0.360** -0.039 -0.039 0.000 0.031 -0.180	0.279** 0.006 -0.027 0.197 -0.169 -0.120	0.320** -0.157 0.063 0.105 -0.216 -0.619	0.320** 0.051 0.106 0.356 -0.169 -0.180
9.21 Transactions with citizens rather than relationships	-0.067 -0.032 -0.155 -0.094 0.481 0.108	-0.159* 0.008 -0.006 -0.139 0.416 0.362	0.018 0.032 -0.010 -0.255 0.095 -0.060	-0.103 0.116 -0.109 0.089 0.416 0.542
9.22 Extent to which stakeholders participate in performance management	0.192** 0.030 -0.055 0.460 0.414 0.000	0.277** 0.083 -0.038 0.322 0.359 -0.294	0.198** -0.200 -0.258 0.329 0.205 -0.240	0.229** -0.037 -0.156 0.296 0.359 0.000
9.23 Extent to which citizens participate in performance management	0.259** 0.131 0.180 0.258 0.046 0.000	0.363** 0.186 0.177 0.445 0.000 0.089	0.292** -0.232* -0.220 0.438 -0.389 -0.356	0.326** -0.040 0.051 0.244 0.000 -0.267
9.24 Extent partnerships fragmenting effort on performance management	-0.102 0.025 0.040 0.200	0.008 0.044 0.156 -0.419	0.013 -0.115 -0.016 -0.749**	-0.048 0.149 0.174 0.286

	-0.049 -0.246	0.177 0.246	-0.267 0.155	0.177 0.400
9.25 Extent partnerships making strategies more meaningful	0.218** 0.302** 0.316* 0.519* 0.091 0.258	0.207** 0.152 0.240 0.303 -0.247 -0.430	0.114 0.167 0.234 0.425 -0.429 0.000	0.188* 0.201 0.200 0.551* -0.247 -0.258

Appendix 5.29

Pearson correlation coefficients for a higher level of communication statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis G1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**2**	**12**	0	5	1	3	0	1	1	3
All 2009	**3**	**2**	0	0	2	0	0	0	1	2
LA 2009	**5**	**1**	1	0	1	1	0	0	3	0
Fire 2009	**0**	**2**	0	0	0	1	0	1	0	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**1**	**1**	0	0	0	0	1	1	0	0
10.1 Extent organisation's relationship with media is good			0.305** 0.015 0.245 0.158 0.367 -0.556		0.233** 0.218* 0.246 0.078 0.567 -0.259		0.216** 0.073 0.092 0.249 0.532 -0.383		0.236** 0.341** 0.293* 0.299 0.567 0.333	
10.2 Extent communication on corporate/service planning			0.207** 0.199 0.311* 0.294 0.048 -0.459		0.123 0.227* 0.373** 0.157 -0.257 -0.306		0.057 0.040 0.153 0.322 -0.153 -0.561		0.131 0.300** 0.299* 0.412 -0.257 0.229	
10.3 Extent of communication on service performance			0.315** 0.121 0.167 0.392 0.641 -0.267		0.258** 0.168 0.288* -0.013 0.289 -0.579		0.099 0.036 0.197 0.164 0.397 -0.653*		0.275** 0.248* 0.126 0.395 0.289 0.000	

10.4 Extent strategic direction widely communicated	0.241** -0.061 -0.007 -0.168 0.166 -0.196	0.155* 0.212 0.187 0.587** -0.257 -0.458	0.116 0.024 0.030 0.696** 0.047 -0.784**	0.165* 0.115 0.114 0.182 -0.257 -0.392
10.5 Extent use of employees' knowledge in performance management	0.221** 0.047 0.238 0.291 0.000 -0.557	0.194** 0.139 0.223 0.143 -0.204 -0.248	0.113 -0.154 -0.026 0.385 -0.140 -0.454	0.226** 0.179 0.290* 0.432 -0.204 0.000

Appendix 5.30

Pearson correlation coefficients for a higher level of performance reporting statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis H1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**3**	**15**	3	3	0	5	0	2	0	5
All 2009	**1**	**0**	0	0	0	0	1	0	0	0
LA 2009	**1**	**0**	0	0	0	0	0	0	1	0
Fire 2009	**3**	**0**	1	0	0	0	0	0	2	0
Police 2009	**1**	**0**	1	0	0	0	0	0	0	0
PCT 2009	**2**	**0**	0	0	0	0	2	0	0	0
11.1 Performance reported on the organisation's Intranet	0.161* -0.007 0.074 0.139 NC NC		0.144 0.219* 0.225 0.150 NC NC		0.080 -0.101 -0.031 NC NC NC		0.144 -0.056 -0.159 0.498 NC NC	
11.2 Performance reported on the organisation's website	0.048 0.000 0.030 0.139 NC NC		0.144 0.051 -0.011 0.150 NC NC		-0.034 -0.060 0.015 NC NC NC		0.154 -0.152 -0.314* 0.498 NC NC	
11.3 Extent publishing performance data detrimental	-0.288** -0.090 -0.138 0.577* -0.098 -0.392		-0.250** -0.139 -0.165 -0.028 0.000 -0.131		-0.144 -0.263* -0.061 -0.118 -0.097 -0.240		-0.274** -0.070 0.074 0.005 0.000 0.000	

11.4 Extent publishing performance data internally	0.185* -0.086 -0.014 0.124 0.069 -0.071	0.192** 0.019 0.036 -0.049 0.375 -0.517	0.031 -0.084 0.145 -0.089 0.601 -0.635*	0.195** 0.130 -0.083 0.561* 0.075 0.071
11.5 Extent publishing performance data externally	0.181* 0.053 0.090 0.400 0.693* 0.079	0.273** 0.032 0.165 -0.246 0.375 -0.578	0.125 -0.202 0.044 -0.150 0.292 -0.622	0.253** 0.113 0.023 0.283 0.375 -0.079
11.6 Feedback to internal stakeholders on strategy/ performance management	0.262** -0.015 0.109 0.160 0.187 0.250	0.250** 0.158 0.130 0.185 0.359 -0.375	0.216** -0.112 0.213 0.276 0.286 -0.722*	0.238** 0.042 -0.096 0.551* 0.359 0.000
11.7 Feedback to external stakeholders on strategy/ performance management	0.264** 0.052 0.258 0.236 0.524 -0.111	0.294** 0.174 0.183 0.128 0.247 -0.296	0.221** -0.152 0.200 0.357 0.497 -0.481	0.279** 0.031 0.104 0.089 0.247 -0.111

Appendix 5.31

Pearson correlation coefficients for a high supportive and learning culture that encourages innovation and non-blame statements with CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis I1)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**19**	**65**	2	24	3	19	8	3	6	19
All 2009	**12**	**1**	1	0	7	1	0	0	4	0
LA 2009	**12**	**1**	1	0	6	1	1	0	4	0
Fire 2009	**9**	**1**	3	0	0	0	1	0	5	1
Police 2009	**10**	**0**	2	0	2	0	4	0	2	0
PCT 2009	**8**	**1**	0	0	2	0	5	1	1	0
4.45 Extent to which probity is valued			0.249** 0.136 0.138 0.466 0.138 0.500		0.138 0.223* 0.187 0.206 0.415 -0.250		0.157* -0.029 0.255 0.441 0.149 -0.667*		0.206** 0.072 0.151 -0.126 0.415 0.000	
12.1 Extent that the organisation is a learning organisation			0.366** -0.016 0.204 0.482 0.033 -0.318		0.219** 0.283* 0.322* 0.174 0.000 0.495		0.139 -0.030 0.132 0.378 0.140 0.082		0.316** 0.109 0.188 0.274 0.000 0.138	
12.2 Extent to which a psychological contract exists between employees and organisation			0.298** -0.073 0.023 -0.037 0.277 -0.273		0.282** 0.204 0.338* -0.207 0.333 -0.091		0.192* -0.021 0.148 -0.216 0.183 -0.192		0.328** 0.142 0.181 -0.241 0.333 0.273	

12.3 Extent to which high degree of mutual trust between parts of the organisation	0.419** -0.016 0.034 0.289 -0.105 0.000	0.308** 0.198 0.218 0.028 0.000 0.389	0.238** -0.013 0.129 0.248 0.026 -0.444	0.381** 0.110 0.168 -0.055 0.000 0.333
12.4 Extent to which decision making is by consensus	0.352** 0.157 0.045 0.431 -0.381 -0.267	0.212** 0.034 0.283 0.131 -0.514 -0.535	0.218** -0.016 0.158 0.166 -0.506 -0.535	0.298** 0.072 0.158 0.525* -0.514 -0.267
12.5 Extent to which organisation has a blame culture	-0.238** -0.115 -0.254 0.102 0.198 0.316	-0.239** -0.204 -0.387** 0.185 0.000 -0.437	0.020 0.015 -0.153 -0.010 -0.314 0.125	-0.248** -0.108 -0.340* 0.221 0.000 -0.316
12.6 Extent to which management create sense of urgency	0.058 0.029 0.227 0.187 0.000 -0.196	0.082 0.084 0.111 -0.115 0.000 -0.196	0.002 0.111 0.361* -0.008 0.486 0.131	0.059 0.205 0.227 0.485 0.000 0.000
12.7 Extent to which organisation has good relations trade unions	0.207** 0.159 0.152 0.542* 0.160 0.293	0.103 0.243* 0.320* 0.296 0.289 -0.488	0.080 -0.023 0.045 0.496 0.198 -0.705*	0.134 0.218 0.238 0.549* 0.289 -0.418
12.8 Level of 'good' ethical behaviour	0.266** -0.021 0.039 0.189 0.175 0.267	0.208** 0.189 0.239 0.009 0.474 -0.312	0.153* 0.027 0.044 0.118 0.608 -0.683*	0.258** 0.271* 0.267 0.250 0.474 -0.267
12.9 Extent to which employee's level in organisation determines contribution	0.091 -0.124 -0.085 -0.277 0.186 0.175	-0.019 -0.050 -0.042 -0.287 0.000 -0.135	0.119 -0.189 -0.079 -0.423 0.000 -0.273	0.088 -0.062 -0.170 -0.105 0.000 -0.219
12.10 Extent to which employee's role determined by job description	0.013 -0.049 0.066 0.170	-0.109 0.076 -0.132 0.218	0.044 0.035 -0.128 0.199	-0.049 0.069 -0.342* 0.385

	0.681* -0.447	0.378 0.000	0.363 0.000	0.378 0.447
12.11 Extent to which organisation driven by achievement of targets	0.311** -0.110 -0.004 0.400 0.308 -0.556	0.254** 0.159 0.029 0.419 0.416 -0.444	0.162 0.003 0.147 0.476 0.667* -0.383	0.241** -0.034 -0.257 0.472 0.416 -0.111
12.12 Extent to which people come first in organisation	0.283** 0.082 0.213 0.144 0.347 0.000	0.235** 0.132 0.294* -0.043 0.250 -0.237	0.063 -0.092 0.287 0.144 0.378 -0.871**	0.262** 0.115 0.135 -0.055 0.250 -0.151
12.13 Extent to which organisation encourages taking initiative	0.215** -0.066 0.061 0.322 0.102 -0.143	0.101 0.151 0.160 0.016 0.000 0.190	0.021 -0.058 0.110 0.419 0.324 -0.365	0.159* 0.084 0.107 0.425 0.000 -0.143
12.14 Extent to which officers and politicians have distinct and clear roles	0.365** 0.052 0.158 0.329 0.124 -0.416	0.318** -0.051 -0.055 -0.178 0.000 -0.205	0.213** 0.126 0.135 -0.041 0.369 -0.268	0.386** 0.154 0.126 0.342 0.000 -0.286
12.15 Extent to which power lies more in centre than departments	-0.002 -0.284* -0.157 -0.577* -0.116 -0.620	0.021 -0.094 -0.174 -0.256 0.000 -0.413	-0.065 0.025 0.062 -0.320 -0.131 -0.207	0.025 -0.076 -0.226 -0.327 -0.000 -0.124
12.16 Level of employees' morale	0.391** 0.048 0.303* -0.177 0.131 0.156	0.325** 0.288** 0.374* -0.017 0.000 0.156	0.188* -0.011 0.220 0.308 0.337 -0.538	0.373** 0.269* 0.365* 0.200 0.000 0.156
12.17 Extent to which organisational position determines contribution in teams	-0.016 -0.047 -0.005 0.099 -0.049 0.000	-0.031 -0.072 -0.147 -0.214 0.000 0.217	0.017 -0.069 0.078 -0.515 -0.049 -0.144	-0.046 0.096 -0.123 0.410 0.000 0.557

12.18 Extent to which organisation driven by rules	-0.012 -0.153 -0.070 0.152 0.414 -0.500	-0.077 0.087 -0.087 0.120 0.688* 0.250	0.030 0.080 -0.101 0.142 0.488 0.250	0.040 0.150 -0.076 0.418 0.688* 0.500
12.19 Extent to which organisation operates independently in provision of services	-0.093 -0.132 0.139 -0.442 -0.614 0.138	-0.150* -0.051 -0.003 -0.479 -0.474 0.365	-0.105 -0.139 0.154 -0.486 -0.728* 0.138	-0.157* 0.016 0.085 -0.177 -0.474 0.526
12.20 Extent to which organisation is change oriented	0.241** 0.000 0.047 0.530* 0.237 0.106	0.150* -0.023 -0.101 -0.017 0.000 0.035	0.143 -0.111 0.138 0.186 0.381 -0.200	0.190* -0.088 -0.132 0.535* 0.000 -0.318
12.21 Extent to which organisation is results oriented	0.358** -0.019 0.173 0.156 0.294 0.267	0.298** 0.130 0.168 -0.107 0.354 -0.134	0.174* -0.137 0.235 -0.136 0.534 -0.356	0.311** 0.132 0.141 0.647** 0.354 -0.267
12.22 Extent of barriers to cooperation between service areas	-0.294** -0.167 -0.171 -0.387 -0.198 0.060	-0.224** -0.182 -0.295 0.064 0.000 -0.189	-0.016 -0.158 -0.057 -0.118 -0.392 0.016	-0.318** -0.253* -0.256 -0.488 0.000 0.478
12.23 Extent of barriers to cooperation between centre and service areas	-0.278** -0.031 -0.025 0.274 -0.233 0.000	-0.228** -0.136 -0.175 -0.067 0.000 -0.131	-0.023 -0.152 -0.004 -0.268 -0.461 0.087	-0.295** -0.018 -0.122 0.518* -0.233 0.000
12.24 Extent service to public a high priority	0.373** -0.148 0.056 -0.158 -0.098 -0.156	0.292** 0.228* 0.182 0.273 0.000 0.156	0.150* -0.043 0.064 0.433 0.291 -0.538	0.348** 0.186 0.265 -0.075 0.000 0.156
12.25 Extent to which ideology drives organisation activities	0.040 -0.149 0.039 -0.145	0.060 0.167 0.066 0.160	0.065 -0.154 0.109 0.000	0.019 0.204 0.062 0.515*

	0.613 -0.364	0.686* -0.145	0.775* -0.671*	0.686* -0.073
12.26 Extent to which management creates a supportive culture	0.285** -0.097 0.043 -0.066 0.341 -0.361	0.186* 0.244* 0.181 0.201 0.283 0.562	0.088 -0.015 0.149 0.222 0.363 0.094	0.256** 0.193 0.260 0.360 0.283 0.361
12.27 Extent internal environment has impact on organisation's performance	0.146* 0.051 0.066 0.457 0.319 -0.515	0.054 0.154 0.114 0.102 0.247 0.262	0.113 0.125 0.190 0.217 0.531 -0.074	0.136 0.208 0.023 0.392 0.247 0.705*
12.28 Extent external environment has impact on organisation's performance	0.102 -0.050 0.034 0.118 0.294 -0.312	0.042 0.141 0.114 0.279 0.000 -0.286	0.053 0.109 0.229 0.276 0.194 0.191	0.095 0.129 0.111 0.245 0.000 0.156
12.29 Extent of learning from other organisations	0.249** 0.031 0.077 0.305 0.075 -0.250	0.219** 0.141 0.225 0.105 0.000 -0.042	0.116 0.033 0.111 0.228 0.093 0.167	0.219** 0.090 0.071 0.555 0.000 0.000
12.30 Extent of learning from private sector	0.197** 0.034 0.200 0.274 0.262 -0.394	0.142 0.239* 0.308* 0.135 0.000 0.447	0.168* -0.087 0.153 0.268 0.260 0.534	0.168* 0.127 0.374* 0.518 0.000 0.394
12.31 Extent of learning from voluntary sector	0.225** -0.054 -0.047 0.128 0.073 -0.538	0.198** 0.073 -0.065 0.238 0.000 0.693*	0.174* -0.200 0.354 -0.094 0.394 -0.100	0.202** -0.014 0.086 0.440 0.000 0.601
12.32 Extent of inclination for experimentation within organisation	0.295** 0.060 0.142 0.238 0.414 -0.459	0.213** 0.238* 0.145 0.258 0.179 0.688*	0.106 0.071 -0.012 0.466 0.402 0.688*	0.242** 0.093 0.107 0.276 0.179 0.451

12.33 Extent of misrepresentation of performance information	-0.140* 0.042 0.080 -0.069 0.042 0.000	-0.246** -0.026 -0.005 -0.260 0.000 0.115	0.032 -0.057 0.043 -0.663* -0.262 0.433	-0.190* 0.006 -0.060 0.301 0.000 0.000
12.34 Extent of misrepresentation of financial information	-0.178* -0.120 -0.093 -0.213 -0.693* 0.000	-0.146 -0.084 -0.088 -0.074 -0.500 0.102	0.026 -0.084 -0.007 0.019 -0.687* 0.386	-0.131 -0.229* -0.143 -0.463 -0.500 0.204
12.35 Extent performance management sympathetic with organisational culture	0.210** 0.050 0.064 -0.107 0.430 -0.500	0.207** 0.095 0.229 -0.257 0.405 -0.167	0.087 0.089 0.030 -0.337 0.602 -0.028	0.185* 0.149 0.054 0.342 0.405 0.000

Appendix 5.32

Pearson correlation coefficients where power is diffused throughout the organisation statements and CPA Rating, Performance Management Score, Service Score and Corporate Assessment (Hypothesis I2)

STATEMENT *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included** **NC – Not calculated by SPSS**	**CORRELATION COEFFICIENTS**							
	CPA RATING		**PM SCORE**		**SERVICE SCORE**		**CORP ASSESS**	
	*	**	*	**	*	**	*	**
LA 2005	**1**	**11**	0	4	0	2	1	2	0	3
All 2009	**3**	**0**	1	0	2	0	0	0	0	0
LA 2009	**0**	**0**	0	0	0	0	0	0	0	0
Fire 2009	**1**	**1**	1	0	0	0	0	1	0	0
Police 2009	**0**	**0**	0	0	0	0	0	0	0	0
PCT 2009	**0**	**1**	0	0	0	0	0	1	0	0
4.33 Budget devolved to departments			0.162** 0.224* 0.166 0.569* 0.190 -0.538		0.070 -0.026 -0.069 0.164 0.395 -0.325		0.095 0.140 0.215 0.354 0.308 -0.223		0.129 0.047 0.013 0.475 0.395 -0.316	
4.34 Delegation practiced within organisation			0.362** 0.112 0.237 -0.141 0.227 -0.500		0.110 0.221* 0.280* 0.125 0.152 -0.167		0.203** 0.052 0.199 0.248 0.227 -0.167		0.287** 0.065 0.156 0.000 0.152 -0.500	
7.4 Level of empowerment of officers			0.332** -0.049 0.161 -0.122 0.055 0.040		0.232** 0.229* 0.221 0.373 0.150 -0.156		0.159* -0.013 0.069 0.685** 0.316 -0.493		0.333** 0.142 0.252 -0.023 0.150 -0.040	

12.3 Extent to which high degree of mutual trust between parts of the organisation	0.419** -0.016 0.034 0.289 -0.105 0.000	0.308** 0.198 0.218 0.028 0.000 0.389	0.238** -0.013 0.129 0.248 0.026 -0.444	0.381** 0.110 0.168 -0.055 0.000 0.333

Appendix 5.33

SPSS output for PCA with oblimin rotation total variance explained for the 2005 survey using only those statements statistically significant at *p*<0.05 with CPA Rating

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	39.319	25.868	25.868	39.319	25.868	25.868	7.220
2	5.902	3.883	29.751	5.902	3.883	29.751	7.614
3	4.460	2.934	32.684	4.460	2.934	32.684	3.095
4	3.547	2.333	35.018	3.547	2.333	35.018	6.070
5	3.461	2.277	37.295	3.461	2.277	37.295	5.292
6	3.281	2.158	39.453	3.281	2.158	39.453	6.774
7	2.998	1.972	41.425	2.998	1.972	41.425	2.423
8	2.842	1.870	43.295	2.842	1.870	43.295	8.127
9	2.598	1.709	45.004	2.598	1.709	45.004	2.950
10	2.539	1.671	46.675	2.539	1.671	46.675	3.750
11	2.375	1.562	48.237	2.375	1.562	48.237	7.053
12	2.357	1.551	49.788	2.357	1.551	49.788	11.759
13	2.263	1.489	51.277	2.263	1.489	51.277	5.555
14	2.157	1.419	52.696	2.157	1.419	52.696	8.824
15	2.066	1.359	54.055	2.066	1.359	54.055	2.490
16	1.981	1.304	55.359	1.981	1.304	55.359	7.273
17	1.901	1.251	56.610	1.901	1.251	56.610	6.223
18	1.860	1.223	57.833	1.860	1.223	57.833	4.754
19	1.813	1.192	59.026	1.813	1.192	59.026	5.673
20	1.702	1.120	60.146	1.702	1.120	60.146	9.130
21	1.664	1.095	61.240	1.664	1.095	61.240	8.894
22	1.607	1.057	62.297	1.607	1.057	62.297	8.178
23	1.549	1.019	63.317	1.549	1.019	63.317	3.038
24	1.496	.984	64.301	1.496	.984	64.301	10.259
25	1.447	.952	65.253	1.447	.952	65.253	7.785
26	1.420	.934	66.187	1.420	.934	66.187	1.973
27	1.400	.921	67.108	1.400	.921	67.108	4.943
28	1.339	.881	67.989	1.339	.881	67.989	7.772
29	1.321	.869	68.858	1.321	.869	68.858	8.612
30	1.287	.847	69.705	1.287	.847	69.705	5.824

31	1.252	.824	70.528	1.252	.824	70.528	2.629
32	1.225	.806	71.334	1.225	.806	71.334	10.840
33	1.181	.777	72.111	1.181	.777	72.111	7.476
34	1.162	.764	72.875	1.162	.764	72.875	5.977
35	1.133	.745	73.621	1.133	.745	73.621	7.736
36	1.128	.742	74.363	1.128	.742	74.363	5.078
37	1.087	.715	75.078	1.087	.715	75.078	6.276
38	1.064	.700	75.778	1.064	.700	75.778	6.045
39	1.060	.697	76.475	1.060	.697	76.475	4.166

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.34

SPSS output for PCA with oblimin rotation total variance explained for the 2005 survey using only those statements statistically significant at $p<0.05$ with Performance Management Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	36.965	26.216	26.216	36.965	26.216	26.216	4.499
2	5.275	3.741	29.957	5.275	3.741	29.957	6.372
3	4.259	3.020	32.977	4.259	3.020	32.977	9.443
4	3.722	2.640	35.617	3.722	2.640	35.617	4.334
5	3.447	2.444	38.062	3.447	2.444	38.062	6.017
6	3.077	2.183	40.244	3.077	2.183	40.244	5.838
7	2.755	1.954	42.198	2.755	1.954	42.198	6.486
8	2.655	1.883	44.081	2.655	1.883	44.081	8.357
9	2.438	1.729	45.811	2.438	1.729	45.811	4.453
10	2.315	1.642	47.452	2.315	1.642	47.452	8.343
11	2.151	1.525	48.978	2.151	1.525	48.978	2.779
12	2.086	1.479	50.457	2.086	1.479	50.457	3.211
13	2.052	1.455	51.912	2.052	1.455	51.912	6.439
14	1.994	1.414	53.327	1.994	1.414	53.327	10.495
15	1.918	1.360	54.687	1.918	1.360	54.687	5.350
16	1.851	1.313	56.000	1.851	1.313	56.000	7.391
17	1.774	1.258	57.258	1.774	1.258	57.258	6.657
18	1.704	1.209	58.466	1.704	1.209	58.466	10.508
19	1.674	1.187	59.653	1.674	1.187	59.653	6.074
20	1.634	1.159	60.812	1.634	1.159	60.812	3.191
21	1.579	1.120	61.932	1.579	1.120	61.932	4.506
22	1.521	1.079	63.011	1.521	1.079	63.011	3.172
23	1.504	1.067	64.078	1.504	1.067	64.078	4.336
24	1.454	1.031	65.109	1.454	1.031	65.109	4.612
25	1.445	1.025	66.134	1.445	1.025	66.134	7.757
26	1.370	.971	67.105	1.370	.971	67.105	2.703
27	1.322	.937	68.043	1.322	.937	68.043	6.939
28	1.286	.912	68.955	1.286	.912	68.955	4.229
29	1.260	.894	69.849	1.260	.894	69.849	9.149
30	1.227	.870	70.719	1.227	.870	70.719	2.538

31	1.198	.850	71.569	1.198	.850	71.569	7.179
32	1.174	.832	72.401	1.174	.832	72.401	3.031
33	1.148	.814	73.215	1.148	.814	73.215	9.034
34	1.102	.781	73.996	1.102	.781	73.996	10.651
35	1.063	.754	74.750	1.063	.754	74.750	6.392
36	1.055	.748	75.498	1.055	.748	75.498	9.071

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.35

SPSS output for PCA with oblimin rotation total variance explained for the 2005 survey using only those statements statistically significant at *p*<0.05 with Service Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	27.168	26.635	26.635	27.168	26.635	26.635	7.143
2	4.268	4.184	30.819	4.268	4.184	30.819	4.072
3	3.303	3.238	34.058	3.303	3.238	34.058	5.465
4	3.092	3.031	37.089	3.092	3.031	37.089	4.295
5	2.341	2.295	39.384	2.341	2.295	39.384	2.433
6	2.319	2.274	41.657	2.319	2.274	41.657	8.323
7	2.193	2.150	43.807	2.193	2.150	43.807	2.145
8	2.026	1.986	45.793	2.026	1.986	45.793	4.556
9	1.957	1.918	47.711	1.957	1.918	47.711	7.305
10	1.904	1.867	49.578	1.904	1.867	49.578	6.367
11	1.845	1.809	51.387	1.845	1.809	51.387	6.035
12	1.770	1.735	53.122	1.770	1.735	53.122	4.394
13	1.695	1.662	54.784	1.695	1.662	54.784	3.682
14	1.627	1.595	56.378	1.627	1.595	56.378	5.391
15	1.551	1.520	57.899	1.551	1.520	57.899	5.135
16	1.456	1.428	59.326	1.456	1.428	59.326	5.983
17	1.441	1.413	60.739	1.441	1.413	60.739	4.248
18	1.391	1.364	62.103	1.391	1.364	62.103	7.437
19	1.324	1.298	63.400	1.324	1.298	63.400	4.362
20	1.266	1.241	64.641	1.266	1.241	64.641	4.659
21	1.236	1.212	65.853	1.236	1.212	65.853	4.454
22	1.170	1.147	67.000	1.170	1.147	67.000	4.768
23	1.130	1.108	68.108	1.130	1.108	68.108	7.267
24	1.105	1.083	69.192	1.105	1.083	69.192	8.551
25	1.091	1.070	70.262	1.091	1.070	70.262	7.604
26	1.048	1.028	71.289	1.048	1.028	71.289	2.789
27	1.023	1.003	72.292	1.023	1.003	72.292	6.353

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.36

SPSS output for PCA with oblimin rotation total variance explained for the 2005 survey using only those statements statistically significant at *p*<0.05 with Corporate Assessment

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	38.652	26.474	26.474	38.652	26.474	26.474	12.862
2	5.595	3.832	30.306	5.595	3.832	30.306	3.814
3	4.282	2.933	33.239	4.282	2.933	33.239	6.156
4	3.484	2.386	35.625	3.484	2.386	35.625	4.598
5	3.424	2.346	37.971	3.424	2.346	37.971	4.765
6	3.281	2.247	40.218	3.281	2.247	40.218	2.893
7	2.860	1.959	42.177	2.860	1.959	42.177	6.647
8	2.804	1.921	44.098	2.804	1.921	44.098	2.798
9	2.591	1.774	45.872	2.591	1.774	45.872	9.521
10	2.453	1.680	47.553	2.453	1.680	47.553	8.339
11	2.273	1.557	49.109	2.273	1.557	49.109	2.430
12	2.216	1.518	50.627	2.216	1.518	50.627	10.869
13	2.133	1.461	52.088	2.133	1.461	52.088	6.973
14	2.079	1.424	53.513	2.079	1.424	53.513	8.384
15	2.021	1.384	54.897	2.021	1.384	54.897	5.694
16	1.868	1.280	56.177	1.868	1.280	56.177	5.871
17	1.827	1.252	57.428	1.827	1.252	57.428	2.475
18	1.718	1.177	58.605	1.718	1.177	58.605	4.435
19	1.688	1.156	59.761	1.688	1.156	59.761	3.887
20	1.665	1.141	60.901	1.665	1.141	60.901	2.226
21	1.593	1.091	61.992	1.593	1.091	61.992	5.844
22	1.537	1.052	63.045	1.537	1.052	63.045	8.480
23	1.462	1.001	64.046	1.462	1.001	64.046	6.345
24	1.450	.993	65.039	1.450	.993	65.039	9.311
25	1.381	.946	65.985	1.381	.946	65.985	6.713
26	1.349	.924	66.909	1.349	.924	66.909	5.359
27	1.308	.896	67.805	1.308	.896	67.805	3.107
28	1.280	.876	68.681	1.280	.876	68.681	5.850
29	1.261	.864	69.545	1.261	.864	69.545	7.922
30	1.248	.855	70.400	1.248	.855	70.400	10.561
31	1.223	.838	71.238	1.223	.838	71.238	9.679

32	1.205	.825	72.063	1.205	.825	72.063	5.477
33	1.139	.780	72.843	1.139	.780	72.843	8.404
34	1.129	.773	73.616	1.129	.773	73.616	7.498
35	1.087	.744	74.361	1.087	.744	74.361	7.483
36	1.057	.724	75.085	1.057	.724	75.085	2.153
37	1.033	.708	75.792	1.033	.708	75.792	2.861
38	1.023	.701	76.493	1.023	.701	76.493	6.991
39	1.011	.692	77.186	1.011	.692	77.186	5.809

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.37

SPSS output for PCA with oblimin rotation total variance explained for all organisation types combined for the 2009 survey using only those statements statistically significant at *p*<0.05 with CPA Rating

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	5.866	25.506	25.506	5.866	25.506	25.506	4.218
2	2.245	9.760	35.266	2.245	9.760	35.266	3.928
3	1.784	7.756	43.022	1.784	7.756	43.022	2.042
4	1.471	6.394	49.416	1.471	6.394	49.416	1.818
5	1.346	5.854	55.270	1.346	5.854	55.270	2.144
6	1.222	5.314	60.584	1.222	5.314	60.584	1.254
7	1.092	4.747	65.331	1.092	4.747	65.331	2.316

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.38

SPSS output for PCA with oblimin rotation total variance explained for local authorities for the 2009 survey using only those statements statistically significant at *p*<0.05 with CPA Rating

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	10.841	33.878	33.878	10.841	33.878	33.878	7.126
2	2.444	7.637	41.515	2.444	7.637	41.515	4.347
3	2.216	6.924	48.439	2.216	6.924	48.439	4.687
4	1.798	5.618	54.057	1.798	5.618	54.057	2.063
5	1.544	4.826	58.883	1.544	4.826	58.883	3.175
6	1.349	4.216	63.100	1.349	4.216	63.100	5.873
7	1.270	3.970	67.070	1.270	3.970	67.070	2.185
8	1.218	3.807	70.876	1.218	3.807	70.876	2.842
9	1.057	3.305	74.181	1.057	3.305	74.181	2.571

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.39

SPSS output for PCA with oblimin rotation total variance explained for police forces for the 2009 survey using only those statements statistically significant at *p*<0.05 with CPA Rating

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3.467	57.778	57.778	3.467	57.778	57.778	3.050
2	.976	16.274	74.053	.976	16.274	74.053	2.285

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.40

SPSS output for PCA with oblimin rotation total variance explained for primary care trusts for the 2009 survey using only those statements statistically significant at *p*<0.05 with CPA Rating

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	2.897	72.433	72.433	2.897	72.433	72.433	2.736
2	.730	18.244	90.676	.730	18.244	90.676	1.596
3	.229	5.714	96.391	.229	5.714	96.391	2.285

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.41

SPSS output for PCA with oblimin rotation total variance explained for all organisation types combined for the 2009 survey using only those statements statistically significant at *p*<0.05 with Performance Management Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	15.015	32.641	32.641	15.015	32.641	32.641	7.142
2	3.221	7.002	39.644	3.221	7.002	39.644	2.758
3	2.278	4.952	44.596	2.278	4.952	44.596	3.892
4	2.099	4.563	49.159	2.099	4.563	49.159	7.198
5	1.704	3.704	52.863	1.704	3.704	52.863	2.579
6	1.667	3.623	56.486	1.667	3.623	56.486	1.814
7	1.488	3.234	59.720	1.488	3.234	59.720	6.930
8	1.453	3.158	62.878	1.453	3.158	62.878	3.960
9	1.366	2.970	65.847	1.366	2.970	65.847	6.374
10	1.191	2.589	68.437	1.191	2.589	68.437	4.527
11	1.116	2.427	70.863	1.116	2.427	70.863	6.312

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.42

SPSS output for PCA with oblimin rotation total variance explained for local authorities for the 2009 survey using only those statements statistically significant at *p*<0.05 with Performance Management Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	13.556	32.277	32.277	13.556	32.277	32.277	6.905
2	3.414	8.128	40.405	3.414	8.128	40.405	4.218
3	2.582	6.149	46.554	2.582	6.149	46.554	2.063
4	2.259	5.378	51.932	2.259	5.378	51.932	7.306
5	1.941	4.622	56.554	1.941	4.622	56.554	4.704
6	1.797	4.279	60.834	1.797	4.279	60.834	2.306
7	1.616	3.848	64.682	1.616	3.848	64.682	3.297
8	1.487	3.540	68.221	1.487	3.540	68.221	6.089
9	1.324	3.152	71.373	1.324	3.152	71.373	4.390
10	1.163	2.770	74.143	1.163	2.770	74.143	5.622
11	1.048	2.496	76.639	1.048	2.496	76.639	1.915

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.43

SPSS output for PCA with oblimin rotation total variance explained for fire services for the 2009 survey using only those statements statistically significant at *p*<0.05 with Performance Management Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3.983	56.903	56.903	3.983	56.903	56.903	3.722
2	.994	14.203	71.106	.994	14.203	71.106	2.464

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.44

SPSS output for PCA with oblimin rotation total variance explained for PCTs for the 2009 survey using only those statements statistically significant at *p*<0.05 with Performance Management Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	5.283	66.037	66.037	5.283	66.037	66.037	4.396
2	1.042	13.023	79.059	1.042	13.023	79.059	3.795

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.45

SPSS output for PCA with oblimin rotation total variance explained for all organisation types combined for the 2009 survey using only those statements statistically significant at *p*<0.05 with Service Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	1.889	20.987	20.987	1.889	20.987	20.987	1.686
2	1.376	15.294	36.281	1.376	15.294	36.281	1.377
3	1.299	14.433	50.714	1.299	14.433	50.714	1.361
4	1.191	13.235	63.949	1.191	13.235	63.949	1.473

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.46

SPSS output for PCA with oblimin rotation total variance explained for local authorities for the 2009 survey using only those statements statistically significant at *p*<0.05 with Service Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	2.937	41.964	41.964	2.937	41.964	41.964	2.456
2	1.218	17.403	59.367	1.218	17.403	59.367	1.212
3	.836	11.940	71.307	.836	11.940	71.307	2.256

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.47

SPSS output for PCA with oblimin rotation total variance explained for fire services for the 2009 survey using only those statements statistically significant at <0.05 with Service Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	7.288	52.060	52.060	7.288	52.060	52.060	5.005
2	1.594	11.384	63.445	1.594	11.384	63.445	5.093
3	1.402	10.015	73.460	1.402	10.015	73.460	3.090
4	.850	6.070	79.530	.850	6.070	79.530	3.511

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.48

SPSS output for PCA with oblimin rotation total variance explained for police forces for the 2009 survey using only those statements statistically significant at *p*<0.05 with Service Score

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3.405	68.106	68.106	3.405	68.106	68.106	2.939
2	.743	14.866	82.972	.743	14.866	82.972	2.588

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.49

SPSS output for PCA with oblimin rotation total variance explained for all organisation types combined for the 2009 survey using only those statements statistically significant at *p*<0.05 with Corporate Assessment

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	10.244	34.148	34.148	10.244	34.148	34.148	5.578
2	2.039	6.798	40.945	2.039	6.798	40.945	3.984
3	1.710	5.699	46.644	1.710	5.699	46.644	3.333
4	1.538	5.128	51.772	1.538	5.128	51.772	1.970
5	1.381	4.604	56.376	1.381	4.604	56.376	5.637
6	1.239	4.131	60.507	1.239	4.131	60.507	1.352
7	1.161	3.872	64.379	1.161	3.872	64.379	2.720
8	1.078	3.594	67.972	1.078	3.594	67.972	5.896

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.50

SPSS output for PCA with oblimin rotation total variance explained for local authorities for the 2009 survey using only those statements statistically significant at *p*<0.05 with Corporate Assessment

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	11.347	34.386	34.386	11.347	34.386	34.386	6.709
2	2.267	6.869	41.255	2.267	6.869	41.255	5.317
3	2.039	6.178	47.433	2.039	6.178	47.433	2.438
4	1.751	5.307	52.740	1.751	5.307	52.740	3.152
5	1.572	4.763	57.503	1.572	4.763	57.503	4.066
6	1.496	4.532	62.035	1.496	4.532	62.035	5.488
7	1.384	4.194	66.229	1.384	4.194	66.229	2.578
8	1.305	3.955	70.184	1.305	3.955	70.184	3.986
9	1.109	3.360	73.543	1.109	3.360	73.543	2.506
10	1.050	3.182	76.725	1.050	3.182	76.725	3.212

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 5.51

SPSS output for PCA with oblimin rotation total variance explained for PCTs for the 2009 survey using only those statements statistically significant at *p*<0.05 with Corporate Assessment

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	5.206	57.844	57.844	5.206	57.844	57.844	3.563
2	1.344	14.930	72.774	1.344	14.930	72.774	2.946
3	1.002	11.135	83.909	1.002	11.135	83.909	2.913
4	.798	8.870	92.779	.798	8.870	92.779	2.650
5	.497	5.521	98.300	.497	5.521	98.300	.875
6	.093	1.031	99.330	.093	1.031	99.330	3.473

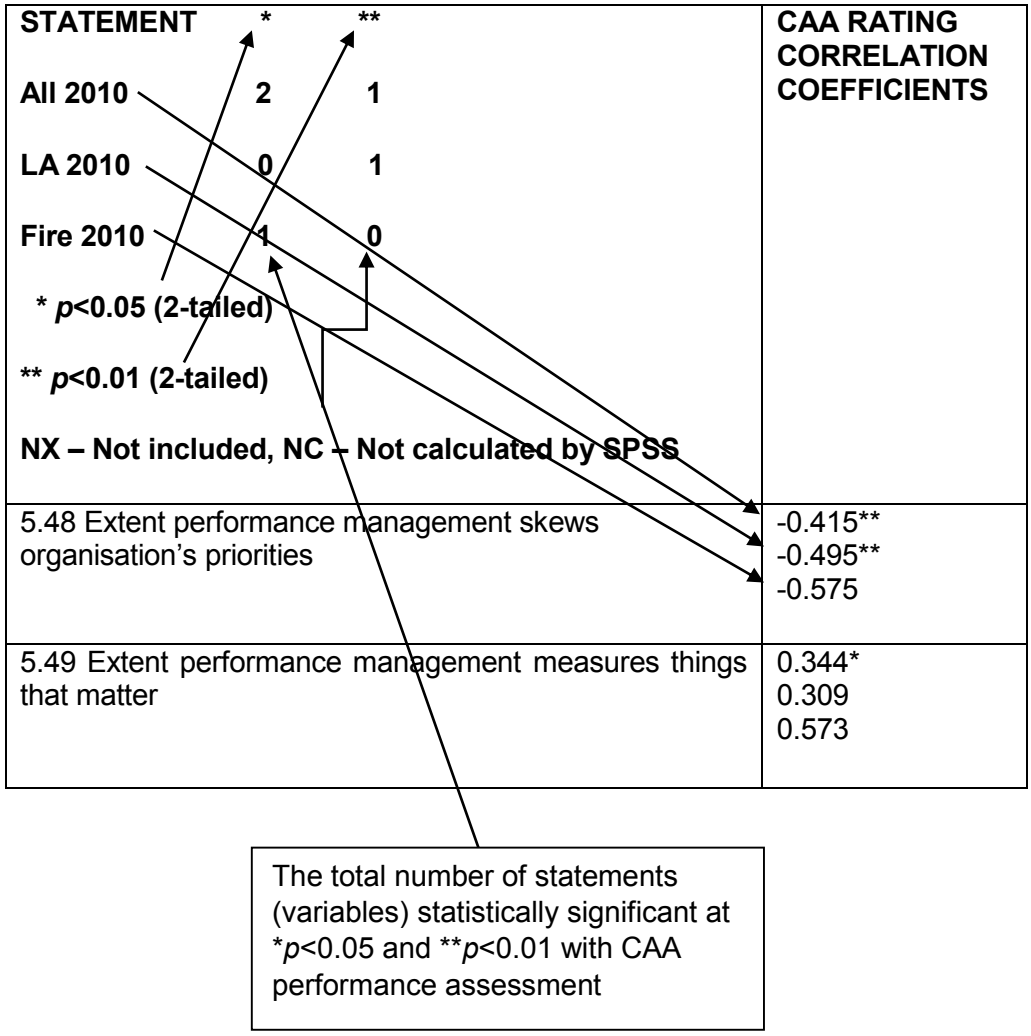
Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

APPENDIX 6

Explanation for Appendices 6.1 to 6.31

Appendices 6.2 to 6.31 contain the correlations between the statements in the survey questionnaire and organisational performance as assessed by the Audit Commission (Joint Inspectorates) through the Comprehensive Area Assessment. Correlations are shown for all four organisation types combined in 2010 and then for two of the four organisation types individually where sufficient data was available. The statistical significance of the correlation is shown thus: *p<0.05 and **p<0.01. The number of statements significant at these levels is shown to the top left.



Appendix 6.1

Pearson correlation coefficients for strategic direction statements and CAA Rating (Hypothesis A1)

STATEMENT * ** **All 2010** **2** **1** **LA 2010** **0** **1** **Fire 2010** **1** **0** *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.1 Written corporate strategy with top objectives tied into community strategy	-0.053 -0.055 NC
4.2 Written service plans	0.175 0.210 NC
4.3 Corporate strategy planned in advance with stakeholders	0.159 0.124 0.373
4.4 Agreed formal mission/vision statement	0.087 0.112 NC
4.5 Published organisational development strategy	-0.220 -0.078 -0.641*
4.6 Published medium-term financial plan	NC NC NC
4.9 Took part in I&DeA's local government improvement programme or equivalent	0.039 0.057 NC
4.15 Political issues 'blow' strategy off course	-0.279 -0.339 -0.067

4.16 Extent top-down approach to strategic planning	0.092 0.124 0.119
4.17 Central policy/ Best Value direction	0.166 0.290 -0.051
4.18 Corporate strategy linked to community strategy	0.041 0.084 -0.188
4.19 Extent organisation thinks strategically	0.256 0.277 0.060
4.20 Service developments implemented strategically	0.219 0.140 0.532
4.25 Community priorities fed into plans	0.191 0.245 0.051
4.26 Strategies and plans linked together	0.217 0.241 0.245
4.27 Budget linked to priorities	0.049 0.075 -0.043
4.28 Plan for short, medium and long term	0.282 0.316 0.140
4.29 Policy decisions based on evidence	0.120 0.075 0.283
4.30 Extent of formal risk management with written risk register	0.107 0.221 -0.271
4.36 Employee's goals aligned with organisation's	-0.026 -0.035 -0.028
4.38 Organisation is budget driven	0.073 0.072 0.000

4.42 Organisation focuses on service provision	0.051 0.043 0.209
4.45 Extent to which probity is valued	0.120 0.008 0.524
4.47 Aims and objectives shared across organisation	0.009 0.050 -0.043
4.48 Extent of separation between strategy and implementation	-0.123 -0.090 -0.270
4.49 Extent of organisation focus on 'ends' rather than 'means'	0.376* 0.319 0.542
4.54 Team/individual goals aligned to strategy	0.226 0.159 0.463
4.55 Aims/objectives corporate body and service providers linked	0.233 0.132 0.540
B57 Collect all Quality of Life Indicators	NX NX NX
5.3 Use EFQM Excellence Model or variant	-0.012 0.273 -0.437
5.4 Use Balanced Scorecard or variant	0.036 0.078 -0.040
5.5 Use Total Quality Management	0.036 0.273 -0.437
5.6 Use Benchmarking	NC NC NC
5.7 Use Management by Objectives	-0.059 -0.024 -0.125

5.8 Use strategy mapping	-0.062 0.067 -0.395
5.9 Use corporate planning	NC NC NC
5.32 Are targets ambitious	-0.036 -0.138 0.437
5.34 Performance management method of control	0.141 0.166 0.236
5.37 Level of departmental involvement in developing performance management	0.071 0.014 0.217
5.38 Level of departmental involvement in running performance management	0.048 0.045 -0.177
5.48 Extent performance management skews organisation's priorities	-0.415** -0.495** -0.575
5.49 Extent performance management measures things that matter	0.344* 0.309 0.573
5.50 Level of game playing (auditors/government)	0.044 -0.004 0.289
5.58 Extent performance management integrated into strategy	0.133 0.187 -0.040
5.59 Extent context is considered in analysis	0.031 0.006 0.000
5.65 Extent 'equity' a driver of service performance	-0.062 -0.226 0.156
5.66 Extent to which 'use' stage of performance management successful	0.234 0.115 0.500

5.67 Extent EFQM/BSC integral part of strategic planning	-0.021 -0.092 0.012
5.68 Extent strategy maps are used	-0.037 -0.041 -0.189
6.5 Extent to which organisation departments operate independently	-0.261 -0.288 -0.164
6.9 Extent to which governance needs are discussed	-0.039 -0.042 0.000
9.3 Strategic partnership with provider of many services	0.086 0.189 -0.316
9.25 Extent partnerships making strategies more meaningful	-0.274 -0.282 -0.156
10.4 Extent strategic direction widely communicated	0.237 0.301 0.125
11.6 Feedback to internal stakeholders on strategy/ performance management	0.130 0.170 -0.021
11.7 Feedback to external stakeholders on strategy/ performance management	0.030 0.011 0.125
12.19 Extent to which organisation operates independently in provision of services	0.063 0.210 -0.236

Appendix 6.2

Pearson correlation coefficients for higher level of strategic and service planning statements and CAA Rating (Hypothesis A2)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.1 Written corporate strategy with top objectives tied into community strategy	-0.053 -0.055 NC
4.2 Written service plans	0.175 0.210 NC
4.3 Corporate strategy planned in advance with stakeholders	0.159 0.124 0.373
4.4 Agreed formal mission/vision statement	0.087 0.112 NC
4.11 Level of innovation in service planning	0.061 0.120 0.015
4.16 Extent top-down approach to strategic planning	0.092 0.124 0.119
4.23 Level of departmental involvement in service planning	0.251 0.284 0.232
4.24 Extent of departmental involvement in doing service planning	0.133 0.152 0.115

4.44 Service planning is optimum	-0.120 -0.214 0.200
4.47 Aims and objectives shared across organisation	0.009 0.050 -0.043
4.55 Aims/objectives corporate body and service providers linked	0.233 0.132 0.540
5.9 Use corporate planning	NC NC NC
5.67 Extent EFQM/BSC integral part of strategic planning	-0.021 -0.092 0.012
6.3 Level of centralisation of service planning	-0.200 -0.229 -0.040
8.12 Extent information available for corporate/service planning	0.141 0.202 0.029
10.2 Extent communication on corporate/service planning	0.146 0.026 0.577

Appendix 6.3

Pearson correlation coefficients for a higher level of performance management statements and CAA Rating (Hypothesis A3)

STATEMENT * ** **All 2010** **2** **1** **LA 2010** **1** **1** **Fire 2010** **4** **0** ***** ***p*<0.05 (2-tailed)** ****** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.12 Effectiveness more important than efficiency	0.042 0.103 -0.202
4.43 Extent performance management focused on group processes	-0.106 -0.132 0.103
4.50 Extent to which critical success factors are used	0.086 0.152 -0.043
4.52 Extent to which management (Best Value) reviews result in service improvement	0.233 0.229 0.352
5.1 Use of proprietary performance management software	0.085 0.086 -0.189
B57 Collect all Quality of Life Indicators	NX NX NX
5.3 Use EFQM Excellence Model or variant	-0.012 0.273 -0.437
5.4 Use Balanced Scorecard or variant	0.036 0.078 -0.040

5.5 Use Total Quality Management	0.036 0.273 -0.437
5.6 Use Benchmarking	NC NC NC
5.7 Use Management by Objectives	-0.059 -0.024 -0.125
5.8 Use strategy mapping	-0.062 0.067 -0.395
5.10 Use Outcome based accountability	0.020 0.057 -0.040
5.11 Use of other techniques for performance management	0.052 0.213 -0.316
5.13 Hold Investor in People	0.118 0.283 -0.088
5.15 Hold any performance-based awards (e.g. Beacon)	0.013 0.113 -0.395
5.17 Quality accreditation (ISO9000)	0.094 0.185 -0.437
5.18 Team based appraisal	0.089 0.057 0.189
5.19 Managers formally appraised by subordinates	0.103 0.220 -0.395
5.20 Performance management exist to extent if not for central government requirements (Best Value)	0.066 0.086 NC
5.21 Extent to which meaningful indicators exist (excluding statutory)	0.133 0.161 NC

5.22 Performance related pay for (senior managers) Chief Executive/Directors	0.221 0.309 NC
B69 Performance related pay for other senior managers	NX NX NX
5.24 Appraisal linked to financial reward	0.263 0.309 NC
5.25 Appraisal competency based	0.269 0.248 0.437
5.26 Extent to which performance management produces sufficient timely information	0.012 0.020 NC
5.27 Performance management increases accountability to citizens	0.018 0.031 NC
5.28 Performance management increases accountability to central government	-0.231 -0.262 NC
5.29 Extent that performance management too complicated	0.036 0.009 NC
5.30 Performance of professionals managed	-0.039 -0.040 NC
5.31 Too many performance indicators	-0.069 -0.043 -0.125
5.32 Are targets ambitious	-0.036 -0.138 0.437
5.33 Range of qualitative and quantitative indicators	-0.055 0.216 -0.672*
5.34 Performance management method of control	0.141 0.166 0.236

5.35 Innovative approach to performance management	0.181 0.192 0.442
5.36 Approach to performance management top-down	-0.097 -0.112 0.236
5.37 Level of departmental involvement in developing performance management	0.071 0.014 0.217
5.38 Level of departmental involvement in running performance management	0.048 0.045 -0.177
5.39 Adequacy of systems for collecting national indicators	-0.043 -0.140 0.316
5.40 Comprehensiveness of set of local indicators	0.105 0.162 -0.125
5.41 Extent of employee rewards for good performance	0.013 0.114 -0.505
5.42 Extent of sanctions against employees for poor performance	-0.146 -0.070 -0.410
5.43 Extent performance managed not just measured	0.291 0.228 0.750*
5.44 Extent performance management an agent of change	0.108 0.081 0.555
5.45 Extent managers have access to quality timely performance information	0.149 0.113 0.316
5.46 Extent democratic representatives have access to quality timely performance information	0.008 0.075 -0.316
5.47 Extent performance management produces perverse incentives	-0.160 -0.264 -0.125

5.48 Extent performance management skews organisation priorities	-0.415** -0.495** -0.575
5.49 Extent performance management measures things that matter	0.344* 0.309 0.573
5.50 Level of game playing (auditors/government)	0.044 -0.004 0.289
5.51 Extent performance management focused on learning	0.292 0.254 0.361
5.52 Extent performance management focused on qualitative measures	0.159 0.284 -0.375
5.53 Extent performance management is optimum	0.068 -0.006 0.312
5.54 Extent organisational performance rated more highly than democratic	-0.046 -0.098 0.335
5.55 External performance constrained by central government action	-0.235 -0.298 -0.107
5.56 Extent targets sub-optimise performance	-0.035 -0.023 0.000
5.57 Extent performance management agent of accountability	0.101 0.071 0.293
5.58 Extent performance management integrated into strategy	0.133 0.187 -0.040
5.59 Extent context is considered in analysis	0.031 0.006 0.000
5.60 Extent focus on national indicators to detriment of local indicators	-0.231 -0.272 -0.266

5.61 Extent focus on what measured rather than what matters	-0.187 -0.301 0.433
5.62 Extent performance management has local political commitment	-0.026 0.089 -0.357
5.63 Extent performance management has commitment top-level management	0.207 0.137 0.672*
5.64 Extent effort spent improving accuracy PIs rather than managing services	-0.273 -0.237 -0.410
5.65 Extent 'equity' a driver of service performance	-0.062 -0.226 0.156
5.66 Extent to which 'use' stage of performance management successful	0.234 0.115 0.500
5.67 Extent EFQM/BSC integral part of strategic planning	-0.021 -0.092 0.012
5.68 Extent strategy maps are used	-0.037 -0.041 -0.189
6.4 Level of centralisation of performance management	-0.146 -0.135 -0.107
8.2 Allocation of resources formally determined by priorities	-0.009 -0.095 -0.125
8.10 Level of resources to do performance management at the centre	0.049 0.177 0.000
8.11 Level of resources to do performance management in service departments	0.179 0.166 0.125
9.9 Extent internal audit involvement in performance management	-0.069 -0.125 -0.088

9.10 Extent use of external audit to improve performance management	0.044 0.096 -0.306
9.11 Extent of use consultants in centre	-0.170 -0.182 0.168
9.12 Extent use of inspection improves performance at service delivery	0.155 0.187 0.156
9.22 Extent to which stakeholders participate in performance management	-0.112 -0.190 0.359
9.23 Extent to which citizens participate in performance management	-0.079 -0.061 -0.125
9.24 Extent partnerships fragmenting effort on performance management	0.017 0.022 0.142
10.3 Extent of communication on service performance	0.062 0.008 0.287
10.5 Extent use of employees' knowledge in performance management	0.304 0.245 0.289
11.1 Performance reported on the organisation's Intranet	0.171 0.226 NC
11.2 Performance reported on the organisation's website	-0.082 -0.081 NC
11.3 Extent publishing performance data detrimental	-0.256 -0.397* -0.053
11.4 Extent publishing performance data internally	0.142 0.126 0.205
11.5 Extent publishing performance data externally	-0.038 0.047 -0.329

11.6 Feedback to internal stakeholders on strategy/ performance management	0.130 0.170 -0.021
11.7 Feedback to external stakeholders on strategy/ performance management	0.030 0.011 0.125
12.11 Extent to which organisation driven by achievement of targets	0.138 0.175 0.187
12.33 Extent of misrepresentation of performance information	-0.298 -0.364 0.000
12.35 Extent performance management sympathetic with organisational culture	0.324* 0.249 0.693*

Appendix 6.4

Pearson correlation coefficients for an organisation with an organisational development strategy statements and CAA Rating (Hypothesis A4)

STATEMENT * ** **All 2010** 1 0 **LA 2010** 0 0 **Fire 2010** 1 0 * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.4 Agreed formal mission/vision statement	0.087 0.112 NC
4.5 Published organisational development strategy	-0.220 -0.078 -0.641*
4.13 Extent to which effectiveness more important than efficiency	-0.147 -0.107 -0.281
4.21 Extent of active management of HRM	0.045 0.157 -0.372
4.34 Delegation practiced within organisation	0.088 0.007 0.255
4.36 Employee's goals aligned with organisation's	-0.026 -0.035 -0.028
4.41 Organisation focuses on employees	0.208 0.246 0.021
4.47 Aims and objectives shared across organisation	0.009 0.050 -0.043

4.51 Extent to which HRM is important for organisational performance	-0.012 0.069 -0.346
4.54 Team/individual goals aligned to strategy	0.226 0.159 0.463
5.18 Team based appraisal	0.089 0.057 0.189
5.19 Managers formally appraised by subordinates	0.103 0.220 -0.395
5.22 Performance related pay for (senior managers) Chief Executive/Directors	0.221 0.309 NC
B69 Performance related pay for other senior managers	NX NX NX
5.24 Appraisal linked to financial reward	0.263 0.309 NC
5.25 Appraisal competency based	0.269 0.248 0.437
5.41 Extent of employee rewards for good performance	0.013 0.114 -0.505
5.42 Extent of sanctions against employees for poor performance	-0.146 -0.070 -0.410
5.51 Extent performance management focused on learning	0.292 0.254 0.361
8.3 Extent to which employees are well trained	0.311 0.340 0.375
8.4 Level of motivation displayed by employees	0.214 0.225 0.354

8.14 Extent employee creativity is harnessed	0.248 0.280 0.056
10.2 Extent communication on corporate/service planning	0.146 0.026 0.577
10.3 Extent of communication on service performance	0.062 0.008 0.287
10.4 Extent strategic direction widely communicated	0.237 0.301 0.125
11.1 Performance reported on the organisation's Intranet	0.171 0.226 NC
12.1 Extent that the organisation is a learning organisation	0.208 0.227 0.024
12.5 Extent to which organisation has a blame culture	-0.369* -0.311 -0.381
12.16 Level of employees' morale	0.096 0.223 -0.125

Appendix 6.5

Pearson correlation coefficients for an organisation with proprietary performance management software statement and CAA Rating (Hypothesis A5)

STATEMENT * ** **All 2010** **0** **0** **LA 2010** **0** **0** **Fire 2010** **0** **0** *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
5.1 Use of proprietary performance management software	0.085 0.086 -0.189

Appendix 6.6

Pearson correlation coefficients for a high level of employee involvement in performance management statements and CAA Rating (Hypothesis A6)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 1 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.16 Extent top-down approach to strategic planning	0.092 0.124 0.119
4.22 Extent of front-line employee involvement in service planning	0.265 0.423* 0.021
4.34 Delegation practiced within organisation	0.088 0.007 0.255
4.36 Employee's goals aligned with organisation's	-0.026 -0.035 -0.028
4.41 Organisation focuses on employees	0.208 0.246 0.021
4.43 Extent performance management focused on group processes	-0.106 -0.132 0.103
10.5 Extent use of employees' knowledge in performance management	0.304 0.245 0.289

Appendix 6.7

Pearson correlation coefficients for use of BSC/EFQM/TQM/MBO/ Benchmarking/Strategy mapping statements and CAA Rating (Hypothesis A7)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
5.3 Use EFQM Excellence Model or variant	-0.012 0.273 -0.437
5.4 Use Balanced Scorecard or variant	0.036 0.078 -0.040
5.5 Use Total Quality Management	0.036 0.273 -0.437
5.6 Use Benchmarking	NC NC NC
5.7 Use Management by Objectives	-0.059 -0.024 -0.125
5.8 Use strategy mapping	-0.062 0.067 -0.395
5.67 Extent EFQM/BSC integral part of strategic planning	-0.021 -0.092 0.012

Appendix 6.8

Pearson correlation coefficients for a high level of innovation statements and CAA Rating (Hypothesis A8)

STATEMENT * ** **All 2010** 1 0 **LA 2010** 0 0 **Fire 2010** 0 0 * ***p*<0.05 2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.10 Level of innovation in service delivery	0.180 0.178 0.152
4.11 Level of innovation in service planning	0.061 0.120 0.015
12.20 Extent to which organisation is change oriented	0.220 0.297 -0.087
12.32 Extent of inclination for experimentation within organisation	0.349* 0.358 0.247

Appendix 6.9

Pearson correlation coefficients for a high level of citizen/service user focus statements and CAA Rating (Hypothesis A9)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.25 Community priorities fed into plans	0.191 0.245 0.051
4.35 Extent of responsiveness of the organisation to service users	0.100 0.254 -0.399
4.37 Extent that organisation is citizen centred	0.058 0.145 -0.140
4.40 Extent to which organisation focuses on customers	0.027 0.126 -0.161
4.42 Organisation focuses on service provision	0.051 0.043 0.209
4.46 Extent to which organisation gives value for money	0.145 0.186 0.140
5.27 Performance management increase accountability to citizens	0.018 0.031 NC
5.65 Extent 'equity' a driver of service performance	-0.062 -0.226 0.156

9.20 Extent of user (of services) consultation	-0.016 0.121 -0.265
9.21 Transactions with citizens rather than relationships	-0.163 -0.242 -0.107
9.23 Extent to which citizens participate in performance management	-0.079 -0.061 -0.125
12.24 Extent service to public a high priority	0.146 0.322 -0.250

Appendix 6.10

Pearson correlation coefficients for a comprehensive approach to employee appraisal statements and CAA Rating (Hypothesis B1)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.36 Employee's goals aligned with organisation's	-0.026 -0.035 -0.028
4.53 Extent to which employee incentives are financial	0.153 0.193 0.028
5.18 Team-based appraisal	0.089 0.057 0.189
5.19 Managers formally appraised by subordinates	0.103 0.220 -0.395
5.22 Performance related pay for (senior managers) Chief Executive/Directors	0.221 0.309 NC
B69 Performance related pay for other senior managers	NX NX NX
5.23 Performance related pay other than for senior managers	0.109 0.121 NC
5.24 Appraisal linked to financial reward	0.263 0.309 NC

5.25 Appraisal competency based	0.269 0.248 0.437
5.41 Extent of employee rewards for good performance	0.013 0.114 -0.505
5.42 Extent of sanctions against employees for poor performance	-0.146 -0.070 -0.410
8.3 Extent to which employees are well trained	0.311 0.340 0.375
12.9 Extent to which employee's level in organisation determines contribution	-0.019 -0.018 0.138
12.10 Extent to which employee's role determined by job description	0.210 0.222 0.253

Appendix 6.11

Pearson correlation coefficients for a higher level of service departments' involvement in service planning and performance management statements and CAA Rating (Hypothesis B2)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.23 Level of departmental involvement in developing service planning	0.251 0.284 0.232
4.24 Extent of departmental involvement in doing service planning	0.133 0.152 0.115
4.25 Community priorities fed into plans	0.191 0.245 0.051
5.36 Approach to performance management top-down	-0.097 -0.112 0.236
5.37 Level of departmental involvement in developing performance management	0.071 0.014 0.217
5.38 Level of departmental involvement in running performance management	0.048 0.045 -0.177
8.11 Level of resources to do performance management in service departments	0.179 0.166 0.125

Appendix 6.12

Pearson correlation coefficients for a higher level of decentralisation statements and CAA Rating (Hypothesis C1)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.33 Budget devolved to departments	0.066 -0.180 0.281
6.1 Level of centralisation of control	-0.168 -0.263 0.243
6.2 Level of centralisation of administration	-0.132 -0.052 -0.248
6.3 Level of centralisation of service planning	-0.200 -0.229 -0.040
6.4 Level of centralisation of performance management	-0.146 -0.135 -0.107
6.5 Extent to which organisation departments operate independently	-0.261 -0.288 -0.164
6.6 Consistency of the level of practices/routines	0.198 0.272 0.177
12.15 Extent to which power lies more in centre than departments	-0.077 -0.068 0.196

Appendix 6.13

Pearson correlation coefficients for a high level of decentralised service planning statement and CAA Rating (Hypothesis C2)

STATEMENT	*****	******	**CAA RATING CORRELATION COEFFICIENTS**
All 2010	**0**	**0**	
LA 2010	**0**	**0**	
Fire 2010	**0**	**0**	
*** *p*<0.05 (2-tailed)**			
**** *p*<0.01 (2-tailed)**			
NX – Not included, NC – Not calculated by SPSS			
6.3 Level of centralisation of service planning			-0.200 -0.229 -0.040

Appendix 6.14

Pearson correlation coefficients for a high level of decentralisation of performance management statements and CAA Rating (Hypothesis C3)

STATEMENT * ** **All 2010** **0** **0** **LA 2010** **0** **0** **Fire 2010** **0** **0** *** *p*<0.05 (2-tailed)** **** *p*<0.0 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
5.34 Performance management method of control	0.141 0.166 0.236
6.4 Level of centralisation of performance management	-0.146 -0.135 -0.107

Appendix 6.15

Pearson correlation coefficients for a consistency of rules and practices statements and CAA Rating (Hypothesis C4)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.45 Extent to which probity is valued	0.120 0.008 0.524
6.6 Consistency of the level of practices/routines	0.198 0.272 0.177
6.7 Extent to which need for 'control' tends to subvert 'purpose'	-0.082 -0.072 0.086
6.8 Extent to which administrative policies and practices are evidence-based	-0.053 0.055 -0.217
6.9 Extent to which governance needs are discussed	-0.039 -0.042 0.000

Appendix 6.16

Pearson correlation coefficients for a high level of political and managerial leadership statements and CAA Rating (Hypothesis D1)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 1 0 * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.45 Extent to which probity is valued	0.120 0.008 0.524
6.9 Extent to which governance needs are discussed	-0.039 -0.042 0.000
7.2 Level of political leadership in organisation	-0.107 0.029 -0.709*
7.3 Level of officer leadership in the organisation	0.105 0.105 0.125

Appendix 6.17

Pearson correlation coefficients where officer leadership is more pronounced than that from elected members statements and CAA Rating (Hypothesis D2)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 1 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
7.1 Organisation characterised as officer led	-0.181 -0.179 -0.125
7.2 Level of political leadership in organisation	-0.107 0.029 -0.709*
7.3 Level of officer leadership in the organisation	0.105 0.105 0.125
7.4 Level of empowerment of officers	0.138 0.116 0.125

Appendix 6.18

Pearson correlation coefficients for a higher level of resources statements and CAA Rating (Hypothesis E1)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 ***** ***p*<0.05 (2-tailed)** ****** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.8 Reviews using work measurement	0.085 0.043 0.279
4.31 Extent of organisational slack in central functions	-0.039 -0.039 0.050
4.32 Extent of organisational slack in service departments	-0.064 0.050 -0.221
8.5 Extent managers overloaded with work	0.099 0.029 0.357
8.6 Extent other employees are overloaded with work	-0.001 -0.065 0.350
8.9 Level of research capacity	-0.072 -0.124 0.000
8.12 Extent information available for corporate/ service planning	0.141 0.202 0.029
8.13 Quality of organisation's physical infrastructure	0.108 0.302 -0.438

8.15 Extent strategic capacity is overloaded	-0.092 0.004 -0.204
8.16 Extent operational capacity is overloaded	-0.183 -0.243 -0.079
8.17 Extent policy analysis capacity is overloaded	0.169 0.225 -0.064
8.18 Extent of budgetary slack in the organisation	0.206 0.150 0.376

Appendix 6.19

Pearson correlation coefficients for a higher level of resources devoted to activities at the centre rather than in services statements and CAA Rating (Hypothesis E2)

STATEMENT * ** **All 2010** **0** **0** **LA 2010** **0** **0** **Fire 2010** **0** **0** *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
8.7 Amount of resources deployed at corporate centre	-0.045 -0.044 -0.017
8.10 Level of resources to do performance management at the centre	0.049 0.177 0.000
8.11 Level of resources to do performance management in service departments	0.179 0.166 0.125
8.12 Extent information available for corporate/ service planning	0.141 0.202 0.029
8.15 Extent strategic capacity is overloaded	-0.092 0.004 -0.204
8.17 Extent policy analysis capacity is overloaded	0.169 0.225 -0.064

Appendix 6.20

Pearson correlation coefficients for a higher level of resources spent on service planning statements and CAA Rating (Hypothesis E3)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
8.2 Allocation of resources formally determined by priorities	-0.009 -0.095 -0.125
8.7 Amount of resources deployed at corporate centre	-0.045 -0.044 -0.017
8.12 Extent information available for corporate/service planning	0.141 0.202 0.029

Appendix 6.21

Pearson correlation coefficients for a higher level of resources spent on performance management statements and CAA Rating (Hypothesis E4)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
8.7 Amount of resources deployed at corporate centre	-0.045 -0.044 -0.017
8.10 Level of resources to do performance management at the centre	0.049 0.177 0.000
8.11 Level of resources to do performance management in service departments	0.179 0.166 0.125

Appendix 6.22

Pearson correlation coefficients for well-trained and motivated employees statements and CAA Rating (Hypothesis E5)

STATEMENT * ** **All 2010** 1 0 **LA 2010** 0 0 **Fire 2010** 1 0 *** *p*<0.05 level (2-tailed)** **** *p*<0.01 level (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.7 Organisation wide (corporate) training programme that includes management	0.087 0.119 NC
4.14 Extent to which training improves organisation's performance	-0.305* -0.243 -0.611*
4.39 Organisation regarded as competitive in terms of achievement	0.193 0.243 0.131
8.3 Extent to which employees are well trained	0.311 0.340 0.375
8.4 Level of motivation displayed by employees	0.214 0.225 0.354

Appendix 6.23

Pearson correlation coefficients for resources follow priorities statements and CAA Rating (Hypothesis E6)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
8.1 Departmental under/overspends carried over one year to next	-0.092 0.005 -0.125
8.2 Allocation of resources formally determined by priorities	-0.009 -0.095 -0.125

Appendix 6.24

Pearson correlation coefficients for a higher level of ICT use statements and CAA Rating (Hypothesis E7)

STATEMENT * ** **All 2010** **0** **0** **LA 2010** **0** **0** **Fire 2010** **0** **0** *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
5.1 Use of proprietary performance management software	0.085 0.086 -0.189
8.8 Use of ICT in the organisation	0.306 0.308 0.500

Appendix 6.25

Pearson correlation coefficients for active engagement with auditors, inspectors and other stakeholders' statements and CAA Rating (Hypothesis F1)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
9.4 Government supportive of organisation	0.069 0.181 -0.125
9.5 Inspectors supportive of organisation	-0.061 -0.038 -0.125
9.6 External auditors supportive of organisation	0.116 0.256 -0.125
9.9 Extent internal audit involvement in performance management	-0.069 -0.125 -0.088
9.10 Extent use of external audit to improve performance management	0.044 0.096 -0.306
9.11 Extent of use consultants in centre	-0.170 -0.182 0.168
9.12 Extent use of inspection improves performance at service delivery	0.155 0.187 0.156
9.13 Extent of use consultants in services	0.010 -0.028 0.545

9.14 Extent of involvement of external stakeholders in organisation	0.093 -0.004 0.395
9.15 Level of engagement with inspectors	-0.021 -0.078 0.015
9.16 Level of engagement with central government	0.019 0.065 -0.144
9.17 Level of engagement with professional organisations	0.118 0.147 0.125
9.18 Extent of use of internal networks by organisation	-0.220 -0.376 0.236
9.19 Extent of use of external networks by organisation	0.121 0.008 0.500
9.22 Extent to which stakeholders participate in performance management	-0.112 -0.190 0.359
9.23 Extent to which citizens participate in performance management	-0.079 -0.061 -0.125
9.25 Extent partnerships making strategies more meaningful	-0.274 -0.282 -0.156

Appendix 6.26

Pearson correlation coefficients for a higher level of outsourcing of services statements and CAA Rating (Hypothesis F2)

STATEMENT * ** **All 2010** **0** **0** **LA 2010** **0** **0** **Fire 2010** **0** **0** *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
9.1 Outsourced any central services	0.004 -0.061 0.125
9.2 Outsourced any customer services	0.220 0.159 0.683
9.3 Strategic partnership with provider of many services	0.086 0.189 -0.316

Appendix 6.27

Pearson correlation coefficients for greater involvement of stakeholders and citizens in performance management statements and CAA Rating (Hypothesis F3)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
9.7 Views of organisation employees formally collected	0.221 0.282 NC
9.8 Views of politicians formally collected	0.070 0.154 NC
9.14 Extent of involvement of external stakeholders in organisation	0.093 -0.004 0.395
9.17 Level of engagement with professional organisations	0.118 0.147 0.125
9.18 Extent of use of internal networks by organisation	-0.220 -0.376 0.236
9.19 Extent of use of external networks by organisation	0.121 0.008 0.500
9.20 Extent of user (of services) consultation	-0.016 0.121 -0.265
9.21 Transactions with citizens rather than relationships	-0.163 -0.242 -0.107

9.22 Extent to which stakeholders participate in performance management	-0.112 -0.190 0.359
9.23 Extent to which citizens participate in performance management	-0.079 -0.061 -0.125
9.24 Extent partnerships fragmenting effort on performance management	0.017 0.022 0.142
9.25 F170 Extent partnerships making strategies more meaningful	-0.274 -0.282 -0.156

Appendix 6.28

Pearson correlation coefficients for a higher level of communication statements and CAA Rating (Hypothesis G1)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 1 0 * ***p*<0.05 (2-tailed)** ** ***p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
10.1 Extent organisation's relationship with media is good	0.199 -0.007 0.694*
10.2 Extent communication on corporate/service planning	0.146 0.026 0.577
10.3 Extent of communication on service performance	0.062 0.008 0.287
10.4 Extent strategic direction widely communicated	0.237 0.301 0.125
10.5 Extent use of employees' knowledge in performance management	0.304 0.245 0.289

Appendix 6.29

Pearson correlation coefficients for a higher level of performance reporting statements and CAA Rating (Hypothesis H1)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 1 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
11.1 Performance reported on the organisation's Intranet	0.171 0.226 NC
11.2 Performance reported on the organisation's website	-0.082 -0.081 NC
11.3 Extent publishing performance data detrimental	-0.256 -0.397* -0.053
11.4 Extent publishing performance data internally	0.142 0.126 0.205
11.5 Extent publishing performance data externally	-0.038 0.047 -0.329
11.6 Feedback to internal stakeholders on strategy/ performance management	0.130 0.170 -0.021
11.7 Feedback to external stakeholders on strategy/ performance management	0.030 0.011 0.125

Appendix 6.30

Pearson correlation coefficients for a high supportive and learning culture that encourages innovation and non-blame statements with CAA Rating (Hypothesis I1)

STATEMENT	*****	******	**CAA RATING CORRELATION COEFFICIENTS**
All 2010	**6**	**0**	
LA 2010	**2**	**0**	
Fire 2010	**2**	**0**	
*** *p*<0.05 (2-tailed)**			
**** *p*<0.01 (2-tailed)**			
NX – Not included, NC – Not calculated by SPSS			
4.45 Extent to which probity is valued			0.120 0.008 0.524
12.1 Extent that the organisation is a learning organisation			0.208 0.227 0.024
12.2 Extent to which a psychological contract exists between employees and organisation			0.128 0.370 -0.343
12.3 Extent to which high degree of mutual trust between parts of the organisation			0.027 0.213 -0.323
12.4 Extent to which decision making is by consensus			0.140 0.138 -0.100
12.5 Extent to which organisation has a blame culture			-0.369* -0.311 -0.381
12.6 Extent to which management create sense of urgency			-0.081 -0.038 -0.187
12.7 Extent to which organisation has good relations trade unions			0.235 0.197 0.449

12.8 Level of 'good' ethical behaviour	0.376* 0.330 0.750*
12.9 Extent to which employee's level in organisation determines contribution	-0.019 -0.018 0.138
12.10 Extent to which employee's role determined by job description	0.210 0.222 0.253
12.11 Extent to which organisation driven by achievement of targets	0.138 0.175 0.187
12.12 Extent to which people come first in organisation	0.050 0.159 -0.426
12.13 Extent to which organisation encourages taking initiative	0.178 0.197 0.063
12.14 Extent to which officers and politicians have distinct and clear roles	0.380* 0.470* 0.265
12.15 Extent to which power lies more in centre than departments	-0.077 -0.068 0.196
12.16 Level of employees' morale	0.096 0.223 -0.125
12.17 Extent to which organisational position determines contribution in teams	0.022 -0.106 0.368
12.18 Extent to which organisation driven by rules	-0.208 -0.287 0.187
12.19 Extent to which organisation operates independently in provision of services	0.063 0.210 -0.236
12.20 Extent to which organisation is change oriented	0.220 0.297 -0.087

12.21 Extent to which organisation is results oriented	0.210 0.289 0.158
12.22 Extent of barriers to cooperation between service areas	-0.267 -0.315 -0.197
12.23 Extent of barriers to cooperation between centre and service areas	-0.155 -0.169 -0.325
12.24 Extent service to public a high priority	0.146 0.322 -0.250
12.25 Extent to which ideology drives organisation activities	-0.045 0.192 -0.573
12.26 Extent to which management creates a supportive culture	0.088 0.093 -0.029
12.27 Extent internal environment has impact on organisation's performance	0.190 0.188 0.325
12.28 Extent external environment has impact on organisation's performance	-0.235 -0.371 0.157
12.29 Extent of learning from other organisations	0.228 0.228 0.243
12.30 Extent of learning from private sector	0.336* 0.468* -0.107
12.31 Extent of learning from voluntary sector	0.216 0.310 -0.209
12.32 Extent of inclination for experimentation within organisation	0.349* 0.358 0.247
12.33 Extent of misrepresentation of performance information	-0.298 -0.364 0.000

12.34 Extent of misrepresentation of financial information	-0.269 -0.213 -0.431
12.35 Extent performance management sympathetic with organisational culture	0.324* 0.249 0.693*

Appendix 6.31

Pearson correlation coefficients where power is diffused throughout the organisation statements and CAA Rating (Appendix I2)

STATEMENT * ** **All 2010** 0 0 **LA 2010** 0 0 **Fire 2010** 0 0 *** *p*<0.05 (2-tailed)** **** *p*<0.01 (2-tailed)** **NX – Not included, NC – Not calculated by SPSS**	**CAA RATING CORRELATION COEFFICIENTS**
4.33 Budget devolved to departments	0.066 -0.180 0.281
4.34 Delegation practiced within organisation	0.088 0.007 0.255
7.4 Level of empowerment of officers	0.138 0.116 0.125
12.3 Extent to which high degree of mutual trust between parts of the organisation	0.027 0.213 -0.323

Appendix 6.32

SPSS output for PCA with oblimin rotation total variance explained for the 2010 survey using only those statements statistically significant at *p*<0.05 with CAA Rating for all organisations

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3.410	37.888	37.888	3.410	37.888	37.888	2.988
2	1.218	13.529	51.417	1.218	13.529	51.417	2.338
3	1.116	12.401	63.819	1.116	12.401	63.819	1.144

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 6.33

SPSS output for PCA with oblimin rotation total variance explained for the 2010 survey using only those statements statistically significant at *p*<0.05 with CAA Rating for local authorities

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	2.512	50.245	50.245	2.512	50.245	50.245	2.231
2	1.286	25.718	75.962	1.286	25.718	75.962	1.910

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Appendix 6.34

SPSS output for PCA with oblimin rotation total variance explained for the 2010 survey using only those statements statistically significant at *p*<0.05 with CAA Rating for fire services

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	5.298	58.872	58.872	5.298	58.872	58.872	4.571
2	1.336	14.848	73.720	1.336	14.848	73.720	3.747

Extraction Method: Principal Component Analysis. Oblimin Rotation

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

APPENDIX 7

Appendix 7.1

Summary of BVPP criteria correlations with CPA measures

Summary of BVPP criteria correlations						
Criteria	**Mean**	**Std Dev**	**Pearson correlation coefficient**			
			CPA Rating	**PM Score**	**Service Score**	**Corporate Assessment**
1. Mission/Vision statement	3.05	1.591	0.294**	0.267*	0.307**	0.265*
2. Selection of Local Performance Indicators (LPIs)	2.57	1.761	0.255*	0.276*	0.263*	0.355**
3. Inclusion of national Quality of Life (QoL) indicators	0.59	1.224	0.167	0.020	0.197	0.052
4. Inclusion of other PI sets	1.47	1.194	0.183	0.060	0.309**	0.102
5.Clear structure (Intro-Strategy-Past Year-Future Years-Tabulations)	3.17	1.215	0.254*	0.257*	0.254*	0.159
6. Objectives clearly shown	3.51	1.089	0.275*	0.235*	0.263*	0.182
7. Prioritisation evident	3.38	1.296	0.311**	0.367**	0.275*	0.289*
8. Level of analysis evident	3.51	1.227	0.119	0.060	0.073	0.085
9.Link to Corporate Plan/Strategy	2.09	1.760	0.168	0.164	0.114	0.132
10. Link to Community Plan/Strategy	2.92	1.606	0.253*	0.260*	0.196	0.221
11. Introduction from Leader/Chief Executive	2.82	1.679	0.143	-0.029	0.042	0.094
12. Comparative data	2.18	1.631	0.001	-0.082	0.072	0.035
13. Reasons for variances	3.38	1.296	0.075	0.029	-0.004	0.097

14. PIs ordered by aims/objectives	2.32	1.635	0.205	0.170	0.207	0.0125
15. Priority PIs indicated	2.24	2.019	0.393**	0.156	0.338**	0.248*
16. Financial statement	1.55	1.676	0.337**	0.236*	0.143	0.287*
17. Best Value Reviews	2.32	2.130	0.200	0.156	0.087	0.218
18. Service Planning	2.11	1.901	0.144	0.148	0.055	0.103
19. Performance Management Framework	2.03	1.583	0.184	0.088	0.089	0.118
20. Review of strategies	1.89	1.312	0.283*	0.268*	0.256*	0.281*
21. Organisational Development Strategy/Review	1.42	1.359	0.301**	0.290*	0.281*	0.229*
* $p<0.05$ (2-tailed). ** $p<0.01$ (2-tailed)						

Appendix 7.2

PCA of BVPP Statements SPSS output (for CPA Rating)

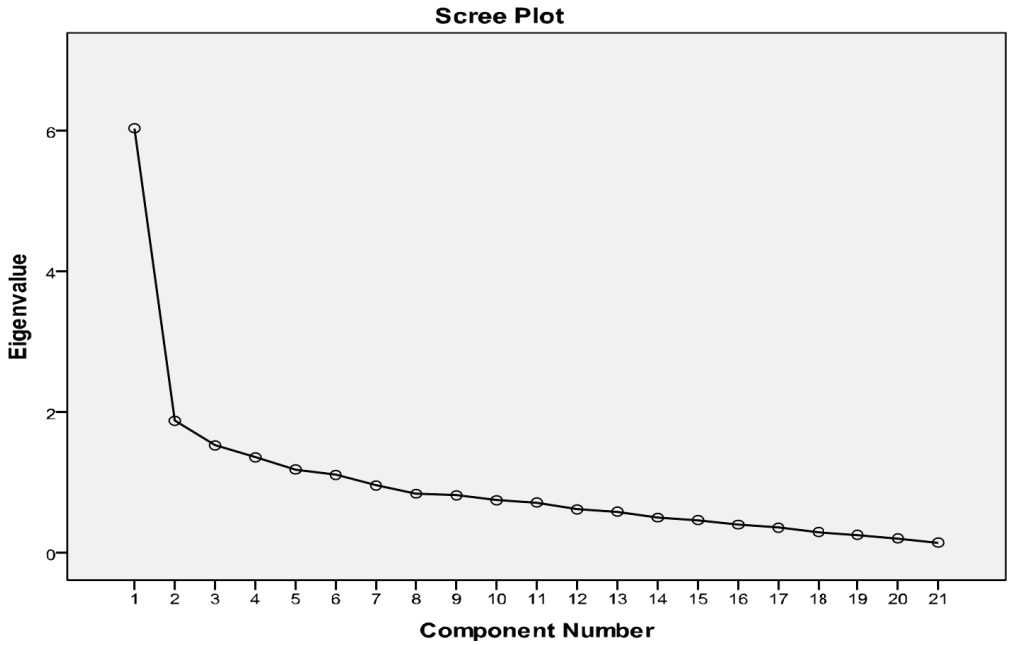
KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.770
Bartlett's Test of Sphericity	Approx. Chi-Square	545.520
	df	210
	Sig.	.000

Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
Comp.	Total	% of Var.	Cumul. %	Total	% of Var.	Cumul. %	Total	% of Var.	Cumul. %
1	6.031	28.719	28.719	6.031	28.719	28.719	3.535	16.835	16.835
2	1.879	8.948	37.668	1.879	8.948	37.668	2.303	10.968	27.803
3	1.529	7.279	44.946	1.529	7.279	44.946	2.178	10.372	38.175
4	1.359	6.473	51.420	1.359	6.473	51.420	1.973	9.397	47.572
5	1.185	5.643	57.063	1.185	5.643	57.063	1.746	8.312	55.884
6	1.106	5.269	62.331	1.106	5.269	62.331	1.354	6.448	62.331
7	.958	4.562	66.893						
8	.841	4.005	70.898						
9	.819	3.902	74.800						
10	.748	3.560	78.360						
11	.713	3.398	81.758						
12	.619	2.948	84.706						
13	.585	2.786	87.491						
14	.502	2.388	89.879						
15	.465	2.215	92.094						
16	.402	1.914	94.008						
17	.358	1.706	95.714						
18	.295	1.405	97.118						
19	.254	1.210	98.329						
20	.204	.974	99.302						
21	.147	.698	100.000						

Extraction Method: Principal Component Analysis. Varimax Rotation


Scree Plot
Eigenvalue
6
4
2
0
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21
Component Number

Appendix 7.3

BVPP content analysis correlations for CPA Rating
SPSS output for Pearson correlation analysis

		CPA Rating (0 to 4 or Poor to Excellent)
CPA Rating (0 to 4 or Poor to Excellent)	Pearson Correlation	1
	Sig. (2-tailed)	
	N	76
Total BVPP %	Pearson Correlation	.433**
	Sig. (2-tailed)	.000
	N	76
BVPP % Scoring 4 or 5	Pearson Correlation	.379**
	Sig. (2-tailed)	.001
	N	76
BVPP % Scoring 0 or 1	Pearson Correlation	-.409**
	Sig. (2-tailed)	.000
	N	76

** $p<0.01$ (2-tailed).

BVPP content analysis correlations for Performance Management Score

		Performance Management Score (1 to 4)
Performance Management Score (1 to 4)	Pearson Correlation Sig. (2-tailed)	1
	N	76
Total BVPP %	Pearson Correlation Sig. (2-tailed)	.332** .003
	N	76
BVPP % Scoring 4 or 5	Pearson Correlation Sig. (2-tailed)	.319** .005
	N	76
BVPP % Scoring 0 or 1	Pearson Correlation Sig. (2-tailed)	-.302** .008
	N	76

** p<0.01 (2-tailed)

BVPP content analysis correlations for Service Score

		Service Score (1 to 4)
Service Score (1 to 4)	Pearson Correlation	1
	Sig. (2-tailed)	
	N	76
Total BVPP %	Pearson Correlation	.351**
	Sig. (2-tailed)	.002
	N	76
BVPP % Scoring 4 or 5	Pearson Correlation	.341**
	Sig. (2-tailed)	.003
	N	76
BVPP % Scoring 0 or 1	Pearson Correlation	-.317**
	Sig. (2-tailed)	.005
	N	76

** p<0.01 (2-tailed)

BVPP content analysis correlations for Corporate Assessment

		Corporate Assessment Score (expressed as % out of 100)
Corporate Assessment (expressed as % out of 100)	Pearson Correlation	1
	Sig. (2-tailed)	
	N	76
Total BVPP %	Pearson Correlation	.366**
	Sig. (2-tailed)	.001
	N	76
BVPP % Scoring 4 or 5	Pearson Correlation Sig. (2-tailed)	.323** .004
	N	76
BVPP % Scoring 0 or 1	Pearson Correlation	-.350**
	Sig. (2-tailed)	.002
	N	76

** $p<0.01$ (2-tailed)

APPENDIX 8

Appendix 8.1

Principal component analysis statistical check data for datasets 2000 and 2005

> 0.500			< 0.05	> 0.00001	Yes	
KMO	Approx ch	df	Sig	Determinant	Valid	Dataset
0.914	920.816	45	0.000	0.004	Yes	2000 All LA
0.913	797.789	45	0.000	0.003	Yes	2000 England LA
0.709	129.427	45	0.000	0.0000864	Yes	2000 Scotland LA
N/A	N/A	N/A	N/A	0.000	No	2000 Wales LA
0.905	808.226	45	0.000	0.008	Yes	2005 All LA
0.898	638.871	45	0.000	0.011	Yes	2005 England LA
0.786	97.552	45	0.000	0.001	Yes	2005 Scotland LA
N/A	N/A	N/A	N/A	0.000	No	2005 Wales LA
N/A	N/A	N/A	N/A	0.000	No	2005 England LA CPA Poor
0.569	104.895	45	0.000	0.00000153	?No	2005 England LA CPA Weak
0.824	181.931	45	0.000	0.005	Yes	2005 England LA CPA Fair
0.859	224.741	45	0.000	0.011	Yes	2005 England LA CPA Good
0.754	182.71	45	0.000	0.002	Yes	2005 England LA CPA Excellent
0.388	92.989	45	0.000	0.000000119	?No	2005 England LA CPA PM 1
0.882	323.694	45	0.000	0.011	Yes	2005 England LA CPA PM 2
0.806	265.639	45	0.000	0.002	Yes	2005 England LA CPA PM 3
N/A	N/A	N/A	N/A	0.000	No	2005 England LA CPA PM 4
0.845	184.173	45	0.000	0.001	Yes	2005 England LA CPA SS 2
0.874	350.696	45	0.000	0.014	Yes	2005 England LA CPA SS 3
0.777	121.308	45	0.000	0.002	Yes	2005 England LA CPA SS 4
N/A	N/A	N/A	N/A	0.000	No	2005 England LA CPA CA 2
0.880	399.996	45	0.000	0.013	Yes	2005 England LA CPA CA 3
0.772	217.809	45	0.000	0.002	Yes	2005 England LA CPA CA 4

Extraction Method: Principal Component Analysis.

Appendix 8.2

Principal component analysis statistical check data for dataset 2009

> 0.500			< 0.05	> 0.00001	Yes	
KMO	Approx ch	df	Sig	Determinant	Valid	Dataset
0.816	419.21	45	0.000	0.006	Yes	2009 England All Organisations
0.828	286.909	45	0.000	0.002	Yes	2009 England LA
0.429	75.816	45	0.003	0.001	?Yes	2009 England Fire
0.175	119.2	45	0.000	0.00000000133	?No	2009 England Police
0.594	72.328	45	0.006	0.00000412	?No	2009 England PCT
0.581	141.442	45	0.000	0.001	Yes	2009 England All Organisations CPA Fair
0.763	195.86	45	0.000	0.003	Yes	2009 England All Organisations CPA Good
0.730	162.204	45	0.000	0.000	?No	2009 England All Organisations CPA Excellent
N/A	N/A	N/A	N/A	0.000	No	2009 England All Organisations CPA PM 1
0.712	190.287	45	0.000	0.000	?No	2009 England All Organisations CPA PM 2
0.835	222.143	45	0.000	0.003	Yes	2009 England All Organisations CPA PM 3
0.371	69.281	45	0.012	0.000	?No	2009 England All Organisations CPA PM 4
N/A	N/A	N/A	N/A	0.000	No	2009 England All Organisations CPA SS 1
0.699	65.745	45	0.023	0.0000663	Yes	2009 England All Organisations CPA SS 2
0.784	152.804	45	0.000	0.003	Yes	2009 England All Organisations CPA SS 3
N/A	N/A	N/A	N/A	0.000	No	2009 England All Organisations CPA SS 4
0.765	146.585	45	0.000	0.000	?No	2009 England All Organisations CPA CA 2
0.782	246.725	45	0.000	0.009	Yes	2009 England All Organisations CPA CA 3
N/A	N/A	N/A	N/A	0.000	No	2009 England All Organisations CPA CA 4
0.369	93.745	45	0.000	0.0000011	?No	2009 England LA CPA Fair
0.650	123.966	45	0.000	0.00000335	?No	2009 England LA CPA Good
0.675	150.102	45	0.000	0.000	?No	2009 England LA CPA Excellent
0.685	176.680	45	0.000	0.0000277	Yes	2009 England LA CPA PM 2
0.802	140.080	45	0.000	0.0000792	Yes	2009 England LA CPA PM 3
N/A	N/A	N/A	N/A	0.000	No	2009 England LA CPA PM 4
N/A	N/A	N/A	N/A	0.000	No	2009 England LA CPA SS 2
0.732	152.660	45	0.000	0.000	?No	2009 England LA CPA SS 3
0.482	94.381	45	0.000	0.000001	?No	2009 England LA CPA CA 2
0.825	197.526	45	0.000	0.001	Yes	2009 England LA CPA CA 3
N/A	N/A	N/A	N/A	0.000	No	2009 England LA CPA CA 4
N/A	N/A	N/A	N/A	0.000	No	2009 England Fire CPA Fair
N/A	N/A	N/A	N/A	0.000	No	2009 England Fire CPA Good
N/A	N/A	N/A	N/A	0.000	No	2009 England Fire CPA PM 3
N/A	N/A	N/A	N/A	0.000	No	2009 England Fire CPA PM 4
N/A	N/A	N/A	N/A	0.000	No	2009 England Fire CPA SS 3
N/A	N/A	N/A	N/A	0.000	No	2009 England Fire CPA SS 4
0.379	48.521	45	0.333	0.001	?No	2009 England Fire CPA CA 3
N/A	N/A	N/A	N/A	0.000	No	2009 England Fire CPA CA 4
N/A	N/A	N/A	N/A	0.000	No	2009 England Police CPA Good
N/A	N/A	N/A	N/A	0.000	No	2009 England Police CPA PM 3
N/A	N/A	N/A	N/A	0.000	No	2009 England Police CPA SS 3
N/A	N/A	N/A	N/A	0.000	No	2009 England Police CPA CA 3
N/A	N/A	N/A	N/A	0.000	No	2009 England PCT CPA Fair
N/A	N/A	N/A	N/A	0.000	No	2009 England PCT CPA Good
N/A	N/A	N/A	N/A	0.000	No	2009 England PCT CPA PM 2
N/A	N/A	N/A	N/A	0.000	No	2009 England PCT CPA PM 3
N/A	N/A	N/A	N/A	0.000	No	2009 England PCT CPA SS 2
N/A	N/A	N/A	N/A	0.000	No	2009 England PCT CPA SS 3

Extraction Method: Principal Component Analysis.

Appendix 8.3

Principal component analysis statistical check data for dataset 2010

> 0.500			< 0.05	> 0.00001	Yes	
KMO	Approx ch	df	Sig	Determinant	Valid	Dataset
0.803	180.401	45	0.000	0.007	Yes	2010 England All Organisations
0.821	145.354	45	0.000	0.003	Yes	2010 England LA
0.230	49.234	45	0.308	0.00000264	?No	2010 England Fire
0.447	51.706	45	0.228	0.001	?No	2010 England All Organisations CAA Adequate
0.755	122.545	45	0.000	0.001	Yes	2010 England All Organisations CAA Well
N/A	N/A	N/A	N/A	0.000	No	2010 England All Organisations CAA Excellent
N/A	N/A	N/A	N/A	0.000	No	2010 England LA CAA Adequate
0.713	89.693	45	0.000	0.000	?No	2010 England LA CAA Well
N/A	N/A	N/A	N/A	0.000	No	2010 England LA CAA Excellent
N/A	N/A	N/A	N/A	0.000	No	2010 England Fire CAA Adequate
N/A	N/A	N/A	N/A	0.000	No	2010 England Fire CAA Well

Extraction Method: Principal Component Analysis.

APPENDIX 9

Appendix 9.1

Comparison of the results of case study with the survey results for the strongest correlations with CPA Rating for Darlington Borough Council

STRONGEST 15 CORRELATIONS WITH CPA RATING Responses from Darlington Borough Council Score between 1 - Low and 6 - High (except 9.5 – Yes/No)								
Statement	**Corr.**	**Quest.**	**Serv. Mgr.**	**Serv. Mgr.**	**Serv. BV/ Policy**	**Centre BV/ Policy**	**Focus Group**	**Mean**
5.58 Extent performance management integrated into strategy	0.405**	6	4	5	5	5	6	5.0
4.40 Extent to which organisation focuses on customers	0.407**	4	4	5	4	3	6	4.4
4.20 Extent to which service developments implemented strategically	0.409**	4	4	4	5	4	4	4.2
4.39 Extent to which organisation regarded as competitive in terms of achievement	0.411**	5	5	6	6	4	6	5.4
12.3 Extent to which high degree of mutual trust between parts of the organisation	0.419**	6	4	5	4	5	3	4.2
9.5 Inspectors are considered supportive of organisation	0.422**	Yes	Yes	Yes	Yes	Yes	No	Yes
4.42 Extent to which	0.427**	4	5	5	5	5	6	5.2

organisation focuses on service provision								
4.35 Extent of responsiveness of the organisation to service users	0.443**	4	3	5	5	3	6	4.4
5.66 Extent to which 'use' stage of performance management is successful	0.445**	5	3	4	4	3	5	3.8
4.26 Extent to which strategies and plans linked together	0.449**	5	4	5	5	5	3	4.4
4.19 Extent that the organisation thinks strategically	0.456**	4	5	5	5	5	4	4.8
4.11 Level of innovation in service planning	0.464**	5	4	3	6	4	5	4.4
4.46 Extent to which organisation gives value for money	0.468**	3	4	4	5	5	6	4.8
4.10 Level of innovation in service delivery	0.469**	2	3	4	4	5	5	4.2
4.29 Extent to which policy decisions based on evidence	0.493**	3	5	5	5	4	2	4.2
Means		**4.29**						**4.66**
** p< 0.01								

Appendix 9.2

Results of the case study for the organisational profile 2005 compared to the survey questionnaire results for Darlington Borough Council

ORGANISATIONAL PROFILE 2005 SCORE Responses from Darlington Borough Council							
<<<1 TO 10>>>	**Quest.**	**Serv. Mgr.**	**Serv. Mgr.**	**Serv./BV Policy**	**Centre BV/ Policy**	**Focus Group**	**Mean**
Organisation to Citizen Centred	5	7	8	4	7	8	6.8
Position Power to Leadership	4	5	6	5	8	6	6.0
Rule to People Centred	5	6	7	5	8	8	6.8
Independent Action to Collaboration	8	8	7	4	5	6	6.0
Status Quo to Change Orientated	4	9	8	7	6	9	7.8
Process to Results Orientated	7	8	8	7	8	8	7.8
Centralised to Decentralised	8	6	7	5	7	5	6.0
Departmental to Non-Departmental Form	3	6	6	4	2	2	4.0
Budget to Revenue Driven	2	7	8	5	4	8	6.4
Monopolistic to Competitive	3	4	8	6	6	3	5.4
Means	**4.90**						**5.52**

Note: The mean is of the case study interviews and focus group and excludes the questionnaire response