General discussion

The discussion provoked by session 4 papers centred on: institutional initiatives that might support better use of evidence; debate over using indicators for performance management; and the risks of inappropriate media uses of data and analysis.

**Institutional initiatives for better use of evidence**

Patricia Rogers, Robert Griew, and Peter Dawkins each noted the importance of building a greater public sector culture of transparency, and openness to evaluation and learning. Participants who had had confidential access to departmental archives of evaluations noted that methodological quality was often very poor; that many seemed to have been done to meet formal requirements rather than to promote organisational learning; and that staff are ‘often terrified of being punished’ as a result of any evaluation that identified ways a program could have been made more effective. Some argued the importance of ensuring that existing evaluations, even if of limited quality, were made publicly available for analysis and to spur improvements.

Speakers noted the value of institutional independence for quality evaluation, and some pointed to the Productivity Commission as an exemplar of institutional design to defend independence. Another approach to creating a degree of independence and expertise in assessment was the Office of Development Effectiveness within AusAID.

Another institutional path to strengthening evaluation was to ensure easier and better-directed access to others’ evaluation work. Several participants noted they had been impressed by the example of the Cochrane Collaboration outlined by Sally Green (Chapter 8 above).

Departmental contributors noted a perennial problem of limited expertise in evaluation, with the intra-departmental evaluation function frequently hindered by rapid rotation of generalist staff. They saw a need to train and give experience to specialist evaluators.

Mary Ann O’Loughlin and some other participants also pointed to the potential of ‘evaluation clubs’. Some mentioned practice in the area of evaluations of the effectiveness of foreign aid. Such ‘clubs’ brought together evaluators to share lessons, to contribute peer support and peer review, and in some cases, to fund high-
quality evaluations out of a pool of funds contributed by club members. One such club was the International Initiative for Impact Evaluation or “3ie”, whereas in the area of domestic policy, Ron Haskins mentioned the work of the US Coalition for Evidence-Based Policy (of which he is a board member).

**Using indicators for performance management.**

Jeffrey Smith noted that, at best, well-selected indicators typically reflected outcomes, but outcomes were not the same as the impacts of policies at work in the area. An indicator that suggested a good outcome in one jurisdiction might not have identified a better-functioning policy, but might just result from that jurisdiction having a privileged subset of the broader population.

A strong improvement in an indicator in one jurisdiction might also follow from extravagant resourcing at the cost of other objectives, whereas lesser improvement in the same indicator in another jurisdiction could follow from much better targeted use of fewer resources. In such a case, perhaps the ‘weaker performing’ jurisdiction deserved the greater plaudits and funding, for achieving more with less.

He pointed out that some indicators (such as retention rates for secondary school completion in Australia, or eligibility for college admission in the US) could be met by policies that wasted human and financial resources. Better, he argued, to carefully evaluate the impacts of policies and enumerate their benefits and costs, than to risk creating incentives to meet inappropriate indicators.

Other speakers acknowledged that such problems could arise with some indicators, but argued that in the context of Australia and the COAG process, jurisdictions were well placed to stress the context surrounding their performance as captured in indicators, and that the information added by the indicators was a step towards better understanding of successful policies.

**Misuse of data and analysis**

Some discussion turned on the problem of misuse or misrepresentation of data and analysis. One example cited was the misuse of the Productivity Commission’s ‘outer envelope’ estimates in its 2007 report to the Council of Australian Governments on the *Potential Benefits of the National Reform Agenda*. Speakers noted that these estimates of the long term, gross benefits, after adjustment of the economy, to the assumed full implementation of the National Reform Agenda, came with very clear caveats. Yet those caveats were often overlooked in reporting of the benefits.
Participants’ comments on this episode included the view that little harm was done by such oversimplification; that there were some reasons in the early stages of knowledge about the NRA why elements in the estimates might have been conservative; and that even somewhat misguided use of estimates was part of a better-informed debate than if estimates had not been ventured.