

The South West Regional Skills Partnership

Balanced Scorecard

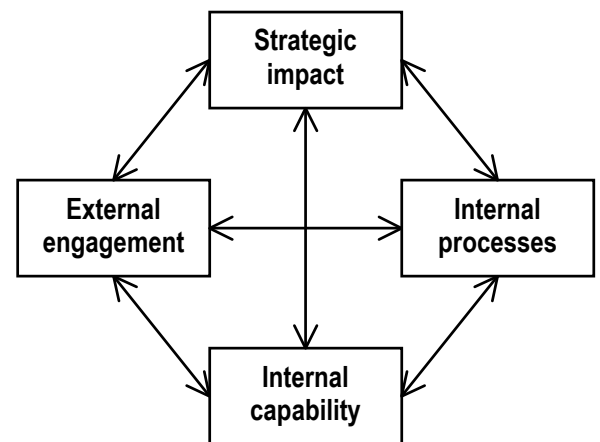
The South West of England uses a 'Balanced Scorecard' approach to monitoring the potential impact and capacity of its regional skills partnership, the 'South West Enterprise and Skills Alliance - SWESA.

Background

The deployment of a performance measurement system based on the Balanced Scorecard will enable SWESA to both monitor its strategic impact and evaluate a set of factors that drive its performance.

The rationale for the approach is that:

- Whilst essential, the performance measurement data available for directly assessing strategic impact are largely embedded in the past. In some cases, such analyses are several years old before they are available.
- Future strategic impact will be driven by the extent and quality of external engagement and the effectiveness of the internal processes of SWESA – and these, in turn, are dependent on internal capabilities.
- It is possible to monitor progress in these three areas within shorter time frames and, in turn, enable SWESA to influence the direction of key determinants of future added value.



The Strategic Impact of the SWESA is measured through an annual review of the health of the SW Labour market. This uses a system that differentiates between targets, 'close to policy indicators' and broad outcome measures. This is described in further detail in 'The Role of Data' area of the Regional Key Competencies.

This paper describes the measurement architecture for the other three areas of the Balanced Scorecard, based on a set of key design principles:

- Measures should, as far as possible, be distinctive to SWESA – reflecting added value that specifically arises from SWESA activities.
- There needs to be a feedback to action loop, reinforcing the link between measurement and management. To achieve this, data must be quickly available and up to date – ideally reported quarterly at each Alliance meeting.
- To provide focus, the number of measures should be kept to a minimum – ideally two and a maximum of three per focus area – avoiding the tendency for public sector approaches to become excessively overloaded with data and information.
- There should be the right 'mix' of measures, with a balance of hard data and subjective approaches.
- The four SWESA top priorities for action identified by the SWESA should be included – business brokerage; leadership and management; literacy, language and numeracy; joint planning.

Method

The SWESA quarterly performance monitoring system has the focus areas: external engagement, internal processes and internal capability.

The selection of measures within each focus area has been based on:

- ❑ The design criteria on the previous page.
- ❑ The need for baseline data to be captured at the start of setting partnership processes and objectives.
- ❑ Practical issues associated with measurement – data collection needs to be as straightforward as possible.
- ❑ The immediate needs of SWESA during its early stages – scope has been allowed for the metrics to change over the years, as SWESA and its remit develops.

External engagement focus		
Goal	To increase the numbers of individuals and organisations engaged in skills development and enterprise.	
Proposed initial metrics	Measures	Methodology
	Small and Medium sized Enterprises - % market penetration achieved through business brokerage.	Quarterly return from Business Link organisations in the South West identifying the number of SMEs supported in the previous quarter.
	Numbers of individuals engaged in publicly funded/supported leadership and management development.	Quarterly return from organisations funded via SWESA partners to delivery leadership and management programmes. This will be reported as a single figure for the region.
	Numbers of individuals engaged in literacy, language and numeracy programmes.	Quarterly return from each Learning and Skills Council on the number of training places funded

Internal processes focus		
Goal	To ensure that a responsive, coherent and mutually supportive set of business support and learning services are delivered in the region.	
Proposed initial metrics	Measures	Methodology
	Partner employee rating of the effectiveness of joint planning in the region.	Quarterly survey of partner employees with five questions relating to joint planning. Reported as a single figure (from 1 to 10) ¹ .
	Value of the publicly funded training budget aligned as a result of participation in SWESA planning processes.	Estimate from SWESA 'Joint Planning Group' reported as a single quarterly monetary value for the region.

Internal capability focus		
Goal	To ensure that the SWESA and its constituent parts have the capacity to deliver the skills and enterprise agenda in the region.	
Proposed initial metrics	Measures	Methodology
	Partner employee rating of SWESA capability.	Quarterly survey of partner employees with five questions relating to SWESA capability. Reported as a single figure (from 1 to 10).
	Number of individuals actively engaged in SWESA activities and projects.	Quarterly record of the number of individuals actively engaged in SWESA activities and projects.

Quarterly survey of partner employees.

The quarterly is conducted through an on-line interface using a fixed panel of 100 partner employees.

Partner employees completing the poll are given an on-line record of the scores they gave for each question in all previous quarters. They will be asked for any perceived changes since the last poll. Ratings by individuals are strictly confidential and only mean scores for the full sample will be reported.

The mean score of responses is calculated for each category. These are then aggregated into overall ratings for joint planning and capability, which forms the basis of comparison between different quarters.

Additional feedback and comments is captured fed back to the Regional Skills Partnership, although this does not have any bearing on the Balanced Scorecard.

¹ See Annex 1 for questions used

Annex 1 **Survey Questions**

INTERNAL PROCESS

The 'Internal Processes Focus' within our performance measurement framework seeks to measure progress towards the Regional Skills Partnership's Goal *'To deliver a responsive, coherent and mutually supportive set of business support and learning services in the region'*.

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| Section 1, Qu1 | At this point in time, to what extent does provision of training for adults meet the needs of employers and individuals in the region? |
| Section1, Qu2 | Over the past 3 months, to what extent has the Regional Skills Partnership's (RSP) joint planning activities added value (over and above what could be achieved by the major funding agencies working separately)? |
| Section 1, Qu3 | Relative to national constraints, how much flexibility is there for planning and allocation of funding at a regional or local level? |
| Section 1, Qu4 | Over the past 3 months, to what extent has the RSP enabled provision of training to respond to newly identified needs? |
| Section 1, Qu5 | How effectively has current training provision been informed by up to date evidence about the needs of individuals, employers and sectors? |

INTERNAL CAPABILITY

Internal Capability Focus seeks to measure progress towards the Goal *'To ensure that the RSP and its constituent parts have the capacity to deliver the skills and enterprise agenda in the region'*.

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| Section 2, Qu1 | Over the past 3 months, what impact has the SWESA leadership had on building joint capability? |
| Section 2, Qu2 | To what extent does SWESA currently have the ability to improve the provision of training for adults, so that it can more closely meet the needs of employers and individuals in the region? |
| Section 2, Qu3 | Over the past 3 months, how effective has communication and knowledge sharing been between different SWESA member organisations? |
| Section 2, Qu4 | Over the past 3 months, to what extent has information and support provided by the SWESA Central Team proved useful to your organisation? |
| Section 2, Qu5 | Over the past 3 months, to what extent have the SWESA objectives, priorities and activities impacted on your organisation's strategy and actions? |