Ramping Up Results-Based Management in the Philippines

THE OUTLOOK OF RESULTS-BASED MANAGEMENT

From the 1980s in Australia, New Zealand, the United Kingdom, and the United States and from the 1990s elsewhere, economic, social, and political pressures drove member countries of the Organisation for Economic Co-operation and Development to push for vigorous application of results-based management in their public sectors.¹ The idea was—and remains—that where purely financial measures are not key drivers and there is little competition to benchmark against. Measuring (and reporting on) performance evidences concern for efficiency and effectiveness: it demonstrates to shareholders and stakeholders that an organization means business; it promotes transparency and accountability; it helps compete for funds. Above all, it facilitates systematic thinking about three basic questions: Are we doing it right? How do we know?

From the mid-1990s, international organizations too were called upon to make optimal use of resources to achieve intended outcomes. In 2000, the United Nations began to apply an in-depth results-based approach to program development and implementation across its agencies. Elsewhere, the Asian Development Bank (ADB) mandated use of the logical framework for project design and monitoring in 1995; initiated results-based country partnerships strategies in 2005; instituted annual development effectiveness reports in 2007; and cascaded results frameworks into departmental, office, sector, thematic, and individual work plans in 2011.

THE MUSTS OF RESULTS-BASED MANAGEMENT

Results-based management means that results must be evaluated systematically and feedback used continually to improve and enhance the effectiveness of operations. This is easier said than done: the shift of outlook the approach entails hinges on (i) clarity of purpose (or mandate); (ii) sharp understanding of the expectations of clients, audiences, and partners; (iii) supportive business processes—key among which are links between budget allocation and output delivery by means of performance reporting; and (iv) allied incentives, which assume meritocracy in managing human resources. Organizational changes need to be championed over time, acknowledging also that the degree of control decreases and the challenge of monitoring and evaluation increases as agents move up the results chain from inputs to impact.

At the country level, results-based management is best introduced as part of a larger public sector reform program, impelled by the government for any number of possible reasons. However, this is a rare situation: capacity development and sectorwide approaches offer more operable entry points.

RAMPING UP RESULTS-BASED MANAGEMENT IN THE PHILIPPINES

In the Philippines, efforts to improve public sector management have been deployed from the late 1980s, aiming to ensure that development results are achieved for the Filipino people. Naturally, the Department of Budget and Management (DBM) has played a central role.² ADB, for one, partnered with DBM unremittingly. In 2003, for example, regional technical assistance for supporting the sector approach and results-based management in ADB operations—financed by the Government of the United Kingdom—developed capacity in DBM with early work on results-based budgeting, notably development of a comprehensive Organizational Performance Indicator.

¹ The pressures included budget deficits, structural problems, competition, globalization, low public confidence in government, and escalating demands from taxpayers for better and more responsive services as well as greater accountability for achieving results. "Reinventing government," "doing more with less," and "demonstrating value for money" were typical slogans.
² The department promotes efficient and effective use of government resources to achieve national socioeconomic and political development goals.
The outcome in the near term should be that a performance management for performance reporting and assessment.

In 2005, prompt technical assistance for harmonization and managing for results helped the Philippines operationalize, at the country level, the commitments reflected in the Paris Declaration on Aid Effectiveness. In 2008, further technical assistance for harmonization and development effectiveness delivered more coordinated and accountable management of the implementation of the Philippines’ commitments under the Paris Declaration as well as the Accra Agenda for Action. Significantly, that technical assistance mainstreamed development effectiveness priorities in cabinet cluster action plans, this at the level of Secretary. It also gathered the fruits of previous investments in the form of a guidebook articulating the entire results-based management framework of the Philippines. The guidebook gives insights on performance management with discussions on living within one’s means (aggregate fiscal discipline), spending on the right things (allocative efficiency), and obtaining value for money (operational efficiency). In 2013, a milestone was reached when DBM refined OPIF; revised major final outputs and performance indicators; and restructured programs, projects, and activities toward the FY2014 National Expenditure Program, worth ₱2.268 trillion.

From 2013 to 2014, ADB continued—by means of small-scale technical assistance—to extend support to DBM for data management for performance reporting and assessment. The outcome in the near term should be that a performance indicator registry is institutionalized in DBM, a result befitting the government’s commitment to establishing a more transparent, accountable, and participatory culture in its public sector as well as the progress accomplished.

Related Links


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