



CONSERVATION COMMISSION OF WESTERN AUSTRALIA

POSITION STATEMENT NO. 9

MAY 2014

Criteria for developing Key Performance Indicators for management plans prepared under the *Conservation and Land Management Act 1984*

Context and Purpose

The functions of the Conservation Commission of Western Australia (Conservation Commission) under section 19 of the *Conservation and Land Management Act 1984* (CALM Act) include (i) to develop guidelines for monitoring; and (ii) to set performance criteria for evaluating; and to (iii) conduct periodic assessments of, the implementation of the management plans by those responsible for implementing them, including the CEO of the Department of Parks and Wildlife (DPaW) and, if the land is State forest or a timber reserve, the Forest Products Commission.

The Conservation Commission acknowledges the legislative mandate to protect the value of the land to the culture and heritage of Aboriginal people in accordance with the CALM Act and recognises that work needs to be undertaken to allow for cultural performance criteria to be developed.

This position statement specifically addresses the Conservation Commission's function of setting performance criteria for evaluating management plans in accordance with the Conservation Commission of Western Australia's *Performance assessment policy – guidelines for assessing the management of conservation reserves, forest management plans and biodiversity in Western Australia* (September 2012).

Key Performance Indicators

A Key Performance Indicator (KPI) provides an overview of the critical or material aspects of outcome achievement or service provision. Different types of KPIs are defined as:

- Key effectiveness indicator: provides information on the extent of, or progress in a reporting period towards achievement of an agency level government desired outcome through the delivery of a service or services;
- Key efficiency indicator relates a service to the level of resource input required to deliver it;
- Key cost effectiveness indicators relate to the achievement of an agency level government desired outcome to the cost of the service(s) that delivered it. See Department of Treasury WA (March 2014). *Financial Administration Bookcase* (Treasurer's Instruction 904).

KPIs in management plans can be considered key effectiveness indicators as they provide information on the extent of, or progress in a reporting period towards the achievement of agency desired outcomes through the management of the conservation estate.

The importance of developing adequate KPIs for management plans prepared under the CALM Act is best appreciated when considered in the context of protecting biodiversity values through management actions in conservation reserves. The following figure illustrates how KPIs are instrumental in achieving organisational compliance with relevant provisions of the CALM Act.

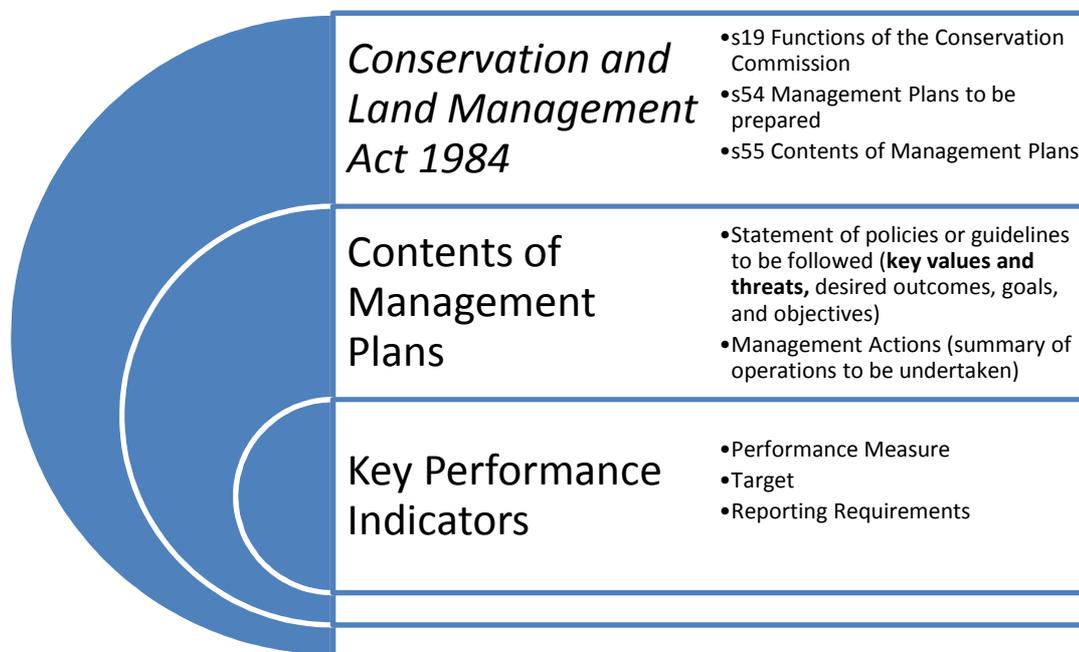


Figure 1. Key Performance Indicators in management plans prepared under the CALM Act

Setting SMART(ER) objectives—the path to effective KPI development

Ideally, each key value of a management plan will have an associated objective. Using the familiar SMART acronym, each objective should be:

- **Specific**
- **Measurable**
- **Achievable**
- **Relevant**
- **Time-bound**

More recently, and particularly relevant to the role of the Conservation Commission, objectives should also be SMARTER, adding:

- **Evaluate**
- **Reevaluate**

to the qualities of a well-crafted objective.

The development of SMARTER management plan objectives is in keeping with the development of SMARTER management plans and is part of an overall process objective of continuous improvement in the preparation of plans to enable adaptive management.

Integrating the development of KPIs with SMARTER objectives, using the following criteria, will contribute to the Conservation Commission and DPaW's objective of continuous improvement in the preparation of management plans.

Criteria for developing KPIs in management plans under the CALM Act

The following criteria have been identified to provide guidance in developing KPIs for management plans and assist the Conservation Commission in undertaking its performance assessment function under the CALM Act. Each criterion has been selected to reflect WA Public Sector guidelines whilst recognising that a one-size-fits all approach may not always be effective particularly in the context of protecting biodiversity and conservation values.

The Conservation Commission and DPaW will combine their efforts towards continual improvement in the preparation of management plans, recognising that whilst management plan presentation can benefit from revised styles, the Conservation Commission expects KPIs to be based on the following criteria.

Criterion 1: KPIs should be developed in accordance with the WA Treasurer's Instruction 904 as updated from time to time.

As described in *Appendix 1: Key Performance Indicators in a Western Australian Context*, KPIs should be relevant and appropriate and fairly represent indicated performance.

Criterion 2: KPIs in management plans should be driven by values and used to report on management actions in relation to those values.

KPIs should not only enable the reporting of management performance against the protection of conservation and recreational values in the planning area, but they must be driven by those values.

This robust relationship between values and management planning was captured by Moore and Rodger in their recommendations to the Conservation Commission. Planning should be values-driven, with key values selected and explicitly defined and desired outcomes and strategies identified and included in the plans. Performance indicators should then be used to report on these values (Moore and Rodger 2009).

Criterion 3: KPIs should be based on and reflect best practice in the management and protection of biodiversity and conservation values.

This criterion recognises the agency goal to conserve, protect and manage the State's native fauna and flora based on best practice science (See Department of Parks and Wildlife Strategic Directions 2013-2015).

Criterion 4: KPIs should be measurable and under the control of the reporting body. KPIs should also be supported by auditable performance reporting systems.

For KPIs to be most useful they must be measurable and quantifiable (WA Auditor General, 2012). Performance indicators enable performance to be measured, monitored, evaluated, reported and improved. They play a key role in managing performance at all levels in the organisation—strategic and operational (Department of Treasury and Finance, 2004).

Integrated management also relies on implementing actions, knowing if they have been implemented and if the action has been successful (see Moore and Rodger 2009). Auditable performance reporting systems can keep track of these interests.

It is recognised that DPaW is required to establish and maintain a portfolio of evidence relating to KPIs in management plans to enable measurement of implementation and management effectiveness of actions (see for example, *Swan Coastal Plain South draft management plan 2014*). The first step in this process is to establish adequate baseline data.

Criterion 5: KPIs should be clearly linked to objectives, desired outcomes, management actions and include reasonable targets.

The development of useful performance indicators relies on clear specification of desired outcomes and services (see WA Department of Treasury and Finance, 2004). Clear linkages between desired outcomes, objectives, and management actions must therefore be provided for all KPIs in management plans.

Criterion 6: KPIs should be presented in a consistent style across management plans for vested lands.

The Conservation Commission expects KPIs to consistently reflect the following structure when presented in management plans under the CALM Act. In instances where a deviation from the endorsed structure is proposed, the Conservation Commission will consider the extent to which the KPI will deliver a robust and meaningful management outcome for the planning area.

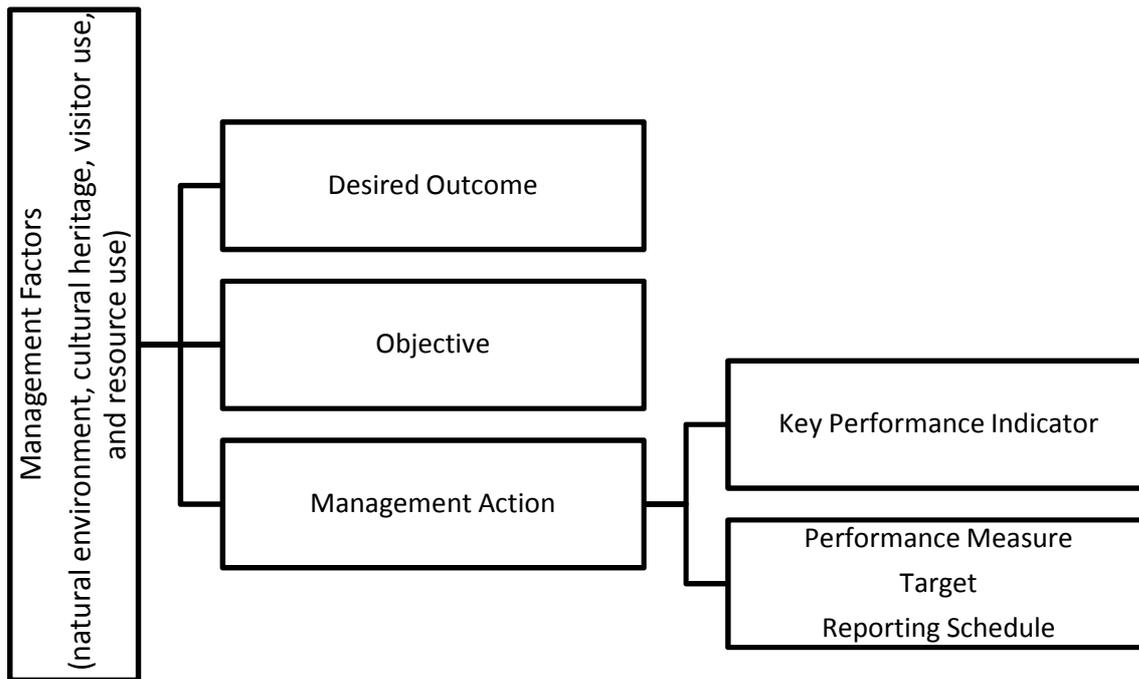


Figure 2: Structure of KPIs in Management Plans

Conclusion

The Conservation Commission values the instrumental role of KPIs in the delivery of performance assessment functions under the CALM Act. The Conservation Commission endorses effective KPI design not only in this legislative context but also as best practice in the management of biodiversity in the conservation estate.

The Conservation Commission expects KPIs to be developed through the Department of Parks and Wildlife in accordance with the criteria identified in this position statement. Whilst the style of management plans may change over time to allow for continual improvement, the above criteria will remain the basis for the development and presentation of KPIs in management plans under the CALM Act.

References

Auditor General Western Australia (2012). *Beyond Compliance: Reporting and managing KPIs in the public sector*. Report 3. Office of the Auditor General, Perth.

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Department of Environment and Conservation (2013). *Annual Report, Department of Environment and Conservation 2012-13*. Department of Environment and Conservation, Perth.

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Department of Treasury Western Australia (2004). *Outcome Based Management: Guidelines for use in the Western Australian Public Sector*. Department of Treasury and Finance, Perth.

Moore, S.A. & Rodger, K. (2009). *Recommendations: Reforming management planning for national parks, conservation parks and reserves in Western Australia – 2010 and onwards*. Report prepared for the Conservation Commission of Western Australia, Crawley.

Public Sector Commission Western Australia (2014). *Annual reporting framework 2013/14 reporting year*. Public Sector Commission, Perth.

Appendix 1: Key Performance Indicators in a Western Australian context

A requirement of the Treasurer's Instruction 904 is that KPIs shall be relevant and appropriate having regard to their purpose, and fairly represent indicated performance.

Each characteristic is defined below in accordance with the Treasurer's Instruction 904:

- **Relevant:** performance indicators must be logically related to the needs of stakeholders. Indicators must relate to clearly defined agency level government desired outcomes and services that communicate what is to be measured and assist with resource allocation decisions.
- **Appropriate:** performance indicators should enable to assess an agency's performance. Performance indicators should be selected to facilitate an accurate understanding of the extent to which an agency has achieved predetermined targets, trends in performance over time and performance relative to that of similar service providers. Appropriateness can be achieved by examining the indicators currently being used or developed by other organisations or peak bodies in the same field. Using widely recognised indicators also facilitates benchmarking. Indicators are also more likely to be appropriate if they are used for internal management as well as for external reporting. The appropriateness of the performance indicators is enhanced by agencies disclosing, to the extent possible, information about trends over time and/or comparisons with similar service providers. Appropriate indicators should also be supported by explanations, either in the form of narrative or notes to tables, to ensure that the significance of statistics is clearly explained.
- **Fairly represent indicated performance:** indicators should be free from bias and should be measurable (in either quantitative or qualitative terms) so that appropriately qualified individuals working independently can verify them.

The above principles reflect section 40(2)(c) the *Auditor General Act 2006* (WA) which describes KPIs as relevant and appropriate to assist users to assess the agency's performance and fairly represent indicated performance for the period under review.

As relevant to the CALM Act, social and environmental responsibility is one of the overarching goals of the Western Australian government identified by the WA Auditor General (see WA Auditor General, 2012).

In accordance with the Public Sector Commission Annual Reporting Framework 2013-2014, the DPaW outcome based management structure reports the delivery of services against the government goal of social and environmental responsibility ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State (see Department of Environment and Conservation 2013, and Public Sector Commission Western Australia 2014).

Environmental responsibilities of the Conservation Commission can be summarised by reference to the CALM Act, particularly s19 functions of the Conservation Commission (including performance assessment) and its long title:

An Act to make better provision for the use, protection and management of certain public lands and waters and the flora and fauna thereof, to establish authorities to be responsible therefor, and for incidental and connected purposes.