

Chapter Four

Report and review performance

4.1 Introduction

Successful organisations manage by fact and do not rely on anecdotes, rumours, assumptions, or wild guesses to make decisions. A well-structured performance management system is one where communication is part of the system. Communication should be about information, the results, and decisions on how the system and outputs may be modified to deliver on the goals set by the hospital. Deciding who will use the information should be dealt with long before data is actually collected. This helps in determining the nature of data to be presented, the language, content, layout, and appearance thereof.

4.2 Report performance

Management meetings should be about performance and this is likely to be made easier by the existence of a performance management system. Achieving good results is a necessary, but not sufficient, requisite for good management. This is because others will not know that good management has occurred unless it is communicated. Furthermore, it is not possible to improve future performance without knowing the lessons from present results.

It is important to provide a report concerning missed goal(s) before someone else writes a bad report about your performance. However, managers should guard against releasing reports containing performance indicators without contextual information. Even where a number or percentage is self-explanatory it is advisable to provide an explanation e.g. 97% hip replacement operations performed may be better understood if actual numbers, like 460 hip replacements completed out of 484 booked patients, are also reflected.

Performance reports for different stakeholders and users are to consider the following:

Language - Avoid jargon and use plain language

Content - Support the content using good contextual information

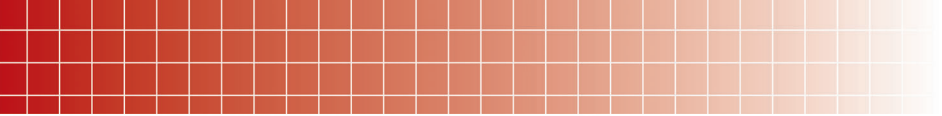
Layout - Clear and easy to follow layout

Appearance - Good use of colour, graphics, photos and pictures

Size - Ensure that reports are not unnecessarily long or short

4.3 Presentation of data

The usefulness of data is determined by the manner in which it is packaged. Managers and stakeholders respond better if information is well presented and reflects a comparison, a trend, or particular pattern. Depending on the different circumstances, the following are some of the ways of presenting performance data:



- (a) Budget data if the financial objective is to remain within the allocated budget, details on the performance measure (% of expenditure against budget) can be reflected in the following manner:

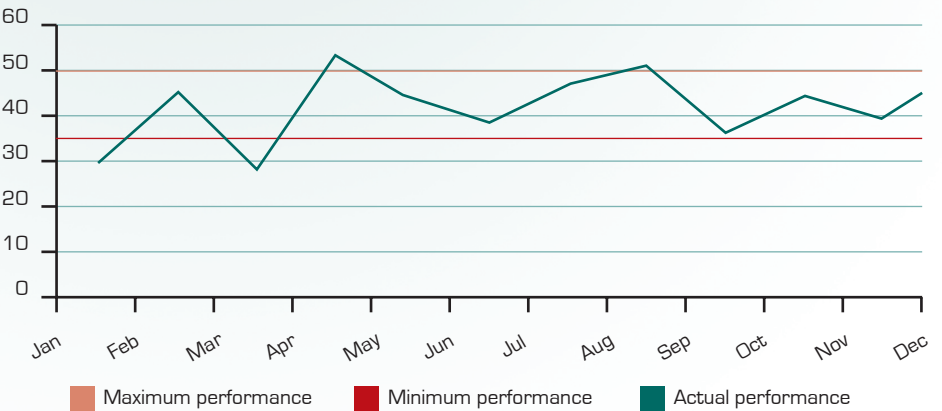
Figure 12: Example of data presentation using expenditure against the budget


Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% expenditure	8.33	16.67	25	33.3	41.6	50	58.3	66.65	75	83.33	91.6	100
Monthly allocation from a R1.2m budget	R100 000	R200 000	R300 000	R400 000	R500 000	R600 000	R700 000	R800 000	R900 000	R1m	R1.1m	R1.2m

Expenditure in this instance needs to be **R100 000 per month** for the organisation to be within budget.

- (a) Another instance is where improvement has to increase by 10% per year. The first month (Jan) and the last month (Dec) may be left out and the middle ten months used as a basis where a 1% increase per month is targeted over this ten month period.
- (b) Productivity or performance may also be presented through a control chart with parameters stating a minimum and maximum as part of reporting. The following is a control chart with maximum, actual and minimum performance represented:

Figure 13: The Control Chart





These are some of the tools for presenting information in a more useful manner. Different situations will require different approaches and there is no better way of dealing with data presentation than involving those concerned.

4.4 Review performance and take action

At the centre of performance management is measurement which will not occur until data is evaluated against a referent value. Reporting and reviewing performance requires the consideration of questions such as; what is it that the manager is watching or interested in? This would be followed by an assessment of whether those around him/ her are also watching similar things. Once performance is calculated, it must be evaluated against some base or standard. The following are some of the possible areas for comparison of performance:

- (a) What the hospital or component has achieved in the past (baseline),
- (b) What other comparable organisations are achieving (benchmark),
- (c) What was targeted, and
- (d) What could reasonably have been achieved in the circumstances?

Performance reviews follow immediately after the information about performance becomes available. It needs to consider actual results achieved and determine the gap between actual and forecast results while factoring in what the likely causes for gaps (either positive or negative) are. The ability to adjust, acting on performance management information will enable hospitals to become learning organisations.