

Beneficiaries' participation in the co-production of performance information in a not-for-profit organisation

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by

Premavani Pulapaka

Department of Accounting

Faculty of Business, Economics and Law

Primary Supervisor: Professor Deryl Northcott

Secondary Supervisor: Dr Cherrie Yang

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Abstract

Performance measurement is vital to strategic decision making in organisations that depend on funding, such as not-for-profit organisations (NFPs) (Medina-Borja & Triantis, 2007). Along with performance reporting, performance measurement is also an important aspect of meeting the accountability obligations of NFPs, as investigated in previous studies (e.g., Yang, 2015). The efficiency and effectiveness of NFP performance are measured by using various performance measures such as input, output and outcome measures (Vogt, 1999). It has been noted that outcome measures are particularly important to NFPs because they capture the results that the organisation's activities and services achieve for beneficiaries (Benjamin, 2013).

Previous studies have pointed out the significance of beneficiaries' involvement in performance measurement practices to strengthen downward accountability (Benjamin, 2008; Yang & Northcott, 2019a). In particular, Yang and Northcott (2019a, p. 253) examine "whether a coproduction approach to performance measurement can help NFPs identify appropriate outcome measures, collect meaningful data to monitor outcomes achievement, and enhance their decision-making and accountability around public service delivery" (p. 253). However, there has been limited research that has incorporated the perspectives of beneficiaries about such co-production approaches, usually due to beneficiaries' vulnerable status and/or dispersed location. The current study fills this gap in the literature by responding to the call (e.g., from Yang & Northcott, 2019a) to include the perspectives of beneficiaries in studies about the co-production of NFP's performance information. By including the voices and perspectives of the beneficiaries, this study provides new insights into co-production approaches to performance measurement and reporting that seek to meet the needs of both funders and beneficiaries.

This research is informed by constructivist/interpretivist paradigm and involves a case study of a New Zealand NFP. Ten semi-structured interviews were conducted to explore the perceptions of six beneficiaries and four staff who are involved in dealing with performance information in the case study NFP. This interview data was triangulated against organisational documents and information on its website. Thematic analysis (Braun & Clarke, 2006) was used

to draw out key themes in the findings by generating codes and themes to produce meaningful analysis.

The study examined the extent of beneficiaries' involvement in outcome-based measurement and reporting practices in the case study NFP. The findings reveal that staff in the case study NFP have a positive view of the potential to co-produce performance information with beneficiaries, but not much effort is made in the implementation of such practices. As a result, the beneficiaries' involvement in such practices is limited. This study contributes to the NFP accountability literature on outcome-based performance measurement, performance reporting and co-production in NFPs. By drawing on the concept of the co-production of performance information, it identifies a communication gap and awareness issues amongst the NFP professionals and between the NFP professionals and the beneficiaries. Concerning practice, this study highlights the need to investigate the communication gap and awareness issues in New Zealand NFPs to improve the co-production of performance information for better outcomes.

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Attestation of authorship

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning.

Signed:

Date: March 31, 2020

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Abbreviations

ALPS	Accountability learning and planning system
CP	Cerebral palsy
CSW	Community support worker
LAC	Local advisory committee
LEC	Local executive committee
NFP	Not-for-profit organisation
NGO	Non-government organisation
NPA	Non-profit accountability
NPM	New public management
PM	Performance measurement
PSO	Public service organisation
XRB	External reporting board

Chapter 1: Introduction

1.1 Introduction

The aim of not-for-profit organisations (NFPs) is to deliver public services and produce positive outcomes for their beneficiaries/clients (Ebrahim & Rangan, 2014). However, it has been noted that NFPs face challenges in defining and monitoring performance measures and measuring their service outcomes (Sarkis, 2012; Yang & Northcott, 2019a). The study reported in this dissertation examines a case study of a New Zealand NFP and extends previous research by Yang and Northcott (2019a) on how NFP professionals engage with beneficiaries in their performance measurement practices. By including the voices and perspectives of both the staff and beneficiaries of a NFP, this study provides new insights into co-production approaches to developing and reporting NFP performance information. The term 'beneficiaries' as used in this study refers to the people an NFP serves, which are also referred to as customers, clients, participants, constituents and users in the NFP literature.

NFPs aim to provide positive outcomes for their beneficiaries. Hence, NFPs need to develop an effective design to deliver services to beneficiaries by regularly monitoring and evaluating their performance and identifying potential improvements (Yang & Northcott, 2019b). NFPs should implement PM practices to evaluate their performance for delivering the best services and achieving intended outcomes for their beneficiaries (Sawhill & Williamson, 2001).

NFPs are accountable to multiple stakeholders with different information needs (Benjamin, 2008). Since social value creation is the fundamental mission of the NFP sector, rather than monetary value creation (Cordery & Sinclair, 2013), "a programme is effective when it accomplishes what it was designed to accomplish (outcome achievement)" (Medina-Borja & Triantis, 2007, p. 151). Hence, NFP accountability for outcomes is important, and one group of critical stakeholders to whom NFPs are accountable (via reporting) is beneficiaries. The next section briefly explains NFPs and their PM practices.

1.2 Performance measurement in NFPs

In the 1980s, the new public management (NPM) movement focused on evaluating public services based on their economy, efficiency and effectiveness,

also called the '3 Es' (Audit Commission; Pollitt & Bouckaert, as cited in Bianchi, Bovaird, & Loeffler, 2017). Medina-Borja and Triantis (2007) argue that NFPs should measure their performance based on the outcomes of their service quality and productivity. They further conclude that a well-performing NFP needs to maintain the balance between efficiency, service quality and effectiveness to attain ideal performance (Medina-Borja & Triantis, 2007). In recent years, policymakers, academics and practitioners have largely accepted the importance of outcome measures related to the quality of life (Bianchi et al., 2017). Indeed, Yang and Northcott (2018) state that NFPs can assess the long-, medium- and short-term benefits of their services for beneficiaries to demonstrate the outcomes of their performance. Such outcome measures help to show whether a social services programme is effective, i.e., it accomplishes what it was designed to accomplish (attained results) (Medina-Borja & Triantis, 2007). So, this study focuses on how an NFP produces information on the effectiveness of its services via the co-production of outcome-related performance information that reflects the wellbeing of its beneficiaries.

Greiling (2007) argues that NFPs need to demonstrate modern management practices of PM to build trust with external stakeholders and that, as a result, many input-output-outcome relations in the non-profit sector will become clear. However, Ebrahim and Rangan (2014) state that it is challenging to measure outcomes at the individual level for each beneficiary. To investigate some of these issues further, this study examines whether a co-production approach can help NFPs to produce outcome-related performance information that is useful to its beneficiaries, funders and other members of the public. Co-production in this study means involving the perspectives of the beneficiaries in the outcome measurement and outcome reporting of the case study organisation. (The next section will further explain the concept of co-production and the term 'outcomes'). Moxham (2009) finds that NFPs report a range of performance measures to various external stakeholders and Yang, Sinclair, and Hooper (2013) argue that accountability is jeopardised when outcomes and outputs are overlooked. They note that performance evaluation and reporting are the fundamental attributes of accountability for charitable funding, especially when there is no personal interaction with the funders. In such situations, the funders assess the efficiency and effectiveness of the services based on the information

reported by the charity. To maximise their chances of receiving funding, charities not only need to prove they provide services and assist their beneficiaries but must also prove that these activities make a positive impact on the beneficiaries' lives. Hence, NFPs should focus more on PM and reporting of outcomes (Yang et al., 2013). The challenges of producing performance information point to the need for NFP professionals to engage with beneficiaries and acquire their perspectives. Hence, a co-production approach is proposed, as discussed in the next section.

1.2.1 The co-production of performance information in NFPs

Both the public and private sectors have been using the term 'co-production' for over 30 years. "Co-production is defined as the voluntary or involuntary involvement of public service users in any of the design, management, delivery and/or evaluation of public services" (Osborne, Radnor, & Strokosch, 2016, p. 640). Boyle and Harris (2009) argue that co-production is a new potential way to change various services, such as health, education, policing and others, to make them more efficient, effective and sustainable. The contribution of the beneficiaries/users/clients/patients is a vital factor for public service professionals because co-production shifts the balance of power, responsibility and resources from professionals and more to individuals by involving people in the delivery of their own services (Boyle & Harris, 2009). Bovaird (2007) suggests that the client becomes a co-producer of the service, while Bianchi et al. (2017) similarly state that the quality of public service is likely to improve when co-production with communities contributes to improving outcomes, in a systematic process. Drawing on this literature on NFP co-production, Yang and Northcott (2019a) state that not much focus has been given to the co-production of performance measures by engaging NFP professionals with beneficiaries to enhance performance reporting and accountability. Their study findings indicate that PM through a co-production approach can produce meaningful information on outcomes to improve accountability.

It has been noted that funders may seek community input when evaluating NFP projects, instead of the NFPs evaluating themselves (Ebrahim, 2003a). Therefore, a co-production approach to evaluation should be considered to produce the outcomes-based accountability that is useful to non-government organisation (NGO) and NFP funders and beneficiaries. Outputs are associated

with the program, whereas outcomes are about the participants (Plantz, Greenway, & Hendricks, 1997). Benjamin (2010) argues that PM encourages attention to the outcomes that reflect the results of the programmes and services delivered by NFPs to improve beneficiaries' lives. Benjamin (2013) states that downward accountability by NFPs to their beneficiaries could be strengthened if NFPs involve beneficiaries in outcome measurement, report their performance to beneficiaries to allow them to raise their concerns about the services, and measure the quality of beneficiaries' experiences of their services. His study suggests that beneficiaries should be considered in the process of developing and using outcome measurement in order to strengthen accountability to them (Benjamin, 2013). Based on the above literature on beneficiaries' involvement in co-producing outcomes-based performance information and its impact on accountability, it is crucial to investigate further the co-production of performance information by NFPs. Hence, the current study aims to investigate beneficiaries' participation in the co-production of outcomes-based performance information in NFPs.

1.3 Research questions, methodology and method

Medina-Borja and Triantis (2007) state that PM is a vital part of strategic decision making for sectors that depend on funding, which include government and private social service organisations, and NFPs. The aim of NFPs is to deliver public services and produce positive outcomes for their beneficiaries/clients (Yang & Northcott, 2019a). The literature suggests that beneficiaries should be considered in the process of developing and using outcome measurement in order to strengthen NFP accountability. In particular, there has been a discussion about the need for beneficiaries' involvement in co-producing outcomes-based performance information to improve accountability. However, little research consideration has been given to how beneficiaries co-produce and perceive this performance information from their own perspective. Hence, the aim of this study is to seek the views and perspectives of both staff and beneficiaries to examine beneficiaries' participation in the co-production of performance information in a NFP organisation.

1.3.1 Research questions

The two research questions supporting this study are:

1. To what extent are beneficiaries involved in co-producing outcomes-based performance information?
2. What are the beneficiaries' perceptions of the outcomes-based performance information disclosed by the NFP?

1.3.2 Methodology

This study examines the co-production of performance information in a New Zealand NFP via the participation of both the staff and the beneficiaries. The most appropriate methodology for this case study is one that fits within the interpretivist paradigm. Interpretive studies aim to analyse the experiences of the participants and their views or perspectives on these experiences (Gray, 2018). In order to explore the perspectives of the participants, an interpretive methodology provides a context that allows the examination of what the participants in this study have to say about their experiences. The interpretivist paradigm is closely linked to qualitative research, which acknowledges that understanding is constructed and interpreted by the researcher. A qualitative research approach explores and understands the meaning of individuals or groups attributing to a social problem. In qualitative research, researchers use the literature consistent with the assumptions of learning from the participant but not prescribing the questions that need to be answered from the researcher's point of view. A qualitative study is exploratory, which means that the researcher seeks to listen to participants and build an understanding based on what is heard, and also means that not much has been written about the topic or the population being studied (Creswell, 2014). This research process involves "developing questions and procedures, data typically collected in the participant's setting, inductive data analysis building from particulars to general themes, and the researcher making interpretations of the meaning of the data" (Creswell, 2014, p. 16).

1.3.3 Method and data collection

According to Willis (2007, as cited in Thanh & Thank, 2015) qualitative approaches generally give rich reports that are required for interpretivists to

thoroughly understand the contexts. Interpretivist researchers use methods that enable them to understand the in-depth views of the participants on the situations they are part of (McQueen, as cited in Thanh & Thanh, 2015). This research aims to understand the perceptions of the participants in the NFP's PM practices and the involvement of the NFP professionals with beneficiaries regarding the co-production of performance information (Yang & Northcott, 2019), which requires direct contact between the researcher and the participants (Gray, 2018). Hence, a case study approach is adapted to capture reality (ontology) and the researcher's perceptions (epistemology). The case study research for this study involves a detailed examination of a small group of participants' perspectives (Tight, 2010) on the PM practices and reporting of the case study NFP.

The data collection process involves three sources: semi-structured interviews, documents and the NFP's website. The primary data is collected by conducting two-level, semi-structured interviews. The level 1 interviews are with the key staff of the organisation who are involved in preparing performance information, and the level 2 interview participants are beneficiaries of the organisation. Semi-structured interviews allow the participants to express and expand their views and opinions, which helps in extracting data relevant to the research questions (Gray, 2018). Secondary data sources from the financial documents, annual reports, websites or social media of the organisation are used to understand how the NFP reports performance information to its funders and beneficiaries. Schneider (2006a, as cited in Gray, 2018) states that secondary data provide rich information on how the organisation portrays itself in regard to its history, mission, values and contribution.

1.4 Summary of key findings

The first main finding was that the practices of measuring performance are mainly in line with the information needs of their government funders. Secondly, addressing the two research questions, this study found that both the staff and beneficiaries have shown interest in incorporating beneficiaries' perspectives more actively in the outcomes-based PM and reporting practices. Currently, the beneficiaries' involvement is shallow due to lack of awareness and communication between the staff and the beneficiaries with regard to the

outcomes-based measurement and reporting practices. In addition, there are various other challenges identified for the implementation of the interest in involving the beneficiaries in the PM practices and reporting.

1.5 Contributions and limitations

There is very little research in the context of NFPs that involved the perspectives of beneficiaries on the reporting of outcomes. This study, therefore, contributes by examining how the perspectives of beneficiaries could inform the PM and reporting practices of charities.

The findings of this study contribute to capturing beneficiaries' voices and experiences, since this co-production approach enables NFP professionals to better understand their beneficiaries' needs. It also helps them to produce reliable, outcomes-focused performance information that is useful for demonstrating their organisation's effectiveness and directing funders' attention to the interventions that mattered to the NFP and its beneficiaries. Further, bringing co-production into outcomes-based performance information may help other similar NFPs to enhance their PM.

The findings of this study also contribute to the literature by adding the perspectives of beneficiaries on outcomes-based performance information. Moreover, this study enhances our understanding of PM and reporting practices by identifying the information measured by the NFP, the measurement mechanisms, and the factors that influence their measurement practices. The main limitations of this study are that the number of participants is limited, and all participants are from the Auckland region, due to time constraints in completing this study.

1.6 Outline of this dissertation

Chapter 2 (*Literature Review*) critically reviews the international literature concerning PM and performance reporting in NFPs and the co-production of these practices involving beneficiaries' perspectives. It also discusses the challenges of outcomes-based PM of NFPs and NFP accountability. A review of the existing literature identifies gaps in the literature and provides the foundation for this research.

Chapter 3 (*Research Methodology and Method*) presents the constructivism paradigm adopted as a methodological framework for this study. It also outlines the use of the case study method and details the collection and analysis of the empirical evidence.

Chapter 4 (*Findings*) presents the rich data collected in the form of themes and quotes. The quotes represent the views of the beneficiaries and the staff of the NFP on the co-production of outcomes-based measurement practices and reporting.

Chapter 5 (*Discussion and Conclusion*) summarises the key findings of the study in regard to the research questions. It compares and contrasts the key findings of this study with the extant literature to highlight contributions to the existing literature in three areas: NFPs' PM, performance reporting, and co-production. This chapter also identifies contributions to practice, considers the study's limitations, and suggests directions for future research.

Chapter 2: Literature Review

2.1 Introduction

This chapter reviews the literature on NFPs and their PM and reporting and focuses on the gaps in this literature.

Section 2.2 begins with PM in NFPs. Section 2.3 discusses the meaning of PM – the meanings of outputs and outcomes and the challenges of the outcomes-based PM of NFPs. Section 2.4 reviews the types of outcome measures.

Section 2.5 discusses NFP accountability and briefly discusses performance reporting of NFPs to beneficiaries. Section 2.6 briefly discusses co-production involving beneficiaries. The final section 2.7 is the summary of this chapter.

2.2 Performance measurement in NFPs

The practice of PM is useful to NFPs to provide information on improvements and achievements to stakeholders and to report internally to assist in monitoring organisational performance by evaluating programmes and services (Huang & Hooper, 2011).

Connolly and Hyndman (2004) state that NFPs have to validate their entity by practising PM in order to demonstrate their performance and effectiveness. PM allows NFPs to evaluate their resources, activities and achievements in order to make informed discussions and decisions. Bradach, Tierney and Stone (2008) argue that, to develop efficient plans, NFP leaders should consider several interdependent questions such as, “Which results will we hold ourselves accountable for? How will we achieve them? What will results really cost, and how can we fund them?” (p. 90). Huang and Hooper (2011) state that, in terms of accountability, the funders are more interested in non-financial information than financial information. Thus, it is clear that NFPs’ efficiency and effectiveness are reported as performance reporting is more focused on non-financial accountability which is inclined towards attracting funding.

There has been a definite progressive change in the requirements to measure and report NFPs’ performance. Speckbacher (2003, as cited in Greatbanks, Elkin & Manville, 2010) argues that universal frameworks like the Balanced Scorecard might be applied to voluntary organisations, but their reports lack

general understanding. Moxham and Boaden (2007) state that there is a mismatch observed between the funders' requirements of performance information and the reporting mechanisms. Greatbanks et al. (2010) in their study evidenced that there was a general dissatisfaction about the use of reporting measures because NFPs could not reveal the real efficiency of their projects and activities. "Reporting numbers referred to as 'ticking boxes' provide this factual information to the funding provider, [but] such an approach fails to recognise the detailed and often socially complex context of such programmes" (Greatbanks et al., 2010, p. 581).

Wainwright (2003, as cited in Moxham, 2009) states that NFPs are under pressure to measure and report their performance from various stakeholders such as donors, volunteers, employees, users, government and non-government funders, and also beneficiaries.

PM is an engagement of "an ongoing process of establishing performance objectives; transforming those objectives into measurable components; and collecting, analysing, and reporting data on those measures" (Harris Mulvaney, Zwahr, & Baranowski, 2006, p. 432). It relies upon the data collected by internal staff that looks at specific components of an organisation, using programmes as the primary unit of analysis (Harris Mulvaney et al., 2006).

Measuring the performance of NFPs is a contemporary trend. Therefore, there is no unanimity in the literature on the criteria for PM of NFPs, unlike the private and public sectors (Moxham, 2009). Yang (2015) in her study summarised the key findings from the literature on PM from various studies:

Performance measurement supports NFPs in various ways by increasing the level of effectiveness in strategic decision making, improving focus on the long-term goals and services delivery, enhancing reputations, increasing media exposure, and generating more funding (LeRoux & Wright, 2010; Salamon et al., 2010). Financial reporting and the demonstration of achievements were the common drivers for the non-profit sector to measure their performance (Moxham, 2009). Several studies have identified that outcome measurement is on the rise, and many NFPs are attempting to measure outcomes by using outcome measures (Carman, 2007; Carman & Fredericks, 2008; Moxham, 2009; Salamon et al., 2010; Zimmermann & Stevens, 2006). Funders heavily influence NFP performance measurement and accountability practices. Although NFPs have made a sincere attempt to evaluate some of their

activities, they have considerable staffing and funding constraints (Carman, 2009; Carman & Fredericks, 2008). (Yang, 2015, p. 27)

Zimmermann and Stevens (2006) argue that PM based on the measures that focus on the mission, goals and objectives of organisations guides decision making. It should be noted that NFPs have started to introduce outcomes as a standard for evaluating performance along with other variables such as service quality and productivity (Medina-Borja & Triantis, 2007). As discussed earlier, the main objective of NFPs is not to make profits but to have a positive impact on society or community, which is described as an outcome. In order to achieve these outcomes, NFPs need to raise funds through donations, grants and perform income-generating activities and utilise these resources wisely, which represents their efficiency (Medina-Borja & Triantis, 2007). Outcomes-based evaluation is the modern way to measure performance and is also known as the efficacy or effectiveness of the social programmes and service activities. During the 1990s, because of the increasing scarcity of donor contributions, the local governments and the agencies were interested in the measurement and identification of causes of inefficacy and technical efficiency in the provision of social services (Ruggiero & Duncombe, 1995).

Connolly and Dhanani (2009) describe the performance of NFPs as a three-stage production model that involves organisational inputs, outputs and outcomes. The resources used to provide a product or service are referred to as inputs, while outputs are the immediate products or services provided by the organisation. Connolly and Hyndman (2004) note that outputs are measured in units which result in direct and immediate results of services (Connolly & Hyndman, 2004), for example, the number of wheelchairs distributed to disabled members. However, Zimmermann and Stevens (2006) argue that to attract the attention of funders, managers of NFPs should focus on developing outcome measures that are valid, reliable, understandable, timely, resistant to perverse behaviour, comprehensive, nonredundant, sensitive to data collection cost, and focused on controllable facets of performance.

Medina-Borja and Triantis (2007) developed a framework for PM across the various aspects of NFP performance, including outcomes (see Figure 1).

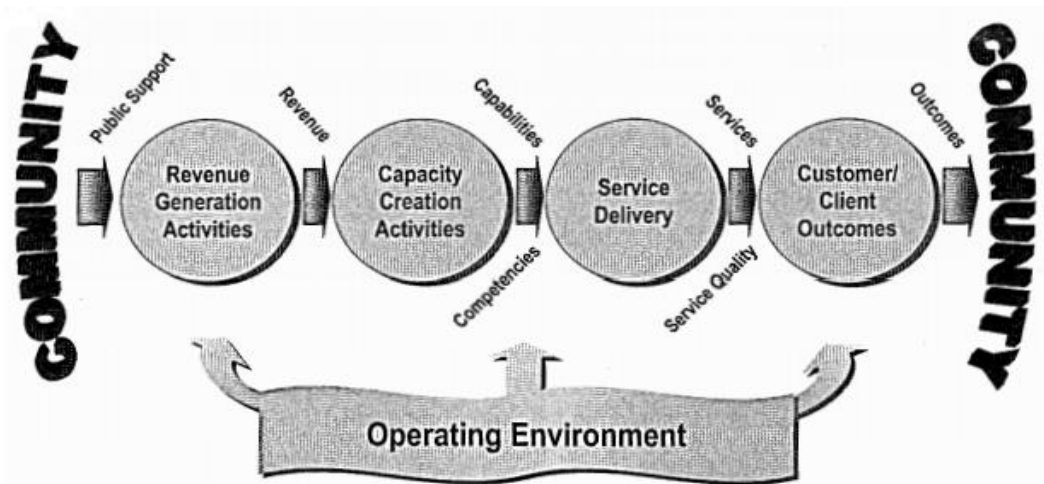


Figure 1. Performance measurement framework. Reproduced from Medina-Borja and Triantis (2007).

The four stages of PM shown in Figure 1 are explained below:

- The first stage is the fundraising activities or revenue generation from various sources such as government agencies, philanthropic organisations and/or the community in order to acquire required resources to serve the NFP's mission. This stage of PM involves measuring how well the fundraising activities are being carried out.
- The second stage is the PM of organisational capacity, which is the procurement of human and physical resources, training and research (i.e., the 'inputs' to the service delivery process). It involves measuring how well the human and physical resources are applied to delivering services to the community, meeting the goals of the organisation.
- The third stage is the PM of the utilisation of the NFP's resources or capabilities to deliver the services or 'outputs'.
- The fourth stage is the PM of the 'outcomes' achieved to enhance the lives of service recipients. Beneficiaries are mostly interested in the outcomes. Hence the focus here will be on the measurement and reporting of outcomes that are relevant to this study of beneficiaries' perspectives on how NFPs measure and report their performance.

2.3 Meaning of performance measurement – meaning of outputs and outcomes

According to the New Zealand State Services Commission (2009, as cited in Cook, 2017, p. 4)

Outcomes are defined as a condition or state of society, the economy or the environment, and include changes to that condition or state. In effect, outcomes are the end result we [want] to achieve for New Zealanders. Outcomes describe 'why' we are delivering certain interventions on behalf of New Zealanders.

Ebrahim and Rangan (2014) argue that outcome measurement requires an answer to the complex voluntary question of whether the activities and outputs are leading to sustained improvements in the lives of beneficiaries.

Organisations generally have control over their immediate activities and outputs, but events beyond their organisational boundaries make outcome measurement difficult and could diminish the outcomes. For example, an emergency relief organisation might have handled a natural disaster well before and after the incident but might not have provided enough homes and livelihoods because it is dependent on extensive coordination with local governments, businesses, and other NGOs or NFPs. In such situations, getting the desired outcomes for everyone is challenging. Also, the link between a specific input and process on outputs and outcomes is shaped by each individual beneficiary's state and the factors in their life (Cook, 2017). Table 1 below distinguishes between outputs and outcomes in the provision of social services.

Table 1. Distinction between outputs and outcomes: Examples of outputs and outcomes in the provision of social services

<i>Outputs</i>	<i>Outcomes</i>
<ul style="list-style-type: none"> • Number of participants enrolled in an AIDS prevention programme 	<ul style="list-style-type: none"> • Change in intentions and risky sexual behaviour of the participants (immediate outcome) • Reduced mortality due to AIDS (long-term outcome)
<ul style="list-style-type: none"> • Number of shelters provided during a disaster 	<ul style="list-style-type: none"> • Reduced homelessness after a disaster (intermediate outcome)
<ul style="list-style-type: none"> • Number of emergency communications provided 	<ul style="list-style-type: none"> • Reduced anxiety due to long-term separation of a loved one (immediate outcome)

Note: Reproduced from Medina-Borja and Triantis (2007).

The current study emphasises outcome measurement because it concerns the achievements of beneficiaries' goals. Outcomes indicate the success of the activities or programmes, such as the number of homeless persons who have secured jobs, which reflects any changes or improvements in the lives of the

participants. These improvements or outcomes can be measured quantitatively in terms of percentages (%).

Several NFP stakeholders are interested in reported outcomes. From philanthropic foundations to government agencies, funders expect the organisations they support to measure their outcomes, even where outcome measurement shows evidence that the improvement in performance is mixed (Ebrahim & Rangan, 2014). Outcome measurement also helps NFP staff to think in terms of broader impacts (rather than merely in terms of outputs), to communicate results, to identify effective practices, and to improve service delivery (Ebrahim, 2003a; Ebrahim & Rangan, 2014). However, there are also potential adverse effects of measuring outcomes. Ebrahim and Rangan (2014) also report that a

significant number of agencies implementing outcome measurement said it led to a focus on measurable outcomes at the expense of other important results (46%), overloaded the organisation's record-keeping capacity (55%), drew resources away from service delivery and did not add certainty regarding how programs should be changed. Therefore, outcome measurement must be well executed to ensure that its potential costs are outweighed by its benefits. (p. 120)

This study of beneficiaries' perceptions of how a case study an NFP measures and reports its outcomes is therefore useful in ensuring that outcome measurement produces useful information for beneficiaries.

2.4 Types of outcome measures

Vogt (1999) identified four types of outcome measures for the NFP sector. They are efficiency measures, effectiveness measures, consumer satisfaction measures and process measures.

- Efficiency measures assess the efficiency level of the utilisation of resources to achieve the desired results. Measures of efficiency are essential for both the NFPs and their stakeholders for comparison purposes (Moxham, 2009). As discussed earlier, this is the assessment of the first stage of the PM framework (Figure 1) which is the financial measures. These measures evaluate how well the financial resources are being utilised to achieve the organisation's objectives or goals.

- Effectiveness measures are the benchmark to identify the level of achievement of the mission. Effectiveness measures reflect the quality or the performance of a service or the degree to which performance objectives are being met. Effectiveness measures reflect individual beneficiaries progress and their goal achievements as a result of the services received. Benjamin (2008) states that the effectiveness and impact of NFPs can be measured by comparing the level of beneficiaries' circumstances before and after the services.
- Customer satisfaction measures assess the level of customer satisfaction with the services provided and also the outcomes of the service delivery.
- Process measures indicate the overall assessment of the operational objectives of the organisation, which is based on the above three measures. Process measures relate to goals in the strategic plan, corrective actions from management reports, responses to staff suggestions, comparison of income and expenditure to budget, number of people served, number of new intakes, and contractual requirements (Vogt, 1999).

Various types of outcome measures have been identified in the literature as being useful for accountability reporting to NFP stakeholders, but no studies have examined what types of outcome measures are considered most appropriate by beneficiaries. Hence, this study helps to fill that gap in the literature.

2.5 NFP accountability

Fry (1995) states that accountability is a social responsibility where one is compelled to give explanations, justifications, rationalisations, stories, or excuses to others for deviations between the act or event for which that person was held responsible and the relevant norms or expectations (Fry, 1995, p. 184).

The term accountability applies based on the nature of the organisation. However, "there has been little research that encompasses a broader concept of nonprofit accountability, that is, one that goes beyond financial and programme components, even though accountability is known to affect nonprofit organizational performance" (Watt Geer, Maher, & Cole, 2008, p. 52). Cordery and Sinclair (2013) argue that NFPs should prove to their funders that their

existence is worthy. However, 'downward' accountability to the beneficiary groups and clients who use their services is also essential (Connolly & Dhanani, 2009). Since this study concerns downward accountability by NFPs to their beneficiaries, it focuses on outcome measurement practice because it concerns beneficiaries' experiences and helps to strengthen downward accountability (Benjamin, 2013).

Due to the increasing pressure of accountability in the NFP sector, various accountability practices have been developed or imported by these organisations, as discussed next.

2.5.1 Types of NFP accountability

The four most widely discussed types of accountability of NFPs are strategic accountability, fiduciary accountability, financial accountability, and procedural accountability (Coy & Dixon, 2004). Each of these accountability practices is attentive to the willingness of the organisation to be accountable and preserve public faith as outlined in the ethical model of stakeholder theory (Coy & Dixon, 2004). Strategic accountability addresses the issues of existence for any organisation which can be further classified as upward accountability and downward accountability. Financial accountability deals with the activities concerned with the utilisation of available resources and factors responsible for financial development. It is the responsibility of NFPs to utilise their resources efficiently and effectively as they are dependent on public money to achieve the most advantageous outcome. Financial accountability mainly focuses on financial development as it is the responsibility of the management to be accountable for their financial position in efficiently managing the organisation (France & Regmi, 2019). It examines managerial performance within the financial dimension and focuses upon the financial position, stability and success of the organisation. Fiduciary accountability is the focus on operational ability of the organisation and the protection of assets, reserves and future operations. It emphasises compliance, integrity, good governance and control at an operational level (Connolly & Dhanani, 2009). Procedural accountability is slightly different from fiduciary accountability. It deals with the internal operational processes and procedures of the organisation within the norms, social belief and social awareness of how organisations are operated. Procedural accountability differs from strategic accountability as the former

deals with explanations of how strategies have been achieved whereas the latter is mindful of the accomplishments of the organisation. The responsibility of NFPs is beyond their customers and beneficiaries. The procedural responsibility of NFPs is to identify and assess various constituents that support its social cause and to deliver more honestly and broadly to them (Bouckaert & Vandenhove, 1998). It can also be named 'operational managerial accountability', which addresses an organisation's achievements and performance concerning its charitable objects (Connolly & Dhanani, 2009). Currently it is not known what beneficiaries think about these four types of accountability, so this study could add to this literature on accountability types by illustrating which types are best to use for reporting to beneficiaries.

Since the 1990s, to support NFPs, many tools and guidebooks have been developed for identifying and measuring outcomes:

Traditional definitions of accountability prescribe standards for disclosure of information (usually financial) and minimum standards of behaviour (adherence to regulations), but these definitions do not provide managers or stakeholders with a measure of how well an organisation is achieving its mission and goals or the consequences of poor performance or organisational failure. (Ospina, Diaz, & O'Sullivan, 2002, p. 8)

Although many scholars identified that accountability to beneficiaries is a crucial accountability relationship, there has not been much empirical attention to the potential of outcome measurement to strengthen downward accountability due to the absence of strong accountability mechanisms (Ospina et al., 2002). Generally, the accountability mechanisms of NFPs hold managers actions accountable rather than holding the overall performance of the organisation accountable. NFPs need to be accountable to maintain their legitimacy in the eyes of the public as they depend on the board members, funders, donors, staff, volunteers, and institutional supporters who identify themselves with the mission of the organisation (Fry, 1995).

Outcome measures focus on the results for beneficiaries and reports to funders have been developed to align the focus on outcomes to motivate NFPs to lean more towards beneficiaries. The reason NFPs should measure outcomes is to "seek the most and best for their customers" (United Way of America, 1996, p. 3). Ebrahim (2003b) argues that accountability is a multidirectional system that

engages accounting for donor funds and also making progress towards the organisation's mission that ensures accountability to communities or beneficiaries. There are some discussions in the literature that NFPs use outcome measurement focusing on accountability mechanisms to make management decisions that improve the programmes or reporting of the outcomes to specific shareholders such as the board and funders (United Way of America, 2000). Benjamin (2013) argues that outcome measurement is a management practice and explains how this practice is being approached in the NFP sector. Most of the literature on outcome measurement and its impact on strengthening downward accountability can be found in the non-profit accountability (NPA) literature, as discussed in the earlier introduction chapter. Benjamin (2013) notes that most of the discussions on outcome measurement as an accountability mechanism for NFPs either focus on the importance and necessity of outcome measurement or outline the probable drawbacks. Benjamin (2013, p. 1277) highlights that:

empirical work in this area focuses on the negotiation between funders and grantees over outcome measurement requirements (Benjamin, 2008; Cutt & Murray, 2000; Ebrahim, 2003a); the limits of using measurable outcomes for accountability purposes (Campbell, 2002; Speckbacher, 2003); and the tension between outcome measurement and organisational learning (Ebrahim, 2003a, 2005 & United Way of America, 2000, p. 11).

He also points that there have been several studies that have indicated that government agencies are using outcome measurement to strengthen downward accountability and also to ensure more attention to the concerns of citizens while implementing policies and not just following simple professional norms and bureaucratic rules (Benjamin, 2013, p. 1227). The above-discussed literature defends the view that outcome measurement is the right tool to strengthen downward accountability by improving transparency, thereby increasing responsiveness to ensure that the concerns of the citizens are prioritised in organisational goals. The literature of NPA is quite relevant to this study as it examines how outcome measurement is being used to strengthen the downward accountability of NFP by involving the perspectives of beneficiaries. In their study, Ospina et al. (2002) evidence that, to strengthen the accountability relationship, NFPs actively conducted surveys and meetings,

informal visits and conversations to get feedback from their beneficiaries around the mission and priorities for the organisation and encouraged the staff to report needs to the management. “For example, Action Aid developed the Accountability Learning and Planning System (ALPS), which includes using a participatory review and reflection process with their beneficiaries and making information like appraisals and reviews open to all (see <http://www.actionaid.org>)” (Benjamin, 2013, p. 1230).

According to Connolly and Kelly (2011), accountability to beneficiaries can take two forms: constructive and voluntary. Constructive accountability represents accountability driven by moral, competitive or market expectations rather than legal obligations on the basis that accountability cannot be achieved merely through contractual compliance. Such accountability is aimed primarily downwards at beneficiaries and public. Constructive accountability incorporates performance reporting that implements best practices arising from shifting societal values or political trends. By doing so, NFPs will be able to achieve long-term legitimacy and develop appropriate governance structures integrating various stakeholders. Voluntary accountability aimed at downward stakeholders may seek to set standards for the sector and may then become a constructive or even legal requirement for others. Voluntary accountability focuses on non-monetary mechanisms that enable continuous improvement through training, self-evaluation and learning, perhaps arising from social audits and metrics such as social return on investment. The mechanisms for discharging constructive and voluntary accountability are not mutually exclusive (Connolly & Kelly, 2011). These two forms of accountability are more important to the beneficiaries and therefore most relevant to this study, which examines the perspectives of beneficiaries on NFPs outcome measurement and reporting practices. The next section expands on the accountability of NFPs by introducing outcome measurement practices.

2.5.2 Outcome measurement for strengthening NFP accountability to beneficiaries

Benjamin (2013) states that NFPs have been practising outcome measurement by using satisfaction and feedback surveys for quite some time, but the data collected may not be reliable. He further states that the extent to which the beneficiaries should be considered in the outcome measurement process –

whether their participation should be merely sharing their experiences or whether they should engage entirely in the outcome measurement process was unclear. The present study may fill this gap in the literature by examining New Zealand NFPs' PM and PM information reporting practices and extending the literature of Yang and Northcott (2019a) by involving the perspectives of beneficiaries on these practices.

In the analysis of the literature in his study, Benjamin (2013) identifies three themes to understand the potential of outcome measurement to strengthen NFP accountability to beneficiaries. His analysis attempts to examine whether the performance measures used are capable of strengthening NFPs' accountability to beneficiaries. The themes are explained briefly below:

- *Outlining/identifying performance measures:* Applying outcome measurement in NFPs is rather complicated, unlike for the public sector. Sometimes the requirements of the beneficiaries may not align with the goals of the organisation, making it challenging to determine appropriate measures to bring out the desirable outcomes. Hence, identifying the right outcome measures aligning towards beneficiaries' benefits is a priority of an outcome measurement process for NFPs to strengthen downward accountability.
- *Reporting performance data:* To strengthen downward accountability, NFPs should report their performance regularly to the public. Reporting performance information related to the goals and comparative results allows beneficiaries and other stakeholders to raise their concerns directly to the management. Hence, reporting such information represents accountability towards beneficiaries and builds trust between the NFP and the stakeholders to make decisions on funding. The next section discusses in detail the reporting of performance information.
- *Measuring the quality of service provided by NFP staff to beneficiaries:* Downward accountability can be strengthened if the beneficiaries are also involved in identifying and prioritising the outcome measures and reporting the results in transparent ways. Hence, outcome measurement can be used to measure the quality of service provided by the staff to the beneficiaries, which can strengthen the accountability relationship between NFPs and

beneficiaries (Benjamin, 2013). However, measuring outcomes-based performance has many practical challenges.

Further, Fryer et al. (2009, as cited in Cook, 2017) identified four different types of deviant behaviours that can result from PM: “setting undemanding targets; performance clustering around a target; concentrating on meeting targets at the expense of other factors; choosing indicators to influence results” (p. 14). To address challenges while implementing outcomes-based measures and measurement approaches, managers seek alternative measures that are manageable, but could create dangerous unintended consequences.

Hence, the dissemination of NFP outcome results is a crucial part of PM. Reporting the performance information to the public focussing the relevant stakeholders validate the existence, effectiveness and efficiency of NFPs (Perrin, 2006). Furthermore, Yang and Northcott (2019b) found that “the central role of outcomes-based, non-financial performance information in achieving trust-building public accountability via a range of disclosure mechanisms” (p. 1682). The next section briefly discusses the critical performance reporting of NFPs.

2.5.3 Outcome measurement for reporting to beneficiaries

The NFP disclosures available to external stakeholders such as beneficiaries include annual reports, financial statements, annual reviews and internet disclosures. Connolly and Dhanani (2009) noted that some of the stakeholders of NFPs are not interested in the annual reports because it is difficult to understand the financial statements disclosed. As the annual reports are potentially important accountability information, it is useful to provide sufficient narrative information for the audience to make it simpler to understand the financial results published (Connolly & Hyndman, 2004). The information in an annual report enables stakeholders (including beneficiaries) to understand and monitor organisations’ activities, operations, successes and failures. ‘Non-financial reporting is particularly important because the goals of NFPs are frequently measured in non-monetary terms’ (McRobert, 2014, p. 1).

In New Zealand, the recent changes to the Financial Reporting Act 2013 mandate the External Reporting Board (XRB) to set new reporting requirements for registered charities and other NFPs that have reporting obligations in New

Zealand. The new reporting standard requirements for registered charities came into force for periods beginning on or after 1st April 2015. Under the new standards, NFPs and charities are now required to prepare both financial and performance information.

Benjamin (2013) argues that the role of beneficiaries is essential in the process of identifying outcomes and also the process of reporting these outcomes. He also emphasises that performance reporting should provide information about the relationship between satisfaction measures and the responsiveness of the organisation to beneficiaries' outcome measurement, to strengthen downward accountability. Involving citizens in the identification of outcomes, and emphasising this, is one way that an NFP can ensure that it measures what matters to citizens. Beneficiaries' involvement in PM can increase participation in public problem-solving more broadly (Thomas, 1999). Beneficiaries often lack a voice to influence the practices of the organisation (Connolly & Dhanani, 2009). Hence, the focus of the current study is to examine the perception of beneficiaries on the co-production of outcomes-based PM and performance reporting by NFPs. The next section briefly discusses the literature on the co-production of PM information by NFPs, as this study examines the involvement of beneficiaries in NFPs' outcome measurement practices.

2.6 Co-production of performance measurement information by NFPs

Governance International (2014) notes that "user and community co-production of public services and outcomes is about public service organisations (PSOs) and citizens making better use of each other's assets, resources and contributions to achieve better outcomes or improve efficiency" (p. 1).

Poocharoen and Ting (2015) further note that co-production is not a simple platform for people's voice or opinions, but is an arranged agreement between the individuals and the NFPs, working together with public service professionals, to utilise their practical skills to provide a public service and consume the benefits of the arrangements. Such arrangements allow beneficiaries to explore co-production mechanisms and experience services by active participation (Poocharoen & Ting, 2015).

The public administration literature on co-production explains the ways how a service user participation can be 'added into' the process of service planning

and producing outcomes to improve the quality of these services (Osborne and Strokosch 2013, p. S33). Although the public administration highlight “on joint working between two parties that typically operate from different places in the production process the” (Osborne and Strokosch 2013, p. S34) the plans are organised by the service provider. Furthermore, Bovaird (2007) states that co-production has limitations as well as obvious benefits. There are two main challenges identified in the literature on NFP PM. One is determining appropriate outcome measures that are suitable to the NFP’s mission and also reflect beneficiaries’ perspectives on how their lives have been changed by receiving services (Ebrahim & Rangan, 2014; Sawhill & Williamson, 2001). Hence, determining the outcomes that matter to the beneficiaries is a challenge for NFPs to ensure that they measure the right things. The other challenge is that some outcomes are difficult to measure because of the nature of the measure itself (Yang, et. al, 2013). Yang and Northcott (2019a) identify that building trust between counsellors and beneficiaries was crucial to achieving desired outcomes. Besides, some outcomes that are measurable in the short term are not measurable in the long term, which makes it difficult to analyse continuous improvements in outcomes for beneficiaries. Bovaird and Loeffler (2012) state that every beneficiary may contribute towards a team effort in creating value from several different services, so an objective cannot be achieved without the full involvement of the beneficiaries in the co-production process.

2.7 Chapter summary

This chapter critically reviews the international literature concerning PM and performance reporting in NFPs and the co-production of these practices by involving beneficiaries’ perspectives. It also discusses the outcomes-based PM of NFPs and NFP accountability. Furthermore, the literature on outcome measurement for reporting to beneficiaries in order to strengthen accountability is discussed. The existing literature provides a foundation to this study and gaps in the literature are identified throughout the chapter to situate this research project.

Chapter 3: Research Methodology and Methods

3.1 Introduction

This chapter discusses the research methodology and methods employed for this study. Section 3.2 provides a review of the research questions. Section 3.3 presents the constructivist/interpretivist paradigm adopted for this study, followed by a discussion on the qualitative method, a case study in section 3.4. Data collection methods and data analysis are discussed in sections 3.5 and 3.6, respectively. Finally, the ethical implications are identified in section 3.7, and a brief chapter summary is provided in section 3.8.

3.2 Research questions

The aim of this study is to seek the views and perspectives of both staff and beneficiaries in order to examine beneficiaries' participation in the co-production of performance information in a NFP organisation.

As noted earlier, the research questions investigated are:

1. To what extent are beneficiaries involved in co-producing outcomes-based performance information?
2. What are the beneficiaries' perceptions of the outcomes-based performance information disclosed by the NFP?

The two research questions are derived from research gaps identified in the literature and extend the work of Yang and Northcott (2019a) by incorporating the beneficiaries' perspectives. As discussed in Chapter 2, PM and reporting are practised by NFPs to examine and discharge accountability and to gain legitimacy in the eyes of various stakeholders. The first research question explores the extent of beneficiaries' involvement in the New Zealand case study NFP's PM. This question emphasises the perceptions of both the NFP staff and beneficiaries on the co-production of outcomes-based performance information. The second research question explores the beneficiaries' perceptions of the reporting of outcomes-based performance information, as identified from the first research question. Hence, the first research question focuses on the co-production of performance information and the second question on the reporting practices of the case study NFP in generating such information for beneficiaries.

In order to investigate these perceptions and experiences of the beneficiaries and the staff of the case study NFP, this study adopts a constructivist/interpretivist paradigm, discussed in the following section. The findings related to the research questions are presented and analysed in Chapters 4 and 5.

3.3 Methodology: Constructivist/interpretivist paradigm

The methodology is the process of research (Creswell, 2007). The fundamental questions in any given paradigm are interconnected, and the critical part of interpretive research is listening to and observing another (Grant & Giddings, 2002). The methodology of a constructivist paradigm is therefore hermeneutical and dialectical (Guba & Lincoln, 1994).

“The hermeneutic/dialectic methodology aims to produce as informed and sophisticated a construction as possible” (Guba, 1990, p. 27). Hence, “the hermeneutic aspect consists of depicting individual constructions as accurately as possible, while the dialectic aspect consists of comparing and contrasting these existing individual (including the inquirer’s) constructions” (Guba, 1990, p. 27). In the hermeneutical step, the researcher observes the participants’ perceptions from behind on what they have told her/him and interprets the significance of their self-understandings in ways the participants may not have been able to see. Interpretive methodologies focus on different aspects of experience and use different methods to collect data and analyse it. The interaction between the researcher and the subject is conducted using various methods (Gray, 2018; Guba & Lincoln, 1994), although “[i]nterpretive approaches have become equated with qualitative methods” (Grant & Giddings, 2002, p. 16).

The researcher’s method for collecting data should be influenced by the research methodology (Gray, 2018). For this study, the interpretivist approach and hermeneutic/dialectic methodology are well-aligned with the use of qualitative methods because the researcher seeks answers from the perspective of participants’ own experiences and from a particular group or culture (Thanh & Thanh, 2015). The next section briefly explains the methods and data collection process of this study.

3.4 Methods and data collection

3.4.1. Qualitative methods

The primary feature of qualitative research is collecting data by talking directly to the participants and/or by observing them behave and act within their context, where the researchers have face-to-face interaction with the participants in natural settings (Creswell, 2014). The methodological process of qualitative research is that:

the researcher uses inductive logic, studies the topic within its context and uses an emerging design. The researcher works with particular (details) before generalisation describes in detail the study of context, and continuously revises the questions from experiences in the field. (Creswell, 2007, p. 17)

Inductive patterns are adopted to organise the data by categorising and building themes. In this way, the information gathered from the interviews is categorised into themes and broad patterns and then compared with the existing literature. The five most commonly recommended qualitative methods are narrative, phenomenology, ethnography, case study and grounded theory. In order to understand and interpret the perspectives of the participants, this study adopts a case study method, which is discussed in the next section, to enable an in-depth investigation within real-life contexts.

3.4.2. Case study method

The case study approach is strongly associated with qualitative research partly because multiple perspectives can be generated in a case study by using multiple data collection methods (Lewis, 2003, as cited in Gray, 2018). Since this study seeks the views and perspectives of staff and beneficiaries on beneficiaries' participation in the co-production of a NFP's performance information, the case study method is appropriate because it is "ideal when a 'how' and 'why' question is being asked" (Gray, 2018, p. 263). The case study method allows the researcher to gain a deep understanding of a phenomenon, such as the 'how' and 'why' of PM practices of NFPs, in a natural setting (Creswell, 2014). Thus, a case study is appropriate for this study.

3.5 Data collection methods

The qualitative case study method allows the researcher to select participants and/or documents that will help to seek a holistic and real-world perspective by focussing on 'how' and 'why' questions to gather rich and in-depth information (Gray, 2018). Therefore, the research process for this study used three sources – semi-structured interviews, documents and the case study NFP's website – to collect data. By interviewing the participants and reviewing relevant documents from the case study NFP, the researcher was able to perceive multiple constructed perceptions of the beneficiaries and staff on PM and reporting practices. These sources provide "multiple measures of the same phenomenon", and thus help to establish the construct validity and reliability of the case study evidence (Yin, 2009, p. 117).

3.5.1 Semi-structured interviews

The qualitative case study researcher collects data in an unstructured or semi-structured way using a set of prior questions relevant to the study. Hence, the data for this study was collected by conducting semi-structured interviews with a set of questions that were determined before the interviews were arranged (Creswell, 2014).

An interview guide was prepared to assist in examining participants' perspectives on the organisation's outcome measurement and reporting practices to answer the two research questions. As this study aims to extend Yang and Northcott's (2019a) study by including the perspectives of beneficiaries, the interview questions focused on the following questions to collect the data to answer the two main research questions outlined in section 3.2:

1. Why are outcomes measured?
2. How are outcome measures identified?
3. To what extent are beneficiaries involved in identifying outcome measures?
4. What approaches are applied to measure the outcomes?
5. To what extent are beneficiaries involved in measuring the outcomes?
6. What challenges were faced in measuring and reporting outcomes?
7. What are the beneficiaries' perspectives on the outcome measures?

8. Do the beneficiaries feel they have enough access to the NFP's outcome information?
9. How knowledgeable are the beneficiaries about the organisation's policies and strategies for outcome reporting?

Semi-structured interviews are often used in qualitative research since they allow the researcher to be flexible with the order of the questions and to gather required data with additional questions (Gray, 2018). A purposive sampling approach was applied to identify the relevant participants in the case study NFP, especially the staff participants involved in designing and using performance measures or collecting performance data. As Gray (2018) notes, "purposive sampling identifies a small number of samples or even single cases selected purposefully on the basis that they are information-rich cases" (p. 215). The beneficiary participants were invited to participate voluntarily. These interviews aimed to understand participants' perceptions of the NFP's PM practices and how the NFP engaged with beneficiaries regarding PM and reporting.

Ten interviews were conducted: Table 2 lists the interviewees and their titles as used in this paper. Four face-to-face interviews were carried out with staff of the NFP, ranging from a senior regional manager and senior coordinators to the community support workers (CSWs) and coordinators who delivered services to beneficiaries. The interviews took between 21 to 72 minutes, with an average length of 30 minutes. All of the nine face-to-face interviews were audio recorded.

Table 2. Interview schedule

<i>Participants</i>	<i>Date</i>	<i>Minutes</i>
Staff member#1	08/11/2019	50:00
Staff member #2	13/11/2019	42:00
Staff member #3	13/11/2019	48:00
Staff member #4	13/11/2019	72:00
Beneficiary #1	06/11/2019	35:00
Beneficiary #2	11/11/2019	30:00
Beneficiary #3	06/11/2019	37:00
Beneficiary #4	13/11/2019	Email

Beneficiary #5	14/11/2019	32:00
Beneficiary #6	18/11/2019	21:00

Previous studies on NFPs, such as Yang and Northcott (2019a), found difficulties in accessing beneficiaries due to the sensitive nature of the services they received. This has led to a gap in the literature. However, the current study fills this gap by involving the beneficiaries' perspectives as a new contribution to the literature. The beneficiaries' views were included as a basis for triangulating the perspectives of the staff of the NFP on the co-production of PM and reporting. However, a small number of beneficiary participants were interviewed due to the time constraints and size of the research. Eisenhardt (1989) suggests that between four and 10 cases generally works well for qualitative research. However, there are debates in the literature on the required number of qualitative interviews. Nonetheless, the number of beneficiary participants is not considered to be a limitation because it still extends the previous literature by involving more beneficiaries than previous studies.

Thematic analysis was applied to extract comparative and supplementary data from the interview transcripts. In addition to the interviews, various published documents from the organisation (annual reports, newsletters and material on the organisation's website) were reviewed to verify the findings. Triangulation was applied across these multiple data sources to validate and interpret the information collected from interviews. Triangulation is a strategy of collecting information from a diverse range of individuals and settings, and using a variety of methods, reduces the risk of chance associations and systematic biases due to a specific method and allows a better assessment of the generality of the explanations that are developed (Maxwell, 2008).

3.5.2 Selecting interview participants

This study applied a purposive sampling process when selecting participants for interviews. Maxwell (1997, as cited in Gray, 2018) states that purposive sampling is used when particular people are selected for gathering relevant information. Purposive sampling is also used for a hard-to-reach population where the researcher selects the participants based on the research purpose (Gray, 2018). Therefore, the participant selection was based on the research questions discussed in the above section 3.2. In order to examine the New

Zealand NFP's outcome measurement and reporting practices, and the extent to which these practices address beneficiaries' perspectives, the researcher purposefully selected a range of interviewees – both staff and beneficiaries.

Applying purposive sampling, the staff selected were involved in dealing with the performance information so that they could provide the data required for this study. Access to these staff was facilitated by the management of the organisation: the human resource coordinator of the case study NFP sent emails to the relevant staff who were engaged with performance information. The four staff chosen for interview were from different hierarchical levels and were particularly involved with producing the organisation's performance information. The designations of these staff ranged from the service manager to community support workers (CSWs).

Beneficiary interviews comprised five face-to-face interviews and one email interview. Beneficiary participants tend to be hard-to-reach, since researchers often have to gain access via gatekeepers such as institutions or agencies (Gray, 2018). Therefore, for this study beneficiaries receiving services from the organisation's Auckland branch were, with the permission of the case-study NFP's senior manager, invited via email to respond to the researcher about their willingness to participate. Access to staff participants was achieved through the management of the organisation: the human resource coordinator of the case study NFP sent emails to the relevant staff who were engaged with performance information.

3.5.3 Pre-planning for interviews

The planning of the interviews followed the guidelines of the ethics committee of the university (see section 3.7). As mentioned earlier, the selection of and access to the participants were facilitated through the organisation. The access to the organisation was not difficult because the researcher is a client of the organisation and is closely associated with one of the senior CSWs. This CSW arranged a meeting between the researcher and the management staff, which means the researcher was introduced to the managers by someone they trust and work with (Patton, 2002).

The management staff were provided with a copy of the research proposal and ethics guidelines of the university, and the purpose and the process of the research were explained to them. The invitation email to the participants was designed by the researcher and approved by the organisation by verifying the contents and vocabulary of the invitation before it was emailed to the participants (Appendix 1). The beneficiary participants directly emailed the researcher in response to the invitation, expressing their willingness to participate in the research interviews. The staff participants were sent emails by the senior CSW, tagging the researcher, to initiate communication. Since “the quality of initial contact with potential interviewees is of vital importance” (Gray, 2018, p. 386), the researcher responded to the emails thanking respondents for their participation and with details of the research purpose and the process. Also, follow-up emails and text messages were sent to confirm the interview time and date.

The interview venue for the beneficiaries was decided as per their convenience, ensuring their safety (Gray, 2018). The staff interviews were conducted on the premises of the case study NFP. Two separate sets of guiding questions were prepared for the interviews for the staff and the beneficiaries to capture different perspectives on PM practices and reporting involving the perspectives of the beneficiaries. These set of questions are prepared based on the guiding questions from section 3.2. One of the beneficiaries participated via email. The participant was sent the questions (Appendix 2) by email, as requested by the participant, and these questions were also answered via email. The interview questions (Appendix 3) for staff were sent before the interviews, as requested.

3.5.4 Conducting the interviews

Gray (2018) states that an interview allows the participant to reflect on events confidently when they feel that the information may be confidential. After the thorough process of interview preparation, participants were given the participation information sheet (Appendix 4) and the consent form (Appendix 5). Besides providing the information on the forms, the researcher quickly explained the purpose of the interview and confidentiality issues, describing how the information was going to be handled and used (Gray, 2018). In building a rapport with the participants, all participants in the interviews were assured that the interview content would remain anonymous. At the beginning of each

interview, the researcher introduced herself and expressed appreciation for the individual's participation (Gray, 2018).

The interviews were recorded using an audio recorder to capture every word delivered by the participant. Patton (2002) states that no matter how well the interview questions are constructed and delivered, if the words of the interviewee are not captured accurately, all the process goes to waste. However, the participants were informed that the digital recorder could be turned off if desired. Neither the NFP nor the participants were identified by name. Crucial strategies, such as attentive listening and active observation of participants to collect data (Gray, 2009), were used by the researcher. A summary of interview schedules – including interviewee classification and number, date of each interview, and the duration of the interviews – is detailed in Table 2 (see section 3.5.1).

3.6 Analysing the case study: Thematic analysis

Yin (2009) states that the most challenging phase of case studies is analysing the case study evidence because it depends on a researcher's "own style of rigorous empirical thinking, along with the sufficient presentation of evidence and careful consideration of alternative interpretations" (p. 127). The analysis process started in December 2019 and finished by the end of that month. To achieve high-quality data analysis and to cover the research questions, Eisenhardt (1989) suggests gaining familiarity with the data within the case study analysis. To analyse this case study evidence, the method of data analysis utilised was aligned to thematic analysis in that it aimed to identify patterns across data sets (selected groups of transcripts – Braun and Clarke (2006)) and for data reduction, data coding and data interpretation.

Braun and Clarke (2006) define a theme as follows: "A theme captures something important about the data in relation to the research question and represents some level of *patterned* response or meaning within the data set" (p. 10). In the thematic analysis, themes can be directly observable from the data (semantic), or they may refer to underlying issues (latent), and each is identified based on the judgement of the researcher (Braun & Clarke, 2006). Therefore, it is essential to note that while themes have been developed inductively from the

data, they are constructions rather than inherent within the data set itself (Braun & Clarke, 2006).

3.6.1 Data coding

Braun and Clarke (2006, pp. 77-101) offer a six-step process for thematic analysis, which was followed for this study:

Step 1: Familiarising with the data: Transcribing interviews, reading and re-reading the data, noting initial thoughts.

Step 2: Generating initial codes: Assign codes to interesting features of the data. Collate data relevant to each code.

Step 3: Searching for themes: Group the codes into potential themes. Summarise and paraphrase codes and relationships between them.

Step 4: Reviewing themes: Summarising and paraphrasing themes and reviewing with methodology and research questions

Step 5: Defining and naming themes: Ongoing analysis to refine and define themes and label each theme to fit the story.

Step 6: Producing the report: Selecting compelling extracts relating to the research questions and literature.

An example of the initial data codes and extraction is provided below, to illustrate how the researcher identified themes in the data.

Data (from an interview)	Codes
"I would love to explain more about them and what they do in the company, how they do it, what are their goals as a business organisation, because when I joined them they accepted me, but they did not say much about the organisation and what they do. If they had given me a pamphlet, or when you join ... you sign up so maybe they can organise to do flyers or something, not for the whole world to know, but just for yourself about information about what the company does. So, at least you know, for yourself and future reference. A little more information would be helpful."	awareness; level of communication; relationship with the organisation

3.6.2 Document analysis

As Creswell (2014) notes,

qualitative researchers typically gather multiple forms of data, such as interviews, observations, documents, and audio-visual information rather than rely on a single data source. Then the researchers review all of the data, make sense of it, and organize it into categories or themes that cut across all of the data sources. (p. 185)

For this study, public documents such as monthly magazines, newsletters, annual reports and other journals of the case study NFP were investigated to triangulate the data from interviews. Some of the documents and reports were published in accessible formats for people with specific disabilities. Due to the confidentiality and privacy agreement between the researcher and the organisation, the documents and cannot be presented in this study.

3.6.3 NFP website

A third data source was the website for the case study NFP. The researcher compared and verified the findings from the interviews and organisational documents with the information on the NFP's website. The website verified the reporting of outcomes to the beneficiaries in the form of individual stories, supporting the interview findings. The website has a tab called '*Library*' which allows the beneficiaries to access the newsletters and other published reports through a login portal. The website details cannot be presented in this study due to the privacy agreement as mentioned earlier.

3.7 Ethics approval

This study received ethics approval from the Auckland University of Technology Ethics Committee (AUTEC) on October 15, 2019, to carry out a single case study for a Master of Business dissertation (see Appendix 6). In order to protect the identity of the research participants and the organisation with regard to the content in the findings, neither the names of participants nor the name of the organisation are identified. As demonstrated in Table 2, privacy was assured to the extent of their identity in the findings, as all interviewees are numbered with no reference to individual names and the name of the organisation was never mentioned in the study. The participants were already aware of the limited

confidentiality of their identity as the interviews were conducted on the premises of the organisation.

3.8 Chapter summary

This chapter has discussed the research methodology and methods applied to this study of beneficiaries' participation in the co-production of performance information in a not-for-profit organisation. It has explained how this study will extend the work of Yang and Northcott (2019a) by including the perspectives of the case study NFP's beneficiaries on these practices. A constructivist paradigm was applied as a methodological framework, and a case study approach used to provide an in-depth understanding of this research topic. Semi-structured interviews, document analysis and analysis of the NFP's website were used to collect the case study evidence, and thematic analysis (Braun & Clark, 2006) was applied for data reduction, data coding and data interpretation. The next chapter discusses the findings of the study.

Chapter 4: Findings

This chapter presents the views collected by conducting interviews with the staff and beneficiaries of the case study NFP. The analysis addresses the two research questions outlined in Chapter 1 by discovering how the NFP reports its performance information to the beneficiaries and how the perspectives of the beneficiaries are incorporated into the PM practices. Therefore, the first step of the analysis is to examine the views of the staff on the PM and reporting involving the beneficiaries. Then, the second step is to examine the views of the beneficiaries about their involvement in PM and reporting. The chapter thus comprises two main sections: 4.1, measurement of outcomes; and 4.2, reporting outcomes. Section 4.3 is a brief summary to conclude the chapter.

4.1 Measurement of outcomes

4.1.1 Description of outcome measurement practices

This section details the views of the staff of the case study organisation, answering questions on why they measure outcomes, what they measure, and how they measure the outcomes for their organisation by involving the beneficiaries' perspectives and the challenges involved in the outcome measurement process.

4.1.1.1 Why they measure

There are various reasons for implementing outcome measurement practices, and the staff perceive these practices in various ways because of the nature of their job. The common underlying reason for measuring the outcomes is because of the need for accountability to the funders. It is essential to measure the outcomes to report to their primary funder, the Ministry of Social Development (MSD).

We are being funded by government agencies. Economically, it is important because if we don't have a method for measuring outcomes, then we don't have a record to show the people funding us about what we are doing, and basically, we would not be able to apply for funding. (staff member #4)

The staff have to meet a specific criterion to report to the MSD, which is through outcome measurements. The staff also mentioned that it is crucial to measure the outcome to be accountable to the beneficiaries also:

We commit ourselves to the people we support but also being accountable to our funders, in terms of what we are doing, what we are delivering and are we directly in line to the goals and aspirations of people we support! (staff member #2)

The staff expressed their views on responsibility towards the beneficiaries and their perception of their goals. They think it is vital that all the information that is recorded is available to the people they are supporting because it belongs to them. This information is available for the beneficiaries to review their progress at any time and also raise any concerns if necessary. As one staff member noted:

We are also accountable to the people that we support. So it is important that there is some kind of record of what we are doing. So that we can show that we are doing our jobs basically, all the information that I am recording is available to the person I am supporting. Because it is their information, it is the information about their life, ultimately. So, they can view it at any time. So, it is important that we are logging that so that they kind of are able to keep an eye on us if they want to. (staff member #4)

Interviewed staff mentioned that the beneficiaries have access to all the information related to their plans, including the working hours, funds and any other additions or deletions to their information. The staff also mentioned that measuring outcomes helps them to track their progress and identify the obstacles facing beneficiaries or ways to achieve the goals outlined by the beneficiaries. They believe that having measures in place will allow them to analyse the strengths and weakness of the plan of the project they are working alongside with the beneficiaries. They can prepare a list of '*What can be done*' and '*What cannot be done*' and find alternatives to achieve the desired outcomes. Such measurement practices will assist them in analysing their performance and making necessary changes when and where required. As one staff member noted:

It is important for us to measure the outcomes and to improve. So, if we do not have measures in place, we cannot see where we are working well, or where we are not. Being aware of this, we can improve or change. So that is where it becomes a key thing for us to measure it, see

how we are performing and what needs to be done differently. (staff member #2)

Besides, the outcome measurement practices serve not only as an accountability tool but also as progress check to assist staff in comparing the past to the present and in planning for future clients. They analyse the current and past services using their outcome measurement practices and then plan the delivery of the future services aiming for better outcomes for the beneficiaries:

If we do not measure outcomes, we do not know how well we're doing. And we cannot learn from what we are doing and apply that, to either improve services for someone we are already supporting or someone else that we could be supporting in the future. So, it is important to know what we are accomplishing. (staff member #4)

In addition to all the above reasons, last but not least is the fact that the primary purpose of measuring the outcomes is to report to the top-level management (the CEO and the board), other disability organisations around the country, and government funders. This report contains specific details about the achievements of the organisation, proving their accountability to various stakeholders and showing that their services are influencing the lives of the people they support. One of the staff members mentioned that

if we do not have the process to be able to collect or consolidate the outcomes, we will not be able to present it in a way, not only for them [beneficiaries] but for the families and for the Ministry of Health or Ministry of Social Development or for the CEO, for the board, or for whatever. (staff member #3)

Hence, measuring the outcomes and reporting to various stakeholders is crucial for the organisation.

4.1.1.2 What they measure

One of the staff members mentioned that the organisation has strategic priorities for measuring its outcomes. The various aspects of the work of this organisation are all people related. The measurement of this work is all about people having plans, which is the guiding tool for measurement. The measurement is based on time and size of the goal because the measurement

of outcomes requires looking at the level of the outcomes and what has been achieved for the people to make their lives better. One staff member said that

you will be looking at people wanting to move out of home, you will be looking at people wanting to live independently. You look at people wanting to learn life skills, cooking, shopping, budgeting. So, looking at all those things we have, how many people do we have that now we can comfortably say, are living independently as a result of the services we provide. How many do we say that now people are living independently as a result of learning, good budgeting skills and so on. So, when we look at those outcomes, those help us to measure the success of our business or the areas of improvement. (staff member #2)

The measures identified are derived from the personal plans of the beneficiaries that are written on a personal plan form given to them, called *my out plan*. Each beneficiary fills their own personal plan describing their personal needs and goals to achieve in their lives. The measurement is around the outcomes of that plan which is a kind of pre-empting of the outcomes. Writing down the personal plan helps the staff to identify what to measure based on the goals achieved or yet to be achieved:

We write down their goals, that way we identify them. One of the key outcomes we are looking for is achieving these goals and also progress on goals. We have face-to-face monthly meetings with the people we support to measure how far the outcomes have been achieved. (staff member #4)

One of the staff members explained that the measures should relate to the outcome, this being primary achievements that enable the beneficiaries to connect with the community. A step system is applied to measure the outcomes of such goals. For example, if a beneficiary started going to the gym, then that is classified as a step because that person can keep healthy and well and participate in the community. That could be training, it could be the gym, in a natural environment where people are enjoying themselves, making friends and achieving social outcomes for people. Maybe the next step is to move on to employment. So those are things that they will record and measure as outcomes. As one staff interviewee explained:

We use measures to see whether they have got outcomes with mainstream achievements. It is how we do define the outcomes having a valuable existence in the community. That is what we look for! Generally,

people, we support come to us for support around volunteering upskilling, finding employments. So, most of the goals are around vocational work in the community. So, we measure when people reach certain goals like they managed to get into a volunteering situation, then that becomes a mini-step towards their goal, we call that a step and record in the system. So, we record the day they start in, and then we follow the progress and some of those when achieved, we measure as major outcomes. (staff member #1)

Another staff member believed that every person (beneficiary) they support should be able to be a part of their community, and this is a goal in which they should be provided with every support by the organisation. This guide becomes useful to identify and measure the outcomes that link up with the activities and achievements of the beneficiaries. One of the staff members described this as follows:

I mean, in everything that we do there are key areas that guide us. People must have the ability to be independent, to make choices, informed choices, so you must have information – access to good information. We must make sure that they have a barrier-free community; people are free to access activities. So, we measure those against where we sit as an organisation – our vision, is to make sure that every person is included in the activities of their life and the community. So, whatever they are doing, it has to link to the bigger picture at their part. And that means every different thing for different people to be a part of their community. That might mean, for example, they said, ‘I want to play a part in Diwali’, or ‘to be a part of my community’ or ‘I need to go and play basketball because that is what my community says’. So, it is productive for different people with different goals. (staff member #2)

The measures are all linked to the goals or activities as recorded in the ‘*my out plan*’ of the beneficiaries and the staff measure the outcomes and progress of the process.

4.1.1.3 How they measure

The findings indicate that how outcomes are measured is perceived differently in various levels by the staff. However, they agree that the objectives of the organisation are to make a difference in the lives of the beneficiaries, as detailed above.

The top-level managers, such as CEO, board and other senior staff, use different measuring tools which are not discussed in detail in this study because of their unavailability for the interviews:

Everything we do here at [organisation's name] now was set by the national office. So national office sets up a lot of the standards, a lot of the protocols and the measuring tools, the measuring outcome tools. (staff member #3)

The next level of measurement involves senior management at the regional office. The senior management team meets at regular intervals to deal exclusively with outcomes and other unresolved issues reported by their subordinates.

All of the senior management team meet regularly and discuss some real issues, big issues that come up, which might be seen as outcomes. Look at resolution. If we do not have the solution in our group, then it gets escalated to the regional management team. It is just like, all the big bosses at the table. If they cannot solve it, then they need to go to the next level, which is at the national office. (staff member #3)

At the senior level, the outcome measurements exclusively deal with the outcomes related to the beneficiaries' goals. The senior staff member who was interviewed also mentioned that the outcomes are measured based on the personal goals of the beneficiaries that are outlined in their personal plan. They measure the level of outcomes based on the timeframe of the goals. These plans are reviewed every six months, then the outcomes plans are re-arranged based on plans of the beneficiaries:

For us, what gives us a vision is, having a working plan for everybody, and that plan will identify the goals, like specify the timeframe and will identify who the key people are going to be in terms of what they are going to achieve. Furthermore, we review those plans every six months or when the need arises. So, after six months of being occupied with this plan, we will have so many goals. So, how many have we achieved? Then all these goals continue with 'Yes' or 'No'. Alternatively, we revamp that plan because the person we support may say that 'I do not want these goals anymore because my life is for something completely different'. Then that is how we move forward. The only way we can measure what we are doing is in terms of 'what we want to achieve' versus 'what I want to do'. (staff member #2)

These outcomes are measured based on the time allocated for each goal in the whole plan. Each plan can have many goals that have different timeframes, depending on what the goal demands. So, for the organisation, the status of the goal in that timeframe becomes an outcome, whether achieved or not achieved:

We look at it from two perspectives for the people we support, that is [first] being accountable for the time by assessing what are we doing with that time, and [second] what have we achieved in that time? So, they know that, for this amount of time that they invested with the organisation, this is what they are going to do, and this is what is supposed to happen. So, if we look back and say, have we achieved that? If yes, then good. If not, then there is a question there. So, it is just being accountable for the time there. The only way we can account for the relationship is to measure the outcomes. (staff member #2)

The above quotation indicates that some of the measures are measured in terms of time spent on the goals working alongside the beneficiaries. That is, they are using 'time spent towards achieving intended outcomes' as a measure of 'outcomes achieved', which reflects some lack of understanding on differentiating between inputs, and outcome measures and outcomes. The next level staff work more closely with the personal plan alongside the beneficiaries. Each plan is identified with various goals to make it easy to achieve and also to measure.

So putting those goals and outcomes into the plan, and then working out how we break it down to little pieces, so that we can make it achievable for the person so that they are walking up, like a staircase, to achieve. And then when they get to those top 10 steps, yes, they achieved the goal, or we can say they achieved the outcome. (staff member #3)

There are two significant mechanisms by which outcomes are measured internally. One of them, as described by a senior coordinator, is the use of 'support summary forms'. These forms are filled with the details of the time and money spent by the CSWs in assisting the beneficiaries to achieve the planned outcomes. As mentioned earlier, time and money spent towards achieving outcomes for beneficiaries is seen as a way to measure outcomes:

We also have other mechanisms like the support summary forms that are for support workers. So, for example, if I am a person that we support, I get a support worker. My support worker is required to fill out a form alongside the timesheet, so they get the money. Moreover, [while] that pays for hours and the outcome, they also have a sheet of paper that

talks about 'what have you done over the fortnight with this person that we support? How are you working toward the outcomes?' So that is another way of measuring [outcomes]. (staff member #3)

The second outcome measurement mechanism connects the outcomes of the beneficiaries with the personal outcomes of the CSWs. The superiors supervise the staff and measure the outcomes of the staff at each level. This is another way of measuring organisational outcomes which is a way of being accountable to the beneficiaries as well, because the staff have targets to achieve that are connected with the beneficiary they are assigned to work with. For example, if the case worker does not put in proper effort to get funding for the beneficiary's requirements, then there will not be a desired or successful outcome for both of them. This is relevant to the beneficiary because the beneficiary has the right to view that information and decide whether to continue with that case worker or change to another.

The senior manager supervises the senior coordinator, and the senior coordinator supervises the community support coordinator. One of the coordinators described how this relates to outcome measures:

Other ways that we also measure outcomes for our staff inside of here is our own personal outcomes and goals, [which] comes through our supervision. So, we have a supervision meeting with our superior every month. So, we have a connection around collecting outcomes, whether they are good or bad, they have to be collected. (staff member #3)

One of the staff members also explained that the outcomes are measured based on what the beneficiaries are expecting and how they are being supported to achieve those outcomes. If the compatibility between the support worker and beneficiaries does not match, then the outcomes and the outcome measures may vary. The performance of the CSWs in supporting the beneficiaries to achieve the outcomes is also a significant contribution in measuring the outcomes:

Based on what they are expecting in terms of how they are going to be supported, and what kind of support we are going to have, that does influence the outcome. That is a most immediate yardstick in terms of how they are being supported because if the relationship of the beneficiary with you as a support worker does not work out, then you have to tick some tick boxes, in terms of what the person you are

supporting wants. So, when the support worker is not ticking off the boxes, then you measure the performance. (staff member #4)

The above quotation suggests that sometimes the outcomes for beneficiaries are influenced by the performance of the CSWs, which is thus seen as an outcome measure. Sometimes, however, the outcomes perceived by the CSWs do not match with the expectations of the beneficiaries. The beneficiaries are entitled to see the performance information relevant to those outcomes which are influenced by the CSWs assigned to them. This is another way of measuring the performance that is reported to the beneficiaries on an individual basis when requested. Hence, it is important for the beneficiaries and the CSWs to coordinate to coproduce the outcomes. However, in this context the outcome is more aimed at the beneficiaries.

There are also internal checks between the staff which are considered to be the process of PM. The staff members have a small group with different disabilities that come together to support each other and have conversations about the struggles in work. This group meets with a group of abled staff members to discuss various ways to resolve the issues. The strategies of this group are like a monitoring mechanism or an internal checklist used by the whole organisation setting a benchmark (also referred to as a checkmark):

We also have a group as a checkmark, set around the whole organisation. So, all of our internal staff are required to come to a [case study organisation] training day. That is where all of our group with disabilities share with the non-disabled colleagues about better ways of working, maybe looking at supporting them in that way. So, I guess it is another way of outcome measurement. (staff member #3)

There is also another group that consists of staff who are interested in Māori perspectives on organisational outcomes. This group considers the outcomes of the whole organisation measured according to the Treaty of Waitangi, their organisation's disability action plan and other United Nations disability human rights documents:

That is another way of measuring that this organisation has been true to the core of the practices of the Treaty to Waitangi because it is one of the founding documents. So, I guess those are also ways that we use to measure outcomes, using those three documents – *Te Tiriti o Waitangi*, the United Nations Convention for the Rights of Persons with Disabilities,

and the disability action plan. So, those are big, external ways of measuring it, as an organisation we can measure up against those things. (staff member #3)

In addition to the above mechanisms, the staff described a primary recording service called BENECURA, which is a system for collecting data. Every staff member who has office space is required to enter data into that system, which keeps the staff accountable. So, in that way, BENECURA collects performance information.

BENECURA takes in our performance; we looked at some ways of our supervision, BENECURA, my out plans, summary support forms. (staff member #3)

The BENECURA system plays a vital part in the process of PM of the organisation. The management and the staff rely on recorded data in the system of BENECURA logs. Every CSW has to provide their support summary report every fortnight to provide updates on the progress of the outcomes:

We have to log every meeting that we have with the person we support and all the work we do around that. So, in terms of writing plans, communicating with outside services, communicating with the CSW, dealing with basically achieving goals. So, keeping up with their goals written on their plans would be a big outcome. Just for BENECURA, that would be a measurement of time spent on how we are working with a person. (staff member #4)

'Time spent' would normally be considered an 'input', but these interviewees did not seem able to distinguish between inputs (e.g., time spent) and outcomes (for beneficiaries), so they are talking about measuring 'time spent' as though they are measuring an 'outcome'.

One of the staff members mentioned that it is essential to log all the work that they do on behalf of the people they support because they measure the amount of time spent on them converted into the amount of money which is linked to the progress of outcomes. Basically, the funding is depending on the outcomes, so they measure the outcomes in terms of time and money:

A log of time to the time that we spent and that counts toward the number of hours that we have been allocated for their support. So, it is time. Basically, the amount of time that we have allocated for them equates to the amount of money that we get for supporting that person.

So it is important that we log all the work that we do on behalf of that person. (staff member #4)

The staff also mentioned that it should be logged every day so that the data does not accumulate as they deal with hundreds of clients and different activities. Even future events can be recorded like using a daily reminder:

I do it every single day, to log what I have been up to. Otherwise, I would not be able to remember, and it just accumulates. Because you know you are working with a bunch of different people you also got meetings and other things, you have got training the whole day. Basically, every event in your day has to be logged accurately. It is just more practical to do it when it is either happening or if it is a meeting that's coming ahead, you just note it in there. It looks like a daily calendar so you can just allocate it a piece of time and then write up a summary in there. (staff member #4)

This quote suggests that, to measure an outcome, every single activity relevant to the outcome should be recorded so that the right measures could be identified to assess the appropriate outcome. All the above quotes describing the recording of time and activities relevant to the outcomes are considered as measures of the outcomes by the staff. However, the beneficiaries can request such information only if it is connected with their own personal goal or outcomes, for example, funding grants, hours allocated, new approaches or strategies to achieve their outcomes, etc., discussed in the meetings.

BENECURA is the primary measurement tool for senior management because it gets audited periodically. One of the staff members explained that the senior staff monitor the BENECURA system quarterly and keep themselves updated. The information logged in by the CSWs is also accessible to the person they support if they want to view it.

The senior coordinators will check the BENECURA logs every fortnight against the number of hours that are allocated towards the person. You will get contacted by the senior coordinator and go through the BENECURA log and make sure that you have been logging all the work that you are doing. (staff member #4)

The progress of the outcomes is analysed in the annual reviews and quarterly meetings, and is verified with the details in the BENECURA system. The beneficiaries will be provided with the details on request and they have a right to

disagree with the information, which can be reported to the superiors of their CSW.

4.1.1.4 Beneficiaries' participation in outcome measurement practices

Most of the interviewed staff felt that beneficiaries have the right to participate in the outcome measurement practices, but limited to their individual outcomes. However, this is dependent on the choice of the beneficiary and whether they are interested in participating in the outcome measurement process voluntarily. The beneficiaries have the right to change the outcomes goals, outcome measures and also stop individual goals if they think that the current outcome goals do not work for them. One of the staff members mentioned that the beneficiaries are in charge of their outcomes and outcome measurement.

"It is all about them. So, whatever the outcome is, their input is very fundamental. They determine the plan, the timing, the goals, we simply guide and walk alongside them. What works for them, and what does not work for them, and what their desired outcome looks like in their world. So, whatever we do it has to incorporate their thoughts, their goals, their wishes. Then we can just make sure – how do we make it happen for them? (staff member #2)

While this interview reveals the perception of a staff member, there is no evidence in the beneficiary interviews to support the above quote. However, it does suggest that, from the perspective of staff at least, the potential for coproduction exists regarding goal setting and outcome measures.

One of the senior staff members mentioned that the organisation has some policies through which the beneficiaries can communicate their opinions about the performance information. They also have local advisory committee (LAC) meetings where the beneficiaries can express their opinions on anything that concerns them, including PM practices.

When they write up their plan, they are provided columns with specific questions on their interests, one of the critical questions is 'what are you looking for'? Furthermore, we also have a concerns compliments and complaints process. (staff member #4)

The other way I can think of is through the local advisory committee (LAC) group. This committee is a group of people that are kind of like our bosses that monitor us. It is made up of people we support, and they monitor the work that we do here at the Auckland branch. We also have

the local executive committee (LEC) group. So they are the ones that do all the finances and the legal things. The LAC group is made up of disabled people who give us some direction and some ideas on how to look at issues differently, or connect up with other agencies in the community, or what is happening. (staff member #3)

In addition to all this, the staff also explained that they have a tool to conduct random surveys and telephone interviews to collect data for outcome measurement. The beneficiaries are sent the forms to participate in the survey to express their opinion on the outcome measurement practices:

We have a tool, we call it, *how is it going?* That tool is given to them, and the way it works is like self-evaluation, to see how their life is today! The survey questions are like, "If you are true to yourself, say you are more in command of your life from one to 10, how would you rate it?" Maybe they say a five. Then, why is it five? They also have response options like, "I do not do A, B, C, D", or "because I am not happy". So that is an opportunity they have. It is more like a survey sent to them, and we get detailed feedback which gives us insights into their lives. (staff member #2)

Apart from the practices that involve the beneficiaries participating actively in organisational activities, some of the staff noted that the beneficiaries have limited access to certain information due to their privacy policies:

In terms of their goals and their plans, Yes! They can access all that information related to them. But the BENECURA stuff, No! It is more for logging our performance with the ministries who are funding us. Again, in terms of just going to the BENECURA, if they want to cut their hours allocated to the type of support they receive for that goal in terms of the time that we spend, they can be involved. As I said before, it is their plan so they can decide. (staff member #4)

This quotation suggests again that the beneficiaries are allowed access to the information on BENECURA only to the extent of their own, individual outcomes.

One of the staff members also mentioned that involving the beneficiaries in organisational activities might cause stress and overload them. The beneficiaries can choose to participate in outcome measurement practice. The staff member explained that a measuring tool is about measuring the performance of the staff but not the beneficiaries. It would be a stressful procedure to involve them in outcome measurement practices:

It is up to them whether they want to be involved in the outcome measuring process. In most cases, we do not try to pass on our stress to the people we support. We want them to have stress-free time, to be supported naturally, as natural as possible. So, there is no negativity between us about what you [the beneficiary] have to do. Well, they have the choice of how quickly they want to achieve the goal. It is not our choice, and we do not push them. So, it is their pace, and we do not try to put people into boxes. (staff member #1)

Therefore, this staff member noted that, from the perspective of the staff, outcome measurement is measuring the performance of the staff and the organisation as a whole and involving the beneficiaries in such a process would be stressful.

4.1.2 Challenges in measuring the outcomes

This section outlines the challenges faced by the staff in the process of identifying the outcome measures and also measuring the outcomes. Some of the challenges are staff-related, and some are beneficiary-related. The challenges differ for each staff member depending on the situation they are dealing with and their position in the organisational hierarchy. The senior staff deal exclusively with the outcomes and goals of the organisation.

4.1.2.1 Changes in the goals of beneficiaries

All of the staff described a common challenge faced in the process of measuring the outcomes, which is that the beneficiaries sometimes change their goals in the middle of working towards the planned goal. In terms of the organisation, the planned outcome has been in progress, and the achievements attained so far would be the outcome. By contrast, with regard to the beneficiary, no outcome derives as the plan has stopped or changed. In such situations, it becomes difficult for the organisation to measure its success and identify the measures to determine the outcome. One of the senior staff members explained this scenario with an example:

Capturing outcomes could be dependent on whom you are working with. Are they satisfied with the outcome, or are they still at the same state when the plan or the goals were initiated to them, or have they dropped the goals? So, people change their goal per second. They say, 'Oh, I do not want that anymore.' You are working for six months, and you think we have moved a step. Nevertheless, they do not want it anymore.

However, again, that is what you have to live with. I will give an example. I had a young man [who] said, 'I want to be an engineer.' Fantastic! So, we had to start from basics. We went to UNITEC, joined him in an AutoCAD course. Initially he also went for a second year, so it was moving to the next level. He got an excellent mentor in town. The mentor is an engineer by trade and has a personal business and was willing to work alongside him as an internship, from a voluntary perspective so that he can come out and create space and make it accessible. We were thrilled citizens and expecting a good outcome.

One day he said, he does not want to do this anymore, and he does not want to continue [at] the university. ... So, the engineering goal was packed and put aside. So, to measure this guy – in my view we have been successful. We have introduced him to the university because that he really wanted it and he tested it. It showed that he has the ability like any non-disabled person, because he has been to some lectures, he has sat some papers. So, he has the potential. To me, that is a success. However, for him it is a failure, because that is not what he wanted. So that measure is going to be transferred, translated differently. (staff member #2)

One of the coordinators explained that a change of goals is a challenge in terms of the outcome measurement process, but it cannot be seen as a challenge because it is part of the job to figure out a way to achieve the goal. The necessary measures in this process are to measure the extent of support they provide them for these goals, whether achieved or changed. So, the measurements here would only be around the performance of the staff to achieve the outcome and not around the beneficiary's capability:

The hardest and the easiest is goals. I think the biggest challenge I have faced so far was when somebody did not want to do a goal anymore. And then recognising that that is not a challenge, I am viewing it the wrong way. And that, you know, people change. So, that goal is no longer fit for purpose for whatever reason. These are people's lives that we are dealing with, and people's goals change. I certainly think that part of this job is just figuring out how to work with that. It is not a checklist, and there is never anything routine about measuring how far a person we are supporting is going with their goals. We are putting the work in to support them however they need in their life, and that is ultimately the only real measures are how we are working in supporting them rather than what they are doing in terms of their goals. (staff member #4)

This staff member is suggesting that identifying and measuring the outcomes is challenging when the goals are stopped or changed.

4.1.2.2 How targets are set

Another challenge described by the senior coordinator is accomplishing the targets or goals planned at the national office by the top management. The staff explained that the members who set targets at the national level have limited knowledge of the practical issues faced in implementing or realising the targets set by them. The targets and situations put the subordinates and the CSWs in challenging situations to attain the required performance. Ultimately, this results in failed outcomes or no outcomes. The goals are set by people who are not familiar with the problems of the disabled, and so the goals may not suit the disabled beneficiaries. This makes it difficult for middle management to balance the requirements of both the top management and the beneficiaries:

I guess that is one [problem of] having somebody up there at the national office, creating our tools that we are using to measure the outcomes. It is not good when you put it into practice. When it comes to the actual work and applying those measurement tools, the outcomes we are trying to measure, sometimes we do not meet. So that is one big challenge for me. Because I am in the middle [with] the coordinators [above] and the support workers underneath. And then above us is the regional management structure and the National structure. So, I am kind of *the meat in a sandwich*. (staff member #3)

This quotation suggests that the policies set by the national office are not practically possible to implement in their field of work, which makes PM difficult as the middle management staff struggles to operate between the top management and the subordinate staff.

4.1.2.3 No timeframe

The coordinators noted that it is not their goals that are set to be achieved, but it is the individual outcome of the beneficiaries. There is no timeframe to force the beneficiaries to achieve the goals, and there are no calculations to measure them. Therefore, they do not perceive outcomes in the same way that other organisations do, such as via key performance indicators (KPIs):

People take longer to achieve certain goals. There is no number system or anything for quantifying that. For some people, it is ultimately not necessarily that they do not want to achieve this goal. It is that they feel a sense of pressure. So I think there is a challenge on my part as a support

worker ... [i.e.,] communicating about the outcomes to the people we are supporting. (staff member #4)

This quotation reflects the staff member's perception that sometimes it becomes a challenge to measure outcomes when the beneficiary does not participate actively.

4.1.2.4 Technical problems of the BENECURA system

The most common problem faced by all the coordinators is the technical issues with the BENECURA system that records performance data. The staff often feel that the technical issues with BENECURA are interrupting the daily schedules. Sometimes the errors occur due to technical glitches which mean the data is not recorded, and this creates false results.

Well, often the BENECURA system fails and, and it is time-consuming and we instead spend our time out in the community with more people instead of behind a computer screen and entering data; but as far as the requirements of the disability sector services, that we have to do it, and we have to be accountable for what we do. So that is how we measure. But often the system fails – it is not recording correctly or a lot of technical errors in the series is time-consuming, and we have to block out time actually to get it done. (staff member #1)

The staff member referred to the technical challenges associated with BENECURA system. The technical issues sometimes corrupt the information which obstructs the measurement process.

One of the coordinators mentioned that sometimes some of the CSWs skip logging in their daily input into the BENECURA system. They often need reminders or check-ups. When such incidents happen, then some data will be found missing, which creates gaps in the outcomes:

Jumping off with the support summary forms. Some of the CSWs are good and diligent about writing them out. But for some, making sure they always have had to send out a reminder. It is just about making sure is getting that routine going. (staff member #4)

The staff member referred to the fact that the CSWs need to be reminded and followed up with to ensure they log in the information into the system, otherwise a lot of information will be unaccounted for, which will create major issues during the outcome measurement process.

4.1.2.5 Collection of performance information

Some of the staff mentioned that some of the modes of communication practised by the organisation at present do not collect enough performance information, which impacts the measures and the measurement of outcomes. They explained that they could collect more useful performance information from the beneficiaries if they could engage with them more on a face-to-face basis for their feedback. One of the staff members mentioned that the current practices for collecting the performance information, which are to gather data through surveys or telephone interviews, may not derive effective feedback for measuring the outcomes accurately:

We have a quality team, which rings people for feedback on the services that we provide. Some of those experiences sometimes are perceived a little bit differently because they do not know them as a person. Then sometimes some of the answers they receive maybe not quite to the standard, but if they knew the person and maybe more face-to-face, they might get a more accurate picture. (staff member #1)

I think we need more time to be allowed to engage with the people we support. I think it is important that we go into their homes, meet their families, and see the people that are important in their lives in order for us to gauge a movement and the behaviour or movement in their life for a change or something. ... I think we can do it better and a bit different where more feedback is derived rather just give them a survey link online or send them a questionnaire. (staff member #3)

One of the staff members mentioned that interacting with the family members of the beneficiaries for the feedback would bring out more outcomes than what is just collected by a survey or random telephone questionnaire. The staff member also explained that engaging the families and interacting face-to-face with them might change the outcomes when compared with the outcomes measured through the surveys. The outcomes perceived by the survey team might be different from the outcomes achieved by the beneficiary. The face-to-face interaction might also perceive several outcomes when the families are involved. If there is no physical presence in the environment, then the perceived outcome would vary from the facts.

If the families are contacted for further information, the outcome could be different. ... For example, in one instance, the staff had withdrawn services because of the survey outcome, but the family did not want that;

they want to try out something different. So, if that sort of thing happens ... it has negative impacts on people we support, unfortunately then it becomes a negative outcome. So, it can have its downsides. However, as I just mentioned, maybe if there was more discussion around a way of dealing with it, that could change the outcome. (staff member #1)

The quotation suggests that the feedback or performance information collection should also involve families to capture more valid and diverse outcomes.

4.1.2.6 Lack of resources

The senior staff explained that there could be different ways of improving the collection of performance information to improve outcome measurement and reporting. Engaging more with the beneficiaries would bring out more information than simply asking them to score their experiences using a scale of zero to five in feedback given via survey. This alternative method would also encourage beneficiaries to bring the feedback in and realise a better outcome. However, this involves staff, money and time. Without the required resources, it is hard to make ends meet, which is one of the challenges:

Ideally, you would want to spend as much time as possible with people we support, to get to know them better, but also know what works for them, and what does not work for them and areas of improvement. Because we are restricted by time, you only have this amount of time to help somebody. So, then it becomes really hard. Time and money ... how many resources you have in terms of staff, to go and do it, is a challenge that we face. However, for us to get to know how to improve and what is working and what is not working is crucial. (staff member #2)

This quotation reveals the staff member's perception that the performance information collection procedures should be changed or improved to capture more information.

4.1.2.7 Policies and procedures

One of the staff members noted that the policies and procedures of their organisation do not allow them to meet both the outcomes expected by the beneficiaries and also those expected by the national office. The policies of the organisation arrange for staff to work alongside the beneficiaries towards their goals, and their services do not involve personal care or home-based support. The policies around data collection on PM are practically difficult to implement.

Hence, it is a bit challenging to identify the right measures and to measure the outcomes balancing between the policies and the goals:

So about workers and the management, for policymakers – for example, they might not have a disability, they just come to work sit down for eight hours a day, think about disability policy, then they go home. So, it is like that kind of thinking like someone else over there is designing a system for us here the workers to put in place when they are designing the system over there, it might look pretty. You might have dropped down boxes or tick boxes or all of those awesome ways of collecting the data but for us as the workers, it is inputting the data and information to make it fit that system, which sometimes is challenging for our staff. (staff member #3)

The quotation suggests that the policies made by the top management do not sit well with the requirements of the beneficiaries' goals, which makes it difficult for the CSWs to identify and use appropriate outcome measures.

4.1.2.8 Social barriers

One of the coordinators explained that measuring the outcomes becomes a bit complicated because of the social barriers around the people with disability. Despite achieving all the measures, measuring the outcome is challenging because the outcome achieved is influenced by social barriers. For example, a person with a disability is supported by the organisation to obtain skills to attain employment. However, the employment market does not give the same recognition to the skills of a disabled person as it does for a non-disabled person with same skills. Because of such social barriers, even though the right outcome measures were in place, the outcomes are jeopardised.

There are lots of challenges in gaining outcomes for people. Moreover, often that people with disability are not being chosen for jobs because of their disability. So, there are a considerable amount of challenges that we face each day and each week in and trying to break down those barriers is a real challenge. (staff member #1).

This staff member expressed the view that the social construction of (i.e., judgemental opinions about) disabled people in society creates challenges in measuring outcomes, in spite of having the right measures.

4.1.3 Beneficiaries' perspectives on outcome measurement practices

This section examines the views of beneficiaries on the outcome measurement practices of the organisation and their involvement in the process.

4.1.3.1 Awareness of performance information

There is a mixture of awareness among the beneficiaries regarding various pieces of information about the organisation and also the PM practices. Some of the interviewed beneficiaries are aware of the goals and objectives of the organisation, and they agree with the goals and the outcomes of the organisation. By contrast, some of them are connected only with their own goals associated with the organisation. All of the participants described the positive support from the organisation but were unable to give any further information relating to the PM and reporting practices. Some of them have a little knowledge about the potential to provide compliments and complaints through official channels. One of the participants explained that

I do not have any idea about the feedbacks or surveys. I don't and can't remember such information. This is the first time I am learning about it, in case some as such existed. (beneficiary #4)

This participant suggested that there is not much organisational information or awareness about outcome measurement practices. Hence, this participant does not know anything about performance information or that the practices ever existed.

4.1.3.2 Periodic surveys

Some of the participants explained that they were sent surveys for feedback on services in regard to individual outcomes. Some of them were received quarterly, or at some predetermined yearly checkpoints, when they are sent a questionnaire for their feedback. The yearly forms are like the fundamental revision of their '*my out plan*'. However, some of them have never been reviewed, but the participants have no complaints because they are happy with the support they are receiving. However, other participants mentioned that they had not received any communication about outcome measurement:

They tend to email me once in a while, but they have not yet sent me any link to any surveys regarding the provision of service at this time. I am sure that will be coming at some point. Perhaps when I end the services,

or perhaps earlier in the year, new year, maybe some predetermined point. (beneficiary #5)

One of the participants explained that there might be some beneficiaries who may not be expressive, who need to be sent random anonymous surveys to make them feel comfortable and help them raise their concerns.

4.1.3.3 Communication

The participants have access to communication with the staff about the services they receive. However, they do not have a properly organised communication process in place for the information on outcome measurements. One of the participants noted that, at the time of joining, they were not provided with any information about the organisation:

I would love to explain more about them and what they do in the company and how they do, what are the goals as an organisation because when I joined them, they accepted me, but did not say much about the organisation and what they do. If they have given me a pamphlet or maybe they can organise to do flyers or something when you join or sign up, not for the whole world to know but just for yourself about information about what the company do. A little more information would be helpful. (beneficiary #3)

Most of the participants explained that they did not receive any communication with regard to outcome measurement practices. Some of the participants expressed that they are hesitant to approach or communicate about certain organisational information because they do not want to create any negativity between them as they rely on the organisation for support.

One of the participants suggested that the organisation should understand the necessity of the disabled identifying appropriate outcome measures. Such a process requires the involvement of the beneficiaries in achieving better outcomes. The participant explained the necessity of developing proper communication with various disabled beneficiaries:

Definitely, we should be communicated with. Because each person with a disability has a different worldview. I mean, a deaf person obviously cannot hear. So, anything related to hearing is useless to them. A person with reading disabilities cannot read, and a blind person cannot view. We can encourage better access. If they understand certain disabilities

better, then they can be a slightly more targeted approach. (beneficiary #5)

The participant suggested that the organisation should be able to provide accessible reports to the people with different disability needs, such as reading and writing disabilities.

4.1.3.4 Diverse opinions on participation in outcome measurement

All the participants expressed their interest in finding out more about the outcome measurement practices, although they have no complaints about the support they received from the organisation. One of the participants was not keen on participating in the outcome measurement practices because of their lack of knowledge and the fact they could not be bothered to spend time on learning due to their busy schedule. Another participant thought that it is not appropriate to interfere with the activities of the organisation, and the participant has no rights to be involved and not enough knowledge to contribute to the outcome measurement practices:

Well, I would not be asked, and I know that it is not my right to install new ideas into the organisation. I feel that it is not my right to put the finger on the rights of the organisation. I cannot think of anything that I can contribute to [organisation's name] because their services are pretty good. (beneficiary #1)

One of the participants explained that it would be useful to know more about the outcome measurement practices because that would be helpful to analyse the participant's personal outcome measures and outcomes, although support from the organisation might be helpful:

I probably need to know a bit more about what they do for people's outcomes to really be able to make a full comment on that. As I have rather a narrow view in my own area, I am unsure as to how else I can influence anything. (beneficiary #5)

The participants are more focussed on their personal outcomes. All the participants indicated that they do not have any other information about their own outcomes and on the measurement practices. One of the participants expressed interest in knowing more about the participants' outcome measures, but felt it would not be useful because of their lack of knowledge on the PM

practices, and expressed slight hesitation about being involved in outcome measurement practices:

I suppose I would like to see ... which data is used where and such, but I do not think it would make me stop using the service or anything quite so drastic. I probably do not have much access because I do not know what it is. I could see it being useful to those who wish to measure their own performance. However, I do not see how it would be useful to me, seeing as I do not really know what is considered to be performance information. (beneficiary #4)

Some of the participants said that it would be quite helpful if the organisation has given more information about outcome measurements and the participation of the beneficiaries. Two of them noted that it would allow them to participate in identifying appropriate measures to achieve better outcomes. For example:

I think our opinion could be brought in [and] a little bit more involved, by inviting a random sample of clients into the office for discussion, saying 'We are looking at this sort of thing for people who would like to contribute, and what are your thoughts on this approach?' Maybe we could give a more targeted suggestion. (beneficiary #5)

This participant noted that the beneficiaries' opinions could be involved by encouraging them to participate in such practices by sending an open invitation which would allow the interested members to come forward.

4.2 Outcome reporting to beneficiaries

This section examines the views of the staff on why they report their outcomes to beneficiaries, what they report, and how they report the outcomes by involving the beneficiaries. The section also outlines the challenges in the outcome reporting process.

4.2.1 Description of outcome reporting practices

4.2.1.1 Why they report

As explained in the previous section, the primary necessity for measuring performance is for reporting it to funders. However, the staff also mentioned that reporting to beneficiaries is essential to them as an organisation. Every piece of information regarding performance is recorded in the BENECURA system, as mentioned in the earlier section. All such data in BENECURA is used to

generate reports on every beneficiary and, for the CSWs, the work done in terms of time is filed in individual files separately which show that they are working alongside the beneficiaries. The financial information is recorded along with the summary reports. The external auditors appointed by the MSD audit the reports annually to grant funding for continuing existing and future projects based on these reports. One of the coordinators explained that if any of the coordinators fail to log in their activity, they will lose funding for those hours that were missing from the record. The reports should show how well the funds are being used productively to produce positive outcomes for beneficiaries:

If we are not using the money that we are receiving for people appropriately, well, then nobody is going to be donating to us anymore. When the auditors from the ministry audit that information, they approve funding only for what is reported. If the organisation records and reports do not show the information accurately then they reduce the funds for next period. This has a significant impact in terms of the amount of money that the organisation can get. That is reflected in the annual report submitted to the MSD. (staff member #4)

One of the senior staff members explained that it is essential that the organisation reports its progress to the beneficiaries as they have the right to have the performance information. Reporting the performance information related to the beneficiaries develops a connection between them and the organisation, and provides beneficiaries with information about outcome-related activities and the progress achieved to show that the funding is used appropriately:

I think our people are entitled to know the information and it is all about them. They need to know where the organisation is sitting. They need to know how it has performed. They need to know where our challenges are. I think that if they know where we sit as an organisation [it] makes them comfortable to be with us. Because when you do not know anything, then you do not have the attachment. (staff member #2)

Another senior coordinator explained that the organisation has a requirement to report to external parties to acknowledge the validity of the social impact of the organisation and its contribution to the disabled community. Some of the staff contribute certain services voluntarily without expecting monetary benefits which are not presented in the annual reports:

I think it is important for us as an organisation to show that we do a lot of unfunded work. So, a lot of these people we support come to us and ask us random questions that is not even paid for by the government. And a lot of the work we do is that, and I think it is important for us to be able to show them that we have knowledge here in the organisation we have people working, it might not be reflected on all of the reports that we share it, but there is work being done here for people to support and try and determine the life of disabled people. (staff member #3)

The quotation suggests that the staff contribute voluntary services sometimes and demonstrate their commitment towards their job which may not be reported.

4.2.1.2 What they report

The senior staff explained that all the outcomes-related information that they collect from the beneficiaries are useful for the analysis. As a service provider, it is essential to report to the beneficiaries about the progress in and the process of making lives better. All the information which shows that the organisation is working to serve them better as a whole is relevant to them. The information contains achievements in the form of narrative stories of the people receiving support and also stories of the staff. The reporting department makes sure that the information reported is represented in a positive way to encourage other beneficiaries and motivate them to achieve their own goals:

Our performance reporting [that is] most useful is narratives or stories or people's experiences, like a picture or like a photo of someone's experience and about how they did something or what their trip was like overseas. The communications department is cautious about sharing the information and not writing it in a patronising way. They make sure that they write the person we support's perspective and how they express themselves, and even staff sometimes have been in booklets like that. I have been in a few times talking about the different work we are doing and why we think it is beneficial for people we support to know about what we do. (staff member #3)

One of the coordinators mentioned that the support summary report contains all the information relevant to each beneficiary which is prepared for the auditors. This report contains the number of hours, their personal plans, goals achieved, their progress and other relevant information as an individual summary report. This report can be provided to both the auditors and the beneficiaries. However, when reporting to the beneficiaries, only the individual service summary is

reported to show them what is going on concerning their goals, progress toward their goals and the outcomes, in addition to the published reports.

The biggest one is the support summaries from the community support workers. [It is] the closest thing to a first-hand report on what has been going on! It is written down, handwritten and then I scan it, and it gets put into the server and in the personnel file. It depends on what is in the report. I am keeping a separate line of communication with the person we are supporting. The report to the beneficiaries shows you are continuing with supports, are the goals the same! We have a progress column next to the goal showing their goal progress, what level they are, is it progressing, is it not achieved. For the auditors, we include a summary explaining the reasons why, where they are at with regards to that specific goal. (staff member #4)

Another coordinator mentioned that MSD is not keen on exclusively successful outcomes information, but they are interested in the information that assures them that the organisation is positively impacting the lives of the beneficiaries.

We have a contract with MSD, which is we call it a *high trust contract*, which is they trust us to do the work. So there is no pressure; they put no pressure onto us to that we are achieving a set goal. So, as long as we are doing something towards helping people to become a part of the community, then they are happy. (staff member #1)

The quotation suggests that the MSD only monitors the continuity of the activities supporting the beneficiaries and is not keen on pressuring the staff for successful outcomes.

4.2.1.3 How they report

The staff described different ways of reporting to the beneficiaries and also other stakeholders. Every piece of information relevant to the services provided to the beneficiaries is considered essential for the organisation. The primary reporting mechanism, BENECURA, is used to send all that information to MSD every three months. The auditors appointed by MSD audit the BENECURA reports annually and send a final report to the MSD for future funding. In doing so, the auditors pick random beneficiary files from the BENECURA system and verify the details recorded with the people concerned by conducting face-to-face interviews. The report of these interviews is sent to all the participants, the management of the organisation and MSD. This way, some of the beneficiaries are involved in the performance reporting process.

When we get our social auditors, they meet the people we support. That is a very independent investigation where we do not play a part. It is carried out spontaneous by picking people from the system. I mean randomly and we do not need to make any pre-arrangements as long as they have details in the database. They link up with the people we support and ask about their experiences with the services. It is a face-to-face conversation, and it is called '*standards of measurement*'. So, they will talk to each person separately, which is a two-person talk. Now, that report of these interviews is compiled and send to the Ministry of Social Development and sent to us, and all the participants. In this report, the participants get to know what we have talked about what is not working for us, and what is not working for them, and how we can all collectively work together for a good outcome. (staff member #2)

The senior staff member explained that the other ways of reporting that they have are annual reports and reports that they publish highlighting people's participation throughout the period and people's goals, such as newsletters and regional magazines. So, beneficiaries get to know where the organisation is working well, where is not working well and the areas that need improvement along with the changes in the structure. All that information is sent to them, and they also send letters and magazines with all the information that the management wants to convey to them. The magazines are sent quarterly with the hope of receiving donations (from the beneficiaries' families).

Annual reports and newsletters and *Reflections*. So that is another way of outreach. *Reflections* is a magazine that is published by the organisation that writes about highlights and identify some people we support with stories and shows them and their life journeys. It is a hope of the way that we try and get money as well. Like from donors, of course, and because we do not get funded for everything, and we also use that as a material to get some requests. (staff member #3)

All of the staff explained that they report to the beneficiaries with their individual summary report when requested. The summary reports are considered confidential documents. However, the beneficiaries can access the information with a request by following a process for individual requests for pieces of information.

The people who [we] support have their information on the database, and they get to see hard copies, and they get some paper copies in the mailbox. They can ask for an emailed copy, whether it is on PDF or Word. I think if they make special requests for a particular format that

they want, they have to talk to the communications team, and they will do their best to incorporate their formatting. (staff member #3)

One of the senior staff members explained that the beneficiaries could only access the relevant information concerning their hours, funds and other services. This information is different from the information that is published.

We report whatever is required of us because they are entitled to know everything about the service because as I said, again, there is nothing without them. It is all about them. So we report, for example, somebody wants to know how many hours they may have been funded, then I will let them know how many hours they have been funded, how the hours are being split and when do they run out of money? All that information is available to them. And if the outside community is requesting on behalf of them, then it depends on who is asking for the information and how relevant is that information and what they are asking because we do not divulge the information; we have a privacy policy. (staff member #2)

The staff member explained here that beneficiaries are reported to individually about their outcomes and also the organisation's performance as described in published reports. The individual information is reported depending on the purpose of the reports.

4.2.1.4 Beneficiaries participation in performance reporting

Some of the reporting related to the beneficiaries has to involve and incorporate their views before the reporting process. The beneficiaries get interviewed and asked if they are interested in reporting their own stories of achievement and their journey toward their goals. The consent of the beneficiaries and willingness to be part of reporting is a part of the process. The beneficiaries have to follow a formal procedure to be involved in such reporting. Some of these stories become part of the annual report, which is also sent to MSD and is publicly available and therefore accessible to other beneficiaries. These stories reveal the facts of the success of the organisation that encourage and motivate other beneficiaries as role modelling to achieve the desired outcomes both for the organisation and also the beneficiaries.

If they want to participate in a positive story that happened to them, then they can have access to that. The participants have to sign some documents to be able to make public, and this would be open to all people who will be reading it, once they sign it off there will not be any comebacks. And if there is any photograph as well, they need to be

signed off to ensure that everyone is okay with that will be made public to all people. Sometimes it is quite useful to go through those forms because it tells other people about what is happening out there. Moreover, there has been a lot of positive feedback that people have informed about us. (staff member #1)

There are diverse opinions among the coordinators regarding the participation of the beneficiaries in the reporting activities. One of the staff members mentioned that they could do better in the areas of outcome reporting by involving the beneficiaries in collecting performance information. The coordinator mentioned that finding different ways of collecting the information, like catering work or hiring someone from among the beneficiaries for a job to just ring people, or send a text to them or message them, to find out exactly how things are going, or survey a person over a cup of coffee in the community. They could also involve beneficiaries from certain groups with a particular disability such as cerebral palsy (CP) to engage them with their own group and find out about outcomes and progress, which could bring out various other outcomes.

It is just thinking outside the box about how can we contract people we support like maybe not employ them but give them a contract of this as your piece of work. Can you call these 20 or 30 people in the next three weeks and please bring back the results of the survey, or, have a contract with ten people to consult with 50 people in the next two months and bring the results back? Like giving them projects and involving them. Cerebral Palsy (CP) Society meetup but the stuff they want to see could be if they get all the vouchers or are they getting all the entitlements and that kind of surveys can connect them in the community could bring out different outcomes. (staff member #3)

In contrast, another coordinator believed that involving the beneficiaries in the activities of performance information would create stress. The staff would not prefer to pass their stress on to the beneficiaries. The staff would celebrate an individual outcome by treating the beneficiary with lunch or a coffee because it is considered to be an outcome for the organisation as a whole, instead of putting pressure on them in addition to their existing difficult times. The beneficiaries have access to their individual reports on request, as mentioned earlier. The beneficiaries are invited to meetings, to attend the LAC meetings and annual general meeting (AGM) if they want more reporting information, and enough information is reported through the newsletters and annual report.

I think if performance measurements were going on for the organisation is that we would like to say we do not try to pass it on to people we support. They have had a rough time with things, and they do not really would want to pass some of that stuff on as we have got a whole lot of performance measures in place and they do not need to be part [of it]. They do not need to know the picture as a whole about the organisation's performance because it is just giving them a whole lot of figures and money things it is not necessary. However, if they wanted that information, they could come along to AGM, LAC meetings, and LEC meetings which are held at the organisation because they want to know about the financial side of the organisation that's available. Mails were sent out to the people.

So, the organisation actually is reporting on that sort of stuff and information has been sent to them and also as an individual outcome for those who achieved. So, it is open for them to go have a look. It is a place where they can find out a little bit more about the organisation as a whole. They can ask the coordinator directly for their own reports. So, that is available if they want to. (staff member #1)

This staff member noted that the beneficiaries are sent emails with attachments consisting of the reports (e.g., annual report) and are sent printed forms in mailouts which contain published performance reporting. The particular beneficiaries who published their stories are also sent mail containing their individual outcome as an appreciation letter. Those interested in more information are invited to LAC and LEC meetings

4.2.2 Challenges in reporting outcomes to beneficiaries

4.2.2.1 Accessible reporting

Some of the coordinators mentioned that the reporting could be more accessible. The staff mentioned that the information or reports must be made more accessible to the beneficiaries with various disabilities such as blindness, partial blindness, dyslexia, and so on. The people are given readable forms at the time of joining, and they are also provided with various forms about the accessibility of the information. There is a lot of information made available, but it is not accessible enough.

It could be more accessible. There was only one specific accessible format. I did feel like accessible formats were the big thing. Making sure that was an easy read, one for people with vision impairments and other disabled people. There should be more options for all of our brochures,

all of our newsletters. It was kind of all over the place in terms of that. I cannot go into more specifics. (staff member #4)

The quotation suggests that the performance information should be made more accessible considering various people with different disabilities.

4.2.2.2 Lack of implementation of practices

The coordinators mentioned that some of the reporting practices had been discontinued. One of the staff members explained that the national office had stopped the monthly billboard, the regional reporting document to the beneficiaries. It was one of the reporting mechanisms that shared a lot of performance information with the beneficiaries that is no longer available. There is a significant difference in how the organisation represents performance reporting practices and how they are practically implemented, which should be changed.

The regional newsletter has been stopped by the national office. They do not do it anymore. I think that there is a difference between the way the organisation presents itself in terms of the way beneficiaries are involved in the running of this organisation and the actuality. I think that that needs to change. That is all I can say about that. I think that there is a cultural shift in the way that this organisation is being run. The beneficiaries and disabled people should be central as they say, but I do not think they are central state as they should be. (staff member #4)

The staff member indicated that the way the organisation currently works is different to the policies around the involvement of the beneficiaries, such that practice is not quite matching policy. The staff expects changes in the existing organisational culture as per the policies indicate.

4.2.3 Beneficiaries' perspectives on outcome reporting

This section examines the views of the beneficiaries on the outcome reporting practices of the organisation and their involvement in the process.

4.2.3.1 Biased reports

All the participants are aware of the reporting mechanisms of the organisation. They are well aware of the newsletters, annual reports and quarterly magazines. They expressed very positive feelings about the outcomes reported about other beneficiaries and with regard to learning more about the outcomes

of the organisation. However, one of the participants explained that the outcomes reported are biased toward presenting only success stories because of the funders. The struggles and other failed outcomes are not brought to attention, which is crucial for the beneficiaries' outcome measurement.

When they report these reports, they are biased reporting. So, they need to be more transparent in reporting outcomes. The facts of what could not be achieved and how can they improve, and if they need more support, they have to put it out there in the public so that the public can respond and the public can see that. If there is a negative factor that should be reported, and the following newsletter contents should be the steps taken to meet the needs of these issues, and mark that there has been a successful outcome. (beneficiary #1)

The quotation suggests that the reports should report both of success stories and also challenges, so that the beneficiaries understand the position of the organisation.

4.2.3.2 Beneficiaries unaware of their rights

Some of the participants expressed their ignorance about their rights to access their summary reports on their individual files. They do not have any idea about the reports on their outcomes or outcome measures, or the measurement practices of the organisation. One of the participants mentioned that it would be rude if they intrude or enquire about the outcome measures and the outcome measurement. They feel obligated not to ask questions on such information because they receive support from the organisation.

I have been with this organisation for a long time, and there is no outcome yet. Not sure, whether that is appropriate to ask for such information. I do not have any access, and I do not feel like asking because I do not want to be rude, and I do not know what my rights are! (beneficiary #3)

The participant here referred to their rights of access to the organisation's overall reporting information and also information about performance on individual reports.

4.2.3.3 Lack of communication about participation

One of the participants described the experience of participating in the outcome reporting process. The participant also mentioned being involved in reporting

individual outcomes achieved. However, another participant expressed disappointment about not knowing the process of outcome reporting so that the participant could contribute. This participant raised concerns on financial activities when viewing the annual report during the interview for this research, and also mentioned that it was the first time they had viewed the report about the organisation, and that it had only occurred because of this interview. As one of the participants said:

If they do not give you information, you do not have a clue. I think they should change the way they are working and sharing information and improve their performance. (beneficiary #3)

Another participant noted that there was no information about the LAC meetings and LEC meetings. The participant admitted that there is no proper communication with regard to the organisation's reporting and their access to participation. They expressed the view that it would be useful if they were informed well by their CSWs, which would allow them to understand more about organisational practices.

I think everyone should have a chance to participate. Perhaps caseworkers could bring some paperwork along to allow an anonymous survey to be collected and the client decides to consent to participation, to at least give them the chance to decline their participation. Would be an idea. (beneficiary #5)

One of the participants suggested that the organisation should be more communicative and take the initiative to involve the beneficiaries in participating, and thus be accountable:

Not sure, anything about those practices. They should invite me to get more informed of their annual reports and how they work as an organisation and about their financial books and management. But some things they keep for private I say privacy." (beneficiary #3)

The participant indicated that the organisation should be more communicative with the beneficiaries regarding their reports, financial accountability and reporting practices, and also expressed ambiguity around the relevant privacy policies.

4.3 Chapter summary

This chapter presented the perspectives of the staff and the beneficiaries of the case study NFP on the outcome measurement and outcome reporting practices. The findings identified the PM practices of the organisation and the views of the staff and the beneficiaries on the inclusion of beneficiaries' perspectives in PM. The views of the staff are crucial for this study because, without the views of the staff, the perspectives of the beneficiaries cannot be related to the co-production of outcome measurement and outcome reporting practices. The variation between staff perceptions and the beneficiaries' perceptions will produce the core results relating to the co-production of outcome measurement practices. The findings identified that the staff are very supportive of the co-production of outcome measurement and outcome reporting, and the beneficiaries are interested in participating in the outcome measurement and outcome reporting. However, there are various challenges and difference in the perspectives associated with the co-production of outcomes information. The next chapter discusses these results and offers conclusions.

Chapter 5: Discussion and Conclusions

5.1 Introduction

The discussion presented in this chapter heeds the call to include beneficiaries' perspectives in research and practice regarding the outcome measurement practices of NFPs. Drawing on the experiences and perspectives of both the beneficiaries of a New Zealand case study NFP and the staff involved with outcomes-based performance information, this chapter presents a critical discussion about the extent to which the perspectives of beneficiaries are being included in outcomes-based measurement and reporting practices. The discussions are drawn from the findings from interviews, and from the website and published documents of the case study NFP.

The next section, 5.2, responds to research question 1, which asks: To what extent are beneficiaries involved in co-producing outcomes-based performance information? Section 5.3 responds to research question 2 by analysing the beneficiaries' perceptions of the outcomes-based performance information disclosed by the NFP. These two questions are answered by focussing on beneficiaries' involvement in PM and reporting practices and describing the various perspectives of staff and beneficiaries on this issue.

From the findings of the study, three main themes were identified in relation to these research questions: communication, awareness, and beneficiaries' involvement. The findings reveal that a limited level of coproduction did seem to occur in regard to the information provided to beneficiaries and donors/the public (e.g., newsletters). These key findings are compared and connected with the literature on the PM of NFPs, outcomes-based measurement and reporting practices taking into account the literature reviewed in Chapter Two. The study contributions are highlighted in section 5.4 which also includes limitations of the study, and the chapter ends with conclusions and proposals for future research on the co-production of outcomes-based PM and reporting practices to produce better outcomes for beneficiaries in section 5.5.

5.2 Research question 1

To what extent are beneficiaries involved in co-producing outcomes-based performance information?

Earlier studies have noted that more research is necessary to “examine how nonprofits are using outcome measurement and, if they are involving beneficiaries, if this strengthens their strategy and improves performance” (Benjamin, 2013, p. 1235).

The findings of this study indicate that the NFP’s staff focus on measuring outcomes individually for each beneficiary, with the measures identified based on the goals of each beneficiary (c.f. Ebrahim & Rangan, 2014). Hence, outcome measurement is based on the achievement of these individual goals or progress made towards these goals (c.f. Yang & Northcott, 2018). Furthermore, the case study NFP measures its organisational performance based on the *individual* outcomes achieved for beneficiaries, rather than by focusing on some broader measure(s) of *organisational* outcomes.

The findings of this study indicate that the majority of the participants supported the idea of staff and beneficiaries co-producing outcome measurement and reporting practices. However, there are various constraints identified in implementing the co-production of performance information and the findings indicate that the beneficiaries have very little involvement in co-producing performance information. The following themes briefly discuss the findings answering the first research question.

5.2.1 Communication

The findings indicate that there is a significant communication gap between the beneficiaries and the staff with regard to beneficiaries’ involvement in co-producing the performance information. The staff sitting at various positions have diverse opinions on beneficiaries’ involvement in outcome measurement practices. It is observed that there is lack of communication between the staff on various issues relating to the co-production of performance information. The staff and the beneficiaries have a general idea that the NFP follows a general audit programme. However, none of the senior and subordinate coordinators had heard about a process called ‘*standards of measurement*’ (see section 4.2.1.3). This suggests a communication gap amongst the staff. The senior staff have high ambitions for involving the beneficiaries’ perspectives in everything with regards to their plans, goals and outcomes. In contrast, the middle management staff perceived that a lot of improvement is required with regard to

the co-production of performance information. Further, the CSWs who work closely with beneficiaries have a different approach to involving the beneficiaries in outcome measurement practices. Some of these subordinate staff do not want to stress the beneficiaries by involving them in outcome measurement practices.

In contrast, most of the beneficiaries expressed their interest in participating in the outcome measurement practices. However, there are several communication barriers which restrict the active participation of beneficiaries in outcome measurement practices. Hence, it is clear that there is communication gap between the senior managers who set targets at national office level and the staff below with regard to the challenges associated with implementing them. This communication gap has become part of the culture in the case study NFP, which means it affects the beneficiaries' involvement in the co-production of outcomes-based performance information.

5.2.2 Awareness

Due to the communication barriers discussed in the above section, a lack of awareness of PM practices and performance information exists amongst the beneficiaries. Some of the staff are also unaware of specific protocols with regards to the outcome measurement practices, such as the '*standards of measurement*'.

Most people (and all the literature on NFP performance) would see 'time spent by the staff' as an input measure. The time spent (input) is then expected to lead to a useful 'activity' being carried out, which is then expected to lead to a positive 'outcome' for the beneficiaries. However, when the NFP staff spoke about the process of measuring outcomes they indicated that time spent on planning, setting and working on the goals alongside beneficiaries is an identified 'outcome measure'. This suggests that the staff lack understanding in differentiating between and measuring inputs and outcomes. This confusion might be because they rely on funding grants that require them to focus on the hours spent alongside the beneficiaries (i.e., a key service input).

The findings also indicate that most of the beneficiaries are unaware of, or have negligible knowledge of, the NFP's outcome measurement practices. It also appears that this lack of awareness amongst the beneficiaries results from a

similar lack of awareness amongst the staff. This issue has resulted in minimal participation of the beneficiaries in the co-production of outcomes-based performance information.

5.2.3 Beneficiaries' involvement

The beneficiaries' involvement is perceived in two dimensions in outcome measurement practices. One is individual outcomes, and the other is overall organisational outcomes. The findings indicate that due to the lack of communication leading to a lack of awareness as discussed above, the beneficiaries cannot contribute much to either individual or overall outcome measurement practices. Further, the organisation has a policy of limiting the beneficiaries' access to performance information to only their own individual outcomes. Nevertheless, random beneficiaries were selected from the BENECURA system by the government auditors to be involved in the process of '*standards of measurement*' during the annual audit. The organisation also conducts online surveys with randomly selected beneficiaries, but not many are aware of or involved in such practices.

The findings of this study indicate that the beneficiaries would like more involvement in outcome measurement practices because they believe that their participation would result in better and desired outcomes. However, the staff interviewed appear to be unaware of this interest from beneficiaries, although most admitted that the organisation should change its present way of working to increase the involvement of beneficiaries and improve strategies to attain better outcomes. Furthermore, the staff admitted that the outcome measurement practices should also involve the immediate family members of beneficiaries to capture unidentified outcomes.

The current practices of PM merely involve the beneficiaries' perspectives by random surveys that serve the purpose of the funders and offer only an inconsequential focus on the beneficiaries' perspectives. Greatbanks et al. (2010) state that "reporting numbers referred to as 'ticking boxes' provides this factual information to the funding provider, [but] such an approach fails to recognise the detailed and often socially complex context of such programmes" (p. 581). Due to the practices within the case study NFP, the beneficiaries' involvement in outcome measurement practices was observed to be shallow.

Therefore, this research extends Yang and Northcott's (2019a) work by showing that it is hard to determine whether the co-production of PM is a positive approach unless beneficiaries are actively involved in the co-production process. While the case study NFP's beneficiaries demonstrated their interest in being involved in the process, they did not know how to be involved due to the communication gap and lack of awareness.

5.3 Research question 2

What are the beneficiaries' perceptions of the outcomes-based performance information disclosed by the NFP?

The outcome reporting mechanisms used by the case study NFP include: the organisation's website; annual reports; staff and beneficiaries' meetings, i.e., the LAC and LEC; and other communications sent directly to beneficiaries such as quarterly magazines, beneficiary newsletters, and emails.

As discussed in section 5.2, there are two dimensions of outcome reporting. One of them is individual reporting, and the other one is overall organisational reporting. With regard to reporting, the beneficiaries are interested in the performance of the organisation and are particularly interested in learning more about individual success stories, which motivate them to connect with the organisation. Therefore, the organisation is accountable to the beneficiaries on an individual level and also on an organisational level by demonstrating their attained outcomes (Medina-Borja & Triantis, 2007). Hence, individual accountability is also identified as an outcomes-based performance reporting practice in this study. Individual reporting takes the form of direct reports generated from the information on summary report forms and the BENECURA system. These individual reports are generated when the beneficiary makes a request. The second dimension of reporting is via newsletters, magazines, website and annual reports. The following section discusses beneficiaries' perceptions of the NFP's outcomes-based performance information, thus answering research question 2.

5.3.1 Communication

The findings indicate that the most effective communication mechanism used to report the case study NFP's accountability is newsletters. While the staff

described various reporting mechanisms that are in place to communicate with the beneficiaries about outcomes, as mentioned earlier, beneficiaries were most familiar with the newsletters and did not know much about other communications relevant to organisational performance. The findings related to individual reporting noted that beneficiaries did not want to create any problems by asking for access to other performance information or any such practices. They wanted to continue receiving support without any complications and tended to assume that any interference with the organisational activities (such as PM) might complicate their ongoing support. Due to the policies of the organisation, the beneficiaries are not voluntarily provided with summary reports on their outcomes unless they request them. This suggests that there is a significant communication barrier involved in the co-production of performance information reports. This supports Yang and Northcott's (2019a) findings, since beneficiaries were unable to communicate effectively with their CSWs or counsellors about their individual outcomes due to a lack of alignment in communication and reporting expectations.

5.3.2 Awareness

The findings of this study highlight that the beneficiaries lack awareness about outcome reporting practices. The leading cause of this minimal awareness is the lack of communication between the staff and the beneficiaries about the reporting practices. The findings indicate that the beneficiaries are not well-informed about or encouraged to learn about the reporting practices such as email distribution of annual reports, LAC meetings and online resources. Very few beneficiaries understand and are aware of the process of individual reporting and their rights of participation. The study findings indicate that the beneficiaries have little awareness of both organisational reporting and their own individual summary reports. As a result, they do not request this information. Some of the beneficiaries showed no interest in other reporting mechanisms except for the successful individual stories about beneficiaries in newsletters. There is a mixture of reasons behind the lack of awareness of performance reporting practices, which indicates that the staff need to be trained to focus on specific communication to create awareness of performance practices for the beneficiaries. Hence, there is a need to develop the professional skills to mainstream co-production (Bovaird & Loeffler, 2012) and

to enable the beneficiaries to understand the NFP's performance in relation to outcomes and make informed decisions.

5.3.3 Beneficiaries' involvement

The findings of this study indicate that the case study NFP's published performance reporting focuses more on funders than on beneficiaries. However, as a part of accountability, the organisation needs to include success stories about beneficiaries in its reports to other stakeholders and also to connect with its beneficiaries. The findings of this study indicate that the organisation reports some positive outcomes in its annual report and newsletters to beneficiaries. The beneficiaries who have attained successful outcomes or accomplished their personal goals are invited to participate in the co-production of performance reports. However, they are involved only to the extent of their personal outcome stories. The collection of performance reporting data showed more positive aspects and very few negative results. Further, Yang and Northcott (2019) identified that a co-production approach to outcomes-based PM is beneficial for both the NFP professionals and the beneficiaries. However, since the case study NFP does not appear to co-produce such information between staff and beneficiaries, those expected benefits are unlikely to be achieved in this organisation.

Every beneficiary interviewed was satisfied with the success stories published by the case study NFP and felt that they helped to motivate them towards their own goals. However, as these reports are targeted at the funders, some of the beneficiaries perceived them to be biased reports. The findings indicate that beneficiaries expect transparent performance reporting from the organisation (at least internally) that would allow them to understand where the organisation stands, rather than just broader community reports. This supports Benjamin's (2013) finding that transparency of outcomes-based performance information strengthens downward accountability.

The findings also indicate that beneficiaries expect NFP staff to proactively communicate with the beneficiaries and encourage them to become involved in performance reporting practices, because current involvement is negligible. In contrast, the staff assumed that the beneficiaries are aware of the information and can make their own decisions about their participation in organisational

activities. Further, some of the staff are hesitant to involve the beneficiaries in reporting practices so as not to put extra pressure on them in addition to their routine tasks. Staff also showed dissatisfaction with current reporting practices. Several staff interviewees admitted that the organisation could improve the ways in which it engages the beneficiaries in collecting performance data and enhance the performance reporting practices to bring out better outcomes. The findings indicated that the organisation should develop more accessible reporting that considers the requirements of beneficiaries' specific disabilities.

As discussed in section 5.2.1, the '*standards of measurement*' process produces individual reports on the beneficiaries who are involved in the co-production of the performance information. These individual reports are sent to the beneficiaries via email or hard copy when they request such information, and the final overall report is sent to the government funder (MSD). The findings of this study indicate that while some of the beneficiaries are interested in the financial accountability of the organisation, some are interested only in their own personal outcomes and reports. However, they are hesitant to exercise their rights of access to such information due to the ambiguity around the processes involved. While the organisation conducts LAC meetings at regular intervals where all the beneficiaries are invited to discuss PM practices and reporting, most of the beneficiaries are unaware of the importance of these meetings and their relevance to them. Therefore, the above findings evidence that there is beneficiary involvement in performance reporting practices, although the beneficiaries' perceptions of the outcomes-based performance information disclosed by the NFP are largely restricted to their personal outcomes, for various reasons.

5.4 Contributions and limitations

This study makes several contributions to the literature on NFP outcomes-based PM and reporting.

Overall, the study findings suggest that little activity is occurring in the case study NFP around the co-production of PM and reporting practices that capture the experiences of beneficiaries. Previous studies have identified the importance of strengthening downward accountability (Benjamin, 2013) and Yang and Northcott (2018) extended this literature by identifying that a co-

production approach can develop outcome measures that are perceived to be meaningful by both NFP professionals and beneficiaries. The findings of the current study extend this prior literature by identifying some challenges involved in exercising downward accountability and co-producing outcomes-based performance information. The findings also make a practical contribution to the case study NFP by identifying the shortcomings in the organisation's practices and the potential for improvement in their performance information practices to achieve better outcomes information for the beneficiaries.

Furthermore, this study contributes by examining the extent to which beneficiaries are involved in co-producing outcomes-based performance information and also reporting, which extends the findings of Yang and Northcott (2019a). This study contributes to the literature by adding beneficiaries' experiences and perceptions of the co-production of performance information and their involvement in reporting such information via the sharing of their personal success stories. The study also contributes to the literature by highlighting how the case study NFP measures outcomes based on time spent with beneficiaries, even though time is an input rather than an outcome. This supports the previous literature (e.g., Moxham, 2009) which notes that there is no standard process for assessing the performance of non-profit organisations.

The findings of this study also reveal that the assessment of the performance of NFP professionals is closely connected with measuring the outcomes achieved by beneficiaries. Benjamin (2013) argues that outcome measurement could strengthen the accountability relationship between NFPs and their beneficiaries by measuring the quality of beneficiaries' experience with the NFP staff. However, this study has brought to light the fact that the extent to which beneficiaries are involved in the co-production of outcomes-based PM and reporting practices is negligible. The reasons for this that have been identified from the findings are the communication gaps which exist both amongst the staff and between the staff and beneficiaries. While staff expressed various opinions about the level of beneficiaries' involvement in co-producing performance information, the beneficiaries chose not to seek more information about the organisation's actual performance or its PM practices because they felt vulnerable due to their reliance on the NFP's services. These findings differ from those of Bovaird (2007), who found that professionals in non-profit or public

organisations resisted letting beneficiaries share their powers to co-produce. This study reveals that staff in the case study NFP did think that beneficiaries should be involved and encouraged the involvement of beneficiaries in performance reporting, even though beneficiaries did not realise this. While Osborne et al. (2016) note that there is little research on how NFP professionals and beneficiaries understand the benefits of co-production, they state that co-production is inevitable in non-profit or public organisations whether the beneficiaries choose or do not choose to be involved, and whether they are aware or are not aware of it. However, this study has found that co-production faces barriers. The current study sheds light on the need for future researchers to investigate the experiences of NFP professionals and beneficiaries on the benefits of co-production in deriving better outcomes. This study's findings indicate that improved communication between NFP professionals and beneficiaries would help to actively involve the beneficiaries in the co-production of performance information and reporting practices. Osborne and Strokosch (2013) argue that the beneficiaries and the professionals of non-profit or public organisations should believe in co-production and beneficiaries should trust that their contributions would be recognised and valued and would be incorporated into practice. Since this research incorporates the experiences of NFP beneficiaries, a section of society that is disadvantaged, the insights provided have significant potential to contribute to improving service delivery and accountability to this segment of society.

This study does have some limitations that should be noted. First, it could not escape the limitations of time and travel budget, which restricted the number of participants. Only participants from one branch were included and the researcher could not invite the national office staff to participate. Future studies may be able to invite participants from various branches of a case study organisation to enhance the strength of the findings. Another limitation inherent in any research that incorporates beneficiaries is that the beneficiaries were dependent on the case study NFP for support in various ways, which could have reduced their freedom of speech and impacted the interview findings. The study also had a limitation of privacy. For privacy reasons, it was not possible to reproduce the published documents or reports that supported the findings in this dissertation, in order to protect the confidentiality of the case study NFP.

However, despite these limitations, this study extends Yang and Northcott (2019a) by involving beneficiaries' perspectives in examining NFP outcome measurement and reporting practices.

5.5 Conclusions

PM and reporting are crucial for NFPs to prove their accountability to their funders and other stakeholders, including beneficiaries. This study has provided case study evidence of how a New Zealand NFP involves beneficiaries in the co-production of outcomes-based performance information, and beneficiaries' perceptions of the outcomes-based performance information that is made available to them.

In the case study NFP, every activity relevant to these outcomes (performance information) is reported to the funders in terms of hours recorded on their database, to get future funding approved. NFP staff rely on the information collected and recorded as programmes or goals to analyse the outcomes of their service provision (Harris Mulvaney et al., 2006). The case study NFP depends on a system called BENECURA, which collects all the data relevant to the organisation's performance. The findings indicate that the NFP staff face challenges in identifying the right outcome measures at times. This supports previous studies (Ebrahim & Rangan, 2014; Yang & Northcott, 2019a) which note that balancing organisational goals and the beneficiaries' plans for desired outcomes is critical but challenging.

Further, the performance of the CSWs is connected to 'outcome measures' such as the time they spend working alongside the beneficiaries and their service delivery. This supports Yang and Northcott (2019a), who found that measures of outcomes focused on the relationship between beneficiaries' achievement of their goals and the service delivery methods of NFPs. The case study NFP staff emphasised that outcome measurement is vital for analysing progress towards the goals of the beneficiaries and the performance of the organisation, and sought to achieve their objectives by positively influencing the lives of the beneficiaries (c.f. Vogt, 1999). The findings of this study contribute to the literature on PM and reporting by involving beneficiaries' perspectives and experience, as called for by Yang and Northcott (2019a). This study also

highlights the fact that the case study NFP measures its own performance based on individual, beneficiary-level outcomes-based PM.

The findings of the study conclude that the case study NFP has shown more commitment to reporting to its funders than to its beneficiaries (c.f. Ebrahim, 2003b). The staff have various opinions on involving the beneficiaries in outcome measurement and reporting practices, but the communication gap amongst the staff and beneficiaries has led to a lack of awareness that has resulted in the minimal participation of beneficiaries in co-producing performance information. However, beneficiaries with successful outcomes are called on to participate in performance reporting practices by sharing the extent of their outcomes. Such practices of co-production have shown productive outcomes for both beneficiaries and the organisation, even though they are recognised by beneficiaries as being biased towards positive stories. Although the staff are very supportive of the idea of involving the beneficiaries' perspectives in such practices, very little work has been done around it. Involving beneficiaries' perspectives remains more an ideology than a practice. This study fills a gap in the literature of co-production by involving the perspectives of the beneficiaries on the extent to which they are involved in the co-production of performance information and reporting. In doing so, it opens up opportunities for future researchers to investigate further by comparing these findings with another NFP, by investigating the beneficiaries' perspectives to evaluate the extent of their participation in co-producing performance information. This study also points to the need for trust between the co-producers. Future research could emphasise the study of the extent of improvement in outcomes due to the co-production of performance information. It could also extend this study by incorporating the funders' perspectives on the involvement of beneficiaries in co-production to attain better outcomes for both the beneficiaries and the organisation.

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Appendices

Note: in the following documents the name of the NFP being studied has been replaced by the phrase “case study organisation” in order to maintain the anonymity of the organisation and the participants.

Appendix 1: Invitation to participate



Invitation to participate in a research project...

I am Prema Neal, a student at AUT University doing a Master of Business. As part of my course, I am doing a research project. The research topic chosen is “Beneficiaries’ participation in the co-production of performance information in a not-for-profit organisation”. The term ‘beneficiaries’ in this context means the people who are receiving services and support from [case study organisation].

I am looking for participants to be interviewed as part of my research project.

As a part of this research, I will interview members of staff and people supported by [case study organisation]. The participant is required to attend an interview with me for duration of 30 to 60 minutes. The questions of the interview are based on the performance information accessible to the people supported by [case study organisation]. This research does not involve any personal questions. The questions for the interview are based on the following questions:

1. What are the beneficiaries’ views on the outcomes (results) measuring practice by [case study organisation]?
2. Do the beneficiaries have enough access to the [case study organisation’s] outcome information?
3. How knowledgeable are the beneficiaries about the [case study organisation’s] policies and strategies about outcomes reporting?

More information will be provided beforehand so that you can decide to participate in the research or not. To thank each participant for their time, you will be gifted a \$25 gift card.

I aim to start interviews in the first week of October. If you are interested in being interviewed, please contact me by 20 September 2019

Mobile: 02102741929

Email: gnn2298@autuni.ac.nz

Thanking you,

Prema



Appendix 2: Guiding questions for the interviews with beneficiaries

Outcome measurement means an internal process of identifying and measuring outcomes related to the organisation mission/charitable purposes

Reporting practices means an external process of reporting outcomes to various stakeholders in meeting their information needs.

The following are guiding questions for interviews with the case study organisation's beneficiaries:

1. Are you aware about the goals of [case study organisation]? if so, do you agree with the goals?
2. Do you have a say in developing the goals?
3. What do you know about the outcome measuring practices of [case study organisation]?
4. Do you think that [case study organisation] asks you enough about your experiences of receiving their services?
5. Do you ever feel that [case study organisation] asks you for too much information about your own experiences of receiving their services?
6. Do you know how such information is processed for the benefit of the people who are supported by [case study organisation]?
7. Do you think you have enough access to its performance information?
8. Do you find this performance information useful?
9. Can you think of any ways in which you could (or would like to be) more involved in helping [case study organisation] to evaluate how well it is doing for people like you who receive its support and services?
10. How well are you informed about outcome measurement practices?
11. What sorts of information (e.g. solicited feedback, [case study organisation]-instigated reports, informal discussions, formal or informal complaints) do you provide to [case study organisation] about how their services benefit you?
12. How well are you informed about outcome reporting practices?
13. Have you been asked to participate in reporting [case study organisation's] performance? if so, Who, from [case study organisation], talks to you or asks you for information (written or oral) about how the services they provide to you are impacting on your life? what kind of information about the services you received have you shared with the staff member?
14. What kind of information are you accessible regarding reporting practices of these outcome measurements?
15. Do you think that your participation should be considered by the management while identifying the outcome measures?
16. Do you think that your perspective should be considered in reporting outcomes?
17. Why it is important for your voices to be included in the outcome measurement and reporting practices?
18. Do you think any improvement needs to be done in terms of [case study organisation's] approach of measuring and reporting outcomes? if so, what are they?
19. What is your overall opinion about your involvement in the [case study organisation's] outcome measurement and reporting practices?

Appendix 3: Guiding questions for the interviews with the staff

Outcome measurement means an internal process of identifying and measuring outcomes related to the organisation mission/charitable purposes

Reporting practices means an external process of reporting outcomes to various stakeholders in meeting their information needs.

1. What is your perception on measuring the outcomes? Do you think it is necessary?
2. What are the underlying reasons for measuring the outcomes for [case study organisation]?
3. What kind of measures are used to identify the outcomes?
4. What kind of practices are followed at [case study organisation] to measure the performance?
5. What kind of challenges are involved in measuring these outcomes?
6. Do the beneficiaries have a say in the outcomes' measurement process?
7. How are the perspectives of beneficiaries incorporated in the process of performance measurement?
8. How are the perspectives of beneficiaries incorporated in the process of reporting?
9. What kind of performance measurement information is being reported? Why and how?
10. How is this information made accessible to the beneficiaries?
11. What sorts of performance information do you think is most useful and important to report to [case study organisation's] beneficiaries?
12. Can you give me an example of how you find out from beneficiaries the impact that [case study organisation's] services have had on their lives?
13. Do you think that [case study organisation] asks beneficiaries enough about their experiences of receiving their services?
14. If not, then what additional information do you think should be collected from beneficiaries in order to better evaluate how well [case study organisation] is doing?
15. Do you think beneficiaries are given enough information about [case study organisation's] performance? If not, then what other information would be useful, and why?
16. Can you think of any ways in which beneficiaries could be more involved in helping [case study organisation] to evaluate how well it is doing for them?
17. What types of information do you find most and least useful?

Appendix 4: Participant information sheet



Participant Information Sheet

Date Information Sheet Produced:

dd____ mm____ yyyy_____

Project Title

Beneficiaries' participation in the co-production of performance information in a not-for-profit organisation

An Invitation

Hi, I am Prema Neal. I am a student at AUT University, where I am completing a Master of Business. I have been a beneficiary [case study organisation's] services since 2011 and I am receiving support from the organisation as of today. I am contacting you because I am doing research as a part of my Master's dissertation and would like to invite you to participate in this research.

What is the purpose of this research?

The purpose of this research is to obtain my qualification, Master of Business. This study aims to provide new insights into how not-for-profit organisations work together with their beneficiaries (people who receive support and services) to produce performance information that meets the need of both the organisations' funders and the beneficiaries. The findings of this research may be used for academic publications and presentations.

How was I identified and why am I being invited to participate in this research?

You have been sent this letter because you receive support and services from [case study organisation] or employed. Please note that I am seeking research participants who meet the following criteria:

they live in Auckland, and

they receive support from [case study organisation] for a mobility-related disability (and do not have any other form of disability).

If this sounds like you, I would like to invite you to participate in this research.

How do I agree to participate in this research?

If you meet the criteria outlined above and are willing to participate in this research, please email me at gnn2298@autuni.ac.nz. Your email reply will be taken as your consent to participate. I am seeking eight participants for this study, so a 'first come, first served' criterion

will be applied. I will reply to you within one working day to advise whether you are one of the first eight respondents who will be included in this study.

Your participation in this research is voluntary and whether or not you choose to participate will neither advantage nor disadvantage you. You are able to withdraw from the study at any time. If you choose to withdraw from the study, then you will be offered the choice between having any data that is identifiable as belonging to you removed or allowing it to continue to be used. However, once the findings have been produced, the removal of your data may not be possible.

What will happen in this research?

I will ask you some questions about the information [case study organisation] produces about its performance and the extent to which you have been (or could or would like to be) involved in contributing to this information. The interview duration will be around 30 to 60 minutes and will take place at a mutually agreed place. The interview will be recorded and transcribed. I will use any information collected only for the purposes mentioned above. Only information which is relevant to the research topic will be used. Please note that I will also be interviewing some [case study organisation] staff/beneficiaries to ask about their experiences of collecting, analysing and/or using information about the organisation's performance.

What are the discomforts and risks?

Any opinions you express about the organisation's practices are part of this research and may be reported in the findings. Of course, participants in this study may disagree in their opinions about the organisation's practices and how effective they are. Some differing opinions may be reported as part of this study's findings and may be seen as contentious. If you are not comfortable with that possibility, then you do not have to answer any question(s) that you do not wish to answer. You are also free to discontinue the interview at any stage.

There are no other risks involved in participating in this study, and no reason for discomfort.

What are the benefits?

This research will assist me in obtaining my Master of Business. The findings or outcomes of the research are intended to be beneficial to the managers and also the beneficiaries. The managers will get an idea about the views of the beneficiaries and their interest in the organisation's performance measurement information.

How will my privacy be protected?

I will not state your identity in any reports produced from this study or attribute any comments you make to you by name. Please note, however, that I cannot guarantee that your identity and comments will not be identifiable because [case study organisation] is a relatively small organisation. Also, if you are interviewed on the [case study organisation] office premises then people who are on-site may see that you are taking part in this study.

What are the costs of participating in this research?

The cost to you is mainly your time. Each participant will be provided with refreshments and \$20 towards covering transport costs, so there should be no financial cost to you.

What opportunity do I have to consider this invitation?

You have three weeks to respond to this invitation.

Will I receive feedback on the results of this research?

I can provide you with a one to two-page summary of the findings upon request. The transcriptions are also available for review before they are used in the research.

What do I do if I have concerns about this research?

Concerns regarding the conduct of the research should be notified to the Executive Secretary of AUTC, Kate O'Connor, *ethics@aut.ac.nz*, 921 9999 ext 6038.

Whom do I contact for further information about this research?

Please keep this Information Sheet and a copy of the Consent Form for your future reference. You are also able to contact the research team as follows:

Researcher Contact Details:

Prema Neal; mobile – 02102741929; gnn2298@autuni.ac.nz

Project Supervisor Contact Details:

Prof: Deryl Northcott; 099219999 ext 5850; Deryl.northcott@aut.ac.nz

**Approved by the Auckland University of Technology Ethics Committee on 15 October 2019,
19/304**

Appendix 5: Consent form



Consent Form

Project title: Beneficiaries' participation in the co-production of performance information in a not-for-profit organisation

Project Supervisors: Prof. Deryl Northcott and Dr. Cherrie Yang

Researcher: Premavani Neal

- ☐ I have read and understood the information provided about this research project in the Information Sheet dated _____.
- ☐ I have had an opportunity to ask questions and to have them answered.
- ☐ I understand that notes will be taken during the interviews and that they will also be audio-taped and transcribed.
- ☐ I understand that taking part in this study is voluntary (my choice) and that I may withdraw from the study at any time without being disadvantaged in any way.
- ☐ I understand that if I withdraw from the study then I will be offered the choice between having any data that is identifiable as belonging to me removed or allowing it to continue to be used. However, once the findings have been produced, removal of my data may not be possible.
- ☐ I agree to take part in this research.
- ☐ I wish to receive a summary of the research findings (please tick one): Yes ☐ No ☐

Participant's signature:

Participant's name:

Date:

Approved by the Auckland University of Technology Ethics Committee on 15 October 2019, 19/304

Note: The Participant should retain a copy of this form

Appendix 6: Ethics approval letter



Auckland University of Technology Ethics Committee (AUTEC)

Auckland University of Technology
D-88, Private Bag 92006, Auckland 1142, NZ
T: +64 9 921 9999 ext. 8316
E: ethics@aut.ac.nz
www.aut.ac.nz/researchethics

15 October 2019

Deryl Northcott
Faculty of Business Economics and Law

Dear Deryl

Re Ethics Application: **19/304 Beneficiaries' participation in the co-production of performance information in a not-for-profit organisation**

Thank you for providing evidence as requested, which satisfies the points raised by the Auckland University of Technology Ethics Committee (AUTEC).

Your ethics application has been approved for three years until 15 October 2022.

Standard Conditions of Approval

1. The research is to be undertaken in accordance with the [Auckland University of Technology Code of Conduct for Research](#) and as approved by AUTEC in this application.
2. A progress report is due annually on the anniversary of the approval date, using the EA2 form.
3. A final report is due at the expiration of the approval period, or, upon completion of project, using the EA3 form.
4. Any amendments to the project must be approved by AUTEC prior to being implemented. Amendments can be requested using the EA2 form.
5. Any serious or unexpected adverse events must be reported to AUTEC Secretariat as a matter of priority.
6. Any unforeseen events that might affect continued ethical acceptability of the project should also be reported to the AUTEC Secretariat as a matter of priority.
7. It is your responsibility to ensure that the spelling and grammar of documents being provided to participants or external organisations is of a high standard.

AUTEC grants ethical approval only. You are responsible for obtaining management approval for access for your research from any institution or organisation at which your research is being conducted. When the research is undertaken outside New Zealand, you need to meet all ethical, legal, and locality obligations or requirements for those jurisdictions.

Please quote the application number and title on all future correspondence related to this project.

For any enquiries please contact ethics@aut.ac.nz. The forms mentioned above are available online through <http://www.aut.ac.nz/research/researchethics>

Yours sincerely,

Kate O'Connor
Executive Manager
Auckland University of Technology Ethics Committee
Cc: gnn2298@aut.ac.nz; Cherrie Yang