

## Targets for achieving goals

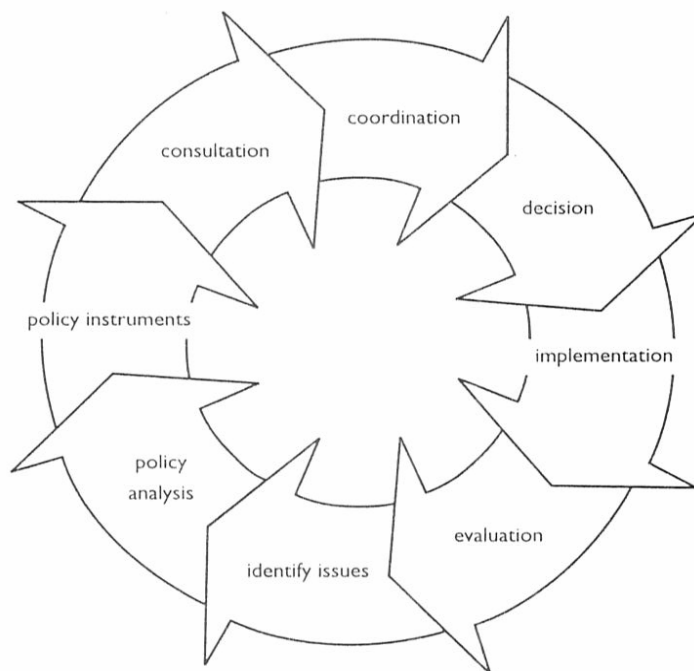
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## What are targets?

**Targets** are goals which define the standard of success through assigning a value an indicator is expected to reach by a particular date.<sup>1</sup>

## Role of targets in policy development and monitoring

Targets can be an effective tool in the policy cycle in relation to developing and monitoring health policy. Setting targets is one way to provide leadership, guidance and strategic direction. Targets can also be used effectively in monitoring progress towards strategic objectives.



**Figure 1:** The Australian policy cycle

Source: Althaus, C, Bridgman, P, Davis, G, *The Australian Policy Handbook*, 2007

Although targets can play a role in informing and monitoring health policy, they are not essential for policy development. *The Australian Policy Handbook*<sup>2</sup> outlines an eight step policy cycle that can change over time to reflect results of evaluations, new evidence, changes in practice and priorities.

- **Issue identification:** Identify the issue and define the policy agenda.
- **Policy analysis:** Analyse data, research, the current policy environment and past programs to provide sufficient information for making an informed evidence-based decision.
- **Policy instruments:** Identify appropriate policy instruments, e.g. legislation, operational or organisational adjustments.
- **Consultation:** Consult a wide range of stakeholders to contribute to solutions and keep stakeholders informed of policy developments (including target setting). Effective consultation throughout the policy process improves, tests and gains support for policy.
- **Coordination:** Coordinate with relevant agencies on the relation between the new proposal and overall government direction.
- **Decision:** Decide on policy – in Australia this involves consideration by Cabinet. If Cabinet endorses the policy proposal, Government assumes political responsibility and accountability. This may include target setting as part of the plan for action.
- **Implementation:** Implement policy through legislation or programs by government and stakeholders.
- **Evaluation:** Monitor and evaluate the effects of the policy and adjust policy accordingly. This may involve monitoring and evaluation of progress against performance indicators and targets.

## Performance measurement

Performance measurement is critical for monitoring progress towards targets and providing the evidence base for informing policy. There are two main aspects of performance measurement:

- **Performance indicators** measure and monitor information associated with targets at regular intervals and report actual practice either quantitatively or qualitatively.
- **Benchmarking** compares similar processes to measure progress and identify best practice.<sup>3</sup>

## Effective target setting

### Preconditions for effective targets

- **Consultation:** A participative approach to target setting involving all relevant stakeholders is essential for optimising the potential of targets. The benefits of stakeholder consultation include:
  - A potential reduction in unintended consequences of performance measurement
  - Acquisition of an increased sense of target ownership
  - Enhanced credibility to the process
  - Expanded dialogue
  - Provision of an enriched available information base.<sup>4</sup>
- **Commitment:** Stakeholders committing to targets is essential for ensuring motivation towards achieving targets. Commitment refers to the intention to apply effort towards attaining targets and persistence in pursuing targets over time.<sup>5</sup>

## **SMART target setting**

The SMART target setting method provides a guide for setting effective targets.

### **Stage 1: Select targets based on policy relevance**

- Does the target cover an area or subject that is relevant and important to Aboriginal and Torres Strait Islander Australians, policy makers and health services?
- Does the target measure one of the key policy questions in Aboriginal and Torres Strait Islander health?
- Does the target show things that are important to Aboriginal and Torres Strait Islander people, policy makers and health services?
- Is the target capable of leading change?

### **Stage 2: Cull by technical criteria and feasibility**

Significant consensus exists within the literature, regarding the salience of a number of ground rules that need to be applied to ensure that targets are set sensibly, are relevant and informative, and that they prove to have a positive motivating influence on the intended population.

An acronym that is widely cited within the target setting literature is the acronym ‘SMART’, i.e. targets should be Specific, Measurable, Achievable, Realistic and Time-bound in order to be effective in improving performance. Numerous authors within government policy documents<sup>6</sup>, management periodicals and other non-reviewed literature routinely cite this acronym, although its use has received little coverage in peer-reviewed journals.<sup>7</sup> The criteria for SMART are defined in Table 1.

**Table 1: SMART definition**

|                   |   |
|-------------------|---|
| <b>Specific</b>   | <ul style="list-style-type: none"> <li>• A target must be specific and clearly, easily understood by a wide audience.</li> </ul>  |
| <b>Measurable</b> | <ul style="list-style-type: none"> <li>• A target must be able to be measured using available data for the population being studied and over the time frames specified for the target. This is an important issue in setting Indigenous targets where the quality and availability of data is more limited. The measure must be sensitive enough to detect change.</li> </ul>   |
| <b>Achievable</b> | <ul style="list-style-type: none"> <li>• A target must be based on evidence that demonstrates linkages between interventions and outcomes. A broad health outcome target such as life expectancy will be influenced by the actions of a range of governments, community organisations and individual choices over which no one government agency has complete control.</li> <li>• Targets must be grounded in the soundest epidemiological evidence and knowledge about the effectiveness of candidate interventions.</li> <li>• They need to be focused on the achievement of tangible results combined with political desirability.</li> <li>• They must be based on an understanding of existing policies relating to the relevant areas and strategic vision for future health policy.</li> <li>• Targets that are set too high result in non-achievement, and can cause frustration or complacency.</li> <li>• Targets set too low can lead to complacency.</li> </ul> |
| <b>Realistic</b>  | <ul style="list-style-type: none"> <li>• Targets should be based on existing rates and trends in the data so they are realistic.</li> <li>• Targets should be based on evidence.</li> <li>• Targets should be selective, rather than attempting to be comprehensive. A few key issues focuses attention and avoids fragmentation.</li> <li>• The system needs to be flexible to cater for new issues.</li> </ul>  |
| <b>Time-bound</b> | <ul style="list-style-type: none"> <li>• Targets should have a due date. The due date must be based on epidemiological evidence of the time lag between intervention and effect.</li> </ul>   |

Information adapted from Van Herten & Gunning-Shepers.<sup>8</sup>

### Stage 3

A series of questions should be considered to check whether the short list of targets is balanced, for example:

- Is there an appropriate balance across the different aspects of the health system e.g. prevention, primary health care, Indigenous specific services, acute care?
- Is there an appropriate balance of key health issues?
- Will targets be included on the social, environmental and economic determinants of health or will the focus be restricted to health outcomes, risk factors, and health system performance?
- Is there a mix of interim and long term targets?
- Is the set of targets as a whole capable of guiding action in key areas to improve Indigenous health?

## Pitfalls of targets

NIHEC considers targets to have the potential to play an important role in the policy process, but is aware of the possible pitfalls which need to be overcome for targets to be effective. These pitfalls can occur at both the target development and reporting stages.

### Development

- **Lack of consultation:** Lack of consultation with stakeholders may result in unrealistic targets and undermine the necessary participation for achieving targets.
- **Lack of commitment:** Targets without political and stakeholder commitment will have no motivational effect.
- **Scope:** It is important to ensure that targets have the right scope and balance in order to maintain motivation and achieve strategic objectives.
  - **Narrowly focused targets** limit the scope of the objectives to be achieved.
  - **Stretched targets** imply goals that may not be easily attainable.
- **Number:** Although there is no optimal number of targets, too many or too few targets can be detrimental to achieving policy objectives.
  - **Too many targets** may reduce the overall importance of each target; create conflicts and tradeoffs between multiple targets; and confuse priorities leading to division and diminished motivation.<sup>9</sup>
  - **Too few targets** can lead to ‘tunnel vision’ and excessive attention being paid to certain aspects at the expense of other important issues.<sup>10</sup>

### Reporting

- **Tunnel vision:** Tightly focusing on certain targets and indicators (those with easily measurable outcomes) at the expense of neglecting important aspects which are more difficult to measure. This may undermine performance.<sup>11</sup>
- **Misrepresentation:** Deliberately manipulating data with selective reported data which may differ from actual performance. This is a particular risk where incentives are offered for achieving targets.<sup>12</sup>
- **Gaming:** Altering behaviour to achieve strategic advantage.<sup>13</sup> This is a particular risk where targets are based on outcomes achieved in previous years and aim for continuous improvement.<sup>14</sup>

## Review

The process of continual review provides a feedback mechanism that allows evaluation to lead to improved performance. Review can also help present the opportunity to modify targets to reflect new insights and may highlight issues for improvement. The NIHEC National Target Setting Instrument will be regularly reviewed and updated to incorporate new evidence and changes in the policy context.