

Social indicators – promises and problems: a critical review

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Victoria University in conjunction with Crime Prevention Victoria (CPV) received an ARC grant to investigate the relationships between crime prevention and community governance. The first task of the project was to develop a framework linking community needs, community capacity, wellbeing and CPV interventions, to guide selection of social indicators and then compile a database of data from various sources. Among the difficulties inherent in developing social indicators are: selecting a framework to guide the development and analysis of the indicators; the difficulty of obtaining a reliable across-government comprehensive database that would be continuously updated; the different contexts, policy goals and programs that indicators could serve; the significance of different definitions and contexts; applying appropriate criteria to guide the selection of the indicators; and the diversity of views about how indicators should or could be used. The purpose of this paper is to describe how these issues are addressed in this project, the theoretical framework that guides the selection of data from the database and how some of these difficulties are addressed.

Introduction

Social indicators are statistics which, similar to the economic statistics in the National Accounts, are intended to provide a basis for making concise, comprehensive and balanced judgements about the conditions in a specific society.

The term 'social indicator' is attributed to Bauer, who in 1966 edited *Social Indicators*, a collection of essays instituted by the American Academy of Arts and Sciences to study the impact of the space program on American society. A social indicator was defined by the Organisation for Economic Cooperation and Development (OECD) as a 'direct and valid statistical measure which monitors levels and changes over time in a fundamental social concern' (OECD 1976, p. 14). A social concern was an identifiable and definable aspiration or concern of fundamental and direct importance to human wellbeing. The first 24 concerns to be described by the OECD addressed eight 'primary goal areas': health, individual development through learning, employment and the quality of working life, time and leisure, command over goods and services, the physical environment, personal safety and the administration of justice, and social opportunity and participation. The concerns were selected because they had policy relevance and were quantifiable.

OECD social indicators

The OECD uses social indicators for two purposes: to describe social developments in member countries, and to determine how effective society and government are in altering social outcomes. According to the OECD (2001), indicators of social development require ‘a broad coverage of social issues. Insofar as social life requires health, education, freedom to develop, resources and a stable basis of social interactions, so must the indicators reflect these various dimensions’ (p. 9). In their 2001 publication the OECD produced comparative trend data for 49 social indicators of self-sufficiency, equity, health and social cohesion for 29 OECD countries.

Social indicators for government programs

In general, early attempts at using social indicators to evaluate the impact of government programs were of limited value because the indicators were too far removed from the activities of the programs they were intended to evaluate. Social indicators of

crime, for example, were of limited value in assessing the results of the activities of social programs providing services, such as youth counselling, even though their longer term aim was to

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reduce crime. Most of the indicator reports in the 70s and 80s were mainly descriptive and produced according to the major functional service provision roles of government departments, such as health, housing and education (Australian Bureau of Statistics 1978; Armstrong & Wearing 1979, 1981).

Difficulties in obtaining reliable data across government databases

The early indicator reports reflected the individualistic approaches of government departments to addressing community problems. Government departments operated in isolation (the silos) and were reluctant to share their data which are regarded (rightly) as their intellectual property base. Most social data collected by government departments are confidential and there is always a danger of confidential information that is shared inadvertently becoming public. Most departmental data are now linked directly to strategic planning and performance (and often to interstate if not international benchmarks, for example student standards in education). Departments are often sensitive about their performance being made public without adequate explanations. In other cases, private sector service partners can request that information be withheld for ‘commercial in confidence’ reasons.

Another problem is ‘ownership’ of the information. If a coordinated database is established, who owns the data and what safeguards its future use? In the case of CPV’s database, raw data are managed within the department under a Memorandum of Understanding with other departments that safeguards confidentiality and restricts their use.

Different definitions

The use of different definitions of constructs can produce conflicting results. Some of the difficulties in definition are illustrated by reference to terms such as social capital, community, community capacity and poverty. Their varied definitions are not discussed here. However, the problems are illustrated in the OECD (2001) discussion of the definition and measurement of relative poverty which pointed out that because what is meant by ‘a decent standard of living’ varies across countries and over time, there is no widely agreed measure of poverty across countries. The OECD approach was to look at relative poverty, defined as existing when a family income was less than half of the median income. ‘This ... does capture well the idea that what really matters is not just subsistence but also the ability to participate in mainstream society’ (2001, p. 62).

A problem for our project is the meaning given to constructs such as ‘community’. Does community refer to the locale covered by a local neighbourhood watch association or does it refer to the network of associations formed by the members of a particular neighbour interest group? In our mobile society a school community can be drawn from areas across Melbourne. In crime prevention, an initiative such as improving access lighting in a shopping centre may have a very local impact, or it may address the concerns of a multitude of shoppers from many different localities. In our study we restricted our definition of community to local government areas (LGAs) as defined by the ABS because the data are most readily available or convertible to this level.

A comment on social indicators and performance measures

Although performance indicators are used to measure program activity or results, social indicators according to the OECD ‘cannot be used to evaluate whether a particular social program is effective. Rather, social indicators can be used to assess whether and how the broad thrust of policy is addressing important social issues’ (2001, p. 9). When indicators are used at a society level they are usually termed ‘social’ rather than ‘performance’ indicators.

Some of the differences between performance and social indicators are shown in Table 1. In general, performance indicators are applied at the level of specific projects and programs whereas social indicators are focused on larger social goals.

TABLE 1: DIFFERENT USES OF PERFORMANCE AND SOCIAL INDICATORS

| EVALUATION TARGET | SOCIAL INDICATORS | PERFORMANCE INDICATORS |
|--|-------------------|------------------------|
| Establishing social goals | Social indicators | |
| Whole-of-government approaches to common problems | Social indicators | |
| Identifying community needs | Social indicators | |
| Identifying emerging social problems | Social indicators | |
| Achievement of program outcomes | Social indicators | Performance indicators |
| Organisational/strategic performance | Social indicators | Performance indicators |
| Performance of specific programs | | Performance indicators |
| Performance monitoring of program inputs, processes and activities | | Performance indicators |
| Achievement of program outputs | | Performance indicators |

However, they are not exclusive and both suffer from similar limitations. For example, crime or poverty are multifaceted problems that need to be addressed by the combined efforts of a range of social agencies including police, human services, education and infrastructure. Even when all resources are combined to achieve agreed specific objectives, performance indicators will be developed for each agency’s program contribution to their objectives. For example, the reduction of crime could be seen as a performance indicator for the Department of Justice programs and also as a social indicator used by the State. In the latter case, indicators of the contribution of the combined efforts of various stakeholders to the overall program objective could be best described as social indicators.

Before describing the process of developing the social indicators in our project in more detail, it may be useful to say something about the context in which social indicators research has developed in Australia.

Australian social indicators

In Australia, among the earliest references to social indicators were a paper presented by Newcome and Hartley (1975) to the World Mental Health Congress called ‘The quality of life in Australian cities’ describing the mental health or wellbeing of people in Sydney, and Vinson and Homel’s 1976 study of ‘community wellbeing’ for the Department of Social Security in which they rated 72 regions of New South Wales on indicators of disadvantage. Government interest in social indicators was first mooted in a 1976 report of the Senate Standing Committee on Social Welfare, which criticised the lack of health and welfare data in Australia and strongly advocated that a high priority be given immediately to the development of a continuing set of social indicators. By 1978, the ABS had published the first of their continuing series of *Social Indicators*. Renewed interest by government in

social indicators is illustrated in a study supported by the Senate Legal and Constitutional References Committee to develop a framework for national progress and wellbeing indicators (Senate Legal and Constitutional References Committee 1996).

Victorian social indicators

Interest in social indicators grew in a number of Victorian State government departments. For example, the Department of Community Welfare Services sponsored a research project at the University of Melbourne whose purpose was to establish a social indicators database and develop social indicators for Victoria (Armstrong & Wearing 1979, 1981). First, this project mapped descriptive statistics of social conditions across local government areas (LGAs) and regions in the State. Second, the project produced a socioeconomic index ranking all LGAs in Victoria. Third, the researchers developed social indicators of need for each of the functional areas of service delivery, and then derived funding formulae, based on need, for the allocation of resources to various regions

Over the past three decades the focus in indicator development has shifted towards community involvement in planning and a renewed interest in developing indicators of community wellbeing and quality of life (Salvaris 2000). Associated with quality of life indicators has been growing interest in the triple bottom line reporting and environmental and sustainability indicators (Sweeney et al. 2001).

With the introduction of ‘New Public Management’ (Armstrong 1998) and the application of strategic management and performance indicators (Auditor-General, Victoria 2001), State government agencies in Victoria were required to focus programs on government priorities and to set and link

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program objectives to government objectives. Programs began to have a ‘whole-of-government’ focus. The government objectives represented the desired outcomes for society such as improved wellbeing, health, etc.

Areas of benchmarking

Salvaris (2000) reminds us that ‘The link between benchmarks and indicators is crucial: just as a traveller needs both a map and a compass, so communities need to know where they are going (the benchmarks or ‘map’) and where they are now (the indicators or ‘compass’) (p. 7). Standards and benchmarking of social indicators with other Australian States and Territories are possible in a number of areas including health, education and justice. The Productivity Commission (2003), for example, in its report on government services, compares data across States and Territories and calculates an Australian average. Crime prevention is measured by changes in the recorded rate of crime. Although the majority of the Commission’s

data are financial and directed towards measuring efficiency, other social data such as community perceptions of safety, complaints dealt with and staff by classification are used as measures of effectiveness.

The Australian

averages are often adopted by the States as targets or standards against which they report their performance. Another advantage of these indicators is that they provide the time-series data essential for long-term review and planning.

Application of social indicators to the Victoria University/CPV research study

The project, funded by an ARC grant received by Victoria University (VU) in conjunction with Crime Prevention Victoria (CPV), investigates the relationships between crime prevention and community governance. Among the principles on which CPV based its crime prevention strategies is the recognition of the multi-causal nature of crime and ‘adherence to an evidence-based approach, so that available resources may be effectively directed to proven programs in high need areas, that meet local priorities in the most cost effective manner’ and ‘rigorous evaluation of existing projects and programs using systematic and rigorous techniques to learn about their success as well as the contexts and mechanisms which contribute to their success’ (2002, p. 14).

Specificity of crime prevention programs

In many cases, programs for crime prevention are targeted at a specific neighbourhood or locations. A safety program suggesting ways of preventing fires in the home may be delivered to an elderly citizens’ group, or lighting may be put in place to light up a dark area in a shopping centre that was a venue for undesirable loiterers. In these cases it is hard to get statistics relating to the changes in crime rates in these specific locations and therefore difficult to bring hard evidence to support an evaluation.

A framework for social indicators

Salvaris (2000) in reviewing various frameworks that are used to guide the selection of social indicators, notes that some communities develop social indicators within frameworks of sustainability; whereas others use frameworks describing a healthy community, quality of life or local democracy. An approach related to community wellbeing is being developed by the ABS to guide the measurement of social capital (Australian Bureau of Statistics 2002a, 2002b).

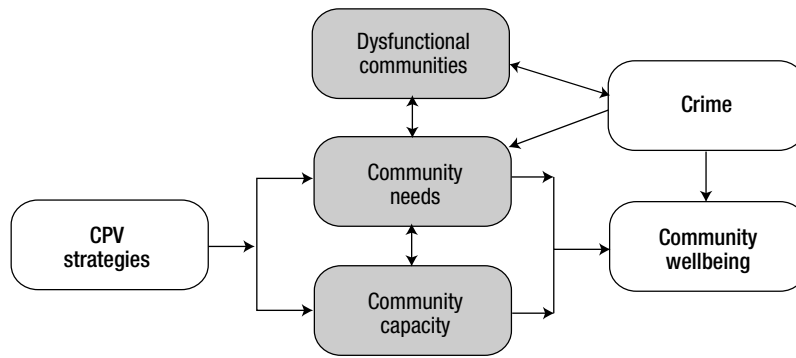
Examples from the OECD show different frameworks used for different purposes. For example, the set of education indicators reported by the OECD (2001) in *Society at a Glance* structured the indicators into three groups: context, inputs (including expenditure) and outputs. Indicators on science and technology used to benchmark knowledge-based economies have been grouped under globalisation and economic performance and competitiveness. The Environment Directorate uses a different set of environmental indicators under the ‘PSR’ framework, which in turn is a variant of an approach used by the UN Committee for Sustainable Development. In this framework, ‘Human activities exert pressures on the environment (indicators of energy, transport, pollution, etc.) and affect its quality and the quantity of resources (*state*) (indicators of air, water, health, etc.); society responds to these changes through environmental, general economic and sectoral policies and through changes in behaviour (*societal response*)’ (OECD 2001, p. 9). The most recent publication, *Society at a Glance*, lists 30 social indicators that fit broadly into this framework.

In our study the selection of social indicators is guided by a framework (shown in Figure 1) which links CPV interventions, that is, crime prevention policies and strategies to community needs, community capacity, and wellbeing. The framework describes the relationships between CPV strategies, their impact on the attributes of communities, (dysfunctional, needs, capacity) and the longer-term impact on crime and community wellbeing.

This framework proposes that dysfunctional communities have high levels of community need and that this is reflected in high levels of crime

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FIGURE 1: THEORETICAL FRAMEWORK



which has a negative effect on community wellbeing. The framework suggests that CPV strategies can address community need and/or promote community capacity.

Selection of social indicators in our study

In our study we selected social indicators which, according to previous research, measure each construct in our framework. For example, indicators of community needs include socioeconomic status, disadvantage, demographic, health and education and crime statistics which have been shown to be associated with community disadvantage or dysfunction (Armstrong, 1983), and values that have been shown to accompany family and child abuse (Prilleltensky, Nelson & Pierson 2001).

Factor analysis is used to explore the contribution of each indicator to each construct in the framework and to guide decisions about the inclusion of indicators in the measures of the constructs. Cluster analysis helps to identify where individual LGAs rank on the social indicators, and structural modelling is being used to test the hypotheses suggested by the framework.

Content of our database

The database of social indicators consists of data collected by the ABS and departments for other purposes. This does not always meet the requirements of the social indicators, so alternative ‘proxy’ or indirect indicators often must be used. Because data are collected by different departments and agencies often use different districts for aggregation, comparative data are difficult to obtain. Some use LGA data which are also used by the ABS. Others, for example the police, use their regional or structural divisions, and the Education Department uses areas serviced by schools. In general, our study took LGAs as the standard level for aggregated data. Trying to compare performance means making assumptions about ‘means’ or ‘averages’ or adjusting figures from one agency by the estimates of the number of people who would be ‘in’ or ‘out’ of the LGA. A related problem also

arises when the social characteristics (e.g. population) in an LGA are not homogeneous, that is, there are wealthy and poorer neighbourhoods within the same LGA.

The performance management and reporting framework of the Victorian Auditor-General (Auditor-General Victoria 2001) targets ‘high level government desired outcomes, and the establishment of improved linkages to corporate planning and business planning processes, and ensure the allocation decisions are made in the context of the Government’s strategic policy directions’. Of relevance to our project is the ‘desire to encompass the activities of the wider public sector’ (p. vii) and to identify outcomes that meet government policy objectives and triple-bottom-line measures of department objectives.

These types of measures are useful in identifying whole-of-government approaches and the impact, that is, the outcomes, from government programs. Their limitations are that because they do not look at causal relationships between input and processes, they are unlikely to assist program implementers to improve their programs.

Our project direction is dictated by the purpose of CPV policy: to reduce crime. However, the project also offers an opportunity to explore the relationships between some of the assumptions underlying the development of crime prevention programs, in this case community governance, and crime. The first part of the project is to develop community profiles using the social indicators. Our intention is that qualitative information obtained in focus groups will inform the latter stages of the project.

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Some benefits and difficulties in the use of social indicators

The project complements CPV’s aim to become a knowledge-based organisation, that is, one specialising in the speed and efficiency of the transfer of knowledge that, in turn, informs practice

and creates opportunities for future action (Little, Quintas & Ray 2002; Carlisle 2001). The use of social indicators in knowledge-based organisations is motivated by the assumption that the strategic direction of an organisation will be driven and disciplined through organised feedback on performance from colleagues and citizens/clients/customers. Appropriate use of social indicators can make good practice explicit and its replication and transfer easier to achieve.

The Victorian Government's strategy (Department of Treasury and Finance 2001) is that the government determines priorities, directing each department's resources to address the priority, setting performance targets that include financial and social indicators, and reporting performance against the targets. Often in a whole-of-government approach, as is required in responses to complex problems such as crime prevention, this process is intended to coordinate activities from various departments, each with its own specialisation, but working together to achieve a common objective. The metaphor is often given of a symphony orchestra in which the 'score' tells each of the players when to come in and make their contribution. An example in crime prevention is the strategy directed at reducing youth crime by

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contributions from education to reduce truancy, human services to address drug problems and police to ensure regulation.

Social indicators can be used to signpost future directions. Barber (2002), Chief Adviser to the British Prime Minister, in a recent address in Melbourne talked of the United Kingdom focus on 'delivery' of programs and described how indicators were used to project a desired path of responses as well as monitor their results.

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In addition, a related problem is the question of what constitutes 'success' for a particular program. On paper, programs are successful when indicators show that targets are met. However, not meeting targets is not necessarily evidence of lack of success, as there are often multiple objectives, some of which may be successful, but about which data may not have been collected. This is a major issue in the use of social indicators because departments often collect what is easily collected, such as financial

records. Collecting data which would enable researchers to test hypotheses about the assumptions underlying programs could give a more in-depth perspective on what is actually being achieved. This also raises the issues of goal displacement (where getting the indicators right becomes an end in itself rather than the real program objectives) and the relative weight given to quantitative and qualitative indicators. Experience suggests that both are necessary because often quantitative data indicate 'what' is happening and qualitative indicators show 'why' it is happening.

Another of the problems in using indicators is that they tend to show the results but not the actions taken to achieve the results. For example, achieving a reduction in dependence on welfare may simply mean changing the criteria for eligibility. Increased productivity may mean better service, but could be the result of reducing the number of staff with a consequent fall in the quality of services. For departments, success in one area may have implications that mean failure in others. For example, achieving targets in reducing crime may make the targets for courts and police difficult to achieve.

Related to this is the ease of measuring outputs but the difficulty of demonstrating changes in outcomes over relatively short time periods. Crime reduction may take a generation to show measurable change because the new generation only slowly becomes aware of alternative opportunities to committing a crime. Another difficulty is that of disentangling the causes of the change in an indicator. Sophisticated modelling

is required to disentangle the contributions of different programs, and even then the causes may be external to the initiatives or the model. A different kind of problem is that to be effective there must be open disclosure of performance, that is, of the indicators, and yet interpretation by uninformed people can often draw wrong conclusions. For example, does an increase in crimes of violence mean that there has been an increase in crime, an increase in reporting of crime, or an increase in police activity in this area?

Although social indicators can identify social goals and targets, their original limitations remain. They are of little value in informing program staff about their performance, and for this performance indicators are required.

Timeliness of social indicators

Indicators can be *leading*, *coincident*, or *lagging* relative to the occurrence of a problem. Lead indicators are the drivers and indicators of future outcomes. The incidence of truancy from school is a leading indicator of youth-related crime such as vandalism. Leading indicators enable a proactive rather than a reactive approach to crime prevention to be taken. Lag indicators report the consequences

of past actions. Crime statistics are lagging indicators. By the time the events are recorded and analysed the opportunities for crime prevention have passed. If coincident indicators (such as family disruption in the above example) are not the cause of a problem, reliable models of leading and lagging indicators can guide where resources can be most effective in crime prevention.

A related issue is fluctuations in statistics associated with the timing of data collection figures due to cyclical variations (e.g. do young offenders commit more crimes in summer?). Program outcomes are also affected by time. Many impacts, such as the consequences for adults of interventions when they are young, are expected to affect individual and social wellbeing in the long term. In our study we are utilising the latest data available based on annual statistics. The validity of the measure of the indicator is also affected by the quality of the data collection and the representativeness of the population under investigation.

Management structure and governmental support

A new problem emerges in managing whole-of-government programs across government organisations and the partnerships with the private sector to which the Victorian Government is committed (Department of Treasury and Finance 2000). What kind of management structure is required to manage joint projects and what kinds of indicators will demonstrate success? A good deal of goodwill and trust is required for cooperation, allocation of funds and sharing of the success or failure of initiatives. This suggests a need for a new model of management that is unlike the traditional hierarchical bureaucratic structure, thus complicating the ways in which social indicators have traditionally been selected, aggregated and compared across organisations.

There is also a normative element in the use of social indicators. The Victorian Social Indicators project (Armstrong & Wearing 1981) found that funding formulae based on level of need could not be used as the sole basis for allocation of funds because of political constraints. For example, a high need by the elderly, evident in the southern suburbs because of the high numbers of retired people, was totally rejected by people in the western suburbs who saw the southern suburbs as 'wealthy' and undeserving.

Making this research relevant

Various criteria have been proposed for evaluating the worth of social indicators (Department of Treasury and Finance 2001; Rossi & Gilmartin 1980, Auditor-General Victoria 2001) The Victoria University/CPV study used the following five criteria: validity, relevance, appropriateness, robustness and manageability. Each of these is explained below and summarised in Table 2.

- **Validity** refers to the extent to which an indicator reflects the concept intended. Threats to *construct, predictive, convergent* or *face validity* can occur in a number of ways. Since it is not always possible to directly measure a construct, indirect indicators will sometimes be substituted, leading to gaps affecting construct validity between the indicator construct and the measure. In other cases, composite indices are used to measure the constructs. For example, community wellbeing may be measured by a combination of individual perceptions and access to resources. Predictive validity refers to the extent to which an indicator correctly predicts some situations that would be caused by or coincide with the phenomenon being measured. Problems arise because situations can occur where a change in the indirect indicator can take place without a corresponding change in the indicator under consideration. In other situations, idiosyncratic factors (for example, an event such as the Olympic Games or an individual horrific crime) may impact on people's perceptions.

- **Relevance** or face validity is important if users are to regard an indicator as credible. Rossi and Gilmartin point out that:

(A) social indicator should be simple enough to be interpreted by a general user and the public, even if its theoretical foundation and measurement methodology can be understood only by specialists. For example, the percentage of high school graduates who have achieved a particular skill proficiency (such as writing a job application) may be more understandable to the public than the mean scores of these students on tests related to that skill. (1980, p. 41)

Our social indicators are based on previous research and the experience of crime prevention practitioners.

- **Appropriateness** – if research is to make a difference, that is, make a significant contribution to the management of crime prevention policies and practices, the focus of the research must be *appropriate*, that is, indicators selected for investigation need to inform government priorities. A problem here is when a change of priority or a change of government policy means that the constructs of interest have changed and data may not have been collected for the item of interest. Appropriateness also refers to the ability of indicators to reflect a balanced view of what are often complex issues and relationships. For example, how well do the crime indicators in the study reflect the occurrence of crime, or how accurately does the indicator of dysfunctional communities reflect dysfunction which is due to diverse causes?

TABLE 2: CRITERIA USED TO ASSESS SOCIAL INDICATORS AND MEASURES

| Criterion | Definition | Checklist |
|------------------------|--|--|
| <i>Validity</i> | The extent to which the indicator reflects the concept it is intended to | Does the indicator behave the way it is expected to in relation to the other variables in the model? (<i>construct validity</i>) Does the measure correctly predict some situations that would be caused by or coincide with the phenomenon being measured? (<i>predictive validity</i>) Do other measures of the construct move approximately in unison over time? (<i>convergent validity</i>) |
| <i>Relevance</i> | A clear logical relationship between the indicator and the construct being measured | Does <i>face validity</i> suggest that the indicator measures crime, community dysfunction, wellbeing, etc? |
| | Consistent | Does the indicator measure the same activity: ■ on each occasion? ■ in all locations? |
| | Clearly communicates what is being measured | Can users understand and use the indicator? |
| <i>Appropriateness</i> | Reflects the government's priorities and allocation of resources | Does the indicator reflect: ■ government priorities? ■ outcomes from the CPV programs? Do the social indicators provide a balanced view addressing different aspects of: ■ crime? ■ dysfunctional communities? ■ community capacity? ■ community wellbeing? ■ CPV strategies? |
| | Relationships | Do they reflect the constructs addressed in research questions and relationships hypothesised prior to analysis? |
| <i>Robustness</i> | Trend data over time | Are data: ■ reliable? ■ available for more than one year? ■ stable over time? |
| | Benchmarked against others | Are the variables: ■ reported for other States? ■ comparable with other countries? Can reports be presented on whole-of-government programs? |
| <i>Manageability</i> | The data are available and the research team has the capacity to analyse and report the data | Is infrastructure in place to collect/obtain/report the data? What statistical analysis is used to test the model? |
| | The preparedness of departments to accurately measure and report their performance in relation to the social indicators/ measures The capacity of CPV to implement the findings | Are controls in place to ensure data captured in information systems are accurate? What reliance is placed on information from external sources? What communication is there with the research team, CPV and practitioners? |

- **Robustness** refers to the stability of the indicators over time and the availability of data to measure trends and whole-of-government objectives and benchmark against others. In our study, we use multivariate statistics and reliability coefficients in the analysis of the data. We are corresponding with researchers in other States, New Zealand, Canada and France with the purpose of providing a sound basis for replication and comparison.
- **Manageability** refers to the ability of the research team to obtain and analyse the data and the ability of the government agency to implement the findings of the study. The research team includes two members from CPV among whose responsibilities are obtaining the data and liaison with other departments and between the research team and CPV. Regular meetings are held with practitioner representatives who may have an interest in the findings. Major stakeholders, including police, local government and service providers are represented on the Project Advisory Committee.

Note that the first stage of the study does not examine how well or why programs and projects are performing as they do. This is not an issue in the present project because we are not assessing performance. Our aim is to examine the assumptions which lie behind the development of many CPV programs.

Assessing success

What is success or of 'value' in program delivery depends very much on the values of those who make the judgement (Henry 2002). The level of an outcome can be individual, family, community or society. While individuals may gain at the expense of families, or some groups can be made better or worse off, society as a whole may benefit from a particular policy. Henry (2002) proposes that the indicators chosen as the basis for judgements about program success be justified by the process used to obtain them, that is, through values inquiry.

For most programs, a major issue is determining the priorities between the different types of needs or pressures. Who needed more assistance: country regions with high education needs, or western regions where the needs focus was on youth? These decisions are value decisions that social indicators can inform, but it is *people* who make the decisions.

Conclusions

The uses, and abuses, of social indicators have been soundly criticised (Guthrie 1993; Winston 1998). However, as Alice in Wonderland said, 'If you do not know where you are going, how do you know when you get there?' Among the difficulties inherent in developing social indicators is selecting a framework to guide the development and analysis of the indicators, the difficulty of obtaining a reliable

across-government comprehensive database that would be continuously updated, the different contexts, policy goals and programs that indicators could serve, the significance of different definitions and contexts, applying appropriate criteria to guide the selection of the indicators, and the diversity of views about how social indicators should or could be used.

In describing the framework of community needs and capacity this paper uses the CPV project both to express a conceptual framework, and to illustrate that conceptualisation by reference to a particular project. The merits and limitations of social indicators can be addressed through careful logical and statistical analysis.

Social indicators have traditionally been used to report lagging indicators representing non-financial aspects of community life related to wellbeing such as health, education, needs, etc. Those early indicators, being descriptive, lagging and remote from the practical implementation of programs, were of limited use in informing policy decisions. Recognition that social problems are complex, often involving a variety of interventions from a variety of agencies, and that the best ways of achieving value for the public purse require a whole-of-government approach, has directed attention to the development of social indicators that could measure a more global view, the outcomes of programs and their contribution to government priorities. Indicators closely aligned with program objectives are known as performance indicators.

Leading indicators can help to identify where efforts can be directed to anticipate and reduce crime. At first glance, lagging indicators would appear to be of little use in informing crime prevention decisions. However, they are important in identifying best practice, and analysis of the indicators can contribute to the storage, retrieval and creation of knowledge in knowledge-based organisations.

Despite the difficulties imposed on research studies that use social indicators to examine policy issues, this paper argues that evaluators have much to gain by trying to understand the social problems confronting society and to explain the *raison d'être* behind the assumptions on which program interventions are built.

Notes

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