Organisational Performance Excellence (OPE) Review Operations Manual

The recently revised up-date of this Manual was distributed to members of the national OPE Working Group. This version was discussed at a teleconference meeting of the Working Group on Wednesday 27 March and some final amendments were suggested during this discussion. Since that meeting, further comments and suggestions have been put forward and these have now been incorporated in the final version of the amended Manual.

A summary of amendments is as follows:

Section 3.1

- Now includes some explanatory notes to differentiate the notions of compliance audits and excellence reviews. These distinctions are generally not well understood.

Section 3.10

- Changes have been made to the 'Presentation/Planning Workshop' to provide greater flexibility on how this workshop will be conducted and who should be involved.

  The new format now allows for flexibility in timing, duration, who to involve, with an emphasis on examining ways in which improvement opportunities could best be approached. Greater emphasis will also be placed on identification of best-known practices across a range of topics and using these to assist the organisation to implement changes that work well elsewhere.

  It is planned to have selected case-studies presented at a national 'Showcase of Excellence'.

Section 4

- Estimated number of consulting days have been standardised for a Progress Review.

Section 5

- Further explanatory notes have been included to emphasise the focus on identification of best practice examples and discuss these in terms of how they could best be used by the organisation to implement improvement plans.
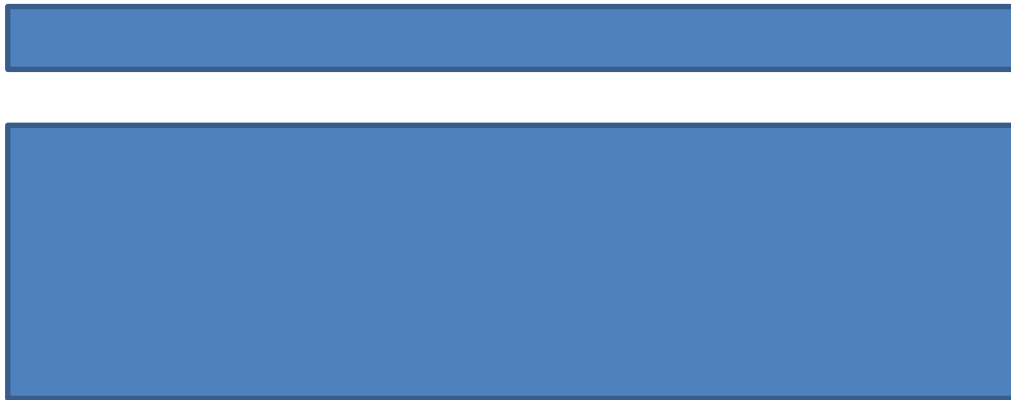
PERFORMANCE EXCELLENCE REVIEWS OF REGIONAL NATURAL RESOURCE MANAGEMENT ORGANISATIONS

OPERATIONS MANUAL
VERSION 3 - 2019

DOCUMENT AND VERSION CONTROL

Date	Issue No.	Change Note	Prepared By	Approved By
2 March 2012	Issue 1	First release	Norbert Vogel AKMGroup Pty Ltd	Andrew Drysdale CEO's Excellence Working Group
1 January 2014	Issue 2		Norbert Vogel	Andrew Drysdale
April 2019	Issue 3		Norbert Vogel	Chris Norman

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Section 1 Introduction and Background

In 2004, the Queensland Regional Natural Resource Management (NRM) organisations determined that it would be desirable to develop a frame of reference against which the capability and performance of regional NRM bodies could be assessed.

This led to the development of the 'Performance Excellence Guide for Regional Natural Resource Organisations'. The initial development of this Guide was based on generic 'Excellence Models' that had been widely adopted throughout the world. A series of workshops involving people from the NRM sector were conducted to customise generic versions of Excellence Models for the NRM sector in terms of terminology, relevance, emphasis and requirements that were considered to be unique to the sector. The basic structure of generic Excellence Models was retained to allow valid benchmarking of management practices within and outside the NRM sector.

The development of the *NRM Performance Excellence Guide* identified a need to design methods for its application across the sector. Several options for regional NRM bodies to apply the Excellence Criteria were developed, ranging from self-assessment, to facilitated workshops, to the conduct of independent external reviews. Following experience with the use of different approaches, the independent external review option was adopted as the convention for use across the NRM sector.

Interest in the application of the *NRM Performance Excellence Guide* progressively grew across all states, which led to the formation a National Working Group comprising a CEO/GM from each state. This group was established in 2008 and was set up to oversee and guide further development of the process and to ensure a high level of consistency across review teams.

The external review process that was developed was designed to achieve several objectives for both the individual NRM body and the NRM sector as a whole, namely:

The Regional NRM Body

- Provide a detailed report on the individual organisation's governance and management processes
- Provide a summary of strengths and opportunities for improvement
- Determine a set of prioritised strategies for improving organisational capability and performance
- Provide a base-line for monitoring progress over time
- Provide a reference for benchmarking performance with organisations within and outside the NRM sector

The NRM Sector

- Provide a credible methodology that enhances the reputation of the sector in driving and sharing continuous improvement.
- Provide a central data base for benchmarking and dissemination of information on management and governance practices across the sector
- Provide a mechanism for exchange of information on practices through peer reviews across the sector
- Provide a mechanism for professional development of senior staff from the NRM sector through participation in the conduct of a review of another regional NRM body

- Provide a means of tracking collective performance and capabilities of regional bodies within the sector and identify common improvement opportunities that have the potential to be taken forward in a cooperative way

A paper that consolidated findings of all reviews that had been conducted to date was presented to the National NRM Chairs Conference in March 2011 when it was decided to encourage regional NRM bodies to undertake such reviews and a target of 80% of regional bodies to have completed a review by the end of 2013 was set.

At the end of 2011, the Australian Government announced the allocation of some funding to assist and encourage regional bodies to undertake such a review and the need to expand capabilities for leading such reviews to meet likely demand was identified.

A key requirement was to expand delivery capability for conducting reviews to meet expected demand and a process for recruiting and training individuals to be endorsed to lead reviews across the sector was established. This involved a call for expressions of interest, training through actual participation in the conduct of a review and access to an experienced reviewer to provide guidance and moderation for reviews to ensure high consistency across the sector. A national panel of six Lead Reviewers was established through this process.

It was also determined that each review would involve active participation from a CEO/Senior Manager from another regional NRM body to participate as a co-reviewer. Reasons for adopting this approach include:

- Provide opportunities for professional development across the NRM sector
- Facilitate exchange of information on management practices across the sector
- Minimise the cost of a review through participation of a co-reviewer in an honorary capacity
- Ensure that each review is informed by the involvement of a person experienced in NRM

Since the *NRM Performance Excellence Guide* and external review process were first developed, more than 65 external reviews have been conducted across all states. At the end of 2018, the CEO Working Group decided to continue to make the Excellence Review process available to regional NRM organisations. It was also decided that a shorter version of a review be developed, recognising the maturity of the process and providing regional bodies with an option to undergo a less comprehensive review that has a specific focus on progress made since the last external review.

This Manual sets out the Frame of Reference against which reviews are conducted, describes each of the steps of the review processes and provides a series of policies and protocols that need to be complied with to ensure a high level of consistency and credibility of reviews conducted nationally.

It is intended to be used as the central reference by individuals involved with the conduct of reviews, including Lead and Co-reviewers, members of the CEO Working Group and organisations undertaking a review. The Manual is supported by a suite of templates and guide documents for planning and conducting a review.

Section 2 Governance Arrangements

The *NRM Performance Excellence Guide* and evaluation process draw upon experience and input from a range of people throughout the Australian NRM sector as well as extensive knowledge and experience with the application of generic Excellence Frameworks across many sectors in Australia and globally.

In building upon the platform that has been established for the NRM sector, it is critical to maintain the integrity and credibility of the process. This will require adherence to a number of key protocols related to the application of the Performance Excellence Criteria and external review processes. Objectives to be achieved through the application of the excellence review process in the NRM sector include:

- Maintaining high credibility and integrity of the process

- Ensuring a high level of calibration and reproducibility of reviews across individuals and teams conducting reviews

- Maintaining a continued focus on delivering value to regional NRM bodies and the sector as a whole

- Maintaining a high level of respect for confidentiality

- Maintaining a central data base of information generated through the conduct of evaluations that can be accessed to drive improvement throughout the sector

- Ensuring the conduct of reviews continues to be cost-effective and delivers value to stakeholders

- Having in place a structured and managed process for periodic review and improvement of the NRM Performance Excellence Criteria and review process

- Ensuring that the process continues to provide valid benchmarking data to enable comparisons with high performing organisations within and outside the NRM sector

- Respecting copyright of the IP contained in the NRM Excellence Framework and organisational review process

The following section sets out a series of policies and protocols that are designed to achieve the objectives listed above.

2.0.1 Organisational Performance Excellence (OPE) CEO Working Group

This Working Group that has representation from the majority of states and territories was formed in March 2011 to oversee a national process of external Performance Excellence reviews across the NRM sector in a way that ensures that the objectives listed in the Introduction will be achieved.

Its primary role is to:

- provide focus, input, review and feedback of organisational performance excellence in the NRM sector

- develop and maintain a consistent national framework and supporting protocols and systems to share information and expertise including appointment of lead reviewers

- oversee and manage the allocation of any Government funding allocated to support and encourage regional NRM bodies to undertake performance excellence reviews

2.0.2 Terms of Reference

The Terms of Reference for the CEO Working Group are:

- Examine opportunities to support increased use of *NRM Organisational Performance Excellence (OPE) reviews and supporting guidance material*

- Facilitate development of management skills and shared learning

- Identify data collection and management needs to ensure confidentiality and consistency (maintain national benchmarking integrity)

- Scope tools, systems and protocols to enable best practice examples to be made available across the NRM sector

- Identify options to establish a national 'pool of expertise'

It is intended that the Working Group will have representation from all states and territories and vacancies will be filled through expressions of interest as opportunities arise.

The Working Group will be supported by a central secretariat currently provided by the Natural Resource Management (NRM) Regions Australia and the Executive Officer, NRM Regions Queensland.

2.0.3 Operation of the OPE CEO Working Group

The Working Group intends to meet face-to-face about two times per year with meetings scheduled to coincide with national NRM forums and CEO meetings. Teleconference meetings will be arranged as required to consider issues of an important or urgent nature for resolution.

The activities of the CEO Working Group include:

- Approval of any changes and revisions to any parts of the NRM Organisational Excellence Review Operations Manual
- Formal endorsement of individuals appointed as Lead Reviewers
- Monitoring of the number of reviews conducted and planned, as well as client feedback from NRM bodies
- Identify opportunities for dissemination of best practices and sharing of experiences and information generated through the conduct of reviews
- Approve and sponsor occasional workshops aimed at continuous improvement of the NRM Performance Excellence Framework and review process
- Monitor and approve allocation of Government funding if available to support the national review process

2.1 Panel of Lead Reviewers

The external review process involves the establishment of a small panel of individuals who are formally endorsed by the OPE CEO Working Group to lead Performance Excellence Reviews of Regional NRM Organisations. This approach is intended to ensure that reviews will be conducted with high levels of consistency, integrity and credibility. Each Lead Reviewer will have demonstrated the necessary knowledge and skills to lead such reviews in an independent and consistent manner.

The number of Endorsed Lead Reviewers on the panel at any one time will be dependent of the level of demand. Appointment as an endorsed Lead Reviewer will apply to the individual and not to the organisation the person may be employed by or affiliated with.

2.1.1 Selection Criteria

Individuals interested in being appointed to the panel of 'Endorsed Lead Reviewers' will be required to demonstrate a majority of the following set of core competencies to be eligible to acquire a detailed understanding of the review process through training involving participation as a co-reviewer of at least one review.

Core Competencies:

- Substantial experience in Executive Management positions
- A comprehensive understanding of the Australian NRM sector
- Preferably experience as a member of a Board of not-for-profit organisations in private or public sectors
- Excellent communication skills, written and oral
- Experience with organisational review processes
- Information capture and questioning skills
- An understanding of the principles that underpin globally recognised Performance Excellence Models

2.1.2 Training of Lead Reviewers

Appointment to the panel of Endorsed Lead Reviewers requires the development of specific skills to lead a review. This will be achieved through a combination of formal training and guidance and participation as a co-reviewer for at least one review, led by an experienced Lead Reviewer.

The training will focus on:

- The NRM Performance Excellence Criteria and tools for their application
- The review process and what is involved at each step
- Planning for a review
- Conduct of the review
- Report preparation
- Giving feedback and planning
- Team protocols

The extent and level of training required will be dependent on competencies and experience of each individual and discussions will take place with the designated trainer to determine if a person is ready to take on the role of Lead Reviewer or identify further training or development needs to be undertaken.

The designated trainer will submit recommendations to the OPE CEO Working Group which will make the final decision regarding appointment to the panel of Lead Reviewers.

As individual circumstances may change over time, Lead Reviewers will be invited to indicate their desire to continue as a member of the panel on an annual basis. Any change in circumstances that will impact on the availability to conduct reviews should be communicated to the Chair of the OPE CEO Working Group.

2.1.3 Conflict of Interest

Reviewers will be required to declare possible conflict of interest that could impact on the real or perceived integrity of the process. Potential conflict of interest could be of a personal or professional nature and is required to be declared.

It is critical that each review is conducted in a way that ensures a high degree of independence and objectivity on the part of the Lead Reviewer and other members of the review team. Such independence could be compromised if there is a conflict of interest, which could include:

Personal conflicts could take the form of close friendships or animosity or kinship between the Reviewers and CEO or managers of the organisation being reviewed.

Professional conflicts could take the form of recent professional involvement with the organisation or affiliation with an organisation that is a current or potential competitor or partner of the organisation being reviewed.

The CEO/GM of the NRM body being reviewed will have final approval of the composition of the review team.

2.1.4 Involvement in Continuous Improvement of the Review Process

While there is a minimum level of expected involvement in core activities, the national panel of Lead Reviewers will be integral to the success of the overall program and mechanisms will be put in place to encourage and enable Lead Reviewers to share their experiences and contribute to the continuous improvement of the process. These will include informal networking, periodic reviews of the evaluation criteria and process, participation in review meetings and forums.

Lead Reviewers will be expected to participate in an annual forum/workshop to draw upon their experience in leading reviews and identify improvements that should be made to any aspects of the review process or the NRM Performance Excellence Criteria.

2.1.5 Consistency and Quality Assurance across Review Teams

It is important to ensure a high level of consistency and quality across Lead Reviewers and review teams. This is particularly relevant for the conduct of the first reviews by a Lead Reviewer in terms of consistency of steps in the process, preparation of the report and the deliverables.

An experienced Lead Reviewer from the national panel will be appointed to have a role as a moderator to:

- Provide training and guidance to Lead Reviewers as required
- Comment on draft reports to ensure appropriateness of content, style, level of detail and clarity
- Provide up-dated quantitative profiles for the NRM sector and best practice organisations for inclusion in each report for benchmarking purposes
- Maintain a central data base of reports from each review that is able to be drawn upon for preparation of occasional summary reports that identify common themes and progress made within the sector
- Monitor feedback of reviews conducted to inform improvements to the review process

2.1.6 Role of Co-Reviewers

The conduct of external reviews of regional NRM bodies involves participation of a CEO/Senior Manager as a co-reviewer to:

- Ensure current issues and perspectives of contemporary NRM practices are embedded in the review process
- Facilitate exchange of information of management and governance practices across the NRM sector
- Maintain a spirit of peer review in the conduct of reviews of NRM bodies
- Provide a mechanism for professional development of senior managers of regional NRM bodies
- Establish a basis for on-going communication for continued exchange of information beyond the conduct of a review
- Grow capabilities for conducting reviews within the NRM sector

The role of the Co-reviewer is to:

- Actively participate in the conduct of the review as a member of the review team
- Provide input to the preparation of the report and offer comments on the draft report
- Participate in the presentation/planning workshop if possible
- Provide input to the post-review self-assessment by the review team in terms of 'what went well' and 'what could have been improved'

The Lead Reviewer is expected to take responsibility for the major tasks involved in the planning and conduct of a review including:

- Manage all communication with the organisation being reviewed
- Develop and agree on the review schedule in conjunction with the organisation and co-reviewer
- Take the lead role in conducting the review
- Writing the draft report
- Writing the final report that incorporates any amendments based on feedback from the Co-reviewer and CEO of the reviewed NRM body
- Issue the final report to the CEO of the Reviewed NRM body
- Prepare working sheets for the presentation/planning workshop and final post-workshop summary report
- Recommend to the CEO Working Group identified 'best practice' to be shared across the sector

Frequently Asked Questions

What's involved in participating as a Co-reviewer?

- The involvement of a Co-reviewer is intended to be a reciprocal arrangement over time, offering their time in the expectation of a similar gesture, should their organisation be reviewed in the future.
- The Co-reviewer is expected to participate in an honorary capacity and treat the review as 'confidential'.
- Co-reviewers are requested to comply with the policies and protocols set out in the 'Operations Manual' including declaration of any conflict of interest that may impact on the impartiality and integrity of the review.
- Co-reviewers are expected to participate in the conduct of the review which typically takes place over three consecutive days.
- Face-to-face participation in the half-day final Presentation Workshop that takes place up to six weeks after completion of the review is desirable if possible but not essential. Participation by teleconference at the start of this workshop is an option that should be considered.
- Participation by teleconference at the start of this workshop is an option that should be considered.
- Arrangements regarding cost of travel and accommodation should be agreed between the CEO of the organisation being reviewed and the Co-reviewer but as a guide, cost of travel to and from the region will be borne by the Co-reviewer's organisation and the cost of accommodation and meals will be borne by the NRM body being reviewed.

What are the benefits of participating as a Co-reviewer?

- The conduct of a review involves an intense period of activity in capturing information on the governance and management practices of another NRM body through interaction with a cross-section of staff, Board members and external stakeholders.
- This provides an opportunity to learn from approaches that are working well as part of a worthwhile professional development activity.
- It also provides an opportunity to establish personal contacts (including across those staff from the respective NRM bodies) for on-going exchange of information and sharing of good practices beyond the conduct of the review.

A testimonial:

'I have found the opportunity to be a Co-reviewer of a couple of interstate NRM bodies highly valuable in terms of understanding how others undertake their roles and have now incorporated some of their good practices into my organisation'.

Chris Norman, CEO Goulburn Broken CMA, Victoria

How do I indicate my desire to participate as a Co-reviewer?

Expressions of interest to be communicated to the Chair of the OPE CEO Working Group.

As reviews are scheduled, contact will be made to check on the availability of the co-reviewer for the conduct of the review and the Lead Reviewer assigned to that review will make contact with them to plan details for the review.
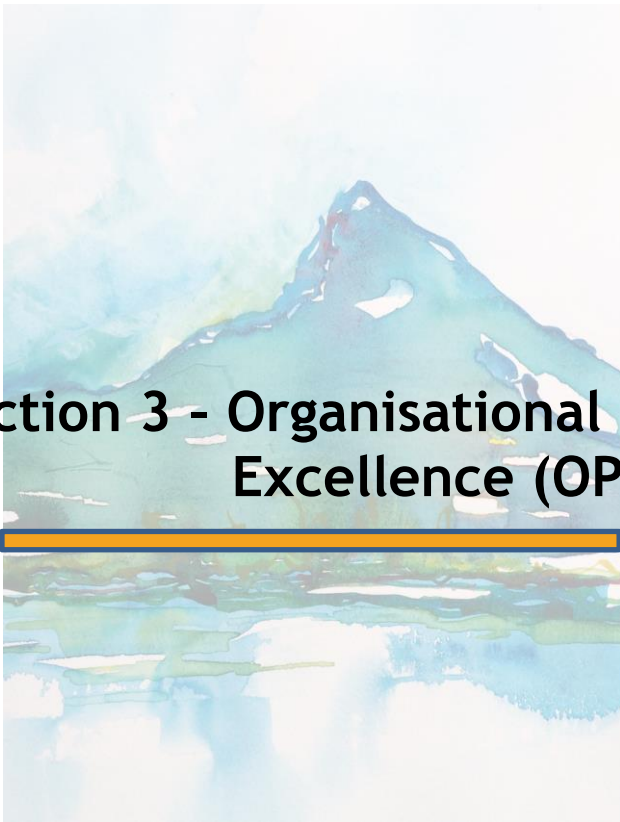
Section 3 – Organisational Performance Excellence (OPE) Review

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3.1 Characteristics of an External Organisational Review

Processes and requirements for conducting reviews of organisations need to consider the specific characteristics that apply to the notions of 'audit' and 'review'. As there are fundamental differences between these types of organisational assessments, the scope of the process, skills required, and the deliverables are substantially different and require different design considerations.

The following table provides a summary of the differences of these two types of organisational review:

Characteristics	Audit	Excellence Review
Definition	A process by which compliance with a standard or set of requirements is verified	A process that examines how effectively a set of non-prescriptive criteria are addressed and implemented
Primary focus	Compliance	Continuous improvement of performance and capability
Primary activity	Validation of information provided	Capture, analysis and evaluation of information
Description of criteria	Rules-based, prescriptive, binary	Options-based, non-prescriptive, non-binary
Prevalent form of questioning	Closed	Open
Documentation of findings	Level of compliance with stated requirements and identification of non-compliances	Identification of strengths and opportunities for improvement
Scope of review	Level of compliance	Degree of effectiveness
Predominantly concerned with	Operational activities (what exists against a standard)	Broader organisational capabilities and performance (What ae the opportunities for improvement?)

In determining the suitability of the OPE process for a regional NRM organisation, its relative positioning with other audit and review processes needs to be understood. Examples include implementation of ISO 9000 systems, Government audits and state-based audit programs.

The OPE process differs substantially in terms of scope, delivery process, aims, deliverables and skill sets required by people conducting reviews. These are not to be considered to be competing options, but rather complimentary to the OPE process.

3.2 Commercial Arrangements

While commercial arrangements for each review are to be agreed between the Lead Reviewer and organisation being reviewed, some guidelines for pricing and consulting fees are expected to be followed to ensure avoidance of pricing discrepancies across Lead Reviewers. The following guidelines are intended to provide a reference for Lead Reviewers.

3.2.1 Guidelines for Preparing a Cost Estimate for the Conduct of a Review

The first step is to determine the number of consulting days involved after initial scoping of a review.

Typically, these are split for the various steps involved as follows:

Step	Estimated Consulting Time
1. Initial scoping and planning	0.5 day
2. Conduct of review	3.5 days*
3. Preparation of report and workshop material	4.0 days
4. Planning and conduct of presentation workshop and preparation of final summary report	1.0 day
Total	**9.0 days**

*The total number of days allocated to the conduct of a full review will vary depending on a number of factors including the number of interviews to be conducted and locations to be visited by the review team. For most NRM bodies operating from one central office, a maximum of 3.5 days is sufficient for the conduct of the review.

A consulting rate of $1,200 per day plus GST is recommended.

Expenses for travel, accommodation and office administration are charged at cost.

Invoicing and payment terms are to be agreed between the Lead Reviewer and the organisation being reviewed.

The involvement of a CEO/GM from another NRM body is intended to be a reciprocal arrangement across the NRM sector and involves no payment for time allocated by the Co-reviewer. Specific arrangements need to be agreed for each review but as a general guide, expenses for travel to and from the region being reviewed are borne by the Co-reviewer's organisation and expenses for accommodation and meals are borne by the organisation being reviewed.

These are guidelines only and can be varied by mutual agreement between those involved.

3.3 Establishing the Review Team

The first step in the process is for the administrator of the CEO Working Group to appoint a Lead Reviewer drawn from the national panel of Lead Reviewers. Selection considerations will include:

- availability, number of reviews conducted, any potential conflict of interest and geographic location.

- Potential co-reviewers identified from the list of expressions of interest will be **contacted by the Lead Reviewer in priority order as agreed.**

- The Lead Reviewer will then contact the CEO of the organisation to be reviewed to gain agreement of the composition of the review team being proposed.

- Dates and a review schedule will then be agreed between those involved. A formal proposal prepared by the Lead Reviewer will be used as the reference for arrangements as agreed.

- The Lead Reviewer is to make arrangements with the organisation being reviewed to provide members of the review team with a list of documents in time for the review team members to have time to read them. This process works best if documents can be made available electronically via Drop Box or similar. The purpose of this document review is to provide information to assist reviewers with planning prior to the review visit.

- Members of the review team then prepare a draft outline of a review schedule to be provided to the organisation.

- The designated contact person in the organisation is required to make contact with individuals to be involved in the conduct of the review and prepare a final review schedule for approval by the review team. As external stakeholders are invited by the organisation to provide input, it works best if the invitations are sent by the CEO, with a brief explanation as to what the review is about and what is involved.

- Upon receipt of responses from invitees, the final review schedule is to be agreed with the Lead Reviewer.

3.4 Confidentiality of The Review Process

Reviews are conducted in a strictly confidential manner and it should be agreed at the outset that any information captured during the review will remain confidential to the organisation being reviewed.

3.5 The Review Schedule

The review involves a structured approach to the collection of information through scheduled interviews with a cross-section of staff, Board members and external stakeholders.

3.5.1 Typical Review Schedule

The total number of days scheduled for the review will depend upon the number of people to be interviewed and travel and logistical considerations.

A TYPICAL REVIEW SCHEDULE WOULD BE:

Day one

Morning (two hours).
Initial working session involving senior staff and some Board members, including Chair.

Late morning/working lunch.
Additional document review by OPE Review team members if required.

Afternoon.
Commencement of interviews with cross-section of staff, Board members and external stakeholders

Days 2 and 3

Continue with interview schedule, including potentially travelling to other office locations.

Day 4 (If required)

Morning to early afternoon
Continue with interview schedule

Afternoon
Final exit meeting with CEO/Senior Management Team

3.5.2 Guidelines for scheduling interviews:

Staff

- It is important that all staff are aware of the OPE Review and its purpose.
- There is a need to ensure involvement of a good cross-section of staff.
- Interviews should involve all levels of staff from different functions including project delivery, administration, specialist roles.
- It is also important to involve staff working from locations outside the main office.
- Telephone interviews, while not preferred, are an option for logistical considerations and time constraints.

Allow one hour for each interview session. It is preferable to conduct interviews with individual senior managers and in groups of two or three with other staff.

Board Members

Usually, the Chair and one or two other Board members are involved in the initial working session at the start of Day-one, but it is desirable to schedule separate interviews with the Chair and two or three Board members to allow for more detailed discussion on Board governance issues and processes.

External Stakeholders

It is important to involve a reasonable cross-section of external stakeholders.

Persons invited to be interviewed should be representatives of stakeholders that are important to the organisation now and in the future and with whom the NRM body has a close working relationship. Typical stakeholders that have participated in these reviews include local and state government representatives, strategic partners, important working or advisory groups such as Traditional Owners, Landcare and community groups, scientific and research groups.

Interview sessions should be one-hour duration with each individual. Larger group sessions are to be avoided to ensure confidentiality and to enable topics to be varied depending upon the nature of each relationship.

Communication

- In planning for such a review, it is important to allow sufficient lead time for people invited to be involved to be able to schedule times in their diaries. This includes participants in working sessions, internal and external people to be interviewed and CEOs/Senior Managers from another NRM body involved in the conduct of the evaluation.
- One important aspect of scheduling interviews is communication of what this is all about when invitations for participation are extended.
- Communication with staff and other stakeholders should ideally occur between the CEO or designated manager and the person being invited to participate.
- For staff and Board members, it is important to reinforce that this review is something the organisation has decided to undertake in the pursuit of continuous improvement of capability and performance. It is not about "catching people out" but rather a focus on obtaining a snapshot of the organisation's processes and systems and identification of current strengths and opportunities for improvement. No mention of individual names will be made in any written or verbal feedback and the report will be confidential to the organisation.

- For external stakeholders, these reviews are generally viewed in a very positive way if it is made clear that this is something the organisation has initiated and is not imposed by government. The fact that the source of any feedback provided by people interviewed will be kept confidential and anonymous is important to some. As people are being asked to give of their time, it is suggested that they are informed of the type of feedback they can expect to receive after completion of the review.

3.6 Preparation of Documentation to Plan a Review

The review process has been designed in a way that requires no additional preparation of documented information by the NRM Body being reviewed.

All information will be obtained by the review team prior to and during the review visit through a combination of working sessions, interviews and review of relevant internal policy, planning and communication documents.

There are two documents that are useful to obtain prior to the review. They are:

- a copy of the latest annual report for familiarisation with the organisation, and
- the current organisational structure to understand the role and reporting responsibilities of staff to help prepare for interviews.
- Navigation around the organisation's web site is also useful in obtaining general information about the organisation's activities and current issues.

The purpose of the document review is to obtain further information on the organisation's 'approach' through a brief review of relevant documents. (The contents of any documents are to be treated as confidential and are not to be copied or removed from the premises without permission).

Documents for review will typically include:

- Relevant information about the organisation
- Governance arrangements, Board processes
- Copies of recent Board meeting agendas and minutes
- Copies of recent management meeting agendas and minutes
- Latest Strategic, Operational, Implementation Plans
- Any supporting plans such as IT, communication, workforce, OH&S, partnerships
- Performance reports
- Reports of other recent relevant organisational reviews and responses
- Relevant policy documents including HR, environmental, OH&S, recruitment, succession planning
- Staff-related performance measures (eg. turnover, absenteeism, safety incidents and injuries, workplace satisfaction)
- Individual work plans and performance review templates
- Induction process (Board members, staff)
- Examples of staff involvement in improving performance
- Description of staff training and professional development opportunities
- Examples of partnership agreements
- Documentation of core business processes and process improvements
- Internal and external communication processes
- Information on client and other stakeholder satisfaction, including recent survey reports
- Any other documents considered appropriate or relevant for this review

It is preferable for reviewers to have access to documents prior to the review visit, to enable informed preparation and conduct of the review. This is best achieved through electronic transfer of relevant documents to members of the review team.

3.7 Conducting the External Review

3.7.1 Capture and Recording of Information

The conduct of a review involves the capture of information on the organisation's governance and management practices and their effectiveness.

- The initial working session and document review have a focus on the organisation's '*Approach'* which then provides a reference to determining effectiveness of *'Deployment'* or how effectively the approach is working in practice.

- Information is best captured by reviewers taking written notes that can be subsequently analysed and arranged for the preparation of the report.

- This works well by recording notes in a bound notebook with names of people and their roles and affiliations recorded for each interview session (bearing in mind that this personal information will not be used as part of the final 'Report' it is for the Lead Reviewers reference only).

- Interviews do not follow a predetermined linear sequence, so it is not possible to record information under any particular heading or grouping. This is done later as part of the preparation of the report. It can be useful to record raw information as it is captured on the right-hand page of the notebook and leave the blank facing page for noting any key points or any points that require further follow-up, clarification or verification.

- An iPad or tablet can be used to record documentation, but this can be confronting to the person being interviewed, particularly if the Interviewer concentrates totally on the computer screen and loses personal eye to eye contact, so some consideration has to be given to not allowing this notation/recoding process to impact harmfully on the interview process.

3.7.2 Initial Working Session

Unlike many external evaluations conducted against Excellence Models, this process does not require any prior documentation of information such as a self-evaluation report or written responses to a pre-determined set of questions by the organisation being reviewed.

- An initial working session typically involving members of the senior management team, the Chair and a small number of Board members is basically the starting point for the review.

- The duration of this session is about two hours and the main objective is to gain an understanding of the organisation's approach to addressing each of the criteria contained in the NRM Performance Excellence Guide.

- The session is best conducted in a semi-structured way to encourage discussion and input from all participants.

- There is no particular sequence of questions and the reviewers need to facilitate discussions and ensure continuity through appropriate follow-up questions.

- The lead reviewer is expected to have a lead role and open the session.

- Opening remarks should provide a brief description of the steps in the process and explain the purpose of this session.

- Discussion should be kept at a high or 'overview' level and the reviewer leading the discussion should have three or four lead questions prepared. These are typically about the organisation and its major challenges, governance arrangements, corporate planning and how the organisation functions overall.

- Specific answers to lead questions will provide an opening for the exploration of areas in other parts of the Excellence Model and the reviewers should ensure that discussions cover the full scope of the criteria.

- It can be apparent when there are differing views about a particular issue or if there is uncertainty or lack of clarity. Such instances should be noted for further follow-up during the review as they often point to issues with deployment of consistent roll-out.

- Closing remarks should include a word of thanks to the participants and a comment that subsequent individual interviews will allow some of the topics to be discussed in more detail.

3.7.3 Conducting Interviews

- The most important aspect about each interview session is to make people being interviewed feel at ease and reinforce that this process is about the organisation's processes and systems and is not about 'catching people out'.

- Interviews are ideally conducted as a 'conversation', rather than an 'interrogation'.

This review is something the organisation has decided to do to help drive improvement of its performance and capability and the input from all people involved will be valuable in enabling the reviewers to provide senior management, staff and the Board with an accurate snapshot of its performance.

It is also important to reinforce that the findings of the review will be confidential and any verbal or written feedback will not make any reference to individuals or the source of any information.

At the start of each interview session, one member of the review team should reinforce these aspects and invite each participant to introduce themselves and their position or affiliation.

For staff members, it is useful to ask how long they have been with the organisation which can influence the type of questions to ask.

It is important to frame questions that are of particular relevance to each person. One reviewer should be prepared to ask the first few lead questions with follow-up questions being influenced by the answers.

The NRM Performance Excellence Criteria are made up of parts of a total system and do not lend themselves to a pre-determined sequential or linear line of questioning. For example, a lead question could be about the organisation's planning processes, the answer may prompt a follow-up question in the people, community, information or measurement areas.

Interview schedules are invariably very full, with little spare time. It is therefore important to manage the time for each interview session and one member of the review team may elect to be time keeper. It is suggested that closing questions be started about 5 to 10 minutes before the scheduled closing time to avoid a somewhat rushed finish to the session.

Enough time should also be allowed for the interviewee(s) to make any final comments, identify any issues that they feel have not been covered or to ask any questions of the review team.

Before closing the session, thank interviewees for their time and input and indicate that they will receive some feedback on the outcomes of the review in a few weeks. (It is useful for the reviewers to obtain some guidelines from management about the timing and format of feedback that both internal and external participants will receive prior to the conduct of the review to avoid any false expectations.)

Interviews are about the capture of information that the reviewers will analyse and formulate views on how effectively the organisation is functioning. The usefulness of the information captured will be largely influenced by the questions asked and the clarity with which questions are framed.

3.7.4 Some guidelines for developing questioning skills:

- Avoid binary questions (i.e. questions requiring a yes/no answer)
- Ensure questions are relevant to the person(s) being interviewed
- Pursue questions about the effectiveness of the 'Approach' used by the organisation….(i.e. how effectively is it all working in practice?)
- Ensure questions focus on systems and processes, not on individuals
- If interviewees identify problems, weaknesses or improvement opportunities, ask their opinion about how these could be addressed
- Seek to verify initial impressions or conclusions in different ways or check consistency of responses by asking the same question of interviewees in different sessions
- Try to identify and discard 'one-off' complaints or concerns raised by an interviewee. This is evident when they do not arise in other conversations.
- Respond with comments if appropriate without being judgemental on how something should be done (e.g. 'I've seen that approach work well elsewhere' rather than 'this should really be done this way')

Following is a summary of types of questions that can be used for the capture of information:

Lead Questions

These types of questions introduce the topic area. In doing this, it is effective if you can focus the discussion on something happening around the interviewee. This requires you as the reviewer to think about the persons you are talking to and identify where this particular person fits, honing in on questions which are relevant to their particular role.

The questions should be open ended, specific but broadly framed at this stage. Questions should call for an explanatory answer and should not permit a 'yes/no' response.

e.g. *'Could you give me an idea of your organisation's…………………?'* rather than *'does your organisation have…….?'*

Or if you are talking to a staff member who has only recently joined the organisation, focus on issues related to first impressions of the organisations, effectiveness of their induction and key differences with their previous experiences rather than delve into details about organisational processes with which they may not yet be familiar.

Developmental Questions

These questions are designed to get the person you are interviewing to enlarge upon their answers. The key words in a development question would be 'How' and 'What'.

Evaluative Questions

This type of question is designed to allow you to check your understanding of facts and ideas, which the interviewee has communicated to you.

Explain your understanding of what the person has told you and confirm with a question like:
'Would that be an accurate picture?'

If confirmed by the interviewee, you can evaluate further with something like:
'Is there anything I didn't cover?'

Show the interviewee you are trying to see things from their point of view.

Clarification Questions

This is a natural question to follow the evaluative one, seeking more information. It is based on 'Why'. Always take care not to ask a plain, blunt 'Why?' but refine it with a courteous presentation. An example is:

e.g. *'One thing puzzles me a little. Do you know why…………….?'*

Verification Questions

This type of question is used to neatly round off questions in the target area, before moving to the lead question in the next cycle of the interview.

e.g. *'Thank you Jack/David or Mr……….That's made it a lot clearer. Would I be right in saying that we've looked at every aspect of …………..?'*

Remember! The purpose here is to create the right kind of perspective – to reassure the person/s being interviewed that the result has taken into consideration everything that person has provided.

3.8 The Closing Session

It is desirable to schedule a closing session of about half hour duration with the CEO. Other members of the senior management team could also be involved at the discretion of the CEO.

The main purpose of this session is to:

- Enable the reviewers to clarify any outstanding issues and ask any final questions prior to leaving.

- Prior to this session, the review team should have consulted with each other and summarised their key findings at a high level to provide a very brief overview and to flag some important issues that will be covered in more detail in the report.

- At this point, the reviewers will not have had a chance to fully consolidate their views and it is important that there is no expectation by the CEO that any detailed feedback will be provided at this session.

  A substantial amount of information will have been gathered at this point and the reviewers will require time to consolidate their views and present them in the form of a detailed written report that is intended to provide a reference for determining a prioritised list of improvement strategies.

- At this session, the next steps in the process including the scheduling of the feedback/planning session should be discussed and timing agreed if possible.

3.9 Preparation of the Report

3.9.1 Objectives of the Report

The report is primarily intended as an internal working document and must be classified and clearly marked as *"Confidential"*.

Once issued as a final report by the reviewers, the CEO can choose to circulate the whole report or parts of it more widely, but the detailed content is not intended for wide circulation beyond the organisation.

The objectives of the report are to:

- Provide a detailed record that reflects a 'snapshot' of the organisation at a point in time that can be used for future reference
- Provide a context for the summary list of strengths and opportunities for improvement
- Provide a quantitative profile to assist with prioritisation of improvement strategies and comparisons and benchmarking within and outside the NRM sector
- Provide both an evaluative and descriptive account of the organisation's management and governance practice

3.9.2 Writing the Report

The preparation of the written report is quite time-consuming, and the evaluators should agree on a process and time lines. It is best to schedule the feedback/planning workshop within about 6 weeks after the completion of the review visit.

The steps in the preparation of the report are:

1. Writing of a first draft. It is best if one reviewer (usually the lead reviewer) takes on this task which then enables the other reviewer to add content or suggest any changes. It is best to complete this step as soon as possible after the review visit as undue delays will make the task more difficult.

2. The first draft should only be sent to the other member(s) of the review team for comment and suggested changes.

3. The process for forwarding comments (eg track changes) should be agreed and comments should ideally be forwarded to the lead reviewer within a week.

4. The lead reviewer incorporates comments into a final draft to be sent to the CEO who is invited to identify any errors of fact and flag any major concerns.

   The main purpose at this point is to ensure that there are no factual errors in the final report and that the reviewers are aware of any major concerns prior to the presentation workshop. The intent is not to rewrite the content of the report which should reflect the findings and deliberations of the reviewers.

5. Final corrections are made, and the draft classification removed and the 'Final' report sent to the CEO for distribution to each person who will be participating in the presentation/planning Workshop.

6. It is important that each participant in that session has a chance to read the report prior to the Workshop session.

3.9.3 Components of the Report

The report should follow a standard format that contains the following sections:

1. **A Front Cover** - that states the name of the organisation, the date of the review, the names and affiliations of the reviewers. It should be clearly marked "Confidential" on the front and each page.

2. **A Table of Contents** - with page numbers.

3. **A Standard Footer** - containing the name of the organisation and the date of review should appear on each page.

4. **An Introduction** - that includes the process steps with times and a pictorial model of the NRM Excellence Model

5. **An Executive Summary** - that provides a summary of the detailed text contained in the report. This is intended to be used as a stand-alone document that can be used for communication if desired.

6. **The Detailed Findings** - that set out evaluative and descriptive findings under each of the Components in the Excellence Framework. An introduction at the start of this section provides guidelines on how to interpret this section. At the end of each section, key "Strengths" and "Opportunities for Improvement" are summarised at the Item level. These should be restricted to no more than three or four for each item.

7. **Scoring Profile** – this is a section that provides a summary of scores at the Component level as well as scoring ranges for regional NRM organisations and mean scores for globally recognised best practice organisations (up-dated).

8. **A Recommendation** to use the findings contained in the report for identifying and determining a prioritised set of improvement strategies.

9. **An Attachment** that lists all individuals involved in the review and their affiliations for record purposes. Remember there is to be no reference or link from any of this personal detail to the 'findings' in the report – the findings are to remain impersonal.

3.9.4 The Body of the Report - Detailed Findings

Detailed findings are documented under each Component in the *NRM Organisational Performance Excellence Framework*.

Notes recorded during the interviews will not have been written in any particular order and the first step in preparing the report involves reading through all of the notes taken and to use a coding system to identify which points fit under each **Component of the Excellence Criteria.**

Points identified under **Component 1** are grouped and provide the main reference for recording detailed findings under **'Leadership'**. The same applies to the other Components.

- The findings should be recorded in a way that they provide a useful reference of the organisation's governance and management systems and their effectiveness.
- They are also intended to provide a context for the summaries of strengths and opportunities for improvement listed at the end of each section.

This section should contain both evaluative and descriptive content. Evaluative content provides a summary assessment of effectiveness without describing the approach.

For example:

'the organisation has in place a sound and effective planning process' is an evaluative statement which does not actually describe what the planning process entails.

A descriptive statement might be 'the organisation uses an annual cycle of planning starting with a review of the previous plan at the February Board meeting and identification of emerging issues at a workshop involving senior staff held in March each year ……….'

GUIDELINES FOR WRITING THE FINDINGS

- Write the Report in the third person (i.e. do not use "I" or "we")

- Do not be prescriptive or propose solutions

- Avoid references to individuals or specific areas or departments

- Ensure that comments do not disclose the source of information or make it easy to track the source

- Use comparative statements if they will add value

3.9.5 Writing Summary Statements for 'Strengths' and 'Opportunities for Improvement'

Brief statements of Strengths and Opportunities for Improvement should be listed for each Item under each Component.

A 'Strength' identifies what the organisation is doing well and should seek to maintain.

An 'Opportunity for Improvement' identifies an area that could be addressed to further improve current performance and capability.

These statements can relate to:

- **'Approach'**
- **'Deployment' or**
- **'Results'**

and should be restricted in number. The Framework contains 21 Items which means over 40 strength and opportunity statements if two are listed for each Item.

HINTS FOR WRITING SUMMARY STATEMENTS

- Keep them brief and limited to one notion per statement

- Ensure each statement can be clearly understood and is not ambiguous

- Do not be prescriptive

- Do not try to provide a reason for a statement or provide evidence

- Do not make reference to specific individuals or groups

- Ensure summary statements relate back to the NRM Excellence Criteria

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3.9.6 Determining the Scoring Profile

The concept of allocating scores was originally introduced to provide a degree of rigor and calibration across different evaluators or evaluation teams for evaluation of applicants of **National Business Excellence Awards**.

As the criteria are not prescriptive or compliance-based, it was quickly found that vague descriptions such as 'pretty good' or 'fair' needed better definition, and scales of qualitative descriptors that described ascending levels of performance were introduced.

For ease of use, a quantitative rating was assigned to each descriptor and the convention was adopted globally for the purpose of evaluating organisations participating in **National Business Excellence Awards**.

THE SCORING MATRIX

SCORE	APPROACH	DEPLOYMENT	RESULTS
0	No approach	No deployment	No results
1-2	Beginning of an approach	Major gaps in deployment	Early performance levels
3-4	Beginning of an approach to evaluation and improvement	Early stages in some areas	Good performance levels in some areas
5-6	Effective systematic approach	Well deployed in most areas	Improvement trends and good performance in most areas
7-8	Approach is well integrated	Well deployed with no significant gaps	Performance is good to excellent in all key areas
9-10	Approach is fully developed	Fully deployed in all areas	Excellent performance, trends and results

---

While the use of these scoring scales is primarily an evaluation tool, scoring profiles can also be useful for determining improvement priorities and making comparisons within and outside the NRM sector (and also illustrating improvement in the NRM sector as a whole).

Scores can be easily misinterpreted by people who do not understand the way in which they are constructed or if they are considered in isolation, so it is important not to distribute them widely and ensure they are only used for the purposes for which they are intended.

For an OPE review, scores are allocated at the 'Component' level. This requires a judgement to be made about the best fit for the group of Items under each Component.

For Components 1 to 6, scoring scales for **'Approach (A)' and 'Deployment (D)'** are used together. The descriptions for each should be used in combination and the score allocated reflecting effectiveness of implementation (i.e. Deployment). For example, it is common to find that a plan or policy is in place (Approach) but its

implementation is at an early stage or is variable across the organisation (Deployment). The descriptor for 'Deployment' should be used to allocate the score.

For Component 7, only the **'Results (R)'** dimension should be used. This Component is about results being achieved as opposed to Components 1 to 6 which are about - how effectively things are being done.

DETERMINING THE SCORING PROFILE

Allocate scores at the 'Component' Level

Use (A) and (D) scales for Components 1 to 6

The score to be a best fit with the descriptor for the group of Items

Consider (A) and (D) together and allocate the lower score

Use the (R) scale for Component 7

Score to reflect the group of 'Results Areas' in the Framework

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3.10 The Presentation/Planning Workshop

Although the report provides a detailed account of review findings, the deliverable of the review is the conversion of the findings into a manageable number of improvement strategies, rather than the report itself.

The report is intended to be used as a reference document for determining a set of improvement strategies by the organisation. This is best achieved through the conduct of a structured workshop involving relevant people from the organisation. Each attendee should have read the report prior to the start of the workshop to ensure informed discussion.

The purpose of the workshop includes:

- Facilitate discussion on the findings of the report and clarify any areas of uncertainty
- Enable any questions about the review and its findings to be directed to members of the review team
- Establish a 'first cut' of prioritised improvement strategies and discuss ways in which they could be addressed
- Identify examples of 'best practice' across the sector in specific areas and consider ways in which these could be replicated by the organisation

While 3 hours is normally allocated to this workshop, feedback from past participants has indicated a desire to build greater flexibility into the conduct of the workshop to better meet the specific circumstances of each organisation. It is now standard practice to reach agreement on the structure of the workshop at the start of the review to cover the following items as the basis for workshop design:

- Time, date and location of workshop
- Participants
- Format of Workshop
- Duration
- Desired outcomes
- Role of the co-reviewer (if any)

3.11 Review Team Self-Review and Improvement

At the conclusion of each review, it is important for the reviewers to reflect on the total process and capture information that will provide input to the on-going improvement of the process.

The members of the review team should discuss and summarise their experience with any aspects of the evaluation process in terms of:

What went well

- …………………
- ………………..
- ………………..
- ………………..

What could have been improved

- ………………..
- ………………….
- ………………..
- ………………..

3.12 Customer Feedback

The Lead Reviewer should also make contact with the CEO of the organisation about 3 months after the review to obtain feedback on the process and to ascertain what improvement actions can be made to the Review Process and the overall value it delivered to the NRM body.

Organisational Performance Excellence Review Evaluation

REGIONAL BODY					REVIEW DATES		
Evaluation form completed by:							
Position:				Date completed:			
LEAD REVIEWER				CO-REVIEWER			

Expectations and Participation

How well were your expectations of the review process met?	1　　2 Not met at all	3　　4 Somewhat unmet	5　　6 Neutral	7　　8 Somewhat met	9　　10 Very well met		
How easy was it to prepare and participate in the review process?	1　　2 Very difficult	3　　4 Somewhat difficult	5　　6 Neutral	7　　8 Somewhat easy	9　　10 Very easy		
How willing would you be to recommend this review process to another regional body?	1　　2 Not willing at all	3　　4 Somewhat unwilling	5　　6 Neutral	7　　8 Somewhat willing	9　　10 Very willing		

Review Process

How satisfied were you with the review preparation?	1　　2 Very dissatisfied	3　　4 Somewhat dissatisfied	5　　6 Neutral	7　　8 Somewhat satisfied	9　　10 Very satisfied		
How satisfied were you with the review activities (interviews/ document review)?	1　　2 Very dissatisfied	3　　4 Somewhat dissatisfied	5　　6 Neutral	7　　8 Somewhat satisfied	9　　10 Very satisfied		
How satisfied were you with the report?	1　　2 Very dissatisfied	3　　4 Somewhat dissatisfied	5　　6 Neutral	7　　8 Somewhat satisfied	9　　10 Very satisfied		
How satisfied were you with the presentation workshop?	1　　2 Very dissatisfied	3　　4 Somewhat dissatisfied	5　　6 Neutral	7　　8 Somewhat satisfied	9　　10 Very satisfied		
What worked well?							
What could be improved?							
Other comments:							

Lead Reviewer Performance

How would you rate the Lead Reviewers performance in the following areas?

Communication	1　　2 Very poor	3　　4 Poor	5　　6 Fair	7　　8 Good	9　　10 Excellent		
Knowledge & Experience	1　　2 Very poor	3　　4 Poor	5　　6 Fair	7　　8 Good	9　　10 Excellent		
Level of organisation	1　　2 Very poor	3　　4 Poor	5　　6 Fair	7　　8 Good	9　　10 Excellent		
Other comments:							

Section 4 – An OPE Progress Review

Section 4 – A Progress Review

The option of a **'Progress Review'** has been introduced to provide a focus on progress made by the Organisation since the last OPE review and to provide flexibility in approach.

- In the case of an initial or requested 'Full External Review', all information is captured and analysed by the review team, against the full 'Criteria' of the *NRM Organisational Performance Review Guide*

- In the case of a **Progress Review**, the main reference point/s for the review will be:

    o the previous OPE Workshop Summary Report of ___Improvement Opportunities'___ from the organisation (detailed in section 3.10.1), which outlines the agreed organisational 'Improvement Plans/Schedule' that the organisation has agreed will be undertaken, along with
    o An updated outline by the organisation of progress made against this 'Improvement Opportunities/Schedule' – a mini **Self-Assessment/Progress Statement** by the Organisation, to be submitted to the 'Progress Reviewer'**.

Following is a summary comparison between these two types of review:

Characteristics	External Review	Progress Review
Reference for the conduct of review	NRM Performance Excellence Guide	NRM Performance Excellence Guide and progress report
Review conducted by	Lead Reviewer and Co-reviewer	Lead Reviewer
Primary focus	Capture, analysis and evaluation of information	Capture of information to validate self-assessment
Use of findings for dissemination of best practice case-studies	Very valid covering the entire scope of the Excellence Framework	Limited to topics covered by the review
Estimated total consulting time	Nine days	Seven days
Documentation of findings	Detailed report that identifies strengths and opportunities for improvement and scoring profile	Report describing findings against self-assessment report
Investment of time by the organisation to plan for review	Limited to provision of documents and organisation the review schedule	Preparation of summary report listing progress made since last review and organising review schedule
Deliverables	Organisational improvement plan	Organisational improvement plan related to topics covered by the review

Time frames between Reviews are a relevant consideration.

The conduct of a Progress Review is not recommended if the last review was conducted more than three years ago or major changes have occurred since the last

review including restructuring, merger, significant change in Board members and senior staff and constitutional changes.

Apart from these considerations, a judgement as to whether a full or progress review provides greater value and ROI to the organisation needs to be made. While a progress review reduces the total consulting time, it is a review that targets specific subjects and does not cover the same scope as a full review. Also, a progress review does not involve the participation of a co-reviewer, which some have found to be a useful feature of full OPE reviews.

4.1 The Goal of a Progress Review

For **Progress Reviews** – the goal is:

- for the reviewer to identify progress made against the agreed '**Improvement Plan/Schedule**' – from the previous Review/Workshop.

The '**Improvement Plan/Schedule**' will provide the reference for determining a **Progress Review** schedule, with the organisation.

- During the **Progress Review** the reviewer will list any major changes since the last review and a brief commentary on progress of actions identified since the last review.

4.2 Conducting a Progress Review

As with a full OPE Review, experience with the conduct of external reviews has shown that while the organisation's 'approach' can be judged from written documents, it is not possible to judge how successfully things are working in practice merely by consulting written documents.

For a **Progress Review** - this can best be assessed through discussions with a cross-section of people on the ground, directly involved with related activities. It is very common to find a sound 'approach' by way of stated updated policies and plans, but then find that the approach is not very effective or is variable across the organisation.

In order to provide valid feedback to the organisation, it is again necessary to visit the organisation to have discussions with relevant individuals including staff, Board members and external stakeholders as appropriate.

This may require less time on the ground with the organisation, however it is still important to be able to make a valid judgment against the 'Improvement Plan/Schedule' of progress made since the last review with the people involved.

4.2.1 Guidelines for preparing a Cost Estimate of a Progress Review

Commercial arrangements for each review are to be agreed between the Lead Reviewer and the organisation being reviewed. For a Progress Review, only the Lead Reviewer is involved, and costs associated with the involvement of a Co-Reviewer do not apply here.

As is the case for a full external review, the cost will be dependent on the number of consulting days and it is recommended that the following guidelines be used. As a guide, a total of seven consulting days should be used as a standard.

A consulting rate of $1,200 per day plus GST is recommended.

Expenses for accommodation, travel and office expenses are charged at cost.

Invoicing and payment terms to be agreed between the Reviewer and the organisation as per agreed contract.

As a guide, following is a summary of steps involved, with estimated consulting days to be allocated:

Step	Estimated Consulting Time
• Initial scoping and planning. • Review of report on previous review and summary of self-review provided by the organisation. Preparation of draft review outline.	0.5 day
• Conduct of review	3.0 days
• Preparation of report	3.0 days
• Next steps to action workshop	0.5 day
Total	**7.0 days**

It should be emphasised that the Action Workshop has widely been considered as the 'real strength of the OPE review' as its focus is on improvement steps and how these can best be undertaken.

4.2.2 Appointment of Reviewer

The person to be appointed to conduct the review will be drawn from the national panel of Lead Reviewers. Such appointments will be considered based on a number of factors including availability, any conflict of interest and geographic location.

Skills required to conduct a Progress Review will be similar to those required to Lead a full review, but these will be supplemented with appropriate coaching from the Lead Reviewer appointed as the OPE moderator.

The nominated reviewer will require approval by the CEO of the organisation to conduct the review.

4.2.3 Preparation and Planning for a Progress Review

1. Following confirmation of the appointment of the Reviewer, he/she should make contact with the CEO of the organisation.
2. This discussion should focus on the desired outcomes and expectations and possible steps involved.
3. Arrangements for a copy of the Original Workshop Improvement Plans/Schedule, and the Summary Self-Assessment Report to be provided to the reviewer, prior to their 'Review Visit'
4. As well as the preferred timing for conducting a review visit.

Unlike full external reviews, this type of review will be more targeted and focus on issues identified during the previous review and the self-assessment summary report.

While the review visit will also involve a combination of discussions with designated staff, Board members and external stakeholders and possible group working sessions, findings may vary and therefore it is therefore not possible to set out a typical review schedule.

4.2.4 Conducting a Progress Review

The same guidelines provided for conducting a 'Full External OPE Review' also apply to this type of review.

The review should be conducted in accordance with the review schedule agreed to prior to the visit.

Protocols for interactions with stakeholders are the same, but time allocation for each discussion session may be varied depending on the scope and nature of topics to be covered in each session.

This type of review should also conclude with a brief closing session with the CEO, during which key findings will be identified by the Reviewer. The next steps and process for determining an improvement action plan will also be agreed.

4.2.5 Preparing the Report

The report will largely be a validation of the organisation's self-assessment of progress. As the conduct of the review is specifically targeted to areas identified in the report of the previous review and self-assessment report, not all areas covered by the NRM Performance Excellence Guide will be covered by the Progress Review.

While it will be possible to prepare a scoring profile, scores for criteria not covered by the Progress Review will not be provided.

This report is to be treated as strictly confidential and be used as the reference for preparing an improvement plan.

4.2.6 Determining the Improvement Plan

As is the case for all reviews, the deliverable is not the report itself, but rather an improvement plan based on the findings of the review.

This is best achieved by the conduct of a working session involving the senior management group. The topics to be covered will be based on the topics covered by the review. Such a working session is conducted face-to-face, but a face-to-face and this should be agreed at the review planning stage.

This session will also provide an opportunity for the management group to raise any questions and ask for points of clarity on specific issues.

Section 5 – Showcase of Excellence

5.1 Identification of Leading Practices

The conduct of reviews involves the capture of substantial information on governance and management practices. A key objective of the review process is to disseminate information on leading practices to assist regional bodies in learning from successful practices and accelerate 'gap-closure' in their own organisations. This activity has been well-received across the sector and is to receive greater focus in the conduct of future reviews.

Every OPE Review undertaken should seek to identify and validate examples of outstanding practices and obtain permission from the organisation to have relevant case studies included on a periodic 'Showcase of Excellence' for presentation at national events.

As the findings of individual reviews are classified as 'confidential', care needs to be taken not to disseminate any information beyond the organisation without permission. In instances where leading practices are identified during the conduct of a review the following procedure is to be used by the review team.

Guidelines for identifying a leading practice are;

- The individual practice rates 6 or higher on the scoring scales
- Effectiveness is validated by relevant internal or external stakeholders interviewed
- The practice can be adapted by other regional NRM bodies

Examples that meet these guidelines are to be documented in the report and permission to put the example forward as a written case study and future presentation at a national CEOs Forum is to be obtained during the Presentation Workshop. Any areas of strength may also be of benefit to other regional bodies and permission should also be requested to refer others to the organisation without disclosing specific details. Such referrals will only be made if they are deemed to benefit both organisations.

5.2 Dissemination of Leading Practices

Examples of leading practices deemed by the review team as worthy of presentation as a case study are to be summarised and approved by the organisation that has been reviewed.

The list of examples identified as described above will provide the reference for selecting case studies for presentation at the national **'Showcase of Excellence'** conference to be held every two years or as deemed appropriate by the CEO Working Group.

Arrangements for staff presentations at a Conference or National CEOs Forum are to be finalised with the secretariat and Chair of the OPE Working Group.

Section 6 – Templates and Guiding Documents

The process of planning, conducting and delivery of a review is supported by a suite of templates that provide standard approaches for the Lead Reviewer to use at each step. Each Lead Reviewer will be provided with a package of templates in electronic MS Word format ready for immediate use.

The package will include the following templates:

1. OUTLINE OF AN EXTERNAL REVIEW

Document to be sent to the organisation to be reviewed to provide a reference for scoping the review and preparing a review schedule.

2. GUIDELINES FOR DOCUMENT REVIEW

Guidelines to be sent to the organisation prior to the review visit for as a reference for preparing documents to be viewed during the visit.

3. PREPARATION FOR INITIAL WORKING SESSION TO START A REVIEW

Summary agenda for use by the review team for facilitating the Initial Working Session

4. REPORT TEMPLATE/S

Please note there are two different Reporting Templates:
- An Organisational Performance Excellence (OPE) Review, and a
- Progress Review

5. WORKSHEETS FOR PRESENTATION WORKSHOP

Templates of worksheets to be prepared and distributed to participants at the Presentation Workshop

6. POST-PRESENTATION WORKSHOP SUMMARY REPORT

Template for preparation of final report

7. PROCESS-REVIEW SUMMARY

Template for self-assessment of review process to be completed by review team

8. INVITATION TO PARTICIPATE IN INTERVIEWS

Generic wording of an invitation to participate in an interview to be used as a reference by the CEO as appropriate

9. CUSTOMER FEEDBACK FORM

Feedback form to be completed by the customer upon the completion of a review

Section 7 - References

Performance Excellence Guide for Regional Natural Resource Management Organisations -Third Edition February 2015

Section 8 – The NRM Performance Excellence Framework

This section is based upon the '*Performance Excellence Guide for Regional Natural Resource Management Organisations, Third Edition 2015 ©, ISBN 0 9751911 0 1*'.

The contents of this section are intended to elaborate on relevant sections in the Guide for the purpose of training of Lead Reviewers and for use as a reference during the conduct of a review.

8.1 Background

In February 2004, the *"Performance Excellence Guide for Regional Natural Resource Organisations"* was published in response to a decision by the Queensland Regional Groups Collective to develop a frame of reference against which overall performance and capability of regional NRM bodies could be assessed. The Guide is based on generic globally recognised Performance Excellence Models and was customised for the NRM sector with extensive input from a range of stakeholders from the sector. The Guide was reviewed at a workshop hosted by the South Australian NRM Boards and the second edition was published in 2008. This edition was further revised in 2015 as the Third Edition that contained changes to make it more NRM-specific.

Since it was first published, the Guide has been used for the conduct of internal and external evaluations of regional NRM bodies across all states and provides the primary reference against which reviews in the NRM sector are conducted. The NRM Performance Excellence Framework described in the Guide contains several related components that need to be understood for the conduct of an external review. They include:

- A set of underpinning principles

- Evaluation criteria assembled under Components, Items and Areas to Address

- A pictorial model that depicts the relationship between the criteria

- Evaluation dimensions that are used to conduct and calibrate reviews against international conventions

The criteria contained in the Guide are not prescriptive and provide a 'lens' through which to look at an organisation to provide a snapshot of its current performance and capability.

8.2 The Principles of Performance Excellence

The foundation of the Performance Excellence Framework is a set of principles that are widely recognised as providing the common reference for best management and governance practices. Here, a principle is defined as "a governing law used as a basis for reasoning and prediction." These principles have a strong research foundation and have remained relatively constant over the past 30 years. Initially, the principles themselves were used as the basis for the conduct of organisational evaluations, rather than the more definitive criteria that were subsequently developed. The principles continue to provide an important point of reference for identifying the characteristics of excellence.
The set of universal principles can be summarised as follows:

A. Effective leadership sets clear direction for achieving desired outcomes in an ethical manner.

Leaders can be defined as 'individuals who achieve an organisation's goals without relying on their position of power'. Leadership is the wise use of capacity to translate intention into reality and sustain it.

The key role of leaders in organisations in pursuit of excellence is to:

- Create and implement the value system for the organisation, its mission, vision, behaviours and ensuring organisational alignment
- Set and communicate clear direction, supporting strategies and expected outcomes
- Behave in a manner that reinforces espoused values
- Cultivate trust and credibility by minimising gaps between what is 'espoused' and what is "practiced"
- Create and sustain a supportive structure and culture to motivate and enable the workforce to contribute to the organisation's goals
- Participate in the development of systems, strategies and methods for achieving excellence, stimulating innovation, building knowledge and capabilities
- Build community support and align community leaders with the organisation's goals
- Create an environment that will strengthen development of leadership capabilities throughout the organisation

Through their ethical behaviour and personal roles in planning, coaching, developing future leaders, review of organisational performance and staff recognition, leaders should serve as role models reinforcing values and expectations.

B. Improving systems and associated processes will lead to improved organisational performance.

An organisation's system is the complete collection of processes, interactions and relationships that are essential for organising its resources to convert inputs into outputs and outcomes. It includes all aspects of an organisation's resources (equipment, information, facilities, people) and its structure (policies, plans, methods, strategies, communication).

The better the system and how everything works together, the greater the likelihood of being able to make informed predictions and improvements.

People work within a system, and at all times, their performance is primarily controlled and limited by the capability of the system in which they work. The vast majority of workplace problems occur as a result of system-related breakdowns or inadequacies.

Within any organisational system, there are basically two categories of processes:

- Business processes – those processes that contribute directly to achieving desired business outcomes
- Management processes – those processes that help to oversee and help facilitate the business processes

The point at which business processes intersect with management processes is the range of "control schemes" (quality assurance, policies, strategic plans). These consist of documentation, or equivalent, clearly stating all process and product/service control criteria required to maintain stable and capable performance of the business process at that point. The effective design of control schemes is a critical management activity.

People contribute to system variation through interactions with the control schemes and their involvement in identifying how their actions impact on the overall performance of the system in which they work is critical to achieving improvement in system capability and performance.

At every organisational level, managers should work with their people to improve control design of the parts of the system for which they are responsible. This is commonly referred to as "working on the system".

People work in the system. It is management's responsibility to work on the system, and improve it with their help.

C. *Systems and processes exhibit variability which impacts on performance*

Variation is an inherent part of all systems and processes. Understanding variation is critical to decision making for optimising effectiveness and predictability of outcomes.

Statistical thinking will significantly influence management decisions. Many managers have been trained to think that variation is simply abnormal and must be controlled through reaction. Traditional point-to-point management reporting such as exception reports and budget variances typify this approach to variation. People are often asked to explain what's happened when a single result is unfavourable.

Treating normal variation that is simply a characteristic of a system or process as abnormal is referred to as "over-reaction". Alternatively, not taking action to address abnormal variation caused by special events is referred to as "under-reaction". These two types of "errors" give rise to substantial waste and cost. Furthermore, a lack of understanding of the expected level of variation (often known as process capability) can lead to setting of unrealistic targets that the system is not capable of achieving without working to improve the system itself.

D. *The quality and performance of products and services are judged by an organisation's clients*.

The organisation must take into account all product and service features and characteristics that contribute value to clients and lead to client satisfaction, preference, referral and loyalty. Being client-driven has both current and future components – understanding today's client desires and anticipating future desires and expectations.

Delivering value to clients requires an understanding of those characteristics that are important to key client segments and ensuring efforts are directed to improving satisfaction with those attributes. What is important to one client group may be less important to another so this requires appropriate segmentation of client groups and processes for regular capture of feedback from client groups to understand the

'value' being delivered to them and actively address areas where improvements are required.

E. Decisions are enhanced when based on data, factual information and knowledge

Organisations depend upon measurement and analysis of performance. Many types of data and information are needed for performance measurement, management and improvement. Performance measurement areas include client, product and service, operations, supplier, employee and financial.

Analysis refers to extracting larger meaning from data and information to support evaluation, decision making and operational improvement within the organisation. Analysis entails the use of data to determine trends, projections and cause and effect that might not be evident without analysis. Data and analysis support a variety of purposes such as planning, reviewing overall performance, improving operations and comparing performance with best practice benchmarks.

A major consideration in performance improvement involves the selection of measures or indicators. This requires an understanding of different zones of measures that allow appropriate decisions to be made in relation to strategic, tactical, operational and process-related decision making. Selection should also consider competencies to interpret them and appropriate empowerment for decision making.

F. An organisation exists to deliver value to its key stakeholders.

An organisation's performance measures need to focus on key results. Results should be focused on creating and balancing value for all stakeholders – clients, employees, investors, the community and partners. By creating value for all stakeholders, the organisation builds loyalty and contributes to growing the economy. To meet the sometimes conflicting and changing aims that balancing value implies, organisational strategy needs to explicitly include all stakeholder requirements. This will help to ensure that actions and plans meet differing stakeholder needs and avoid adverse impact on any stakeholders.

The use of a balanced composite of leading and lagging performance measures offers an effective means to communicate short and longer-term priorities, to monitor actual performance and to provide a focus for improving results.

G. The potential of an organisation is enhanced through the motivation and participation of its people

An organisation's success depends increasingly on the knowledge, skills, creativity and motivation of its employees.

Valuing employees means committing to their satisfaction, development and well-being. Increasingly, this involves more flexible, high performance work practices tailored to employees with diverse workplace and home life needs. It means encouraging and enabling all employees to make a personally satisfying contribution to the achievement of the organisation's goals and aligning people's objectives with those of the organisation. This applies to all people engaged in any capacity including full or part time, casual volunteers.

Organisations operating in uncertain and changing environments need to have in place systems, processes, policies and values that will enable, encourage and

reinforce contribution by everyone in the workforce through learning and participation.

An organisation's people <u>are</u> the organisation and their collective knowledge, creativity and motivation is a valuable asset for any organisation.

H. A focus on innovation creates value for client groups and other stakeholders

Innovation is making meaningful change to improve an organisation's products, services and processes to create significant new value for the organisation's stakeholders. Innovation should focus on leading the organisation to new dimensions of performance. In excellent organisations, innovation is part of the culture and daily work in which creative ideas are captured, evaluated, taken forward and implemented in ways that ensure cost and risk are managed.

Maximising personal and organisational learning leads to improved efficiency and effectiveness and increased knowledge-sharing and innovation.

I. Organisations that meet their social and environmental responsibilities provide value by building community capacity

An organisation's leadership needs to stress its responsibilities to the public and needs to practice good citizenship. These responsibilities refer to the basic expectations of business ethics and protection of public health, safety and the environment. Health, safety and the environment include the organisation's operations as well as impact and awareness in the broader community.

Practicing good citizenship refers to leadership and support, within the limits of the organisation's resources, of publicly important purposes such as health, environmental excellence, resource conservation, community service and sharing of non-proprietary information.

J. Organisational success is impacted by its ability to influence and respond to a rapidly changing environment

Success demands a capacity for rapid change and flexibility. All aspects of electronic commerce require more rapid, flexible and customised responses. Organisations face ever shorter cycles for introduction of new and improved services and faster and more flexible response is now a critical requirement.

Major improvements in response time often require simplification of work and processes and/or the ability for rapid changeover from one process to another. Cross-trained employees are vital assets in such a demanding environment.

All aspects of time performance are becoming increasingly important and should be among the organisation's key process measures. A focus on response time can help to drive simultaneous improvements in efficiency, predictability and cost.

8.3 Components, Items and Areas to Address

The principles described above cannot themselves be implemented. The next step then is to convert them to statements that reflect what the principles would look like in an operational setting. These statements are assembled in the form of a set of cascading criteria of 'Components', 'Items' and 'Areas to Address' as shown in the Table below:

CONSTRUCTION OF THE NRM EXCELLENCE FRAMEWORK

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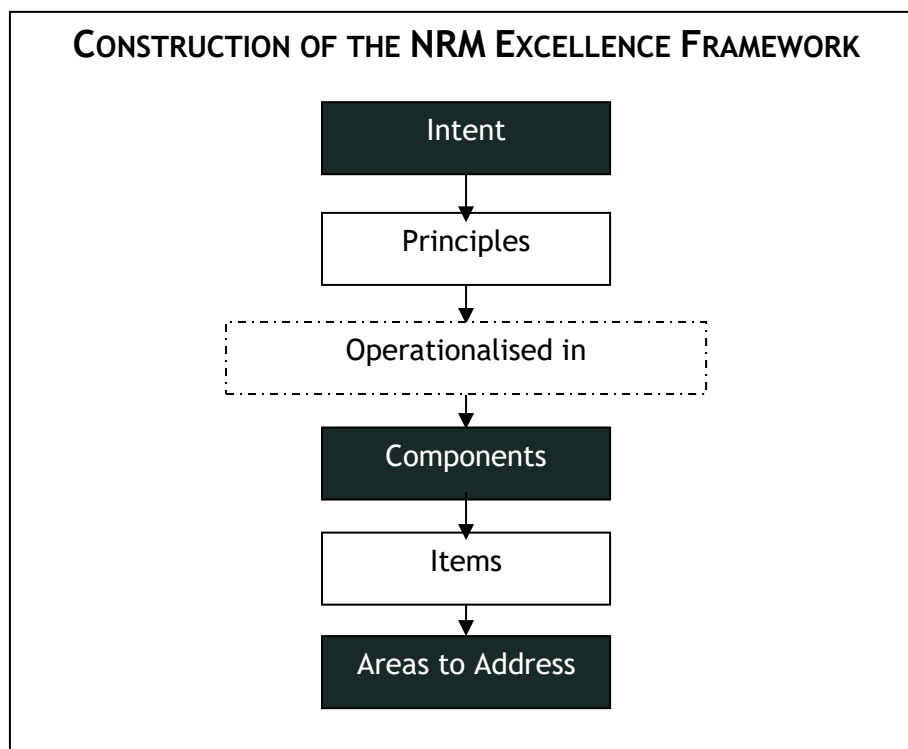
Components 1 to 6 are commonly known as "Enablers".

They are about what an organisation does and how well it does it. They require an examination of an organisation's systems, processes, policies, culture and use of resources.

Component 7 is known as the "Results".

Organisational results are achieved through a combination of the enablers and are therefore separated from the enablers in this construction. Overall results are considered in terms of six result areas that are intended to provide a balanced view of overall performance from the perspective of the range of key stakeholders.

The following pictorial model shows the relationship between the Components and Items. Details of Areas to Address are contained in the *Performance Excellence Guide for Regional NRM Organisations.*

THE LINKAGES

Principles	Drivers/Enablers	Results
1 2 3 4 etc	Policies Resources Processes Systems Culture	*Organisational:* Outputs Outcomes Sustainability

THE NATURAL RESOURCE MANAGEMENT EXCELLENCE MODEL

2. Corporate Strategy & Planning:
2.1 Strategy Development
2.2 Strategy Implementation

5. People Focus:
5.1 Work Systems
5.2 Capability, Learning & Motivation
5.3 Well Being & Satisfaction

1. Leadership:
1. Governance
2. Organisational Leadership
3. Social Responsibility

Strategy and Action Plan

7. Business Results:
7.1 NRM Outcomes
7.2 Client Focus
7.3 Financial
7.4 People
7.5 Organisational Effectiveness
7.6 Governance & Social Responsibility

3. Client & Community Focus:
3.1 Client & Community Knowledge
3.2 Relationships & Satisfaction

6. Process Management
6.1 Management of Processes
6.2 Improvement & Innovation
6.3 Supplier & Partner Processes

4. Information & Knowledge:
4.1 Information and Knowledge Management
4.2 Measurement and Analysis of Organisational Performance

8.4 Evaluation Criteria

Following is a description of the criteria arranged under the seven Components and their Items. Under each item heading, there is a brief explanation of the intent of the item and a description of 'Areas to Address'.

It is important to note that the list of 'Areas to Address' is not exhaustive, nor prescriptive. It provides a set of guidelines and areas an organisation may consider under each item.

At any point in time, emphasis needs to be given to those areas that are of greatest relevance and importance to the organisation and where gaps in the areas exist.

Extracted from the Performance Excellence Guide for Natural Resource Management (NRM) Organisations© (Third Edition)

COMPONENT 1 LEADERSHIP

This component examines the organisation's governance system and how it addresses ethical decision making and its legal, statutory and public responsibilities. It explores how the organisation's senior leaders establish and communicate its vision, purpose, values, direction and performance expectations and examines how leadership capabilities are developed throughout the organisation. Finally, it explores how the organisation exercises its social and environmental responsibilities and ensures ethical behaviour and good citizenship.

Item 1.1 Governance

This item examines the governance system and related processes that are in place in the organisation. It examines how the Board of the organisation ensures fiscal accountability, independence in external audits of financial and other statutory systems, and protection of stakeholder interests.

Areas to address:

Board capability

The existence of an appropriate mix of skills on the Board and processes to further develop skills of Board members.

Conflict of Interest

Mechanisms to ensure potential conflict of interest are declared and addressed.

Statutory and Legal Obligations

Demonstration of compliance with statutory, legal and financial obligations.

Disclosure

Public disclosure of financial reports

Contractual Obligations

Management of Government NRM funds to ensure funds are committed appropriately, contractual obligations are met, and reporting Is accurate.

Planning and budgets

The role of the Board In the development of corporate plans, setting and approving budgets and approval of levels of authority to act.

Monitoring of Organisational Performance

Alignment of Board reports with Corporate Plans and monitoring organisational performance against plans.

Board Performance

The process by which the Board periodically assesses Its own performance and takes appropriate action to address performance-related issues.

Risk

Policies and processes to ensure organisational risks are Identified and actively managed to protect the interests of stakeholders.

Succession Planning

Processes to ensure succession plans are In place for business continuity.

Performance Reviews and Audits

Processes for regular reviews and audits to Improve organisational capability and performance.

Cultural Competency

Approaches used to enhance cultural competency of Board members.

Advisory Groups and Committees

How roles of community Advisory and Reference Groups and NRM Committees are positioned within the organisation's governance structure.

Item 1.2 Organisational Leadership

This item describes how senior leaders guide the organisation, how they determine core business strategies and how they determine, communicate and review organisational performance. It also examines how leadership is encouraged and enabled throughout the organisation.

Areas to address:

Organisational direction and purpose
Developing and communicating vision, purpose, strategic direction and goals of the organisation.

Values
Creating and developing ownership of ethics and beliefs of the organisation to support its strategic objectives. A key element here is effective communication of expected behaviours throughout the organisation.

Accountability, responsibility and authority
Establishing and communicating clear guidelines on accountability, responsibility and authority to act and make decisions.

Organisational performance
Setting and communicating performance targets and developing capabilities for achieving them. This also requires balancing value for all stakeholders as part of their performance expectations.

Individual performance
Evaluation of leadership effectiveness and use of performance reviews for improvement.

Succession planning
Processes to ensure succession plans are in place for key positions in the organisation.

Teamwork
Establishing and demonstrating a culture of teamwork throughout the organisation.

Item 1.3 Social Responsibility

This item examines how the organisation addresses its responsibilities to the public, ensures ethical behaviour and practices good citizenship.

Areas to address:

Impact on society
Understanding the impact on society of the organisation's products, services and operations.

Environmental responsibility
Demonstration of environmental responsibility as an organisation.

Expectations
Understanding key requirements arising from expectations and charter as a Regional NRM Body.

Support of key communities
Identifying key communities and determining areas of emphasis for organisational involvement and support.

COMPONENT 2 – CORPORATE STRATEGY and PLANNING

This component examines how the organisation develops its strategic objectives and action plans, how plans are implemented and how progress is monitored. This Component is concerned with the organisation's system of planning that provides clarity about the relative positioning of various corporate and support plans and regional NRM plans.

Item 2.1 Corporate Strategy Development

This item describes how the organisation establishes its own strategic objectives and action plans to achieve them.

Areas to address:

Corporate strategy development
Examination of the overall strategic planning process, the key steps, who is involved and time horizons.

External environment.
Understanding the major political, economic, competitive and social influences that effect the organisation, how they might change over time and their likely impact on the organisation's performance in the short and longer term.

Capability and capacity.
Assessing organisational capability and competencies required in the present and the future.

Corporate plan integration and alignment
Integration and alignment of various levels and types of plans to ensure consistency of purpose. These could include business, HR, IT, communications, partnerships and community engagement plans.

Linkage to NRM plans
Ensuring a clear linkage exists between corporate and NRM plans.

Statutory requirements
Fulfilling statutory requirements at state and commonwealth levels.

Employee involvement.
Involvement of staff/employees in the development of corporate goals and plans.

Monitoring progress.
Measuring the organisation's performance against its plans and making corrections as needed.

Strategic alliances.
Identifying potential strategically important partners and options for building partnerships and alliances.

Development of Regional NRM Plans.
Engagement of Community Groups In the development of regional NRM Plans, including Landcare, Indigenous, industry groups and land managers.

Information used to inform NRM Plan development
Use of best available scientific, economic and social information to inform NRM Plan development.

Item 2.2 Corporate Strategy Implementation

This item examines how the organisation converts its strategic objectives into operational action plans and budgets.

Areas to Address:

Corporate Plan implementation.
The way in which strategic plans and objectives are converted into action plans throughout the organisation and how these plans are communicated to individuals.

Application of resources.

How the organisation's resources will be allocated to support the achievement of its goals (its employees, facilities, equipment, data bases and other repositories of knowledge).

Tracking performance.
How performance measures are identified and used to track performance against action plans and projected goals and budgets.

Resources and assets.
How the organisation measures and manages the value of its assets including financial, physical, intellectual property, data bases and knowledge.

Delivery
Application of the most appropriate delivery agents and delivery mechanisms to achieve desired outcomes

Stakeholder Involvement
On-going Involvement of community groups and other stakeholders In the implementation of regional NRM plans.

COMPONENT 3 – CLIENT FOCUS and COMMUNITY ENGAGEMENT

This component examines how the organisation determines requirements, expectations and value delivered to its clients and the communities it serves. It also examines how the organisation builds relationships with clients and community groups and the key factors that lead to client satisfaction. Key client groups and community segments include government, urban, rural, industry, Indigenous, community groups, peak bodies and individual land mangers.

Item 3.1 Client and Community Knowledge

This item describes the way in which the organisation ensures it has an ongoing understanding of the needs and expectations of present and potential clients and the communities it serves.

Areas to address:

Client Identification and Segmentation.
How the organisation defines its current and potential client groups and community segments.

Client and Community Requirements and Expectations.
How key client current and future requirements and their relative importance are determined and communicated to relevant staff and partners.

Communicating with Client and Community Groups
Mechanisms for effective and regular communication with client and community groups and segments.

Community Representation
How representatives of community groups are identified and appointed as members of relevant committees, advisory and reference groups.

Organisational Membership
The role that members play (where relevant) in supporting community engagement initiatives.

Alignment
How the regional NRM Plan and strategy development ensures strategic alignment with relevant region-specific and Australian and state/territory policies and priorities.

Item 3.2 Relationships and Engagement

This item describes how the organisation builds and manages relationships with its clients and the communities it serves and how it determines satisfaction and the value it delivers to them. Products and services delivered by regional NRM organisations include capacity building, devolution of funds, on-ground works, planning and information services.

Areas to address:

Client and Community Access.
The processes and mechanisms by which clients and community groups are able to seek information, conduct business and raise issues.

Relationship Management.
How the organisation manages and evaluates relationships with its clients and community groups and how these relationships are used to obtain feedback.

Client and Satisfaction
How the organisation determines satisfaction for different client and community groups and how satisfaction is measured and communicated to relevant people in the organisation and delivery partners.

Client and community value.
How the organisation measures whether clients and community groups believe they have received fair value for investment and the degree to which their expectations have been met.

Engagement and Capacity Building   57 | *P a g e*
Processes and mechanisms for engaging and building capacity of community groups.

Client and Community Feedback.
How the organisation collects and responds to client and community feedback, and how such feedback is used to improve the organisation's processes, products and services.

How the organisation identifies its competitors and potential competitors (if relevant) and determines its comparative position (competitors include other organisations competing for funding, community capacity and access to clients).

COMPONENT 4 – INFORMATION and KNOWLEDGE

This component examines how the organisation selects, obtains analyses, manages and improves its data, information and knowledge.

Item 4.1 Information and Knowledge Management

This item examines how the organisation ensures the quality and availability of appropriate data and information for employees, suppliers, clients, partners and other stakeholders. It also examines how the organisation builds and manages its knowledge assets.

Areas to address:

Data and Information Availability
How relevant data and information are collected and made available when needed by employees, suppliers, clients, partners and other stakeholders and how availability mechanisms including hardware and software are maintained.

Properties of Data and Information.
How key properties of data and information are managed, including overall quality, integrity, timeliness, reliability, security, accuracy and confidentiality.

Competency to Respond.
How the organisation develops the abilities of staff to use data, information and knowledge to inform decision making across the organisation. Development of competencies needs to be supported by clearly defined levels of authority to act.

Intellectual Property.
How the organisation approaches IP issues including commercial rights associated with the data, information and knowledge it obtains from elsewhere and generates itself.

Sharing Knowledge.
How the organisation encourages knowledge sharing through both human and technical processes, both within the organisation and across the NRM community.

Item 4.2 Measurement and Analysis of Organisational Performance
This item examines how the organisation measures, analyses aligns and improves its performance data.

Areas to address:

Performance Measurement.
How the organisation selects, collects and integrates data and information for monitoring operations and evaluating overall organisational performance.

Use of Data for Decision Making.
Methods used to analyse, interpret and report on data for making decisions throughout the organisation.

Storage and Retrieval.
How the organisation manages the storage and retrieval of its data and information. It includes, recording of information (reports, databases); storage mechanisms (libraries, electronic systems); policies on access to performance information.

Decision Making.
How reports are used to inform decision making relating to organisational performance and how the notions of accountability, responsibility and authority are incorporated into a hierarchy of decision making.

Benchmarking.
How the organisation identifies organisations with which to benchmark its processes and performance (benchmark partners could include industry peaks, other regional NRM organisations and organisations outside the sector with similar processes).

Monitoring, Evaluation and Reporting.
Quantification, demonstration and communication of progress towards outcomes by means of regular monitoring, evaluation, reporting and improvement (MERI) of organisational and project performance.

Expenditure of Investment Funds
Timely and accurate reporting of State and Australian Government investment funds.

COMPONENT 5 - PEOLPE FOCUS

This component examines how all people are encouraged and enabled to make a personally satisfying contribution to the achievement of the organisation's goals. It explores how the organisation aligns its people's objectives with the organisation's objectives and enables the full potential of all people within it to be realised. "People" means all people employed or engaged in any capacity (full-time, part-time, casual, volunteers).

Item 5.1 Work Systems

This item describes how the organisation and its people are enabled to achieve high performance. It also examines how remuneration; career progression and related workforce practices build and maintain a work environment and support climate conducive to high personal and organisational performance and growth.

Areas to address:

Organisation of Work.
How work is organised to promote teamwork, cooperation, initiative, and empowerment.

Communication.
How effective communication and knowledge sharing occurs across positions and locations.

Diversity.
How work systems capitalise on diversity of ideas, cultures and approaches of employees and communities with which the organisation interacts.

Performance Management
How the organisation enables and evaluates the contribution of its people and ensures individual work and development plans are aligned with organisational plans and goals.

Personal Development.
How professional development opportunities, including career-path planning and opportunities for personal growth are identified and provided.

Employment.
The process for recruitment and appointment including contractual conditions, induction and structuring of roles.

Induction
The process by which new employees are inducted in terms of organisational policies, processes and protocols as well as job-specific procedures and knowledge

Attraction and Retention
Mechanisms to ensure the organisation attracts and retains the right people to fit the culture and business of the organisation (includes Board members, staff, delivery partners and volunteers).

Participation.
How all people are encouraged and enabled to participate in appropriate decision making.

Item 5.2 Capability, Learning and Motivation

This item considers people's education, training and career development to support the achievement of the organisation's overall objectives.

Areas to address:

Workforce Planning
Processes used to identify current and future workforce needs in line with identified internal capability requirements and options for outsourcing.

Core Competencies
Mechanisms for identifying and reviewing core competencies that need to be developed and retained within the organisation.

Individual Work Plans
Alignment of individual work plans with corporate plans and objectives.

Education, Training and Development.
How education, training and development needs are identified and actioned, and how their effectiveness is assessed.

Motivation.
How people are motivated to develop and utilize their full potential.

Reward and Recognition
How reward and recognition policies and processes are used to reinforce a culture of motivation and participation.

Leadership throughout the Organisation

Item 5.3 Well-Being and Satisfaction

This item examines how the organisation maintains a work environment and support that contribute to the well-being, satisfaction and motivation of all its people.

Areas to address:

Work Environment.
How workplace health, safety, security and ergonomics are improved, how people are involved in improving them and how improvements are monitored.

Discrimination and Harassment.
Policies and procedures to prevent sexual, racial, religious, emotional and physical harassment and discrimination.

Employee Satisfaction.
What informal and formal assessment methods are used to determine employee well-being, satisfaction and motivation.

People-related Indicators.
What people-related indicators are monitored and how they are used to achieve improvements (absenteeism, grievances, turnover, safety).

Flexible Working Arrangements
Mechanisms to ensure working arrangements meet personal and organisational needs and an appropriate work-life balance.

COMPONENT 6 - Process Management

This component examines the key aspects of the organisation's process management, including product, service and business processes for creating client and organisational value. The first item deals with the management of processes within the organisation and the second item explores the management of processes that involve external organisations that form part of the value creation chain.

Item 6.1 Management of Processes

This item examines the way in which the organisation identifies
and manages its key business processes.

Areas to address:

External Requirements.
How the organisation designs and implements processes that convert client and other stakeholder requirements into valued outputs and outcomes.

Process Identification and Ownership.
How the organisation identifies who is responsible for the management of value-creation and support processes.

Process Standardisation.
How the execution of processes is standardised in order to develop a high level of confidence that output requirements are consistently met.

Compliance.
The integration, where applicable, of compliance to relevant standards and designations into the broader process management system. This includes the way in which an appropriate balance between compliance with minimum standards and conformance with best practice is achieved.

Process Measures
Measures used to monitor and manage key processes aligned with corporate performance measures.

Project Management
Processes used to manage and report on the status of on-ground projects.

Item 6.2 Improvement and Innovation

This item examines how the organisation encourages and enables innovation and the pursuit of continuous improvement throughout the organisation.

Areas to address:

Process Improvement
Methods used to improve effectiveness and efficiency of core business processes.

People Participation
How people are encouraged and enabled to control and improve the processes with which they work.

Application of Learning
Mechanisms by which benchmarking, and comparisons are used for improvement of processes.

Innovation
The processes used within the organisation to encourage and enable generation of new ideas, evaluation of those ideas and conversion into improved and new processes, products and services. This includes clear guidelines for defining acceptable risk in the pursuit of innovation.

Item 6.3 Supplier and Partner Processes

This item examines the ways in which the organisation manages its relationships with its external suppliers and partners to support its goals and objectives.

Suppliers include:
- ▶ Providers of goods and services consumed by the NRM Body (eg. IT, equipment, communication, stationery).
- ▶ Providers of services to which the NRM Body adds value for delivery of its projects and programs.
- ▶ Paid contractors delivering projects on behalf of the NRM Body.

Partners include:
Groups and organisations working with the NRM Body to create value for the benefit of clients and the community.
Delivery partners involved in the delivery of projects and programs.
Other regional NRM organisations.

Areas to address:

Supplier Management Processes.
Selection of suppliers, purchasing policies, establishment of relationships, and communicating requirements and feedback on their performance.

Partner Management Processes.
How the organisation chooses its partners and how it establishes relationships with these partners, including formal agreements and the process by which the organisation works with partners to achieve shared goals.

Support for Local Indigenous Businesses
Preferential procurement policies/strategies to support local Indigenous businesses.

Improvement of Supplier and Partner Processes.
How the organisation measures the quality of its processes for managing its partners and suppliers and how it works with them to improve the quality of the relationship and its deliverables.

Achievement of NRM Outcomes through Collaboration

Identification and establishment of suitable alliances and opportunities for collaboration to achieve NRM outcomes, including, where appropriate, through collaboration with other regional NRM bodies.

COMPONENT 7 - Business Results

This component examines the organisation's performance and improvement in key business areas. The six 'result areas' listed are intended to provide a comprehensive and balanced view of the organisation's overall performance relating to its key stakeholder groups. Such a balance of measures is aligned with commonly used performance reporting conventions such as "Balanced Scorecard" and "Triple Bottom Line" reporting.

While there are no mandated measures, a number of possible measures have been identified for each of the result areas as prompts and examples. These lists are not exhaustive, and organisations are encouraged to consider other measures that help to provide an appropriate and balanced view of overall organisational performance.

Item 7.1 NRM Outcomes

This item assesses the organisation's performance in relation to outcomes resulting from on-ground projects identified through the organisation's NRM Plan, catchment plans and regional investment strategies.

Areas to address:

Outcomes and Outputs
Summary of performance measures tracked through the organisation's NRM monitoring, evaluation and performance reporting processes and actual performance against targets.

Item 7.2 Client-Focused Results

This item assesses the organisation's key client-focused results.

Areas to address:

Client Satisfaction.
Current levels and trends in key measures or indicators of client satisfaction and how they compare with expectations and goals.

Client Value.
Current levels and trends in key measures or indicators of client perceived value.

Item 7.3 Financial Results

This item summarises the organisation's key financial results.

Areas to address:

Financial Performance.
Current levels and trends in key measures or indicators of financial performance, including aggregate measures and comparison with budget and targets set.

Item 7.4 People Results

This item summarises the organisation's key people results, including work system performance, employee learning, development, well-being and satisfaction.

Areas to address:

Work System and Effectiveness.
Current levels and trends in key measures or indicators of work system performance and effectiveness.

Learning and Development.
Current levels and trends in key measures in employee learning and development.

Well-being and Satisfaction.
Current levels and trends in key measures or indicators of employee well-being and satisfaction.

Measures that reflect performance in terms of attraction and retention of key people, including staff turnover levels.

Item 7.5 Organisational Efficiency Results 65 | *P a g e*

This item summarises the organisation's key operational performance results that contribute to the achievement of organisational effectiveness.

Areas to address:

Core Processes.

Current levels and trends in measures or indicators of the operational performance of key value-creation processes including productivity and cycle time.

Supplier and Partner Processes.

Current levels and trends in key measures or indicators of the
operational performance of partner and supplier processes.

Organisational Strategy and Plans.

Results for key measures or indicators of accomplishment of organisational strategy and action plans.

Item 7.6 Governance and Social Responsibility Results

This item summarises the organisation's key governance and social responsibility results.

Areas to address:

Fiscal Accountability.
Current findings and trends in key measures or indicators of fiscal accountability, both internal and external.

Ethical Behaviour.
Results for key measures or indicators of ethical behaviour and stakeholder trust.

Corporate Responsibility.
Measures of Board performance, compliance with legal requirements and legislation.