Government of Punjab

Department of Governance Reforms

GUIDELINES FOR DEPARTMENTAL

RESULTS - FRAMEWORK   DOCUMENT (RFD)

2014 - 2015

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RESULTS-FRAMEWORK DOCUMENT (RFD)

2014-2015

I. The Background

In May, 2010, the Punjab Government introduced the Results Framework Document (RFD) as an instrument of monitoring and evaluation of its departments. The system is similar to that adopted from the year 2009 by the Government of India for monitoring and evaluation of all Central Ministries. At the national level, the task is entrusted to the Secretary, Government of India, Cabinet Secretariat, Performance Management Division. In Punjab, the Department of Governance Reforms is Nodal as well as the Administrative Department for Results Framework Document. As per a decision of the Council of Ministers, Performance Management Division in Mahatma Gandhi State Institute of Public Administration, Punjab, Chandigarh, renders necessary technical, secretarial and training support to the government in this regard.

RFD provides a summary of the most important results that a department expects to achieve during the financial year. This document has two main purposes:

(a) Move the focus of the department from process-orientation to result-orientation; and

(b) Provide an objective and fair basis to evaluate the overall performance of each department at the end of the year.

The guidelines are divided into the following broad sections:

- ➢ Format of RFD;
- ➢ Communication and collation of data;
- ➢ Evaluation Methodology; and
- ➢ RFD Process & Schedule for submission of RFDs.

II. Format of Results-Framework Document

A Results-Framework Document (RFD) is essentially a record of understanding between a Minister representing the people's mandate, and the Secretary of a Department responsible for implementing this mandate. This document contains not only the agreed objectives, policies, programs and projects but also success indicators and targets to measure progress in implementing them. To ensure the successful implementation of agreed actions, RFD may also include necessary operational autonomy for the department concerned.

The RFD seeks to address three basic questions: (a) what are department's main objectives for the year? (b) What actions are proposed by the department to achieve these objectives? (c) How would someone know at the end of the year the degree of progress made in implementing these actions? That is, what are the relevant success indicators and their targets which can be monitored?

The RFD should contain the following six sections:

Section 1 *Department's Vision, Mission, Objectives and Functions.*

Section 2 *Inter se priorities among key objectives, success indicators and targets.*

Section 3 *Trend values of the success indicators.*

Section 4 *Description and definition of success indicators and proposed measurement methodology.*

Section 5 *Specific performance requirements from other departments that are critical for delivering agreed results.*

Section 6 *Outcome / Impact of activities of department*

Section 1: Department's Vision, Mission, Objectives and Functions

This section provides the context and the background for the Results-Framework Document (RFD). Creating a Vision and Mission for a department is a significant enterprise. Ideally, Vision and Mission should be a byproduct of the strategic planning exercise undertaken by the department. Both concepts are interrelated and much has been written about them in management literature. Here we reiterate the working guidelines.

Vision:

- **Vision** is an idealized state for the department. It is the big picture of what the leadership wants the department to look like in the future.

- **Vision** is a symbol, and a cause to which we want to bond the stakeholders, (employees as well as other stake-holders). As they say, the people work best, when they are working for a cause, than for a goal. Vision provides them that cause.

- **Vision** is a long-term statement and is typically generic and grand. Therefore a vision statement does not change from year to year unless the department is dramatically restructured and is expected to undertake very different tasks in the future.

- **Vision** should never carry the 'how' part of vision. For example 'To be the most admired brand in Aviation Industry' is a fine vision statement, which can be spoiled by extending it to 'To be the most admired brand in the Aviation Industry by providing world-class in-flight services.' The reason for not including 'how' is that the 'how' part of the vision may keep on changing with time.

- Writing up a Vision statement is not difficult. The problem is to make employees engaged with it. Many a time, terms like vision, mission and strategy become more a subject of scorn than being looked up to. This is primarily because leaders may not be able to make a connection between the vision/mission and employees' everyday work. Too often, employees see a gap between the vision, mission and their goals and priorities. Even if there is a valid/tactical reason for this mismatch, it is not explained. The leadership of the department (Minister and the Secretary) should therefore consult a wide cross section of employees and come up with a Vision that can be owned by the employees of the department.

➢ **Vision** should have a time horizon of 5-10 years. If it is less than that, it becomes tactical. If it has a horizon of 20+ years (say), it becomes difficult for the strategy to relate to the vision.

Features of a good vision statement:

• Easy to read and understand.

• Compact and crisp to leave something to people's imagination.

• Gives the destination and not the road-map.

• Is meaningful and not too open-ended and far-fetched.

• Excites people and makes them feel energized.

• Provides a motivating force, even in hard times.

• Is perceived as achievable and at the same time is challenging and compelling, stretching us beyond what is comfortable.

Mission follows Vision:

We strongly recommend that the **mission** should follow the **vision**. This is because the purpose of the organization could change to achieve their vision. The entire process starting from the Vision down to the objectives is highly iterative. The question is, from where should we start? We strongly recommend that vision and mission statement should be made first without being coloured by constraints, capabilities and environment. It is akin to the vision of several armed forces: 'Keeping the country safe and secure from external threats'. This vision is non-negotiable and it drives the organization to find ways and means to achieve their vision, by overcoming constraints on capabilities and resources. Vision should be a stake in the ground, a position, a dream, which should be prudent, but should be non-negotiable barring in a few rare circumstances.

Mission:

The department's **Mission** is the nuts and bolts of the vision. Mission is the who, what and why of the department's existence.

We strongly recommend that mission should follow the vision. This is because the purpose of the organization could change to achieve their vision. The vision represents the big picture and the mission represents the necessary work.

Mission of the department is the purpose for which the department exists. It is in one way the road to achieve the vision.

Objectives:

Objectives represent the developmental requirements to be achieved by the department in a particular sector by a selected set of policies and programmes over a specific period of time (short-medium-long). For example, objectives of the department of Health & Family Welfare could include:

(a) reducing the rate of infant mortality for children below five years; and

(b) reducing the rate of maternity death by 30% by the end of the development plan.

Objectives could be of two types: (a) Outcome Objectives address ends to achieve, and (b) Process Objectives specify the means to achieve the objectives. As far as possible, the department should focus on Outcome Objectives.

Objectives should be directly related to attainment and support of the relevant national objectives stated in the relevant Five Year Plan, National Flagship Schemes, Outcome Budget and relevant sector and departmental priorities and strategies, Governor's Address, the manifesto, and announcement/agenda as spelt out by the Government from time to time.

Objectives should be linked and derived from the Departmental Vision and Mission statements.

Functions:

The **functions** of the department should also be listed in this section. These functions should be consistent with the allocation of business for the department.

Section 2: *Inter se* priorities among key objectives, success indicators and targets.

The heart of Section 2 of the RFD document consists of Table 1 below. In what follows we describe the guidelines for each column of this Table.

Important steps in making RFD:

Column 1: Select Key Departmental Objectives

From the list of all objectives, select those key objectives that would be the focus for the current RFD. It is important to be selective and focus on the most important and relevant objectives only.

Table 1: Format of the result framework document (RFD)

Column1	Column2	Column3	Column4		Column5	Column 6				
Objective	Weight	Actions	Success indicator	Unit	Weight	Target /criteria value				
						Excellent	Very good	Good	Fair	Poor
						100%	90%	80%	70%	60%
Objective1		Action1								
		Action2								
		Action3								
Objective2		Action1								
		Action2								
		Action 3								

Column 2: Assign Relative Weights to Objectives

Objectives in the RFD should be ranked in a descending order of priority according to the degree of significance and specific weights should be attached to these objectives. The Minister in-charge will decide the *inter se* priorities among departmental objectives and all weights, including the weight of mandatory indicators, must add to 100.

Column 3: Specify Means (Actions) for Achieving Departmental Objectives

For each objective, the department must specify the required policies, programmes, schemes and projects. Objective represents the desired "end" and associated policies, programs and projects represent the desired "means." The latter are listed as "actions" under each objective.

Column 4: Specify Success Indicators and Units

For each of the "action" specified in Column 3, the department must specify one or more "success indicators." They are also known as "Key Performance Indicators (KPIs)" or "Key Result Indicators (KRIs)." A success indicator provides a means to evaluate progress in implementing the policy, programme, scheme or project. Sometimes more than one success indicator may be required to tell the entire story.

Success indicators are important management tools for driving improvements in departmental performance. They should represent the main business of the organization and should also aid accountability. If there are multiple actions associated with an objective, the weight assigned to a particular objective should be spread across the relevant success indicators.

Success indicators should consider both qualitative and quantitative aspects of departmental Performance. In selecting success indicators, any duplication should be avoided.

Column 5: Assign relative Weights to Success Indicators

If we have more than one action associated with an objective, each action should have one or more success indicators to measure progress in implementing these actions. In this

case we will need to split the weight for the objective among various success indicators associated with the objective.

Column 6: Specify Targets/Criteria value for Success Indicators

The next step is to choose a target for each success indicator. Targets are tools for driving performance improvements. Target levels should, therefore, contain an element of stretch and ambition. However, they must also be achievable.

The target should be presented as per the five-point scale given below:

Excellent	Very Good	Good	Fair	Poor
100%	90%	80%	70%	60%

It is expected that budgetary targets would be placed at 90% (Very Good) column. For any performance below 60%, the department would get a score of 0 in the relevant success indicator.

Section 3: Trend values of the success indicators

For every success indicator and the corresponding target, RFD must provide actual values for the past two years and also projected values for two years in the future. The inclusion of actual values for the past two years vis-a-vis the projected values for the next two years will help in assessing the target value for the current year.

If an action is being initiated in the current year, then no values would be listed in the previous year column. Also, in case an action is going to be completed in the current year, then no values would be listed in the next 2 years. Kindly do not copy Section 2 figures here and care should be taken that the date values are for the relevant year listed in the column.

Table 2: Trend Values for Success Indicators

Objective	Action	Success Indicator	Unit	Actual value for FY 12/13	Actual value for FY 13/14	Trend value for FY 14/15 (anticipated)	Projected value for FY 15/16	Projected value for FY 16/17
	Action 1							
Objective 1	Action 2							
	Action 3							
	Action 1							
Objective 2	Action 2							
	Action 3							
	Action 1							
Objective 3	Action 2							
	Action 3							

Section 4: Description and definition of success indicators and proposed measurement methodology.

RFD must contain a section giving detailed definitions of various success indicators and the proposed measurement methodology. Abbreviation/acronyms and other details of the relevant scheme may be listed in this section. Wherever possible, the rationale for using the proposed success indicators may be provided as per the new format recently incorporated in the RFMS.

S.I. No.	Success Indicator	Description	Definition	Measurement	General Comments

Section 5: Specific performance requirements from other departments that are critical for delivering agreed results.

This section should contain expectations from other departments that impact the department's performance and are critical for achievement of the selected Success Indicator. These expectations should be mentioned in quantifiable, specific, and measurable terms.

While listing expectations, care should be taken while recording as this would be communicated to the relevant Department and should not be vague or general in nature.

Section 6: Outcome / Impact of activities of department.

This section should contain the broad outcomes and the expected impact the department has on national welfare. It should capture the very purpose for which the department exists.

This section is included to keep reminding us about not only the purpose of the existence of the department but also the rationale for undertaking the RFD exercise. However, the evaluation will be done against the targets mentioned in Section 2. The whole point of RFD is to ensure that the department serves the purpose for which they were created in the first place.

The required information under this section should be entered in Table 3. The Column 2 of Table 3 is supposed to list the expected outcomes and impacts. It is possible that these are also mentioned in the other sections of the RFD. Even then these should be mentioned here for clarity and ease of reference. In column 3, all departments jointly responsible for achieving the goal are required to be mentioned. In column 4, the department is expected to mention the success indicator(s) to measure the department outcome or impact. Column 5-9 give the expected trend values for various success indicators.

Table 3: Outcome / Impact of activities of department

S. No	Outcome / Impact	Jointly responsible for influencing this outcome / impact with the following organisation (s) / departments	Success Indicator (s)	Unit	2011-2012	2012-2013	2014-2015	2014-2015	2015-2016

III. Communication and Collation of data:

Evaluation of Results Framework Documents and consolidation of appraisal of all the departments in the State requires effective use of Information Technology. For facilitating the communication within and between departments, the government of Punjab has provided the PAWAN network. All departments are advised to make use of this communication network. The State Government has assigned the role of adoption of information technology for performance management to Punjab Infotech Limited, a public sector undertaking. The functionaries of the department especially the Nodal Officers are given training in Mahatma Gandhi State Institute of Public Administration,

Punjab, Chandigarh to adopt the software and management information system developed and designed for the purpose.

IV. Evaluation Methodology

The Results Framework Document contains agreed objectives and also targets and success indicators to measure achievements. The marks for achievement in respect of various objectives are assigned by measurement against success indicators mentioned against each objective. At the end of the year the Advisory Task Force compares the achievements with relative targets and determines the raw score. This raw score for achievement is obtained by comparing the achievements with target criteria value. If, for example, the achievement is between 80% and 70% the raw score works out as 75. The weighted score is obtained by multiplying the raw score with the relative weight assigned. If the relative weight assigned to a particular activity is 0.50 the weighted score for achievement is obtained by multiplying 75 by 0.50. Hence weighted score would be 37.5. Finally, the composite score is calculated by adding all the weighted scores for achievement of the targets listed in the RFD.

We repeat here the six sections into which the Results Framework Document (RFD) of every department is divided.

Section 1   Department's Vision, Mission, Objectives and Functions.

Section 2   Inter se priorities among key objectives, success indicators and targets.

Section 3   Trend values of the success indicators.

Section 4   Description and definition of success indicators and proposed measurement methodology.

Section 5   Specific performance requirements from other departments that are critical for delivering agreed results.

Section 6   Outcome/Impact of activities of department.

The overall quality of the RFD depends upon the quality of each section and the relative

quality of the section. With effect from the year 2014-15, it has been decided to distribute relative weights among various Sections as under:

Section of RFD	Section Description	Weight
1(A)	Vision	5
1(B)	Mission	5
1(C)	Objectives	5
2	Inter se priorities among key objectives, success indicators and targets.	40
3	Trend values of the success indicators.	15
4	Description and definition of success indicators and proposed measurement methodology.	5
5	Specific performance requirements from other departments that are critical for delivering agreed results.	5
6	Outcome/Impact of activities of department.	20
	Total weight	**100**

For facility illustrations of evaluation are shown below.

Presumptive weight for the section	Raw Score for the Section	Weighted Raw Score for the Section
5	90.0	4.50
40	87.9	35.00
15	90.0	13.50
20	88.0	17.60
	Total weight	**70.6**

The performance against success indicators would be first appraised by the department itself and then moderated by the Advisory Task Force. Performance against the success

indicators would be appraised by the ATF independently in respect of each section. **The departments may please note carefully the modified methodology for evaluation**

The composite score shows the degree to which a particular department was able to meet its objectives. The rating of achievement on the basis of composite score is as under:

Excellent	100% to 96%
Very Good	95% to 86%.
Good	85% to 76%.
Fair	75% to 66%.
Poor	65% and below.

V. RFD Process & Schedule for submission of Departmental RFDs

A. Beginning of the Year

- At the beginning of each financial year, with the approval of the Minister concerned, each Department will prepare a Results-Framework Document (RFD) consistent with these guidelines.

- To achieve results commensurate with the priorities listed in the RFD, the Minister incharge will approve the proposed activities and schemes for the Ministry/Department. The Ministers In-charge will also approve the corresponding success indicators (Key Result Areas – KRAs or Key Performance Indicators – KPIs) and time bound targets to measure progress in achieving these objectives.

- Based on the proposed budgetary allocations for the year in question, the drafts of RFDs will be completed. To ensure uniformity, consistency and coordinated action across various departments a review of these drafts will be carried out and feedback will be provided to the department concerned.

- Final versions of the RFDs will be placed on the website after compliance with the advice of the Advisory Task Force and with the approval of the Minister concerned.

B. End of the Year

- At the end of the year, all Departments will review and prepare a report listing the achievements of their department against the agreed results in the prescribed format. This report will be submitted to the Performance Management Division for appraisal by the Advisory Task Force.

- After scrutiny by the Advisory Task Force, report will be placed before the High Powered Committee headed by the Chief Secretary.

Schedule for submission of RFDs

As per schedule laid down by the High Powered Committee, headed by the Chief Secretary, the departments were required to submit their Results Framework Document in respect of targets for the year 2014-15 by 30 April, 2014 and achievements for the year 2013-14 by 15 May, 2014.

VI. Clarifications for facility of departments in submission of RFDs

- ✓ The guidelines for the year 2014-15 update the version of guidelines issued earlier for the year 2013-14.

- ✓ The Administraive Secretaries may kindly note that the government expects them to be personally and individually involved both in the preparation of their respective RFDs and also in defending their presentations before the Advisory Task Force.

- ✓ The State Government considers Performance appraisal through RFD an intergral part of the pocess of governance reforms. The consolidated annual report of appraisal of all departments is to be presented to a high powered committee of Chief Secretary, and thereafter to a steering committee headed by the Chief Minister.

- ✓ The departments had prepared components of **Vision** and **Mission** in the year 2010. Since four years have elapsed, the departments are free to modify the Vision and Mission this year, if they so desire.

- ✓ The departments may refine or recast their objectives and functions, as they were earlier doing from year to year in the light of priorities and policies of the state government.

- ✓ In formulating future RFDs success indicators like employees productivity, economy in costs, grievances redressal, excellence in service delivery, measures to check corruption and similar other reforms if any, may be incorporated.

- ✓ The departments are free to list constraints that impede their performance. Such constraints may be mentioned in Section 5, which may be appended to the achievements for the year under review. The factors would be duly kept in mind by ATF as well as by High Powered Committee in final evaluation.

- ✓ The departments should fix their targets realistically based on trend analysis, specific and achievable during the year under review. The targets need to be related to size and dimension of the activity and capability of the department to attain the same.

- ✓ Success Indicators must be designed in comparative terms so as to relate to the percentage of success achieved during the year under review.

- ✓ The Punjab InfoTech Ltd., has developed and designed a software and MIS for the performance management.

- ✓ The departments are required to submit their RFDs electronically through IWDMS which is hosted at PAWAN network accessed through the link http://10.10.20.10.

- ✓ Departmental RFDs should be placed on the website only after compliance with the advice of Advisory Task Force and approval of the Minister–in-charge.

VII.   *Panel of Members of the Advisory Task Force*

Name & Address	Name & address
1. Sh. Jai Singh Gill, Chairman ATF 2. Sh. Rajan Kashyap, Adviser (PMD) **Government Nominees** 1. Sh. C.Roul , IAS, Principal Secretary to Govt., Punjab. Deptt. of Governance Reforms. 2. Sh. Suresh Kumar, IAS, Financial Commissioner Development. 3. Sh. Karan A. Singh, IAS, Principal Secretary to Govt., Pb. , Deptt. Of Industry and Commerce. **Judiciary** 1. Justice S.S.Sodhi, (Retd) **Former Civil Servants** 1. Sh. J.N.L. Srivastava, 2. Dr. A.K.Kundra, 3. Sh. K.R.Lakhanpal 4. Sh. M.S.Chahal 5. Sh. R.N.Gupta 6. Sh. J.R.Kundal 7. Sh. A.Didar Singh 8. Sh. A.S.Dogra 9. Smt. Surinder Paul Kaur	**Academicians** 1. Prof. K.N.Pathak 2. Dr. G.S.Kalkat 3. Dr. B. N. Goswami, Padam Bhushan Awardee 4. Prof. I.K.Sud. 5. Prof. Ajit Singh 6. Prof. B.S.Ghuman 7. Prof. S.K. Chadha **Engineers** 1. Sh. N.S.Sodhi 2. Sh. D.P. Bajaj **Industry** 1. Sh. Kuldeep Kaul 2. Sh. D.K. Mehandru 3. Sh. Deepak Nanda 4. Dr. Sanjeevan Bajaj **Former officers of the Armed Forces** 1. Lt. Gen. (Retd.) S.S.Mehta, 2. Col. Dr. P.K.Vasudeva

VIII. Performance Management Division

For further inquiry

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