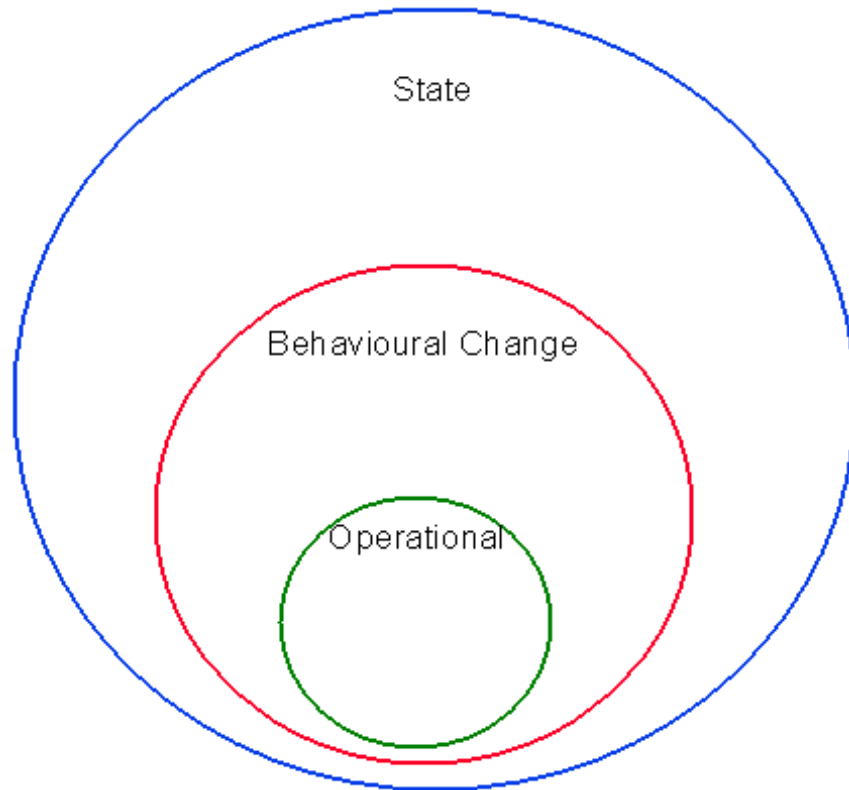


Using Circles to Tell the Performance Story

by Steve Montague, Gail Young and Carolyn Montague



The Problem – Clarity versus Complexity:

Public sector managers face increasing pressure from all sides to reduce costs, improve service levels, make progress towards the achievement of priority outcomes, and increase accountability. In order to accomplish these things, **a strong vision of success is vital.**

Many current management environments combine policy, subsidy, intergovernmental jurisdiction, operations, research and development, science, regulatory oversight and new-economy services, leading to difficulties in planning, measuring, and reporting performance. Results can often be abstract, subject to a wide range of factors and take place over considerable periods of time with a diverse set of groups. For this reason, **it is in fact more important to articulate a clear vision** than it would be for less complex programming.

A 'system' for performance management which addresses complexities should provide for a precise description of a limited number of priority results with an emphasis on addressing target group needs. The approach should also allow all key delivery participants to 'own' the system, i.e. the people delivering the services should believe that the performance system appropriately articulates their results, goals, and values.

The required system must be useful for all aspects of management including planning, priority setting, resource allocation, operations, monitoring, and adjustment. It should also be useful to all levels of management and employees, from senior executives right through to line managers, operating staff, partners and other stakeholders.

The problem many public sector analysts and evaluators have had to date has been the nature of the charts, diagrams and 'mental models' which have been used. Charts have sometimes been too limited in what they include. They show desired results, but do not show certain key relationships among the results or the groups involved in them. On the other hand, charts are sometimes too complex. They show a maze of relationships which is impossible to follow.

For the reasons above, managers have always faced a dilemma. *How do we put together a well-considered, thorough, logical, results-oriented plan without getting lost in detail? Furthermore, in an environment which demands accountability, how do we distinguish the items for which an initiative has full attribution versus those for which it has partial or very limited attribution?* Our modern time-conscious society magnifies the problem: people just won't read planning or reporting documents of significant length. A management team needs something compelling – but concise.

Thinking In Circles:

One way to address this problem is to start drawing concentric circles or spheres. Firstly, spheres seem more friendly than traditional planning boxes. Secondly, and most importantly, concentric circles or spheres can quickly represent two very important concepts:

- The scope and extent of influence; and
- Wave-like "flows" of results logic.

Spheres can be used to represent different levels of control or influence on groups around you. (See **Figure 1**).

We have found the following categories to be useful:

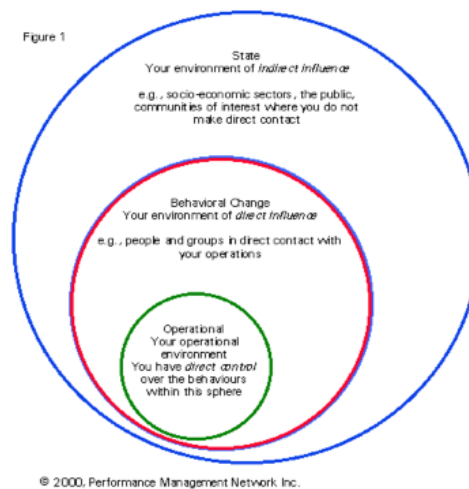
Operational Circle: This circle represents your operational environment. As a manager, you have direct control over the behaviours within this sphere. The people within this circle share your mission. This may be because you exercise some kind of authority, as in the case of employees or you share a pervasive belief system, as in the case of a volunteer organization or sports team.

Behavioural Change Circle: This circle represents your environment of direct influence. Customers, clients, co-delivery partners, suppliers and other people or groups with whom you have direct, mission-oriented contact are included here. As a manager, you or your operation has contact with and, therefore, an opportunity to directly influence the people in this group. Unlike your operational circle, however, these people are not necessarily assumed to share your mission. You typically do not exercise day-to-day authority or control over this group.

State Circle: This circle represents your environment of indirect influence – the community or communities relevant to the mission. As a manager, you do not have direct, interactive contact with all of the people in this circle and, therefore, you do not have the ability to directly influence them. However, the nature of their business or areas of interest creates a possibility for indirect influence through behaviours adopted by those within your circle of direct influence. Industrial groups or sectors, communities, associations and associated areas of common practice or location would be included in this group.

Figure 1 below shows a basic description:

Circles in Action:



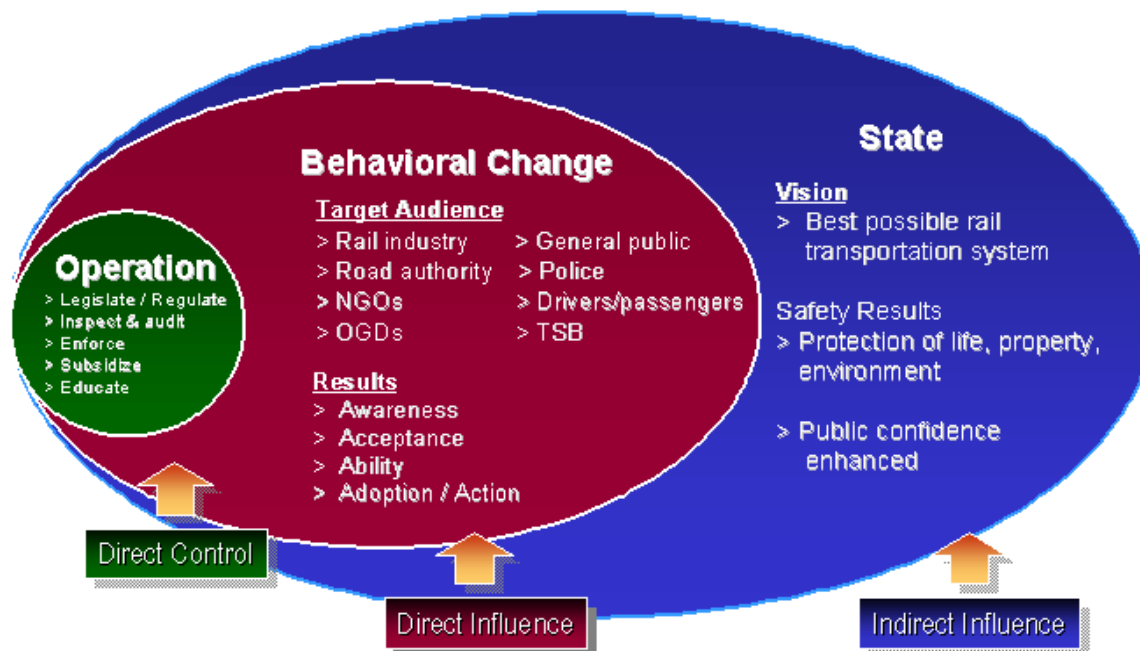
Departments like Transport Canada and Indian and Northern Affairs Canada have used this type of charting to successfully overcome the limitations of more conventional ‘box and wire’ approaches. We have found that managers who are not inclined to relate to a linear, multiple box flowchart, or who are concerned about differentiating what they control from what they only directly or indirectly influence, often prefer to describe their work in terms of circles.

By the late 1990's, Transport Canada had begun to address the lack of results measurement in its regulatory oversight of transportation safety. Until then, it had been difficult to engage program managers and staff. They were preoccupied with a major transition from operator of significant parts of the transportation system, such as ports, airports and the air navigation system, to a more exclusively policy and regulatory mandate. This moved the Department from an organization that had some control over the transportation system to one that had to rely far more on influence. It meant that safety program managers became even more uncomfortable with the notion of using accident or fatality statistics as indicators of departmental performance. “How,” they asked, “can we be held accountable for accidents caused by the action of inaction of someone else’s operation?” It was agreed that a simple-minded measure like accident rates could provide a misleading picture of the value of the Department’s work. Yet, the pressure was on.

And it appeared that the United States Department of Transport was equating accidents with departmental performance. What was Transport Canada to do?

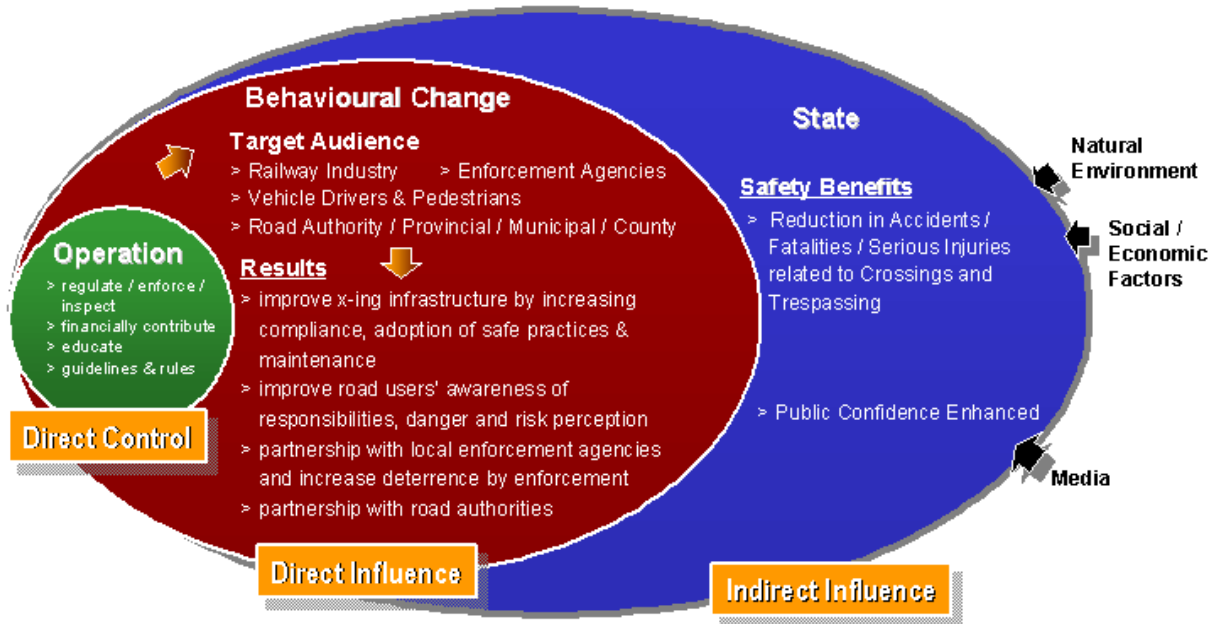
One solution was to start slowly, first in the regions, then at headquarters, with an approach that encouraged small teams to build collectively owned results frameworks based on circle of influence charts. **Figure 2 and 3** demonstrate the spheres of influence charts developed by the Department at two programming levels. **Figure 2** shows the performance logic for Transport Canada's Rail Safety Program as a whole. **Figure 3** shows the logic for its rail crossing initiative. Note that the results of the crossing initiative are well linked to overall rail safety goals while still providing sufficient detail to allow for specific measurement to assess progress.

Figure 2: Rail Safety Performance Story



Based on work by Performance Management Network (PMN)

Figure 3: Rail Crossing Performance Story



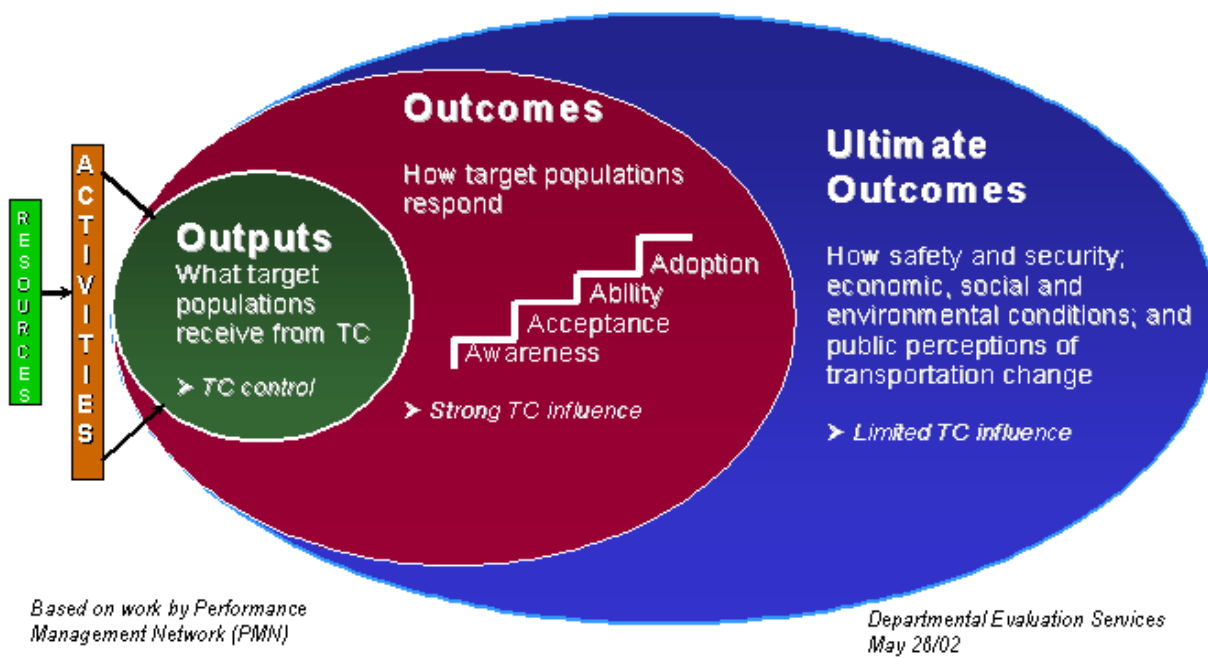
Based on work by Performance Management Network (PMN)

The spheres of influence approach allowed front-line staff, whose job is to deliver on results, to take the generic behavioural change results of the Rail Safety Program – awareness that leads to acceptance, builds on the ability or capacity to act, and eventually leads to action – and easily translate them into specific results for their rail crossing initiatives. These staff members know that they are moving in the right direction to achieve the broad objectives of fewer accidents, injuries and fatalities when they influence their partners in the police and local governments to accept that they too have a role to play and that they need to follow through with sustained support; when they convince drivers of the dangers they face at rail crossings and get them to accept that they need to change their sometimes reckless behaviour; when they provide the leverage for crossing upgrades that improve drivers’ ability to act safely.

It is also clear to front-line staff that information on these behavioural variables is a valuable planning tool. During workshops, participants were eager to point out that the list of expected behavioural change outcomes portrayed an “ideal” and they had many ideas about how to change programming to better meet that ideal. All this from simple charts containing easy to understand concepts.

Transport Canada learned many lessons from its rail safety measurement experience. One of the most profound was that the spheres of influence approach is not only meaningful for employees at all levels, but can be the starting point from an approach that integrates results measurement with needs assessment and business planning. Transport Canada has in fact adopted the spheres of influence as its department-wide results model. As shown in **Figure 4**, this model has some cosmetic changes that reflect the kind of terminology that Transport Canada is comfortable with. In addition, it shows resources and activities leading to outputs and outcomes.

Figure 4: Transport Canada Results Model Spheres of Influence



It will take several years to achieve, but Transport Canada is committed to a results-based corporate culture that uses spheres of influence to articulate results and integrates results measurement into policy and program management.

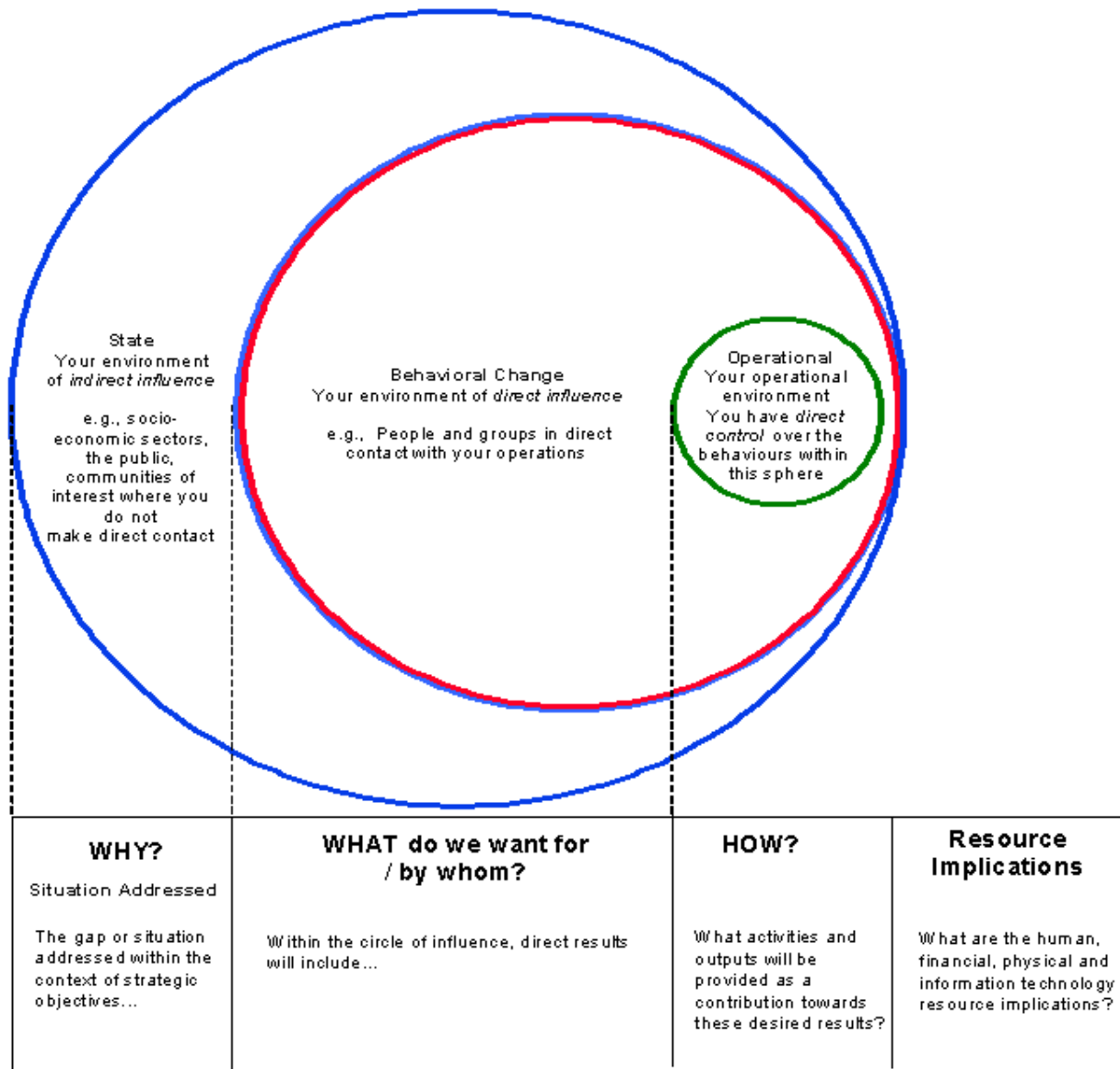
Experience with other Departments has been similarly compelling. Over the past couple of years the Department of Indian and Northern Affairs Canada has used the concept of circles to communicate its performance story. The Department has named the large sphere, the 'global' circle, and the middle sphere, the 'collaborative' circle. Officials have found that this kind of language and symbolism resonates well with its constituent community.

Conclusion – A Mental Model for the Future:

The implications for this approach are many. We have found that the combination of the spheres of influence with a performance logic can help managers in several ways. The three circles approach:

- Appropriately shows differing levels of management control – and therefore different levels of accountability.
- Graphically and clearly links operational outputs with a series of intended outcomes – it shows performance logic.
- Provides a useful tool for briefing senior-level discussions. It is quick and simple, while displaying the key players and logical connections of an initiative.
- Is a useful device for scenario planning.
- Facilitates risk assessment. It distinguishes between strategic level risks out of our influence or control and operational project risks that we can actively seek to prevent or mitigate.
- Provides a basis for performance planning, measurement, and reporting. (**Figure 5** shows the translation of the three circles – parabolas at this point – into an action plan template.)
- Lends itself to group work at all levels in projects, programs, or policies.

Figure 5 – The Three Circles Translated into an Action Plan



As humans in all endeavours increasingly recognize that time is their most precious resource, the application of useful and easy-to-apply management tools will become more and more important. Our experience to-date suggests that the use of circles of influence as described here offers just such a tool.