pracsys.

DEPARTMENT OF CULTURE AND THE ARTS

PUBLIC VALUE MEASUREMENT FRAMEWORK

IMPLEMENTATION REPORT

AUGUST 2013

DISCLAIMER

This report has been prepared for **The Department of Culture and the Arts**. The information contained in this report has been prepared with care by the authors and includes information from apparently reliable secondary data sources which the authors have relied on for completeness and accuracy. However, the authors do not guarantee the information, nor is it intended to form part of any contract. Accordingly all interested parties should make their own inquiries to verify the information and it is the responsibility of interested parties to satisfy themselves in all respects.

This report is only for the use of the party to whom it is addressed and the authors disclaim any responsibility to any third party acting upon or using the whole or part of its contents.

CONTENTS

1   EXECUTIVE SUMMARY

This report describes the process that has been undertaken in the development, testing and implementation of an innovative new method for measuring the public value of arts and culture.

The WA Department of Culture and the Arts (DCA) has piloted the Public Value Measurement Framework (PVMF), a leading edge response to issues associated with measuring wider instrumental, intrinsic and institutional value generated by artists and arts organisations.

While the arts sector globally attempts to measure impact and value, in order to provide justification for government spending, the current systems are often paper-based, inconsistently applied, and lacking agreed definitions. This reduces the ability of the sector to articulate the many benefits associated with arts and culture and its contribution to broad economic and social policy goals.

Benchmarked against established models of cultural value, the PVMF is the first system of its type in the world to draw together comprehensive measurements of public value within an electronically automated system.

Key objectives of the PVMF include:

- The development of tight, consistent definitions and metrics for value that enable government, organisations, artist, peers and the public to communicate using the same language and decision-making criteria

- The development of an electronic system for collection of public feedback that provides a simple and consistent way of assessing how the public values particular artistic endeavours

- The development of a shared agenda between DCA and the arts sector, in which ongoing assessments create a learning system that documents how expectations and reality differ, and how public, peer and organisation opinion diverges

- The development of a framework that links policy, process and outcomes, to enable data collection and reporting to identify the contribution of funded outputs to achieving policy objectives.

The new PVMF system combines a shared language generated by the sector, a streamlined assessment process and multiple new points of intrinsic impact assessment with electronic record-keeping and online reporting. Importantly, it involves the public directly in the measurement of public value for the first time in a instantaneous and continuous assessment process.

Once fully operational and combined with the Online Grants Management System, the PVMF system will generate numerous benefits for DCA, organisations, arts peers and the public.

For DCA, key benefits include:

- A streamlined electronic grants assessment and acquittal process, as compared with the manual, paper based system used now

- A standard set of transparent intrinsic impact dimensions, developed and tested with the sector, as compared with the loosely defined, inconsistent and subjective assessment criteria currently used

- An operable policy framework, where the high level goals for achieving public value are measurable at the 'grass-roots' level,

as compared to the disconnection of the current policy from decision making mechanism in the funding system

- Balanced feedback from artists and peer groups both before and after the funded events take place

- Direct and continuous public input into the measurement of public value, as compared to its historical absence

For artists and arts organisations, key benefits include:

- A codified, rich language describing the concepts of quality and reach, developed with and by them as the basis for high standard communication with their peers, audiences, sponsors, their funders and the wider public

- A lexicon of terms to use in their artistic assessments that are universally understood, forming the basis for improved planning and activity reporting

- The ability to compare the quality and reach impacts of successive seasons and years of artistic output, compared with the current problems making such comparisons now

- The discipline of conducting artistic assessments both before and after the funded event, rather than just making unverified promises of artistic merit of a funded program

- The ability to combine intrinsic and instrumental impacts in a single system – a significant improvement on the historical instrumental-audit approach

- The ability to run public value metrics alongside their traditional market research initiatives

For arts peers, key benefits include:

- The ease of conducting peer assessments online (either with or without face-to-face meetings with other peers)

- The rigour of completing a post-event reassessment of each funded piece, without the necessity of meeting face to face

- The potential to broaden the range of peer inputs efficiently and cost effectively, compared with the limited range of peer inputs now

- A permanent, central record of all peer assessments in one place, rather than the records being spread in hard-copy files around different funding program filing systems

For the public, key benefits include…

- The opportunity to express their opinions on arts and cultural events they attend on a simple, easy to use online platform

- The ability to communicate directly and instantly with artists and arts funders on the critical intrinsic value criteria

- The opportunity to compare thoughts and feelings to others and conduct an ongoing conversation online

- The ability to check what arts and cultural events are running at any point in time

2.0

2 PUBLIC VALUE IN ARTS AND CULTURE

2.1 INTRODUCTION

The implementation work summarised in this report builds upon the first stage PVMF project. The first stage of work focused on developing agreed definitions for measuring the intrinsic value of arts and culture. The focus of this implementation stage is the development of a system for measuring intrinsic dimensions, including the use of the web portal assessment tool and the public feedback app. The report also discusses the other types and potential measures of public value that sit within the policy framework and will combine with intrinsic dimensions to form a comprehensive picture of the wider public value of arts and culture. The key ambitions that drove the first stage of work have remained relevant throughout this implementation phase, and include:

- Developing a much sharper understanding of how public investments in the arts create value, enabling DCA to make a stronger case for future investment and to transform performance as a public investor in fulfilling stated aims and objectives

- To engage with the arts sector to produce a measurement framework that sensitively reflects their understanding of how best to foster and measure artistic quality, engagement and innovation, and to test that framework with peers and the public

- To benchmark / shape the PVMF against established models of cultural value, for example intrinsic, instrumental and institutional forms of cultural / public value.

- To produce an effective measurement system that allows DCA to apply universal definitions of Quality, Reach, Value and Impact across all the programs at both the assessment and acquittal stages

These ambitions have continued to inform the implementation phase, with Pracsys working closely alongside DCA and the sector in this testing phase to refine a unified, coherent framework to measure the public value outcomes that DCA, and its sector partners, are seeking to create. The accompanying challenge has been to deploy the key concepts of the new PVMF consistently across all parts of DCA's arts and cultural policy. Correspondingly, the key advances in this implementation phase have been to:

- Further refine the PVMF through another round of testing with key funded organisations and extensive consultation with expert staff inside DCA, creating greater clarity around both the model itself, and necessary metrics for DCA that should remain outside of the core PVMF (for example impacts on WA's public realm and liveability)

- Align DCA's 'Creating Value' policy framework with the new PVMF, in order to ensure that the measurement framework has distinct operable links back to policy and funding decisions – allowing the framework to dynamically inform DCA's evolving public value contribution.

- To comprehensively test the operability of the metric framework, in terms of the integrity of the metrics and measures; the functionality and legibility of the PVMF public feedback app which has been tested and trialed on a range of

smartphone devices; and the integration of the PVMF with DCA's reporting systems, database management, and data use protocols and practices.

We report on these implementation activities and make a range of recommendations on key decisions facing DCA as it moves into the next phase of its PVMF implementation. This report is structured and presented in six sections as follows:

- Section 1 outlines the background and purpose of the project; describes the different types of value that jointly contribute to an overall picture of the value of arts and culture; and provides a diagrammatic representation of how the value measurement system fits within the wider policy and decision-making framework.

- Section 2 describes the hypothesis, method, results and issues involved in the data collection process. This covers collection of instrumental data from organisations via the OGMS; collection of intrinsic data from organisations and DCA via the web portal, and from the public via the mobile app; and future ways of collecting and measuring institutional data.

- Section 3 describes the hypothesis, method, results and issues involved in the use of collected data for analysis and reporting. This covers development of the database, identification of different types of analysis to demonstrate data results, and various options for reporting including internal strategic planning, monitoring of trends, aggregation of value and comparison for use in decision-making.

- Section 4 describes the Creating Value policy framework and the way in which the PVMF attempts to align with key policy objectives. It highlights integration issues and suggests a refined logic model that focuses on creative people, creative communities and creative experiences as the core outcomes areas against which individual funding programmes should be able to demonstrate a clear contribution.

- Section 5 diagrammatically illustrates how the different components of the PVMF link together. Components (as contained in the various sections of the report) include value identification, data collection, data use, and integration with policy. It also provides an example checklist for DCA and organisations to consider when assessing how key deliverables can be described within the PVMF and used to determine decision rules.

- Section 6 summarises issues that have been identified throughout the implementation testing process for each of the sections of the report – data collection, data use and policy integration. It highlights further work required in the implementation timeline to address these issues.

2.2 VALUE OF ARTS AND CULTURE

Factors such as changing technologies and increased globalisation have contributed to a fundamental change in the role of arts and culture in society. As discussed in Holden's 'How We Value Arts and Culture'; rather than 'the arts' representing an elite component of

society based around non-essential recreation and leisure pursuits, culture has increasingly widespread value and application within society as a whole.

Culture now plays a key role in our economy, foreign relations and in how we think about identity. The creative economy, comprised of a diversity of industries including film, music, games, design and fashion, has experienced rapid growth that outpaces the economic and employment value of other traditional industries. With increased globalisation comes greater exposure to other people and cultures, and the way that we learn about and understand these differences is through cultural mediums, such as film, music and museums. Our identity has shifted from being less about where we live or work, to more about our cultural interests. A focus on reconnecting with our heritage and exploring the different cultural influences that have shaped our modern lives is also occurring through the medium of arts and culture.

The increasing importance and integration of culture in society impacts the way that we must value culture, and the areas in which cultural policy interventions must occur. Cultural value can be understood as the combined sum of instrumental value, institutional value and intrinsic value. The three forms of value are interdependent and rely on each other to form an overall picture of cultural value.

Intrinsic value relates to the value of culture to individuals, centred on how experiencing arts and culture affects us in an emotional sense. How individuals value culture is subjective, and involves making judgements about quality based on how it makes us feel. This can include our feelings of connection to the artwork,

our level of interest about the subject or how well it captures our imagination. In order to measure the intrinsic value of arts for society, we need a way of aggregating the subjective opinion of individuals to generate a reasonable representation of society.

In contrast, instrumental value is an objective concept, meaning that it can potentially be measured in a more accurate way. Instrumental value relates to the contribution that culture makes to specific economic and social policy goals, such as creating employment, driving tourism, educating the public or encouraging social inclusion. Instrumental value is often of most interest to funders and decision-makers as it measures the ability of culture to achieve mass social outcomes – rather than focusing on the individual experience. Measuring instrumental value aims to capture objective benefits of arts and culture, however difficulties can arise with sourcing data and attributing benefits to the correct intervention.

Institutional value relates to the value that society collectively places on culture, now and for future generations. Cultural organisations operate within the public realm to create spaces in which diverse groups and individuals can interact and learn to understand each other. Holden describes institutional value as the contribution of culture to producing a democratic and well-functioning society[1].

Section 1.3 discusses how the three interrelated forms of value fit within the public value measurement system.

---

1   How We Value Arts and Culture', John Holden, Asia Pacific Journal of Arts & Cultural Management

2.3 PVMF & CREATING VALUE POLICY

From the outset, this work has focused on ensuring that the core PVMF model (based on the intrinsic and instrumental examples outlined in Figure 1) is coherent. In addition (separate from this scope of work), we have worked with DCA to consider how best to capture further public value outcomes in terms of institutional value and wider economic and social outcomes. Key questions have been identified during this stage of work regarding the other metrics and measurements outside of the core PVMF. Decisions from DCA regarding

capture and integration of further measures are required to enable the public value of DCA's investments in the arts and cultural sector to be fully recognised. The logic framework in Figure 1 outlines how measurement of value sits within DCA's wider policy, funding and decision making processes. Section 5 of this report also provides a high level outline of how the different components of policy, process and outcomes link together, and the new suggested policy framework in Chapter 4 is based on this approach.

Figure 1: Logic Framework
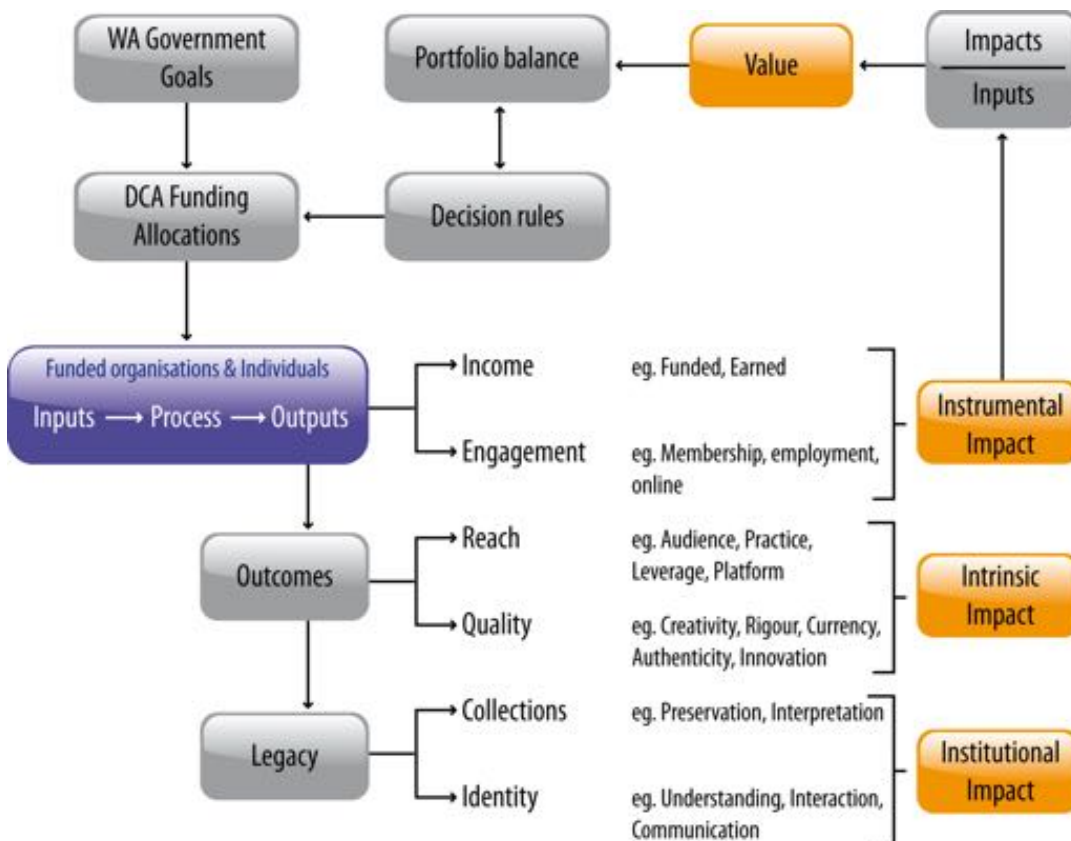
Source: Pracsys 2013

It is important to stress that in presentational terms, the public and large parts of the funded sector may be unconcerned about these distinctions between different types of value. For DCA, however, the value range captured by the PVMF directly and by other potential metrics and measurements (for example a GVA model) should reflect the full value range that DCA is interested in craeting within its policy framework. A key benefit of the measurement system is that the decisions taken by DCA - such as regarding a balance of intrinsic, transparent and consistent with leading edge thinking on mapping cultural value.

3.0

3 DATA COLLECTION

3.1 INSTRUMENTAL VALUE

Research:

The research describes how instrumental data has become the primary focus of funders and decision-makers because it is an objective concept that can be measured, and it relates to the measurable effects of culture on society rather than the individual. As government is concerned with creating value for large numbers of citizens and achieving the best return on investment, measuring the contribution of culture to achieving specific economic, political and social outcomes has often been prioritised.

Hypothesis:

Reporting on instrumental value is essential in developing a business case for arts and culture funding and is a necessary step in capturing the wider economic and social benefits of investment in culture. Although one purpose of this project is to highlight and encourage the use of other important forms of value, it will also be beneficial to collect, measure and use instrumental value data in a more comprehensive and consistent way.

As part of this project, our tasks included:

• Assessing what is currently being collected

• Assessing how it is being collected

• Identifying how it is being used

• Identifying gaps in data collection

• Identifying which data to collect in the future

Method involved:

Consultation with DCA regarding use of existing data in decision-making

Initial discussions with DCA covered the operation of the current Grants Administration System (GAS), data sources and data fields, and the way in which organisation instrumental data is currently analysed and used for funding decisions. Issues with the system identified during the Funding Process Review undertaken by DCA in 2010 will be addressed through development of the Online Grants Management System (OGMS) and its interface with the PVMF.

Reviewing the annual, financial and strategic planning reports of six organisations

Six key funded organisations were chosen as test subjects during the implementation period. These included Black Swan State Theatre Company (BSSTC), WA Opera, Perth Institute of Contemporary Arts (PICA), WA Music Industry Association (WAM), Fremantle Arts Centre (FAC) and Country Arts WA. Further discussion of the KFO6 is included in Section 2.2.1.

The organisations' business plans, annual reports and strategic plans were examined for information related to instrumental variables, quality variables and reach variables. The quality and reach variables sought were based on the intrinsic dimensions (further described in Section 2.2), while the instrumental variables included data related to attendance (paid and non-paid), funding (total government, state government and non-government), working capital ratios, income (total and earned), and profit.

Traffic light assessment identifying what is reported and what is missing

A traffic light assessment was used to visually represent areas in which variables were mentioned and evidence found, areas in which part evidence was included, and areas that were not found within the reports. In the traffic light assessment, cells were coloured green to represent the presence of data related to that dimension found within the reports examined. Amber cells related to dimensions of which some discussion was found within the organisation reports. Red cells related to dimensions that were not identified or addressed within the organisation reports.

Determination with DCA of key pieces of instrumental data to collect

A workshop was held with DCA to determine which of the instrumental data fields to be collected from organisations by the OGMS are essential inputs to the PVMF. The workshop identified specific financial information collected and reported by the whole spectrum of grant applicants, in addition to information related to public engagement such as attendance, membership and social media.

Thinking about how the OGMS and PVMF will interact

The OGMS involves the creation of an electronic system in which a specified set of financial metrics will be captured for each organisation or individual and stored in an online database. It is being developed to improve the grants process and open up opportunities for a more consistent way of collecting instrumental data. Discussions with DCA and the OGMS developers related to the way in which the two

systems interact. Sitting beside one another, the PVMF database is intended as the central repository of intrinsic value data, with the ability to draw relevant instrumental data from the OGMS for the purpose of analysis and reporting on combined value indicators.

Results:

Areas that were consistently green within the reports of the KFOs were related to the instrumental measures. Attendance numbers were captured by the performance-based organisations (WA Opera, Black Swan Theatre and PICA) but not by the service-based organisations (WAM, Country Arts and FAC). Total, state government and non-government funding was fairly well reported; however numbers varied somewhat within the different reports. Income and profit information was also found within reports from each of the organisations, although the level of detail differed.

Amber cells were most often applied to quality and reach variables, in which organisations had partly addressed some of the dimensions within their business planning. Reach variables were more likely to be answered or partially answered in the reports than quality variables, due to their link with public engagement information (i.e. audience attendance and diversity). In some cases, a dimension was included in one of the organisation's reports (such as an annual report) but not fully explained in the other reports (including business plans or strategic plans for example).

Red cells predominantly applied to the quality intrinsic variables, or to instrumental variables that were included in previous reports.

The results of the traffic light assessment were consistent with expectations, in that the policy guidelines do not require organisations to provide detail in their reporting about all of the variables tested. The "green" variables that were found in most organisation reports were based on funding, income, revenues and attendance, which are typical requirements for financial reporting. Reporting on quality and reach variables is part of the acquittal process (and thus funding process), and discussion was found to some extent within organisation strategic plans. Dimensions such as collaboration, platform and originality that did not achieve sufficient focus, will now be measured under clearer guidelines.

Collected data is currently being stored in a central location but is not being revisited and used for functions such as benchmarking. The PVMF will provide the potential for monitoring the instrumental value of organisations over time, or comparison of the instrumental value of different organisations.

Certain pieces of instrumental data will be collected by the OGMS for insertion into the PVMF. For the purpose of the PVMF reporting, it was decided that aggregated higher level variables were the most relevant, with the ability to drill down into and capture more detail from the OGMS if required. The pieces of instrumental data considered most important for the PVMF were earned income, funded income, attendance, participation, membership and employment, which contain a range of aggregated data (i.e. earned income = box office + sponsorship + philanthropy) and can be reported consistently by organisations.

The process showed that when collected consistently over time, instrumental data can be used on its own to a greater extent, to develop simple decision rules. Indicators such as earned income as a proportion of funded income point to the financial sustainability of the organisation, and an indicator such as attendance or participation per dollar funded partly illustrates the impact of funding on community engagement.

Issues:

Although collecting data in a more comprehensive and consistent way, income and engagement related data fields within the OGMS still do not capture the full potential of instrumental data. As Holden writes in 'How We Value Arts and Culture', instrumental value is used to describe instances where culture is used as a tool or instrument to accomplish some other aim – such as economic regeneration, improved exam results, or better patient recovery times[2]. Instrumental value is thus descried as the contribution that culture makes to wider economic and social policy goals.

These broader instrumental value indicators are generally more difficult to measure, and much more difficult to attribute to specific actions, events or organisations. For example, it could be claimed that an increase in business numbers in an area are the result of the development of an art gallery. However, this would necessitate a survey of the businesses involved to determine their reason for relocating, and would still need to account for numerous other factors embedded in the business location decisions, such as investment in public transport.

---

2   'How We Value Arts and Culture', John Holden, Asia Pacific Journal of Arts & Cultural Management

At the start of this phase of the project, it was hypothesised that instrumental data could be combined with intrinsic data to generate hybrid indicators, such as quality per dollar of government funding. The potential was that this could be used in comparing organisations or funding streams to determine which generated the most value for the funds contributed. The problem with hybrid indicators is that government grants and funding contribute to a vast range of different value outcomes, all of which cannot be aggregated in the same way. Intrinsic value is reported as an average of public responses as it is not possible to achieve more than sample of public direct feedback, while instrumental value can attempt to count the total impact of an event on society. Intrinsic quality dimensions measure the impact of an event on an individual; yet funding decisions must also place importance on the extent of community engagement. Multiplying the average quality score (from the sample of public responses) by the estimated total reach (audience, participants, members) could generate an extrapolated intrinsic impact for society. However the number of assumptions involved will dilute the validity of the calculation for decision-making, and will also be reliant on achieving a sufficiently large public sample.

This makes it difficult to compare the performance of organisations with different value propositions.

Next steps:

The OGMS is in the process of being developed, with the aim of improving the grants process and operating as a full life cycle of online grants management system that meets stakeholder needs as identified in the Funding Process Review undertaken by DCA in 2010. Upon completion, the OGMS and PVMF databases will be linked to enable instrumental data to feed into PVMF analysis and reporting.

Further examination is required by DCA regarding options for capturing broader instrumental value, particularly with regards to virtual and unpaid engagement, diversity of engagement, strength of connection between artists and communities of practice, and the ability of the arts to operate as platforms for value-added development in different sectors of the economy. A more comprehensive database will assist with the use and hybridisation of value measures for comparison of artforms and funding decisions.

3.2 INTRINSIC VALUE

Research shows that intrinsic value is not currently captured in any consistent way from the public. It is measured internally by DCA and largely described qualitatively in artistic plans and reports.

The rationale for measuring intrinsic value is that it will add significantly to existing value measures, providing a consistent way of assessing how the public feels about and values particular artistic endeavours. The aim of bringing together organisations and DCA to

develop joint weightings and targets is part of developing a shared agenda with the sector, and pre and post assessments also create a learning system that documents how and why the reality of an event differs from expectations. Figure 2 illustrates this learning process.

The first stage of developing the public value measurement system focused on:

• Researching global best practice

• Consulting with DCA and arts organisations about existing operations, measurement and reporting

• Determining a set of intrinsic value dimensions related to the creating value policy framework (quality, reach, impact, value)

• Establishing clear and consistent definitions to enable common understanding and consistent measurement. Figure 3 contains a list of the dimensions and their meaning.

Figure 2: Assessment Process
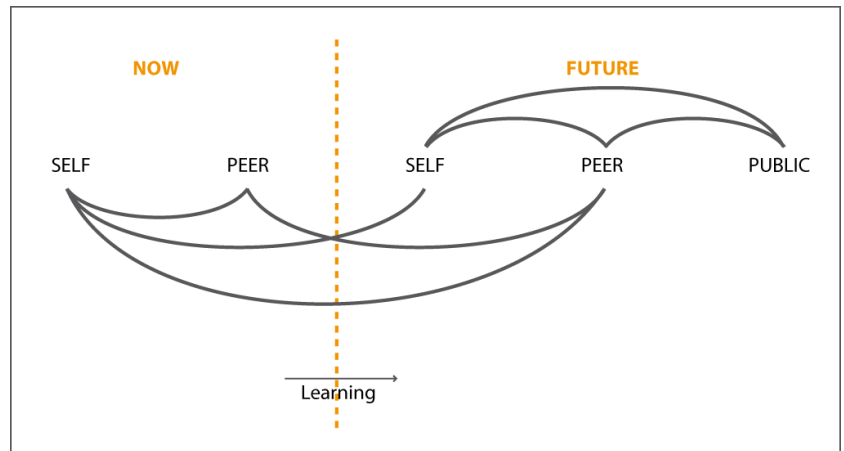
Source: Pracsys 2013

Figure 3: Intrinsic Value Dimensions and Definitions

A key component of the project has involved the determination of a concise set of intrinsic value dimensions, related to the perceived quality of a funded output and its ability to engage diverse sections of the public. These dimensions were determined through extensive consultation with DCA, peer panellists and arts organisations in December 2011. There are nine quality dimensions and six reach dimensions.	
The quality dimensions include:	
Inquisitiveness:	The extent to which the work promotes curiosity in artist and audience
Imagination:	The extent to which the work explores new possibilities or views
Originality:	The extent to which the work breaks new ground (modes of practice or content)
Risk:	The extent to which the artist is fearless and negotiates new artistic approaches
Rigour:	The extent to which the work has undergone thorough research and development
Currency:	The timeliness of creative idea in relation to contemporary events
Authenticity:	The extent to which the work respects cultural tradition or is unique to WA
Innovation:	The extent to which the work is able to realise creative ideas to real world outcomes
Excellence:	The extent to which the work is widely regarded as best of its type in the world
The reach dimensions include:	
Audience Number:	Number of people in communities of interest who directly engage with the work
Audience Diversity:	The extent to which the work engages a broad cross section of society
Connection:	The quality of the connection of the work with communities of interest
Collaboration:	The extent to which the work connects with communities of practice
Leverage:	The ability of the work to attract investment from a range of non- DCA sources
Platform:	The capacity of the work to have long-term influence to communities of interest and practice

Source: Pracsys 2013

As this part of this implementation stage of the project, our tasks included:

- Facilitating the application of a weighting system.

  The purpose of the weighting system is to identify the intrinsic dimensions that each organisation (or individual artist) should prioritise, and those dimensions that are not relevant to the art form or funding program. This aims to ensure that organisations are not penalised for low scores in dimensions that are out of their realm of influence, and enables DCA to highlight policy areas upon which they wish to focus.

- Developing a method for enabling the public, DCA and the organisation/individual artist to assess the intrinsic value of events and annual performance.

  This is one of the key components of the PVMF implementation, based around capturing large amounts of information in a consistent and measurable way.

- Developing a web portal to enable DCA and organisations (or individual artists) to assess intrinsic value electronically before and after funded outputs, or on an annual basis.

  The purpose of the web portal is to provide a simple automated way for DCA and artists to fill in assessment forms online, with inputs feeding directly into the PVMF database.

- Developing a mobile app to enable the public to assess intrinsic value electronically immediately following events.

The mobile app uses new smart phone technology to capture public feedback in a meaningful and usable way.

- Developing a database, into which public, peer and self assessments of intrinsic value will flow.

  The database is the secure central location in which all captured intrinsic value information is stored, along with other recorded instrumental and institutional data.

- Developing algorithms to analyse and report this data.

  Following input of intrinsic assessment data via the web portal and mobile app, a base set of calculations will occur automatically within the database, and a baseline report will be generated. Options for analysis and reporting of additional information will also be a function of the database.

3.2.1 Capturing intrinsic value from self and peer

Method involved:

Determining a set of test organisations and choosing a set of events to test

Test organisations were chosen to represent a cross section of production and service organisations. For the first stage of testing, the six chosen were key funded organisations (KFO6) that are supported by DCA on a triennial or multi-year basis. These organisations included Black Swan State Theatre Company (BSSTC), WA Opera, Perth Institute of Contemporary Arts (PICA), WA Music Industry Association (WAM), Fremantle Arts Centre (FAC)

and Country Arts WA. The next stages of testing will cover other segments of the arts sector, with particular focus on testing of the mobile app and capturing public feedback. The focus will include individual artists, other art forms such as visual arts that often operate on an exhibition rather than event basis, and regional events.

Testing application of weightings to the KFO6 organisations

Weightings were applied by both the organisation (referred to as "self") and a representative from DCA. In the case of the KFO assessments in the testing phase, DCA has been referred to as the "peer". Normally Peer Assessors are external members of the Community of Practice. Self and peer provided their opinion as to the relative importance of each dimension for the organisation's creative output. Weightings were applied on a scale of 0.00 to 2.00 in 0.5 point increments. A weight of 1.00 indicates normal importance, 2.00 indicates a high level of importance, and 0.00 indicates that the dimension is of no importance to that event or organisation. The testing process involved self and peer nominating a weighting for each of the fifteen intrinsic dimensions separately using a paper form, then coming together to identify and discuss areas of divergence. In future, this will be automated via the web portal.

Testing self and peer assessment of intrinsic dimensions with the KFO6 organisations

Self and peer scores were determined for each of the fifteen quality and reach dimensions, with each organisation and DCA scoring the organisation on a scale of 1-5 (with 1 indicating the lowest performance and 5 indicating the

highest performance). For the purpose of the testing period, scores were applied based on each organisation's annual performance. In practice, assessments will either be carried out annually, or on an event basis that can be aggregated to an annual score. Assessments also occur before and after an event (or at the start of the year and the end of the year in the case of annual assessments). Before an event, the score is based on expectations of how the event should perform. After an event, the score assesses how the event actually performed. The testing process involved self and peer scoring the organisation against each of the fifteen intrinsic dimensions separately using a paper form, then coming together to identify and discuss areas of divergence. In future, this will be automated via the web portal.

Database development and reporting

The database has been developed to capture and store intrinsic data input from the peer, self and public assessments via the web portal and mobile app. The database is built automatically out of the data model employed in the code and the basic hierarchy is that of public value result objects against public value dimensions, which are associated with assessment result objects linked to specific assessments. The use of the database for analysis and reporting is discussed in detail in Section 3: Data Use.

Results:

In each of the test organisations, a variety of differences occurred in the peer and self weightings. In four of the six cases, DCA applied a total weighting for the combined intrinsic dimensions that was lower than that applied by the organisation. This indicates that these four organisations are potentially focusing

resources or efforts in areas that DCA does not expect them to focus, and may not be in line with policy priorities for that organisation or funding program. The other two test organisations applied a total lower combined weighting than DCA to themselves, indicating that they did not believe that it was part of their organisation's strategic plan to focus on some of the dimensions.

Figure 4: Intrinsic Weighting

Instrinsic Weightings	KFO 1	KFO 2	KFO 3	KFO 4	KFO 5	KFO 6
Organisation	20.8	14.5	29.0	25.0	21.0	20.0
DCA	25.5	19.5	22.0	23.0	9.9	17.5
Combined	23.2	17.0	25.5	24.0	15.5	18.8

Source: Pracsys 2013

The process showed that in several areas, there were misalignments in understanding between the Department and the organisations tested, with regards to their purpose and strategic direction. The benefit of the process is that it provided a forum for discussion and consensus - with the Department outlining policy expectations and the organisation explaining how their program of events would address the various dimensions.

During the testing period, the combined average of DCA weightings and organisation weightings for each dimension were calculated and used to adjust the self and peer assessment scores. Over time it is likely that the process of developing weightings on an annual basis will facilitate a converging of opinion between DCA and organisations with regards to strategic direction. This should create more consistency and give greater validity to weightings.

Discussions also further clarified the meaning of the dimensions. For example, although excellence is often used to describe widely different levels of quality, the PVMF definition has been identified as artworks or events that are considered "the best of their type in the world". Better understanding of this definition altered the importance that some organisations placed on achieving excellence.

Self and peer assessment scoring also differed in certain areas, sometimes significantly. This was more noticeable for service-based organisations, to which the quality and reach dimensions are less well aligned. Discrepancies were also more noticeable within the quality dimensions, being more subjective than the reach dimensions that can partly be verified using instrumental data sources.

Four of the six organisations scored themselves more highly than DCA in their before assessments. Three of these four organisations also scored themselves more highly than DCA in their after assessments.

Two organisations felt that they performed better than expectation, giving themselves higher scores after than before – one of which DCA agreed with. One organisation recorded no change in before and after scores. Three organisations felt they did worse after, two of which DCA agreed with. DCA felt that three organisations performed better before, and three performed better after.

Figure 5: Intrinsic Assessment

Instrinsic Assessments		KFO 1	KFO 2	KFO 3	KFO 4	KFO 5	KFO 6
Before Score	Organisation	80%	63%	85%	65%	71%	45%
	DCA	72%	67%	76%	71%	13%	21%
After Score	Organisation	69%	73%	81%	71%	71%	44%
	DCA	68%	65%	85%	81%	31%	17%

Source: Pracsys 2013

These results show that there were no common themes within the testing of the KFO6, in terms of discrepancies in before and after scores, and peer and self scores.

Issues:

There are several options regarding the application and use of weightings. The first option relates to when the weightings are applied. During the test period, weightings were applied by DCA and the KFO6 to each of the fifteen quality and reach dimensions, based on the organisations' annual program of events, to highlight the relative importance each placed on the fifteen dimensions for their strategic direction.

The second option explored relates to whether weightings are applied at a funding program level or an organisation/individual artist level. The rationale behind application of weighting at a funding program level is the ability for DCA to make funding program decisions based around achieving particular policy objectives.

The testing has shown that each of the KFO6 are significantly different in terms of direction, and thus must be treated as separate funding programs for the purpose of weighting. Smaller and more specialised funding programs with similar objectives could be given an overall weighting by DCA, with ongoing funding

decisions based around their ability to achieve value in the specified dimensions.

The mobile app and database have been developed so that DCA can choose the option of determining weightings at a funding program level as part of portfolio development, or agree weightings in conjunction with individual organisations. The web portal and database can be programmed to accommodate either option. However, it is recommended that weightings be applied by DCA at the funding program level. This can be done on an annual basis and conveyed to organisations or individual artists within the funding program to ensure shared understanding/intention, and the use of self and peer before assessments still provides a vehicle for facilitating discussion between DCA and organisations where there is diversion of opinion.

Not applying weightings to individual organisations or events will enable the use of intrinsic impact data for comparative purposes (between organisations and over time). Raw intrinsic impact scores can be assessed against the weighting criteria at the end of a funding period to identify how well the organisations performed against the priority weighted dimensions, and relative to other organisations within the funding program.

As part of the functionality of the app, dimensions that are weighted zero are not visible to the public within the survey. This prevents the public from assessing events based on dimensions that are not considered relevant to that organisation or art form.

During the first stages of testing the app, all fifteen quality and reach dimensions were included (made visible) for each event, enabling the test subjects to assess all dimensions. This was to test the public's understanding of the dimensions and collect a sufficient sample of public feedback.

The app set-up provides the option to switch off dimensions, or allow the public to assess all dimensions (regardless of their weighting). Benefits of including all dimensions involve the ability to verify whether public opinion aligns with applied weightings. This could generate an additional piece of reporting data to assist the organisation in positioning future events, and is recommended.

Similar to the weightings question, the issue about whether self and peer assessments should occur annually or on an event basis was raised during the testing process. It was resolved that either can occur, with the ability to report individual event assessments separately, in addition to aggregating them within the database to generate an annual average assessment score. It can be beneficial for organisations to carry out a self assessment on an event basis if time permits. This is due to the variation in events and their priority dimensions, as well as the ability to align with public assessment that occurs on an event basis.

The divergence between peer and self scores for service organisations has highlighted that service organisations currently do not fit within the model as easily as production organisations. The testing period showed that even larger organisations with multi-art programs or well-advanced subsidiary work (such as education programs) are likely to need to standardise dimensions and weightings at the start of a defined cycle. Problems occur because cycles are not always consistent year on year, which

related back to the options surrounding when to apply weightings and carry out assessments. The key initial benefits of the PVMF process will be in improved internal reporting and comparison over specified time periods, while options to aggregate within policy strands will need to account for varying numbers and timing of assessments. While it therefore presents a problem of aggregating consistently to particular policy strands, the PVMF process will still assist with improved internal reporting and comparison over designated time periods.

Next steps:

The web portal is being developed and authorisation provided to enable organisations, individuals and peers to access and fill in the assessment forms online. The portal will also be used for inputting weighting applications.

Development of a full test plan is required. This requires the inclusion of further testing of the dimensions with peers, artists and other funded organisations beyond the KFO6, including individual artists. Further testing of the mobile app with non-performance based organisations such as visual arts and crafts, regionally based activities and service-based organisations must also occur, to assess issues with application of the system and identify possible modifications. A possible timeline for the remainder of 2013 has been developed using indicative examples of each type of organisation/event. This is contained in Appendix 6.

3.2.2 Capturing intrinsic value from public

Method involved:

Development of mobile app

The way in which the public assesses an event is via a mobile phone application (app). A custom app has been developed for DCA for the purpose of capturing public feedback directly following each specific event.

Registering events

Test events have been held for Fremantle Arts Centre, WA Opera and Black Swan State Theatre Company. Setting up events for testing required information including the name of the event; the funding program that the event is part of (i.e. each Key Funded Organisation has its own program); the funding recipient (the organisation or individual undertaking the event); the type of art form (such as theatre, dance, opera, fashion) chosen from an extensive pull-down list; and the start and close time and date for the event assessment. This date indicates when the event will become visible within the mobile app, enabling users to complete an assessment. Typically the start time would be set shortly before the event begins, and the close date would be set several days post event to allow late responses. Currently DCA staff are authorised to log in to the database, where they can create new events.

Event set-up

Once grant recipients register events through the administrative interface, each funded output is given a QR Code and a Tiny URL to copy-paste or download from the admin back-

end. These are used in the event marketing material, or printed on tickets and posters at the event in order to encourage attendees to provide feedback. For the test events, posters containing the QR code and URL were printed and displayed at each event, with a project team representative on hand to explain the process by which test subjects could download the app.

Mobile app user testing

As the app is not yet publically available via the apple app store, initial user testing was on a set of test subjects, made up of the project team, members of the organisation, and people known to the project team. For test subjects to download the app during the test period, the iOS version required the collection of iPhone Unique Device Identifiers (UDIDs). UDIDs were entered in to Apple's developer account back-end in order to provision (cryptographically sign) the app to run on the devices holding those UDIDs. Once a UDID was registered, test subjects could download the app to their iPhone via a web link provided or via the process outlined in Figure 6.

Figure 6 contains a flowchart used in managing test events, explaining the process in which test subjects could access the app. Those who already had the app installed could use the scanner within the app to scan the QR code on a poster displayed at the event. Those without the app installed were asked whether they already had a QR reader/scanner app on their mobile device. This could also be used to scan the QR code on the poster. Those without the PVMF app or QR Reader app could access the page via the URL using their mobile web browser.

Figure 6: Downloading the mobile app
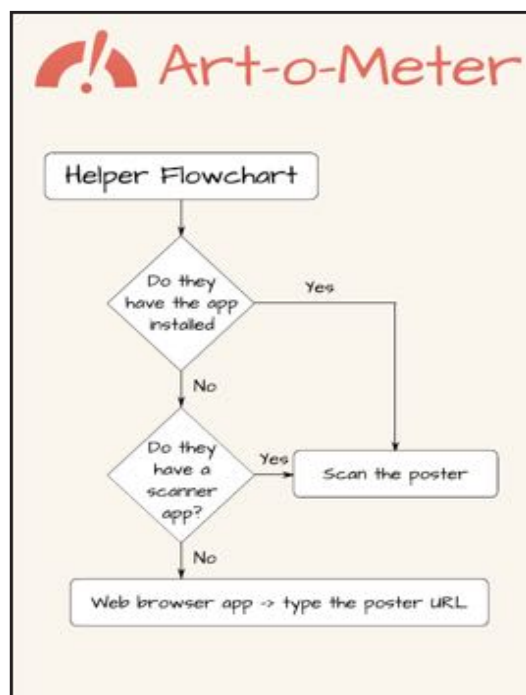
Source: Pracsys 2013

Public value assessment

Testing was carried out immediately following the events, with test subjects gathered together and asked to download the app, complete the app survey and fill out an additional paper survey that captured their understanding and experience using the app. Members of the project team, including DCA staff and the app developer, were present during the tests to facilitate this process.

Events that have been set up in the database automatically display within the app during the live testing period. When the event is selected, the user is taken to a screen where they are asked to identify if they are a member of the public, the artist or a peer of the artist. They are also given the option of inputting additional

demographic information, including their age, gender and postcode.

Following the demographic information is an individual screen for each of the fifteen quality and reach dimensions. Each screen contains the dimension and a statement of explanation, such as 'Inquisitiveness: it made me want to find out more about the art'. Underneath the statement is a slider, which the user can slide along a scale to indicate whether they strongly disagree, are neutral, or strongly agree with the statement (or other points in between). The user navigates through the app by clicking on the 'next' or 'back' button. Figure 7 contains a screenshot from the app.

Figure 7: Screenshot from the PVMF app

Source: Pracsys 2013

Following the dimensions, the final survey screen asks users for their overall feeling about the work. They can click 'Dislike' or 'Like', or skip the question. This directs them to a results screen, illustrating how their responses compare to an average of all other users for each dimension. Finally, users click 'Done' and are directed to a thanks screen, thanking them for their feedback and explaining the use of the app in understanding what people think about cultural events in Western Australia. Users can then close the app, or click 'Home' to be taken back to the welcome screen at the start.

During the testing phase, paper surveys containing the exact questions from the app were also provided for users without phones. Paper surveys were primarily for the purpose of testing and refining the structure and format of the survey, rather than testing of the app functionality. Further discussion regarding use of paper surveys (such as in regional areas) is contained in the following "Issues" section.

Mobile app functionality testing

The purpose of the user testing phase was to test the functionality of the app and the users' experience in using the app. Functionality testing included technical concerns, such as whether all users could download the app, whether the app opened and each screen loaded correctly, and other bugs that impacted on the ability of users to physically operate the app. The app developer was at the testing to take note of issues as they arose, and concerns related to technical functionality were investigated and resolved directly following each event.

Mobile app usability testing

The user testing phase gathered feedback regarding users' experience of the app. This included their level of understanding of the quality and reach dimensions and the purpose of the public value assessment; their ability to navigate through the app in a logical and functional way; their ability to learn how to use the app without difficultly; and their feelings on the design and operability of the app. This was collected via a paper user feedback survey that users filled out following their use of the app. A copy of the paper feedback survey is included in Appendix 4.

Intrinsic value dimension testing

For each dimension, the paper feedback survey asked users whether they clearly understood what was meant by the statement (i.e. did they understand the statement 'Imagination: it explored a new point of view'). Users responded by ticking a box on a scale of 1-5, where 1 meant 'completely disagree', 5 meant 'completely agree', and 3 meant neither agree or disagree. The inclusion and wording of the dimensions within the app were kept constant for each of the test events. This enabled a larger sample size for analysis, to detect whether users generally experienced issues with the same dimensions.

Analysis of responses

Analysis of users' responses within the app was carried out. Responses (or lack thereof) helped to inform both the function of the app and the app wording and inclusions. Responses within the app were also compared with responses in the user feedback survey (covering their experience of using the app). After receiving a certain number of responses from the test events, they were aggregated to form a

statistically significant sample. Basic analysis, including calculation of the mean and standard deviation of the responses was carried out, to identify where issues were continuously occurring or where there was a large variation in responses.

Results:

The test events provided a sample of 57 responses for analysis. The WAAPA Direct event at FAC was held on 28th March 2013 and received 21 responses. 16 responders indicated that they were members of the public, two identified as the artist ("self") and two identified as peers of the artist (a category that includes DCA attendees). The test for WA Opera's 'La Traviata' was held on 6th April 2013 and received 14 responses. Thirteen responders were members of the public and one identified as a peer. The test for BSSTC's 'Death of a Salesman' was held on 6th May 2013 and received 22 responses. Of these, 11 were members of the public, 10 identified as 'self', and one was a peer.

It was noted that users were skipping some questions in the survey (returning no response). Within the initial version of the app, users were able to click 'Next' to move to the next screen without touching the slider. As the untouched slider sits at neutral, it was thought that certain users wanting to respond in neutral were simply assuming that they did not have to touch the screen to record this response. To ameliorate this issue, the app was updated to include text below the slider, stating 'Touch the slider to record your selection'. When touched, the slider turns from grey to red. The 'Next' button was also changed to a 'Skip' button, which shows up when users have not touched the slider. This makes it clear that in moving to the next screen, they are skipping the current question.

Some dimensions were not well understood. This was identified in paper surveys and also through people skipping questions. Responses within the app were compared with responses in the user feedback survey. For example, at the FAC test event, 50% of users skipped the question in the app related to the 'Leverage' dimension. In the user feedback survey, the average response to whether users understood the statement 'Leverage: it could attract a variety of investors' was 2.7 (out of 5.0). This meant that the majority of users did not understand the wording or intention of the statement (See Figure 8).

Following the three test events, it was agreed that certain dimensions were collectively not well understood, particularly reach dimensions that assessed application to the wider public or peer groups. Based on this consensus, the project team decided to remove four dimensions from the public assessment, including audience number, diversity, leverage and collaboration. It was determined that these reach dimensions will be better collected as instrumental data rather than public intrinsic value.

During the testing phase, the app contained a long pull-down list of user categories, which included categories such as self, peer from DCA, member of the public, community of interest and community of practice. As identified in the BSSTC test event, 10 users (who were not the artist) chose the 'self' category, indicating that the meaning of this category name was unclear. Subsequently, the pull-down list has been modified to include categories: the artist, peer of the artist, and member of the public. It is expected that the majority of responses will be from members of the public attending the events, however the inclusion of the peer

category enables a picture of the community of practice to be developed.

Figure 8: Users Understanding

Question	1	2	3	4
Test User	I understood that the application was testing my feelings about the artwork I was reviewing	I understood that the application was part of a sector-wide initiative, not just this one artist/company	I clearly understood what was meant by: Inquisitiveness: it made me want to find out more	I clearly understood what was meant by: Imagination: it explored a new point of view
1	4	2	2	4
2	4	5	3	4
3	4	4	4	4
4	5	5	2	4
5	5	4	4	4
6	4	4	2	4
7	2	2	2	2
8	3	1	skipped	skipped
9	4	4	2	4
10	4	3	2	4
Mean	4.0	3.7	2.6	3.8
Std Dev	0.9	1.1	0.9	0.7

Source: Pracsys 2013

The use of a Likert Scale generates a richer quantitative data set than simply asking users to say yes or no. Once a certain number of responses are received, they can be aggregated to form a statistically significant sample. Basic statistical analysis can be performed, such as calculating the mean of the responses and the standard deviation from that mean. For example, larger standard deviations mean wider discrepancy of opinion, enabling the data to highlight areas in which public opinion is split.

Around 50% of people in the test provided demographic info. A fairly wide range of age

groups, postcodes and genders were recorded. With a larger sample, this can be extrapolated to make assumptions about the community of interest for a particular artwork, which can be used to assess market penetration. This could also be used for future marketing purposes, such as advertising in a particular location or medium targeted to this community.

The smartphone app version of the software was developed to run on current Android and iOS devices, and will be available for users to download from the App Store and the Google Play marketplace following receipt of submission. The decision to target these platforms was based on evolving market share.

Figure 9: Global smartphone unit sales share by platform
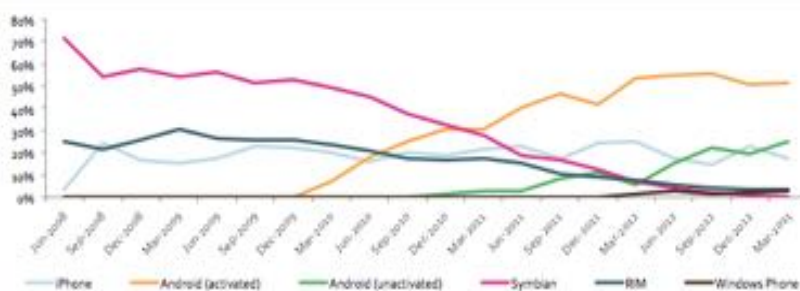
Source: http://ben-evans.com/benedictevans/2013/5/23/on-market-share

Issues:

People without a smartphone are unable to download the app or access the URL via their phone at the event. There is the opportunity to provide paper surveys that people can fill out at events, however this requires organisations to be involved in distributing surveys and encouraging completion, and to manually input public data following collection. People without smartphones can also access the URL on a home computer after the event to fill

out the assessment form, with URLs printed on tickets and the event becoming 'live' on the website following the event. The number of assessments is likely to drop off with this method as people forget and the impact of the event fades. Another option could include having a representative with an iPad at events to record assessments or let the public complete their own assessments. The app has currently been developed solely for use on mobile phones, however a future version for iPads is possible.

Some of the wording is not well understood or doesn't align very well with the initial meaning. For example, 'Authenticity: it was really West Australian' was not well understood and is not applicable to all events or artworks. The statement may need to be modified to encompass the extent to which the artwork was true to the cultural values of the country of origin (which may not be Australia). Other wording of dimensions may be modified slightly over time based on user feedback.

Between 18% and 42% of users did not provide the optional demographic information. This number may have been higher than a normal public event due to the lack of anonymity within the test subject group (many of whom were known to the project team). This impacts the ability of DCA and the organisation to supplement their understanding of the event or artwork's community of interest. This percentage will need to be monitored as wider public tests are carried out.

Responses in the user feedback survey indicated that while users generally found it easy to learn how to use the app and to navigate through the app, they did not engage as well with the look and feel, or believe that

the opening and closing screens provided clear enough explanation of the purpose of the app. To address this issue, more detail was added to the opening screen, including a photo and text explanation, and the use of a demonstration video is also being explored. A final 'thanks' screen was also added to the app, explaining that user feedback will assist in future decision-making. Further work related to the design of the app has been commissioned.

QR codes or URLs are being used to download the app prior to it being available in the Apple store. Research shows that many people are unaware of QR codes and their purpose, and many do not have a QR reader installed on their smart phones. Continued monitoring of people's recognition of and ability to download the app outside of a controlled test environment is required.

As the app is rolled out to a broad selection of organisations and individuals, many events are likely to occur at the same time, meaning that they will be 'live' in the app at the same time. This may result in a large list of possible events for people to choose from when attempting to undertake an assessment. While requiring the scan of a QR code at the event to access event information could resolve this issue, there is still the issue of people not having QR readers or understanding the purpose of QR codes. Another option to be explored is the ability of the app to sort events using GPS, so that the closest event to the user is displayed at the top of the list.

Technical:

The PVMF software has a server component, which users of the system interact with indirectly, and a client-side component, which

users of the system interact with directly. The client-side component comes in three flavours – a version that runs on popular smartphones, a version that runs in a phone's web browser if the user does not have a compatible smartphone, and a version for ordinary web browsers if the user is using the software on a laptop, desktop, or tablet device. The mobile-web version of the software runs on compatible smartphone web browsers, and the web browser version of the software runs on all of the available mainstream browsers – recent versions of Internet Explorer, Chrome, Safari, and Firefox. The decision to target these browsers and current versions is based upon market share with a greater than 96% coverage of mainstream users.

To prevent use by the general public while still being developed and tested, the PVMF app is not yet registered with the apple store. This means that to download the app during the test period, the iOS version required the collection of iPhone Unique Device Identifiers (UDIDs). UDIDs were entered in to Apple's developer account back-end in order to provision (cryptographically sign) the app to run on the devices holding those UDIDs. These were collected from participants in the testing of the app and were entered into the Apple system, and then discarded. No correlation was performed inside the PVMF system between the user and their UDID. Android testers did not require the provisioning process and hence no data of that nature was collected from them.

Once the final stable version of the system is deployed, some components will need periodic updates. The underlying operating system of the server software (Debian GNU/Linux, Apache2 web server, the SQL server, etc.) will be maintained by DCA internal IT staff. DCA IT staff

and stakeholders will be notified regarding any upgrades to the PVMF software itself, which can be rolled out on a development/testing version of the site before going live to ensure robustness of any new changes. Modifications to the smartphone client will need to be put through the same App Store submission process and any updates should be considered a separate project.

Next steps:

When the app is fully tested, it will be registered with the Apple store. This will enable it to be downloaded free from the app store by any users with an iPhone, removing the need to collect individual user UDIDs (and associated management issues). Final modifications to the build are currently occurring and the app is intended for submission in late June.

Although Android and iOS platforms currently dominate the smartphone landscape, if the Windows Phone market share continues to grow it may be prudent to port the software to that platform in the future.

Developing a version of the app that runs on iPad could enhance the ability of organisations to collect user feedback in regional or disadvantaged areas (without widespread access to mobile smart phones).

Decisions regarding the use of social media to engage the public are yet to be determined. Widely used programs such as facebook could update the public regarding arts and cultural events and contain links to the public value surveys. As engagement is increasingly virtual, social networks can also provide an important source of instrumental data that is not captured by traditional box office attendance records.

Other ideas for use of the public data have been identified. Inspired by apps such as urbanspoon, the PVMF app could potentially provide users with recommendations for new events based on prior ratings. These user incentives would be an important step towards engaging users on an ongoing basis, for example through providing feedback and rating summaries from earlier shows in the same venue. It is expected that features such as this will become clearer once decisions have been made regarding social network engagement.

3.3 INSTITUTIONAL VALUE

As part of this scope of work, a system has been developed and tested that measured intrinsic components from self, peer and public feedback and will capture instrumental components from the OGMS. The final component of an integrated public value model of arts and culture is institutional value. While measuring institutional value was deliberately exempt from this scope of the implementation process, this section of the report outlines potential measurement techniques for consideration in next steps.

Every funded organisation generates institutional value through their activities. We understand institutional value in the same wider public sense that Holden does, where organisations generate trust or esteem by the way they engage their users. Institutional value is often regarded as the cultural or artistic capacity in assets, networks and content handed down from one generation to the next.

By virtue of their size and longevity, some institutions have accrued a store of institutional value that may seem to exceed their

instrumental and intrinsic value. Museums, galleries and libraries sometimes rely too heavily on the presumption that they will be funded in future because they have been funded in the past. In other words, that their institutional utility will be sufficient to deliver value for the funding they receive. Like smaller arts organisations, they also need to focus on their instrumental and intrinsic utility by methods of the type specified in this PVMF.

Institutional value can therefore be expressed as:

$$V_{inst} = \frac{\mu_{inst}}{\$\,Investment}$$

We believe this wider public value is important and needs to be captured through explicit and one-off evaluations of institutional value. Techniques for measuring institutional value (such as contingent valuations and hedonic pricing models) now need to be explored further in order to round-out the public value picture. The two techniques discussed here both attempt to assess benefits in ways that can be converted into monetary values.

Measurement Techniques - Contingent Valuation

Contingent Valuation is a technique used to estimate the extent to which consumers benefit from a product or service, over and above the price they pay for it. This method thus allows for a value to be put on things or activities that do not have a conventional market price, such as visiting a free museum.

This approach tries to estimate three types of value:

- Use value: the value people derive from their direct use of a product or service - can be either demonstrated (instrumental) or implied (intrinsic)

- Option value: the value they derive from the service being available for them to use at some point in the future

- Existence value: the value derived from the service's existence, even if they do not actually use the service themselves. For instance, they may appreciate and value the presence of a library in their neighbourhood, though they themselves are not library users

What it does	Contingent valuation measures the value that parts of the population put on an arts or cultural organisation
What you need	Extensive primary research with those attending/ visiting and not attending/visiting
What it tells you	It reveals a monetary value that people place on a particular organisation or service

Source: Arts Council England 2010

Measurement Techniques – Social Return on Investment

Social return on investment (SROI) is a technique that has been developed to respond to the challenges of typical cost-benefit analysis. Rather than focusing solely on economic costs, SROI attempts to place financial value on social, cultural or environment costs and benefits.

There are two types of SROI:

- Evaluative: this is conducted retrospectively and is based on outcomes that have already occurred

- Forecast: this predicts how much social value will be created if activities achieve their intended outcomes

SROI aims to measure the effects of an organisation's activities on its stakeholders and audience. This involves establishing who the relevant stakeholders are, consultation with stakeholders, mapping the potential positive or negative impacts of operations, prioritising impacts and determining whether they can be measured quantitatively or qualitatively. These positive and negative impacts are then allocated a financial proxy, in order to calculate the relationship between total investment (costs of the program or organisation) and the institutional benefits associated with its work.

What it does	It measures and monetises social outcomes of an arts or cultural project
What you need	Primary as well as secondary data, extensive research expertise and stakeholder involvement
What it tells you	The method allows you to monetise how much a public investment returns in terms of social outcome

Source: Arts Council England 2010

4.0

4 DATA USE

The instrumental, intrinsic and institutional data that is collected must be stored in a central location, analysed and reported, in order for the organisations and DCA to use it in decision-making. Various uses of the data have been debated throughout the project, and there are various stages of potential use, starting from internal monitoring of individuals through to public reporting of the portfolio. Possible future uses of the data collected include:

- Analysis of instrumental value data over time to identify trends
- Analysis of intrinsic value data over time to identify trends
- Internal assessment of audience satisfaction by organisation
- Measuring improvement at different time periods, for use in organisation business planning
- Measuring organisation/individual improvement at different time periods, for use in DCA funding decision rules
- Assessment of funding programs by DCA, based on their contribution to achieving policy priorities
- Designing of new funding programs by DCA to fill gaps in policy priorities
- Public reporting of benchmarks (how individual views compare to society averages)
- Reporting on cultural and financial health of the funding portfolio

4.1 ANALYSIS

Hypothesis

Capturing feedback from new sources, collecting data in a more consistent way, and storing it within a public value database creates opportunities for the better use of data.

Our tasks included:

- Developing a database as the central storage for all assessments
- Authorising DCA staff to operate as administrators
- Directing mobile app assessments to the database
- Developing a web portal that directs self and peer assessments into the database
- Discussing the integration of instrumental data from OGMS
- Analysing public responses statistically within the database to identify mean scores and standard deviations
- Comparing peer, self, public before and after scores
- Exploring the possibility of calculating hybrid indicators (see page 33 for explanation)
- Exploring ways of aggregating individual and organisation assessments to funding stream or portfolio level
- Exploring ways of comparing performance across organisations, art forms or funding streams

4.2   REPORTING

Hypothesis

To maximise the value of collecting and analysing large amounts of data from different sources, options for reporting need to be comprehensive, concise, easy to understand, and automated. The production of data analytics reports can assist both organisations and DCA in internal planning, evidence-based decision-making and demonstrating value to external parties and the public.

Our tasks included:

- Providing results feedback to mobile app users

- Providing raw CSV data from events

- Developing basic aggregation reports sectioned into prior and post collections

- Developing reports showing peer, self, public before and after scores with graphs

- Developing reports for single funded outputs and on a per-year organisational basis

- Discussing the potential for reporting organisation performance over time (year to year)

- Discussing the potential for reporting hybrid indicators for individuals and organisations

- Discussing the potential for reporting aggregated results for art forms or funding streams

- Discussing the potential for generating reports comparing organisations, art forms or funding streams

Method

Database development

The database is built automatically out of the data model employed in the code (illustrated in Appendix 5). The basic hierarchy matches public value result objects against public value dimensions, associated with survey result objects linked to specific surveys. Other complexity is built into the model based on the relationships between users, organisations, and the surveys themselves.

In addition to setting up accounts and organisations, there are four major inputs to the PVMF system: funded output (event) information, intrinsic value input from peers and companies/artists, public feedback on funded outputs (events), and concrete instrumental data relating to funded outputs.

Authorising DCA staff to operate as administrators

There are four basic levels of access to the site with varying degrees of freedom to perform administrative actions. At the lowest level, anonymous users are able to use the smartphone app to provide feedback on funded outputs. At the next level are users in the role of peer/self in relation to the work, who can log in and provide prior/post values for the different dimensions. One level higher are institutional accounts or key funded organisations, and DCA staff accounts. They are able to log in and perform administrative actions such as creating, editing, and deleting organisations, funded outputs, and users, and giving specific users "peer assignments", which allow them to respond in the role of a peer/self user. Any data created by a grant recipient is only available to

other users at the same organisation, except in the case of DCA staff who are able to view all data from all organisations.

Institutional account holders input funded output data via the administrative back-end. Users require a login with sufficient permissions to perform the actions required. Upon completion of the inputs in the administrative backend, the data is written into the database and instantly becomes available to smartphone and web clients accessing the system, dependent on the start and end dates of the event itself.

Directing mobile app assessments to the database

Public inputs are made with the smartphone app at the funded output event, or after the event by accessing the post-event URL through the web portal. Attendees using the smartphone app are able to scan the QR code, or select the event from the list of events and take the survey using the interface presented. Values are written instantly to the database in real-time and made available to other parts of the PVMF system. All public data is collected anonymously. A cookie is stored on the user's phone to ensure surveys are not filled out multiple times by the same people, but the cookie is not used to identify users in any way.

Developing a web portal that directs self and peer assessments into the database

Self and peer assessments are input via the web portal. The self/peer account holder must be given a login to the system and a "Peer Assignment" outlining the role they are taking for the funded output. Upon logging in and selecting the correct survey, they will be automatically assigned the role specified and

will perform the input function by filling out the survey in the normal manner. Once they click 'finish', the values they have selected are written into the database and are instantly available to the other parts of the PVMF system such as reporting.

The self and peer assessments are time dependent, with the account holder able to take the same survey twice – once before and once after the start of the event. The "self" account holder should be encouraged to enter both the prior and post versions of the survey for comparison. The "peer" data in the post case may come from anonymous users attending the funded output who flag themselves as "peer" inside the smartphone app.

Providing results feedback to app users

After completing the survey on their smartphone, a user is presented with a "results" screen showing averages and total counts of answers for each dimension in the survey. This information is presented to encourage users to engage with the app and to give them an indication of where their tastes lie in relation to other attendees.

Providing raw CSV data from events

Raw CSV data from every event is available within the database following event close-out. This enables institutional account holders (including organisations) to download the public responses to each dimension taken from the mobile app survey. This enables users to draw their own correlations and calculations from the original data set. Appendix 7 contains part of an example management report, illustrating potential calculations. Figure 11 contains some example graphical outputs.

Discussing the integration of instrumental data from OGMS

Instrumental data is input in the administrative back-end in the "prior" case by institutional account holders and in the "post" case by the artist ("self" role) or the institutional account holder that created the event. Instrumental data consists of high-level aggregated information such as total dollars input and output from the funded output and attendee numbers. These values are used in the reporting phase to give time-based indicators relating performance to dollar value input across the various dimensions.

In future, instrumental data will be automatically synchronised from the OGMS system at input time, meaning that the correct values from the OGMS system will automatically be inserted. At that time, a hierarchical data structure will allow low level detailed data to be input for each of the measures, rather than the high level overall values that are currently collected.

Analysing public, peer and self responses statistically within the database

Within the database; public, peer and self assessments of intrinsic value are analysed for each of the dimensions measured. The analysis provides some basic aggregation in the form of averages and standard deviations across the various dimensions. Calculations include the average of all scores (including before and after) for each individual dimension, as well as the average of all scores given by each individual - for example, the average of all dimensions' before scores given by the organisation. There is the ability for more than one representative from DCA ("peer") to input intrinsic value scores, which would be averaged to produce one set of peer scores. This also occurs with public scoring, in that all public responses following an event are aggregated to produce a set of average public scores. Standard deviations of a particular size are highlighted, enabling the data to indicate wider discrepancy of opinion in areas in which public views are split. Figure 10 contains an example report.

Figure 10: Example Organisation Report

(21 responses)

Dimension	Weighting	Scores Sb	Pb	Sa	Pa	P	Averages	Std. Dev.
Inquisitiveness	1.0	0.75 (1)	0.75 (1)	0.67 (1)	0.26 (1)	0.42 (15)	0.46	0.26
Imagination	1.0	0.75 (1)	0.50 (1)	0.17 (1)	0.27 (1)	0.43 (14)	0.43	0.26
Originality	1.0	0.75 (1)	0.50 (1)	0.17 (1)	0.26 (1)	0.30 (14)	0.33	0.33
Risk	1.0	0.75 (1)	0.50 (1)	0.64 (1)	0.71 (1)	0.35 (13)	0.42	0.27
Rigour	1.0	0.75 (1)	0.75 (1)	0.64 (1)	0.71 (1)	0.50 (9)	0.57	0.24
Currency	1.0	0.75 (1)	0.75 (1)	0.50 (1)	0.09 (1)	0.33 (10)	0.38	0.27
Authenticity	1.0	0.75 (1)	(0)	0.72 (1)	0.82 (1)	0.30 (11)	0.40	0.33
Innovation	1.0	0.75 (1)	0.75 (1)	0.50 (1)	0.62 (1)	0.42 (12)	0.48	0.27
Excellence	1.0	0.75 (1)	0.50 (1)	0.31 (1)	0.11 (1)	0.27 (11)	0.31	0.28
Diversity	1.0	1.00 (1)	1.00 (1)	(0)	(0)	0.45 (10)	0.54	0.41
Connection	1.0	1.00 (1)	0.75 (1)	0.58 (1)	0.00 (1)	0.53 (8)	0.55	0.30
Number	1.0	(0)	1.00 (1)	(0)	(0)	0.53 (9)	0.58	0.25
Platform	1.0	1.00 (1)	0.50 (1)	0.49 (1)	0.00 (1)	0.45 (10)	0.46	0.31
Leverage	1.0	0.50 (1)	0.75 (1)	(0)	(0)	0.38 (8)	0.43	0.25
Collaboration	1.0	1.00 (1)	0.75 (1)	(0)	(0)	0.34 (8)	0.45	0.35
Count:		14	14	11	11	162		
Average:		0.80	0.70	0.49	0.35	0.39		
Std. Dev.:		0.14	0.17	0.18	0.29	0.30		

Comparing peer and self before and after scores

Comparisons between peer and self scores and before and after scores can be generated within the database. This identifies differences between how the organisation and peer rate intrinsic performance, and differences between expectations and reality. This differs from the aggregation of peer, self, before and after scores to arrive at an average (described above). The purpose of analysing these differences is the ability to identify where misalignments in strategic direction are occurring, and where organisations are failing to meet or are exceeding expectations. Analysis can be displayed graphically on a dimension-basis or an aggregated intrinsic value basis, or in table form with highlighted cells. Figure 11 contains an example of a report table and two graphs.

Figure 11: Comparing peer and self before and after scores

Dimensions	Self Before - Peer Before	Self Before - Self After	Self Before - Peer After	Self Before - Public After	Peer Before - Self After	Peer Before - Peer After	Peer Before - Public After	Self After - Peer After	Self After - Public After	Peer After - Public After
Inquisitiveness	1.0	-1.0	0.0	-0.3	-2.0	-1.0	-1.3	1.0	0.7	-0.3
Imagination	-1.0	-1.0	-1.0	0.0	0.0	0.0	1.0	0.0	1.0	1.0
Originality	-1.0	-1.0	-1.0	0.0	0.0	0.0	1.0	0.0	1.0	1.0
Risk	-1.0	-1.0	0.0	0.3	0.0	1.0	1.3	1.0	1.3	0.3
Rigour	-1.0	0.0	-1.0	-0.3	1.0	0.0	0.7	-1.0	-0.3	0.7
Currency	1.0	0.0	1.0	-0.3	-1.0	0.0	-1.3	1.0	-0.3	-1.3
Authenticity	1.0	0.0	1.0	-1.0	-1.0	0.0	-2.0	1.0	-1.0	-2.0
Innovation	1.0	-1.0	1.0	-1.0	-2.0	0.0	-2.0	2.0	0.0	-2.0
Excellence	2.0	-1.0	2.0	-0.3	-3.0	0.0	-2.3	3.0	0.7	-2.3
Number	-1.0	0.0	-1.0		1.0	0.0		-1.0		
Diversity	0.0	0.0	0.0		0.0	0.0		0.0		
Connection	0.0	0.0	0.0	0.3	0.0	0.0	0.3	0.0	0.3	0.3
Collaboration	-1.0	0.0	-1.0		1.0	0.0		-1.0		
Leverage	-2.0	-1.0	-2.0		1.0	0.0		-1.0		
Platform	-1.0	-1.0	0.0	-1.0	0.0	1.0	0.0	1.0	0.0	-1.0
Sum	-3.0	-8.0	-2.0	-3.7	-5.0	1.0	-4.7	6.0	3.3	-5.7

Source: Pracsys 2013

Figure 11: Comparing peer and self before and after scores
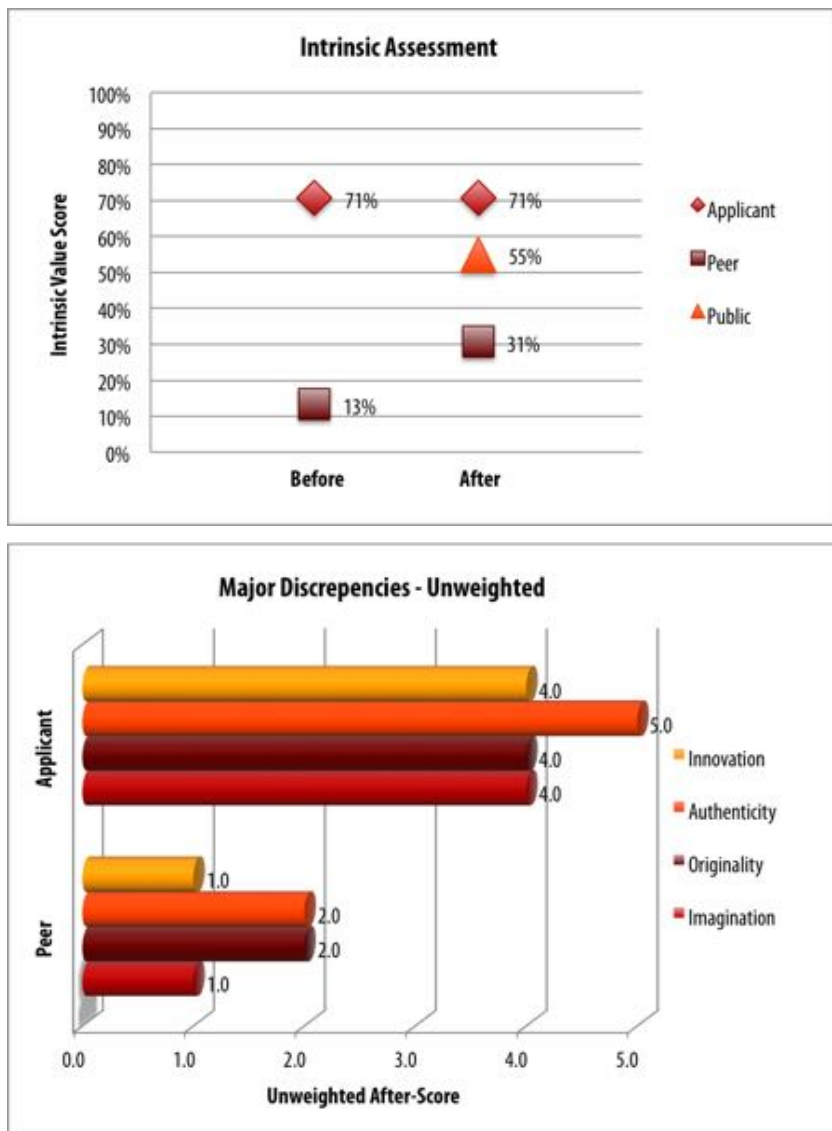
Source: Pracsys 2013

Exploring the possibility of calculating hybrid indicators

From the outset of the project, attempts have been made to produce hybrid indicators that can illustrate value as intrinsic impact divided by funding inputs, or the combination of instrumental and intrinsic (and potentially institutional) impacts on creating value.

Before 'real' organisation data was available, dummy numbers were input into a model to assess the potential use and validity of hybrid indicators, with particular focus on calculating units of utility. Utility units can be described as a combination of quality and reach assessments (by public, self and peer) and instrumental data related to community engagement (based on attendance figures). They were an attempt to extrapolate or apply intrinsic averages (from the sample of public responses) to the community of interest as a whole (those who had attended or been exposed to the art work), to measure the total intrinsic impact of a funded event.

Exploring ways of aggregating individual and organisation assessments to funding stream or portfolio level

One of the long-term objectives of the PVMF has been the ability to analyse and report on the total value (to the individual, society and the economy) of DCA's funded portfolio. This could provide DCA with a comprehensive business case to take to Treasury when competing for scarce government funds, and give the Department greater leverage in applying policy interventions to non-traditional areas. The current recording of intrinsic value as an average of public responses means that scores for organisations within a funding stream cannot be aggregated

to demonstrate total intrinsic value, without including an engagement dimension (as discussed above). Engagement is just one component of instrumental value, which in itself contains many variables (such as attendance, membership and employment). Aggregating instrumental value would require a way of combining instrumental variables to produce an overall picture. Aggregation should also include measures of institutional value, which are difficult to measure and are currently in the process of being examined.

Exploring ways of comparing performance across organisations, art forms or funding streams

The ability to compare performance across organisations or funding streams would be a useful input to DCA funding allocation decisions. Currently it is possible to compare organisations based on their average intrinsic scores, or based on the instrumental data that is collected. This does not however identify the drivers of performance, in that better quality or larger audiences could be partly a function of higher rates of funding (that facilitate more staff, visiting experts or increased marketing). Not accounting for funding inputs does not enable a fair comparison of organisations, and it reduces the ability of DCA to redirect funding to areas that generate the greatest value. Figure 12 illustrates charting of different value variables, including applicant, peer and public intrinsic scores, and attendance and funding instrumental data.

Issues

The problem with hybrid indicators is that government grants and funding contribute to a vast range of different value outcomes, all of which are difficult to aggregate in the same way. Intrinsic value is reported as an average of

public responses as it is not possible to achieve more than sample of public direct feedback, while instrumental value can attempt to count the total impact of an event on society. Intrinsic quality dimensions measure the impact of an event on an individual; yet funding decisions must also place importance on the extent of community engagement.

Issues with aggregating value arise because the units currently lack meaning. Multiplying a percentage average by total audience numbers (for example) can generate numbers in the millions. A way of normalising engagement data to generate more usable numbers will be necessary. The use of index numbers has been discussed, however again this does not enable the illustration of total value impact for the whole community.

Aggregated numbers on their own only make sense when comparing between streams or looking at improvement within an organisation

Figure 12: Value Variables over Time
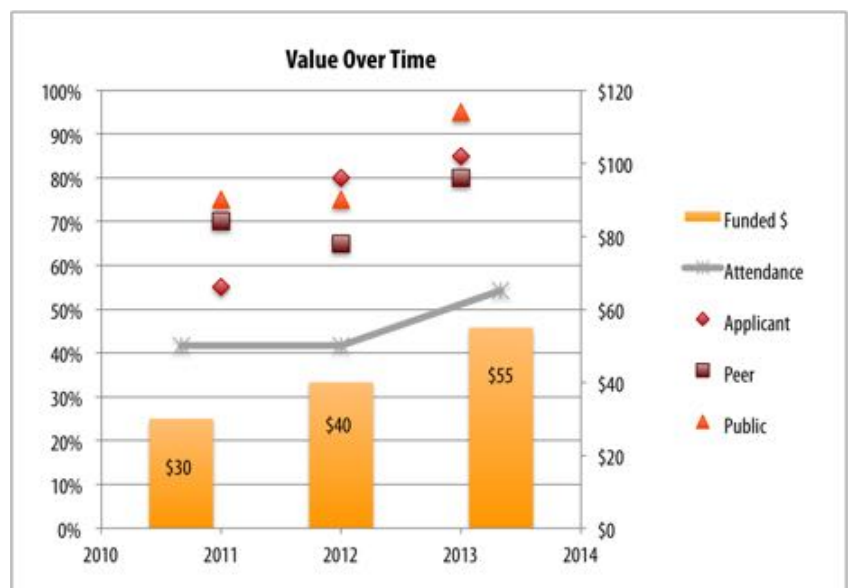
Source: Pracsys 2013

over time. This is when index numbers could be applied. Although the numbers make sense when used in this way, they still do not represent an accurate comparison of value increase over time or between organisations if they do not account for the inputs required to achieve these impacts.

To use aggregated comparisons to make funding decisions, DCA must measure whether differences in the amount of funding produce greater value outcomes. Treasury is also concerned with identifying value for money, and it is important to try to demonstrate the scale of impact on society for an investment in arts and culture, as compared with investment in another area (such as building a new road).

In order to compare fairly, each of the three types of value must be included in the assessment. The missing piece of the puzzle is the current difficulty with including institutional value information. This relates to the wider social value of key funded organisations (in particular), which is not captured by instrumental and intrinsic measurement alone. It is often a vital component in making a business case for the continued funding of these organisations.
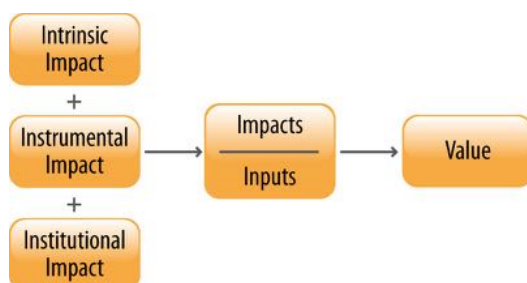

Next Steps

Testing of intrinsic variables is ongoing, with new focus on different organisation types (such as service organisations), individual artists and application for regional areas. It is expected that a larger sample size of responses will identify trends and enable assumptions to be developed around how intrinsic value, other types of value, and inputs such as funding tend to correlate.

The OGMS captures data from organisations for auditing purposes. Any of this data can potentially be used in the PVMS. Only a small proportion of instrumental variables captured (for acquittal purposes) have been examined in this stage of the project. Income and attendance variable were the focus of testing, based on a desire for hybrid indicators such as quality per dollar funded. Once the OGMS is finalised, it will be possible to examine the use of additional variable in development of a more comprehensive instrumental impact picture.

The literature discusses various methods for measuring institutional value, with options around Contingent Valuation and Social Return on Investment techniques currently being explored.

Until the impacts of all types of value can be more comprehensively captured, aggregation of organisation performance data will lack pieces of important information.

This means that comparisons will be inaccurate, particularly if certain organisations are more reliant on one type of value (such as institutional value).

Therefore, aggregation, hybrid indicators and comparison between organisations are not recommended (for use in funding decisions or public reporting) until testing of intrinsic value is complete, and methods for capturing institutional value and additional instrumental variables are agreed.

Until accurate aggregation is possible, the PVMF components developed through this scope of work can be used to evaluate the organisations (or individual artists) based on their contribution to policy objectives within separate value types (intrinsic using the public, self and peer assessments; and instrumental using data from the OGMS).

Section 5 identifies how an organisation's key deliverables can be assessed using the different components of the PVMF and linked back to value and core policy outcomes.

5   PUBLIC VALUE POLICY

5.1   CURRENT POLICY STRUCTURE

DCA's current policy framework is outlined in 'Creating Value: An Arts and Culture Sector Policy Framework – 2010-2014'

That policy framework was our starting point for all of the PVMF development work. Before we detail our proposed adjustments to your policy framework, it is useful to recap the work that has already been done to ensure that the PVMF reflects DCA's strategy intentions as articulated in the Creating Value policy document.

Figure 13 summaries DCA's four key public value measures as outlined in Creating Value – quality, reach, impact, and value. In turn, these four key measures are the foundation of the measurement model we have produced.

To develop the measurement framework we worked with DCA to generate a shared understanding of what is meant by the terms, quality, reach, impact and value in order to develop agreed definitions for both the outcome areas and policy drivers/goals. This generated a wide range of commentary back to DCA on where there is potential confusion or over-lap between its stated policy drivers/goals.

John Knell and Pracsys coordinated a series of facilitated meetings with DCA staff to discuss the key outcome areas and drivers in order to better identify the needs/outcomes of the measurement framework.

Figure 13: DCA Public Value Measures

Quality:	Quality is seen as a measure of creative process and product and will include the distinctive, innovative and significant elements of the creative experience. Quality will be measured through a combination of self-assessment, peer assessment, audience and public response.
Reach:	Reach is seen as a measure of the access to and participation in arts and cultural activities. It will measure the breadth and depth of engagement, through attendance and participation data alongside audience and public satisfaction with their level of engagement.
Impact:	Impact is seen as a measure of the social, cultural and economic impact of arts and cultural activities, and will include the transforming impact through engagement. Impact will be measured through the quantitative and qualitative review of outcomes from engagement.
Value:	Value is seen as a measure of both the economic value of arts and culture and the appreciation of arts and culture in the Western Australian community. Value will be measured through both the return on investment and the value of culture and arts through community surveys.
Outcome Areas:	Results across the four Strategies will be aggregated to demonstrate the delivery of public value in the four Outcome Areas: Creative People; Creative Communities; Creative Economies; Creative Environments Outcomes in each of these areas will contribute to the DCA Public Value Principles: Creativity and Engagement. Measurements will be drawn from a number of existing and newly designed surveys and data sources. These will assist in determining the public value of arts and culture to Western Australia.

Source: Pracsys 2013

We reviewed the priority outputs and activities that DCA expect to see under each of the four key outcome areas creative people, creative communities, creative economies and creative environments, alongside exploring the quality, reach and impact of each outcome. This led to a new set of interim output area priorities as outlined in Figure 14.

Figure 14: DCA refreshed output area priorities

Creative People Output Area Priorities	• Support and strengthen the skills of the arts workforce, with a particular emphasis on digital skills • Generate popular and public policy support for the arts • More people experience bold and innovative art
Creative Communities Output Area Priorities	• To generate deeper and richer levels of engagement with the communities we serve • Encourage communities to create and share their stories • Build cross sector partnerships to broaden the creation and delivery of culture and arts experiences
Creative Economies Output Area Priorities	• Encourage economic sustainability • Support real and virtual clusters and cross sector collaborations
Creative Environments Output Area Priorities	• To support cultural hubs that scale cultural and commercial activity, attracting talent, audiences and a diversity of expertise • To better understand and support the key assets and networks driving the creation, consumption, distribution and conversation of cultural outputs • To support infrastructure that will enable artists and communities to create a more vibrant public realm in WA

Source: Pracsys 2013

These priorities formed the output frame against which we sense checked the emerging metric set of the public value measurement framework.

In other words, the measurement framework has therefore been modelled in a way that would allow DCA to capture and measure the value of its investments in these prioritised output areas / outcomes.

5.2 OPERABLE POLICY FRAMEWORK

In our final report of the first stage PVMF project we looked ahead and noted that the key supporting change required to implement the PVMF will be to secure strong strategic alignment of metrics to policy, goals and decisions rules – thereby creating an operable policy framework (as outlined in Chapter One). This will ensure that the value framework is used as a practical decision tool in shaping the strategic direction of DCA. This alignment has a number of components.

Firstly, DCA's policy needed to be restated and tweaked using the same language, and terms, that are finalized within the PVMF.

Secondly the key outcome areas of Creating Value (CV) need to integrate with the metrics in PVMF, so that:

• Funding criteria and KPIs for the funded organisations and DCA funding programmes are routed through the PVMF

• DCA's KPIs relate directly to key aspects of the PVMF

• DCA can provide a clear account of how it is measuring the intrinsic, instrumental, and institutional value of its activities through the PVMF and other necessary metrics / evaluation activity

• In further implementation work, the strong integration of CV with the PVMF will allow DCA to robustly allocate funds through defined decision rules. DCA may seek to weight different elements of the PVMF to reflect its overall strategic priorities (at both the portfolio level,

and in terms of strategic funding programmes).

This is what will create a coherent system, with the PVMF directly linking policy, decision-making, funding allocation and acquittal processes.

5.3   CONSULTATION PROCESS

As part of the Pracsys team, John Knell carried out the following consultation exercises with key DCA staff.

Stage 1: Creating Value and DCA's Strategic Intent

The first task was to check that the Creating Value (CV) policy framework as currently articulated, and the proposed output area priorities, effectively represent DCA's strategic intent and funding aims.

What has changed in DCA's operating environment since you wrote the policy some three years ago? Does this require any updated responses from your policy framework?

Process:

John Knell conducted a one to one interview with Colin Walker to get early stage views on what's changed in DCA's operating environment.

He then facilitated a video-conference with a DCA staff group to discuss what has changed in your operating environment, and whether DCA want to make corresponding adjustments to the policy framework.

As a result of these meetings John Knell produced two key outputs to drive the next stage discussions.

First, a powerpoint presentation (entitled 'PVMF facilitation meeting April 8th') explored the implications of the changes in DCA's operating environment, and offered first stage thoughts on possible changes to the policy framework. This initiated DCA discussions about possible improvement / refinements to Creating Value (including a consideration of the definitions of quality, reach, impact and value).

Second, a word document (entitled 'Live Redraft of Creating Value') provided an analysis and discussion of how the Creating Value framework could be reworked in light of the PVMF.

These documents also outlined the overall approach being adopted in this part of the implementation work, as captured by Figure 15.

Stage 2: Creative Value Rework - Relating your high order goals to agreed prioritised outcomes areas

Using the outputs from Stage 1, John Knell facilitated a further video-conference to discuss the key issues around reshaping Creative Value.

Essentially this involved forging a consensus with DCA Staff on:

- A unified view of your higher order goals

- Assessing the fit with the list of prioritised outcomes areas / metrics

- Whether there are any prioritised output areas / outcomes that need to be added?

- Whether we need to tighten up the definitions of your key output areas / outcome in ways consistent with the PVMF?

- To map the emerging Creating Value framework against the PVMF – in terms of instrumental, intrinsic and institutional value.

- To explore whether Creating Value needed a clearer logic model in terms of the narrative around value creation, and the inter-relationship (implicit hierarchy) of the key goals / outcome areas

After the facilitated meeting, DCA collated and send feedback to John Knell on his Creating Value Redraft document, and John Knell has continued to have regular bi-lateral discussion with Colin Walker and other DCA staff, identifying key drafting, integration and implementation issues, which we describe and detail below.

DCA's preference throughout this implementation process has been as far as possible to work with the existing outcome priorities of their Creating Value Framework – namely Creative People, Creative Communities, Creative Economies and Creative Environments. Therefore the key challenge is to use the integration with the PVMF to develop more distinctive outcome definitions under each of these themes.

The necessary end point for DCA is also to ensure that these outcome areas enable DCA to derive meaningful KPIs for both their activities and those organisations reporting to them.

The next section highlights the key challenges and issues that we have had to address to get

Figure 15: Reworking Creating Value
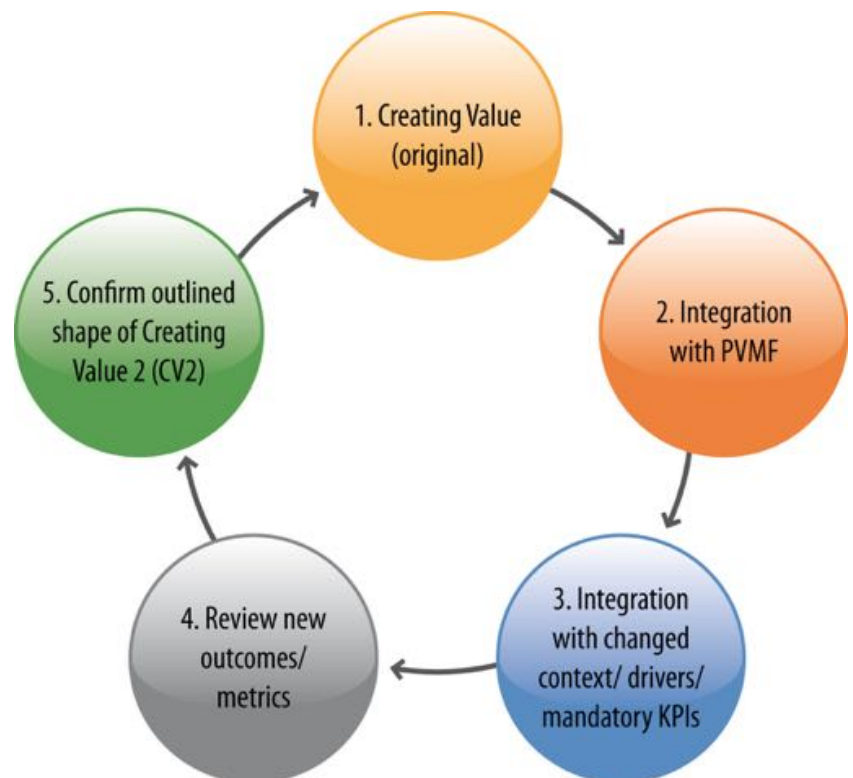
Source: Pracsys 2013

the Creating Value policy framework to its current integrated state with the PVMF, and the implementation issues that DCA will need to be resolve to finalise the policy framework and its presentation.

We then present a logic model schema for the new policy framework, mapping the suggested outcome areas against the PVMF metrics – with commentary on the other additional metrics required.

5.4   KEY INTEGRATION CHALLENGES AND ISSUES

What then have been the key integration issues, and what are the implications for the reshaping of the Creating Value framework?

1.   The need to tighten up definitions of the outcome areas

All of the outcomes areas need to have tighter definitions, both in terms of their rationale ('the why') and definitions of success. We have worked these through with DCA – who will no doubt wish to make further refinements through planned stakeholder engagement activity in the next six months.

2.   PVMF 'plus'

Some of the key outcome areas have necessary success metrics that fall outside of the current PVMF framework. So DCA need to be clear which core elements of their policy framework are supported directly by the PVMF, and which need to be supported by other sources of information reporting / evaluation. For example, with regard to the Creative People category, DCA might seek to ask their funded organisations to report on some additional instrumental benchmarks around employment, retention, CPD spend.

3.   No clear outcome category to capture the quality of creative experiences (i.e. vital intrinsic elements of the PVMF)

The PVMF generated a rich set of intrinsic metrics capturing both quality of product, and quality of cultural experience. These intrinsic metrics did not fall in any neat way under the current outcome areas of Creating Value. After discussion with DCA it was agreed that we should add a new outcome area of 'Creative Experiences' to the Creating Value policy framework.

4.   The need for an over-arching GVA model

The PVMF is capturing a range of intrinsic and instrumental value. But as our earlier benchmarking papers noted in the Stage One PVMF project, there is a strong case for DCA to build a simple GVA model and ensure that it puts in place the corresponding reporting structure for its funded organisations. The PVMF instrumental measures capture some of the necessary metrics (financial leverage information) – but to drive a GVA model DCA will require their funded organisations to report on metrics that currently fall outside of the PVMF (for example, supply chain purchasing; net profit; employment figures etc)

5.   Cross-cutting themes within Creating Value – status and treatment

DCA will need to sense-check and resolve a number of cross-cutting theme issues in its presentation of the Creating Value Framework.

So for example, issues around diversity (of workforce, programme, product) need to be either provided for by the core PVMF, or run as a cross cut theme within CV. Either way, DCA would need to identify and state any specific metrics that are required over and above the PVMF.

Similarly, in terms of your key outcomes for say children and young people, or other prioritised groups for engagement (rural communities; indigenous communities) – DCA needs to sense check the new outcome set in CV to ensure that the PVMF and other metrics are allowing you to track these outcomes, and if not, whether

that requires you to develop specific funding programmes that are delivering outcomes additional to your core metric set.

6. Understanding the distinctions between those metrics in the PVMF which are of 'internal' / developmental use – as opposed to those that are relevant and appropriately public facing

The implementation process has confirmed that the PVMF offers up a whole range of analytical and business improvement possibilities for both DCA, and the funded organisations.

Key elements of the intrinsic metrics are explicitly public value metrics, in terms of allowing for a full range of public feedback inputs – and you would expect to make the resulting benchmarks public. Similarly, some of the headline intrinsic, instrumental, and institutional metrics are appropriately 'public'. As a result of the PVMF and supporting metrics DCA would expect to be able to report on the cultural and financial health of its funding portfolio, and the wider institutional value of those they fund.

The previous chapter noted the inappropriateness of using some of the suggested hybrid indicators for public reporting or funding decisions. However, that is not to say that some of the hybrid measures are not useful 'internal' measures for funded arts organisations. For example, many of the individual and hybrid measures made possible by the PVMF allow its funded organisations to develop useful measures of:

• Effective and efficient deployment of resources

• The balance being struck between cultural success (measured in intrinsic terms) and commercial vibrancy / resilience

In the final analysis, if funded organisations find these metrics to be useul in terms of their benchmarking, business planning and improvement activities, and wider governance processes, they will use them. But they will remain 'internal' to DCA and the funded organisations.

The important issue for DCA here is to be very clear on the distinctions between 'internal' (to them and the funded organisations) and 'public' metrics.

7. The relationship between strategic programmes and the CV framework / PVMF

Another key issue is that the CV framework, appropriately, is a high-level strategy document, outlining DCA's intentions, goals and key success metrics. But in implementation / operational terms a key decision for DCA is how far it plans to run strategic funding programmes through the PVMF metric set. Put differently, is the relationship between organisational funding and reporting and the PVMF very different from the relationship between individual funding programmes and the PVMF.

The assumption is to integrate as far as possible. This has a number of implications for DCA, as it rolls out CV and the new PVMF. Firstly DCA needs to review its current strategic funding programmes and model them against the PVMF? The test here is whether the greater majority of your individual funding programmes can sit comfortably within the PVMF. What might this mean in practice?

The natural option would be to take the headline outcome areas in the new Creating Value, and use them as the organising principles for your individual funding programmes. This has two elements.

Firstly, any individual funding programme could be designed to deliver against key outcomes in the PVMF – indeed decisions between competing funding programme options could be determined on the basis of how much they are either filling vital 'outcome' gaps in your investments as measured against the PVMF, and their total ROI in terms of contribution across your outcome priorities and corresponding PVMF metrics.

Secondly, the funding assessment and evaluation would then flow from the relationship of the proposed funding programme to your outcome priorities and the PVMF. So for example, a specific digital / cross-art form initiative, would be judged to contribute specifically to certain intrinsic and instrumental metrics within the PVMF and it would be presented as relating to say two of your key outcomes areas, and against the corresponding metrics within the PVMF.

So what might the application and evaluation process, integrating with the PVMF, look like? DCA would agree a small set of funding programme selection criteria with suggested key criteria to include:

- Which of our outcome areas is this funding programme delivering against?

- Funding programmes should always seek to deliver to at least two of priority outcomes areas

- Is this funding programme offering clear additionality over and above our organisational funding

- Is this a single focus or multi-focus programme? For example, is it a capacity building programme and / or a programme that can be measured in cultural product, process and experience terms

In light of these filters DCA would then determine which of the key metrics within the PVMF it should use to fund / evaluate the programme – judging applications against their ability to deliver against these identified / prioritised outcomes. A more sophisticated variant of this approach, would be to then weight / prioritise the relevant metrics within the PVMF (so for example for a digital programme DCA might choose to weight the 'originality' and 'risk' elements of the intrinsic metrics more heavily than others). These types of weighting decisions would be taken on a case-by-case basis, ensuring DCA is providing a clear ROI rationale for each funding programme, and its relationship to wider portfolio outcomes.

8. Portfolio targets vs individual organisational targets and the danger of unintended consequences

Another affordance the PVMF gives DCA, once has generated some baseline data, is to consider the balance between aspirational and prescriptive targets, and whether such targets sit at the portfolio level or with individual funded organisations.

So for example, DCA may wish to set an aspirational target for the mixed economy of funded organisations, with targeted increases

in philanthropic giving, sponsorship and other contributed income outside of the normal earned income categories. But the problems of setting these at the organisational level are obvious – with key issues including:

• The diversity of your funded organisations and therefore their differing capacity and ability to leverage additional sources of income

• The possibility to distort established and successful fundraising strategies – with different organisations having made rationale decisions about where to place their efforts – which targets may distort

• Income levels in totality may be less useful measure of the financial vibrancy of a funded organisation, then the balance of restricted against unrestricted income, with the latter clearly implying a greater degree of resilience – in terms of the ability to adapt to change circumstances and align activities with artistic and wider mission.

We would recommend that DCA is cautious in the early years of the PVMF to set organisational level targets based on particular outcomes and metrics. Once you have a number of years of baseline data, you will be able to analyse the performance of different parts of the portfolio and set appropriate stretch targets through your funding agreement processes.

Any aspirational targets should be held at the portfolio level until you are much clearer on the interaction and relationship between the variables in the PVMF, at both the funded organisaton and portfolio level.

9. Service Organisation versus Production Organisations

Unsurprisingly, given that it was co-produced with them, the PVMF fits better with the activities of 'production organisations' than with the 'service organisations' that DCA also fund.

The relationship between the service organisations and the PVMF is partly dependent on the nature of the funded relationship between DCA and the 'service provider.' Is it run 'loose' or 'tight' by DCA? In other words, to what extent do the service providers have a degree of arms length latitude to meet broadly specified goals / outcomes? (a loose relationship) Or is the relationship between the DCA and the service providers effectively a more precisely defined contract for services (a tight relationship). Having briefly reviewed some of the grant awards they are often a mixture of both elements. The natural first step for DCA would be to identify any 'hard elements' of the grants in terms of clear deliverables, and then seek to integrate any agreed performance metrics for the service providers by linking (as far as possible) the outcome measures for these 'hard' deliverables to the PVFM.

The key point here is that if the proxy measures – and their relationship to the PVMF - is clear then some of the current problems of aggregation become less of an issue – to the extent that you can still tell an overall aggregated public value story, which embraces the activities of the service organisations in a comprehensive and rigorous way.

So for example, let's imagine DCA had a contract with a service provider to deliver a programme

of workshops, whose key aim was to encourage knowledge sharing and networking across a defined community of interest or practice.

In future years, DCA could seek to stipulate that the service provider uses key elements of the PVMF to measure the key outcomes (reach metrics around collaboration)– over and above other agreed reported outputs specific to this grant award.

The likelihood is that once the PVMF model is fully implemented, and if we envisage two funding cycles based on the PVMF – over time DCA will be able to align in a meaningful way the key activities of the service organisations, in way that allows meaningful aggregation in relation to the PVMF. Any exceptions, will need to relate to other headline outcomes in CV2.

10. No clear logic model explaining the inter-relationship between the key outcome areas

The integration process has revealed that whilst CV committed DCA to work with its partner to produce a rich spectrum of outcomes – there was no visible logic model in CV about how the various things DCA cares about (measured in intrinsic, instrumental and institutional terms) go together to produce outcomes that are greater than the sum of the parts. At worst this made CV feel like a list of things DCA is committed to, rather than a strategic statement of how DCA's prioritised outcomes reflect a clear model of how it is attempting to create value with the sector. Moreover, it means that the links between your wider development activity (in terms of your infrastructure and service organisation work) and the achievement of your higher goals / outcomes areas.

The new 'live' draft of the Creating Value document is now based on a clear logic model approach – which we discuss below.

5.5 NEW POLICY STRUCTURE

Key issues and a clear logic models for your goals

As we worked with you to integrate your existing outcomes areas in Creating Value with the PVMF – a number of things have become clear:

The breadth of your policy goals, as implied by your current outcome areas, cannot be fully 'served' – in outcome / metric / KPIs terms by the PVMF. This reflects the fact that the PVMF was primarily designed to capture the full range of intrinsic value being created by your investments and activities. So for example, if you keep the Creative Economies outcome area – there are aspects of the outcome set here which fall outside of the core PVMF model (for example a more complete GVA model that needs a wider outcome base than some of the instrumental metrics in the PVMF).

The core of the PVMF - (e.g. quality of cultural product, process and experience measures; key reach outcome measures) speak most powerfully to your Creative People, and suggested Creative Experiences categories. These outcomes are at the heart of your policy framework – the reason why you fund infrastructure support and development, and they act as drivers of any wider outcomes (economic, community or otherwise). You would expect the integration between the PVMF and these goals to be the tightest and most complete.

This being so, on reflection the original presentation of your goals in CV had no underlying logic model for value creation. In other words the goals were presented as all being equally important, and there was no discussion of the inter-relationship between them – so for example whether some were explicitly there to support the realization of other key goals / and outcomes. My suggestion for CV2 is that you do develop an explicit logic model narrative – which sets out your ambitions in a way that explains both why the different outcome areas matter, and how they relate to each other.

My recommendation is that this makes it easier to explain why the PVMF deliver the core of your funding ambitions, and is being supplemented by other targeted outcomes / metrics.

5.5.1   Logic Model Options

The implication of all this is that DCA should take the opportunity in CV2 to provide a clearer narrative of its goals and ambitions - reflecting the shared value agenda with the sector created by the PVMF – and related to its mandatory responsibilities.

The best way to develop this type of logic model is to be crystal clear about the relative importance and inter-relationship between your current / proposed outcome areas.

The three goals which most fully reflect the shared intention / value agenda of the PVMF are:

1. Creative Experiences – at its simplest this is your 'quality' goal – the Department is committed to developing a cultural offer to the citizens of WA that is of the highest

quality, reflecting the richness of our cultural heritage and traditions

The key PVMF metrics here are the following intrinsic measures:

- Inquisitiveness

- Imagination

- Originality

- Risk

- Rigour

- Currency

- Authenticity

- Innovation

- Excellence

2. Creative Communities – at its simplest this is your 'reach' goal – 'the Department is committed to supporting access to, and participation in culture and arts activities for all Western Australian Communities' (current CV text)

In other words, you want as many WA citizens as possible to be able to access, enjoy and shape the cultural offer and life of the state.

You are interested in not just the number of people involved, but the depth and quality of that involvement, as both individuals, communities and particular communities of interest (from teachers to parents to health workers)

The key PVMF metrics here are:

- Audience – number, diversity, connection

- Platform – the capacity of the work to have long term influence and importance to communities of interest and practice

3. Creative People – at its simplest this is your 'talent' goal – DCA's statement that achieving these ambitions requires a rich talent pipeline in WA – with DCA seeking to create opportunities for talent to thrive and develop, and to attract and retain the very best creative artists and administrators in WA.

Possible text might be:

Meeting these aspirations requires us to support, sustain and nurture creative talent and leadership in the state.

It is therefore vital that we do all we can to support the talents and practice of Western Australian artists and organisations. Our aim is to enable an environment that encourages the exchange of new ideas, encouraging original and innovative practice across a rich network of artists and cultural workers in Western Australia and beyond.

The key PVMF metrics here are:

- Practice – collaboration – 'the extent to which the work connects with communities of practice'

- Platform – the capacity of the work to have long term influence and importance to communities of interest and practice

These three goals are at the heart of Creating Value 2, and are the core of the PVMF.

5.5.2 The PVMF and your other outcome areas

The other key metrics in the PVMF – the instrumental value measures capturing the financial performance of an event or an organisation – do not map directly onto any of the other outcome areas in Creating Value – although there is some relationship with the Creative Economies Category.

My recommendation would be that you have a stated aim in CV2 to develop a resilient cultural sector – and use the instrumental metrics in the PVMF to demonstrate progress towards this goal. So how might this look?

Developing a resilient cultural sector

In the original Creating Value, you have commitments to support arts organiastions to develop a vibrant mixed economy, building strong portfolios of economic and social activity – both as part of their missions, but also as important parts of their earned income activity.

This category also allows you to say something, if you wish to, about philanthropic giving.

The key instrumental value measures examined during the current testing and implementation phase include:

- Audience (paid and non-paid)

- Income (earned and funded)

These metrics only cover a small proportion of what is required to develop a comprehensive picture of instrumental value. To develop a GVA model, for example, a range of additional measures will be required. As we noted in the early benchmarking papers for this project there is a maturing approach to measuring economic impacts, with an increasing emphasis on capturing Gross Value Added (GVA) impacts. In simple terms GVA models attempt to measure within a defined geographical area the total value of goods and services available

through economic activity. So for example, if additional jobs are created in a regional economy, this will lead to higher GVA. Similarly higher salaries and business profits will lead to a higher GVA figure.

All GVA models are therefore essentially variations on input/output models that are trying to capture:

- Direct and indirect employment effects (for example net employment gains; wages)

- Profits (gross operating surplus)

- Secondary / external visitor effects

- Indirect / Supply Chain effective (income multiplier effects through local expenditure in goods and services)

In deciding its approach to capturing economic impacts, DCA will need to determine its preferred approach to capturing such outcomes and whether to adopt a formal input / output model to measure overall GVA impact (see Figure 16 for example).

Figure 16: The Shellard Model for measuring economic impact

The Shellard Model (below) grew out of Arts Council England commissioned research on the economic impact of performing arts organisations. The challenge for AGMA is to generate a model that is serviceable to a wide range of potential organisations across the portofilo.
Economic impact = annual turnover + overseas earnings + additional visitor spend + salaries + subsistence allowances + goods and services expenditure Î a multiplier of 1.5
The multipliers applied to such models differ – for example the Treasury Green Book uses a regional multiplier of 1.0 for affects in the regional economy*

* See Department for Business, Innovation and Skills (2009) 'Practical Guidance on Implementing the Impact Evaluation Framework'

Source: Pracsys 2013

Our recommendation would be that you work with your Treasury colleagues, Australian Council and ABS, to agree a GVA-lite model, and then include any necessary additional metrics in the reporting frameworks of your funded organisations.

DCA may also choose to commission at various points independent GVA studies capturing say the visitor economy impacts of the cultural offer, in terms of specific festivals and programmes of work.

This theme of developing a resilient cultural sector is an 'enabling' goal – in that a resilient cultural sector is important to you as a funder because it provides demonstrable evidence that your funded cultural organisations are well led, entrepreneurial and likely to deliver on their core ambitions.

It therefore seems important enough to make an explicit outcome area in Creative Value 2

5.5.3 Reworking Creative Economies and Creative Environments

The other goals / outcome areas in Creating Value are either statements of:

- Your commitment to support the infrastructure and networks that are required to help secure your ambitions in these goals (currently Creative Environments)

- Your commitment to ensuring the arts and cultural sector make the widest possible contribution to the success of WA – economically and socially – supporting the ability of the sector to be economically vibrant and socially impactful (currently Creative Economies)

Unsurprisingly these goals have a 'weaker' fit with the PVMF, as they are enabling activities / wider outcomes.

I would suggest some more radical drafting options here – with the aim of keeping these outcome areas distinct from the PVMF, but as we have discussed in our earlier discussion of service organisations, related to the PVMF where possible.

The aim here is to specify your ambitions in these outcome areas so that:

- Their enabling role in supporting your wider ambitions (i.e. your three key goals) is brought out more clearly

- Their success is captured by distinct outcomes measures that are different from, but may relate directly to, key elements of the PVMF

So what might this look like in a new version of CV2?

Firstly, Creative Environments' could be rebadged under the theme – 'Enabling the wider conditions for success'

Secondly, 'Creative Economies' could be rebadged under the theme – 'Maximising the overall contribution of the arts and cultural sector'

Enabling the wider conditions for success

In this strand, DCA would describe your responsibilities to develop the cultural and arts infrastructure of the state – maintain its heritage assets – and to focus strategically on specific gaps and capacity needs (e.g. your service organisation activity) with the aim of

ensuring that you are actively creating the conditions for success that will deliver creative experiences, communities and people.

This would enable you to embrace your commitments in your Cultural Infrastructure Directions policy, and your relationships with the service organisations, within a clear over-arching ambition in CV2

I think you would focus activities / metrics here on tangible bits of infrastructure / capacity building. The suggestions below are from my first recut rework of CV and from your Cultural Infrastructure Directions document.

- We will have supported cultural hubs that are fostering cultural and commercial activity – attracting talent, audiences and a diversity of expertise

- We will better understand and support the key assets and networks (people, technology, buildings and partnerships) driving the creation, consumption, distribution and conversation of cultural outputs

- A cultural ecology mapping methodology and digitisation strategy (taken from your 'Cultural Infrastructure Directions – 2012-2014)

The value of this approach is that in CV2 you can review the outcome areas you prioritise under this strand and scan them against your three core outcome areas / goals (creative people, experiences, communities) – is there a tight fit – do they feel core to your aims and ambitions? If not, how would describe their importance / inclusion.

Maximising the overall contribution of WA's arts and cultural sector

This outcome area would embrace the current 'Creative Economies' outcome area – but also include some of the other commitments you are keen on – such as improving the physical environment and the vitality and liveability of the state

So this is very much focused on the creative economy, public realm, liveability, and wider social benefits of your investments in the arts and cultural base

Outcomes here would focus on definable contributions measured outside the PVMF. So for example:

•	The arts and cultural sector will continue to increase their GVA contribution to the WA economic, as captured by an agreed GVA model

•	We will support the creation, protection and distribution of marketable intellectual property

•	We will work with other public and private funders to encourage collaborations between the arts and cultural sector and the wider economy – to the benefit of both – including the role of the arts in human service provision in our communities

•	We will have invested in infrastructure that is enabling artists and communities to create a more vibrant public realm in WA

There are a range of possible additional metric / measurement options here. For example, in terms of charting the contribution of the arts

to that wider creative economy (including place making and brand considerations), these are now often given a quantitative expression in City benchmarking exercises such as the Arnholt-GfK Roper City Brand Index3, which measures issues such as 'pulse', and 'liveability' in cities, which include consideration of the cultural offer and creative milieu).

More broadly here, this strand is where DCA could choose to locate any other commitments to capture the wider public value of your investments – in terms of institutional value measures / wider public value surveys. For example, DCA may wish to say that:

'We are also committed to capturing the wider public value of our heritage and cultural assets through additional public value studies, consistent with VFM principles'

The other advantage of this strand is that you could clearly signpost where you will need to work with your partners to achieve particular aims and outcomes here (both across Government and with other funders / investors and delivery partners.

Towards a new logic model

If this type of logic model approach felt appropriate, our recommendation in terms of the flow of your new logic model – would be to present your priorities in the following order:

Our three key goals:

•	Creative People

•	Creative Experiences

•	Creative Communities

3	See www.simonanholt.com/Research/cities-index.aspx

To help achieve these ambitions, DCA also works to:

• Develop a resilient cultural sector

• Enable the wider conditions for success

• Maximise the overall contribution of the arts and cultural sector

We have built the PVMF to give us a rigorous and publically accountable way of measuring our progress against our three key outcome areas, and of ensuring that our funded organisations are resilient and impactful.

Our wider development agency work and investment is aimed to directly support our core goal ambitions, ensuring that WA is building a vibrant cultural infrastructure that helps maximise the wider contribution of the

sector to the prosperity, success and well-being of Western Australia.

As we noted earlier, any individual funding programmes would have to be able to demonstrate their clear contribution to these six areas of work, using filters / decision rules to be confirmed.

Diagrammatically your new Creating Value policy framework could be presented as follows:

• The circles are your higher order policy goals – and drive the majority of the PVMF

• The rectangles are your enabling policies to support the delivery of the three key goals and maximise the overall impact of the sector.

• The arrows are the underlying public value principles of your approach. These do not have outcome measures associated with them – but rather inform your approach to producing the public value outcomes in the PVMF.

Figure 17: Creating Value 2 Policy Logic Model
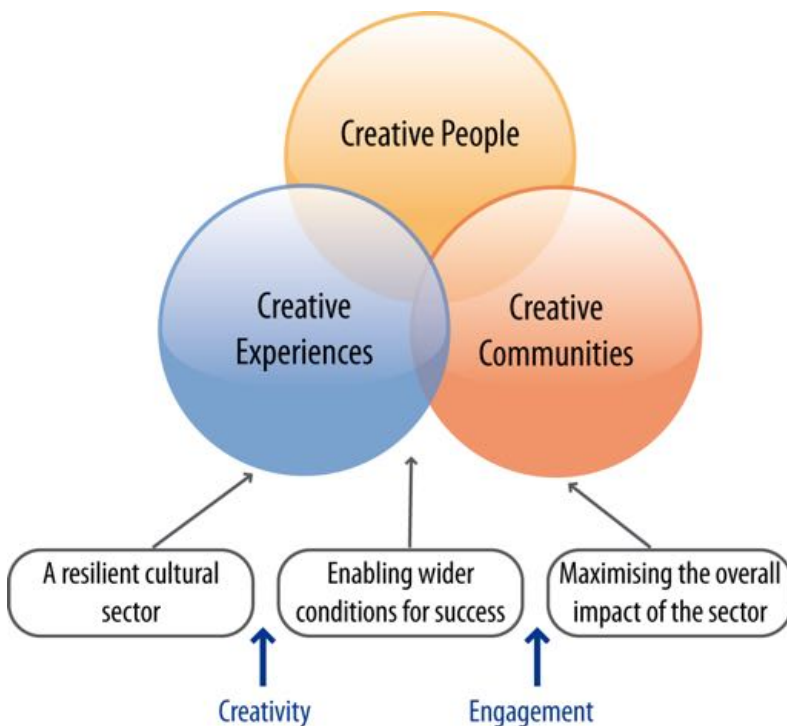
Source: John Knell 2013

6.0

6 LINKING POLICY, PROCESS AND OUTCOMES

This section is an attempt to link policy, process and outcomes, by giving a broad overview of all of the components of public value measurement. It contains reference to institutional value and broader instrumental well-being impacts that have not been captured/measured in this scope of work.

Figure 18 illustrates how the different components of the PVMF link together and relate to the Creating Value policy framework. Components (as contained in the various sections of the report) include value identification, data collection, data use and integration with policy.

The diagram summarises the key objectives of the Creating Value policy, the meaning of each of the types of value, the ways in which the various pieces of value data can be collected (and by whom), and potential uses of the data in analysis and (internal and external) reporting.

Data collection methods in green were the key focus of this scope of work. Methods in red should be examined in the next stages of work.

Data use options in green are possible now, while those in red are likely to be possible following capture of additional instrumental and institutional value measures (to enable the use of aggregation and comparison).

Lines can be drawn between components to show which type of value is consistent with policy objectives, and how that value data can be collected and used.

For example, one of the platforms of Creating Value is Creative Communities, involving the engagement of communities of interest and practice. Engagement is a component of both intrinsic and instrumental value, with actual attendance numbers collected via the OGMS, and questions related to the public's level of connection with the work surveyed in the mobile app. Engagement data can be analysed on its own for organisation internal planning, or used by DCA to set targets for improvement over time (to form decision rules). Combining instrumental and intrinsic measures of engagement generate a more comprehensive picture of both the number of people engaging with events and the quality of the engagement. Once all organisations (and individual artists) are collecting data via the app, web portal and OGMS, DCA will be able to prepare reports identifying the level of positive contribution to the engagement policy objective.

Figure 18: Components of the PVMF

Policy	Identifying Value	Data Collection	Data Use Options
Creative People - Skills - Popular Support - Personal experiences Creative Communities - Engagement - Sharing experiences - Partnerships Creative Economies - Sustainability - Clusters/Collaboration Creative Environments - Cultural hubs - Assets and networks - Public realm Creative Experiences - Quality of product - Quality of experience	Instrumental Value - Contribution of culture to specific economic and social policy goals - Mass social outcomes - Measurable effect on masses - Tool to accomplish another aim such as economic regeneration, more employment, less crime Intrinsic Value - Value of culture to individuals - How it affects us emotionally - Subjective - Establishes arts as public good Institutional Value - Value that people collectively place on culture - Way that cultural organisations act - Space in which diverse people interact and understand each other - Contribution of culture to producing a well-functioning society - Social return on investment (SROI)	Capturing intrinsic value to public - Mobile app - Paper survey - Web link Capturing intrinsic value for peer/org - Web portal - Paper forms Capturing financial value to org - Financial reporting - Strategic planning - OGMS portal Capturing instrumental value to economy/society - OGMS engagement data (attendance, membership, participation) - ABS count of job growth - Count spin-off ventures - Network mapping Capturing institutional value to state - Question in app? - Economic contingent valuation	Long-term analysis - Internal to DCA - Internal to organisations - Identify trends and implement changes Measuring improvement over time - Organisation internal planning - DCA internal use in comparing within art forms Demonstrating intrinsic value - Internal assessment of audience satisfaction - Public reporting of benchmarks Assessing funding program - Internal to DCA - Determine contribution to priorities Designing new funding programs - Internal to DCA - Identify and fill gaps Report on cultural health of funding portfolio & wider institutional value - Internal use or public

Source: Pracsys 2013

Figure 19 acts as an example checklist for DCA and organisations to consider when assessing how key deliverables can be described within the PVMF and used to determine decision rules. The process could involve the following steps:

1. Identification of funding program

2. Application of filters

3. Identification of key deliverables, in form of:

   • Actions (i.e. from existing strategy documents)

   • Outcomes (from each of the relevant value types)

4. Choice of appropriate metrics for measure (as related to value type)

5. Identification of method for collecting metric data (and by whom)

6. Identification of required analysis and reporting

7. Linking of reported outcomes back to policy objectives

8. Determination of decision rules to maximise achievement of policy objectives

9. Assessment of how organisations within funding stream jointly contribute to policy objectives

Figure 19: Example checklist

Funding of	Filters	Key Deliverables	Appropriate metrics	Decision rules
Art forms/Production Organisations - Performances ✓ - Exhibitions - Events Service organisations - Education - Marketing Products - Development - Creative economy - Collaborative partnerships - Spin-off companies Capacity building - Skills - Tools - Facilities - Equity funding	What is this attempting to do? What is this not attempting to do? Is this a single focus or multi focus program? Apply weightings to intrinsic dimensions	Actions identification Outcomes identification e.g. Actions - Develop new training program for management of small organisations - Tour 10 additional regional primary schools - Organise WAMi festival - Create social media account Outcomes - Annual increase in box office revenue - Annual increase in membership subscriptions - Higher average public score on 'Excellence' metric	Intrinsic (measured with app) - Inquisitiveness ✓ - Imagination - Originality ✓ - Risk - Rigour ✓ - Currency ✓ - Authenticity - Innovation ✓ - Excellence - Connection - Platform Instrumental (variety of sources) - Audience Number ✓ - Audience Diversity - Collaboration - Leverage - Sponsorship income ✓ - Box office revenue ✓ - Membership - Employment ✓ - Other economic metrics - Other social metrics Institutional (SROI assessment) - Contribution to town culture	e.g. Must deliver at least two of priority outcomes areas Improve quality performance by x % Improve reach via two instrumental variables Contribute to policy priorities identified for your funding stream

7   IMPLEMENTATION TIMELINE AND ISSUES

7.1   DATA COLLECTION ISSUES

Some decisions regarding weightings are yet to be resolved, with several options around the timing of weighting assessment (annually or on an event basis), point of application (funding program, organisation or event basis), and use in modifying questions in the mobile app. Testing to date has assessed weightings on an organisation basis, with application to annual (or funding period) performance, and inclusion of all dimensions for public assessment.

Self and peer assessments of intrinsic dimensions can occur on an annual (or funding period) basis, or for each event. The database has been developed to enable self and peer scores to be input both ways, and can generate event or aggregated annual reports. It would be useful for both methods to be trialled by some of the key funded organisations in order to understand the time involved and additional benefits associated with event-based assessments. It is expected that event-based assessments will be useful for internal organisation review, due to the ability to directly match self scores with public scores.

Following development and refinement of the web portal, grant recipients from new test organisations (including individual artists) must be authorised and training provided in how and when to enter self assessments.

Development of a full test plan is required, including further testing of the dimensions with peers, artists and other funded organisations beyond the KFO6, including individual artists. Importantly, further testing of the mobile app must occur with non-performance based organisations such as visual arts and crafts, regionally based activities and service-based organisations, to assess issues with application

of the system and options for use in reporting and decision-making.

Further options are to be explored around how regional or disadvantaged areas can provide public access to the mobile app for people without smartphones. Paper surveys will require organisation involvement in distributing to the public and manually entering data, and providing URLs for post-assessments (on a home computer) is likely to reduce the sample size as the event becomes less fresh in the mind. Developing an iPad version of the app would enable the public to complete assessments at the event on a shared iPad. Options should be trialled within the test plan, with a combination of all methods likely to capture the largest sample of responses, but necessitating organisation buy-in.

Following further testing, some wording of dimensions within the mobile app may need to be modified slightly over time based on user feedback. Aggregated responses to all test events should be analysed to identify whether certain questions are consistently skipped or receive low scores from the public that are inconsistent with self and peer assessments.

Monitoring of the provision of demographic information by the public within the app should continue to see which percentage of people complete this optional section. Demographic information captured can be used to extrapolate communities of interest from ABS data. Following collection of a sufficient sample of public responses for an organisation (with demographic information provided), community of interest profiles can be developed. Future event marketing can use profiles to target particular postcodes, age groups or genders.

Final modifications to the mobile app build are currently occurring and the app is intended for submission to the apple store in late June. Following submission, there is a review process at Apple over approximately 8 days, with this step likely to be repeated several times as Apple identifies things that need tweaking. Once the app is accepted by Apple, it will not go live until the date specified in the entry step above. Currently this is set as late as possible, for mid 2014 and countries that can download the app are restricted to Australia, UK, and USA. If no action is taken, the app will become live in the app store at that date.

Decisions regarding the use of social media to engage the public are yet to be determined, and options related to facebook and other programs need to be explored. Other ideas for use of the public data have been identified, which will assist with engaging users on an ongoing basis. It is expected that features such as this will become clearer once decisions have been made regarding social network engagement.

7.2   NEXT STEPS

Testing of intrinsic variables is ongoing, with new focus on different organisation types (such as service organisations), individual artists and application for regional areas. It is expected that a larger sample size of responses will identify trends and enable assumptions to be developed around how intrinsic value, other types of value, and inputs such as funding tend to correlate.

To use instrumental value as part of a measure of total value requires a more comprehensive picture, including additional audit data pulled from the OGMS and the capture of broader economic and social outcomes.

Measuring value over time, or comparing the value of different funded events, necessitates a consistent set of measures to ensure that "apples are compared with apples", and important variables are not missed.

DCA must examine which instrumental value impacts that they can potentially capture in a consistent way (particularly pertaining to the achievement of economic and social policy goals), and then agree upon a consistent set of measures for the short term that will be used as criteria for assessing instrumental value across the board.

Methods for measuring institutional value discussed in the literature include Contingent Valuation and Social Return on Investment. As outlined in Section 2.3, Arts Council England uses these methods in an attempt to put a value on things that do not have a conventional market price and create social, cultural or environmental benefits. To generate a comprehensive picture of the public value of arts, institutional value cannot be discounted, and measurement of institutional impact is also a necessary future component if DCA wish to compare the value of funding streams or organisations. It is recommended that a scope of work is undertaken covering testing of the two methods in the WA arts context.

Once a sufficient database of intrinsic value assessments has been collected, organisations can begin to use the data to assess their internal strategic planning via better understanding of public opinion and the ability to direct specific events towards achieving particular quality dimensions. DCA can monitor how particular organisations and events are achieving value scores against dimensions; how self, peer and public scores are converging over time through increased cognisance; and how a combined portfolio is contributing towards meeting policy goals within the intrinsic value area.

One of the long term objectives of the PVMF is the ability to analyse and report on the total value (to the individual, society and the economy) of DCA's funded portfolio. A main benefit is that it could provide DCA with a comprehensive business case to take to Treasury when competing for scarce government funds, and give the Department greater leverage in applying policy interventions to non-traditional areas.

In order to achieve meaningful aggregation, each of the three value types must have an agreed set of metrics that can be measured consistently across organisations and art forms. The agreed metrics should attempt to cover all of the policy objectives (to the extent that they are possible to measure). Where there is difficulty in measuring an objective (such as time or resource requirements or the lack of an accurate data source), it is important that a consistent approach is used to assess performance against that objective.

The ability to compare performance across organisations or funding streams would be a useful input to DCA funding allocation decisions.

An agreed set of metrics covering each of the value types is the first requirement (as discussed in the paragraph above), to ensure that organisations with different value emphasis are not disadvantaged.

This will enable comparison within each value category (such as comparison of average intrinsic scores or comparison of ability to engage with large communities of interest), or comparison across the three aggregated categories.

To equitably compare performance, the final piece of information required is the funding input (or the cost of delivering the performance outcomes). For example, events that receive high intrinsic quality scores or attract large audiences, may also receive higher rates of funding (that facilitate more staff, visiting experts or increased marketing). The true measure of value is the combined impact of the event (on the individual, society and the economy) divided by the amount of funding - or the total impact per dollar funded. This gives DCA the ability to monitor areas that generate the greatest value for money.

While next steps regarding collection of institutional and wider instrumental measures are under examination, DCA can focus on rolling out the use of the web portal and mobile app assessments to a wider group of organisations and individuals. The consistent and automated capture of intrinsic data (which is the focus of this implementation stage of work) will enable organisations and DCA to attribute, analyse and report value in a way that is currently not possible.

Reports that can be generated include:

- The intrinsic learning system between the organisation, peer and public over time

- Intrinsic quality scores and averages for peer, self and public responses

- Measurement of the financial performance of the organisation in terms of earned and grants income

- Measurement of the extent to which the organisation engages the community using audience and participation data combined with survey 'reach' responses

Collecting intrinsic data for organisations over different time periods will also generate the opportunity to report on improvements over time in each of the areas listed above. This will

be highly valuable for target setting internal to the organisation and for DCA decision rules regarding funding conditions.

7.3 THE NEW CREATING VALUE POLICY FRAMEWORK

With regard to DCA's new policy framework, we have provided a new 'live' draft of Creating Value, reflecting the lessons learnt in this implementation phase, recent consultation input from DCA, and which is fully aligned with the PVMF.

In the months ahead DCA needs to tweak and refine this policy framework, and no doubt build in some formal consultation with the funded sector and its investment partners. We could recommend that in your communication about the new policy framework you return to the animating driver of this whole PVMF work – namely that DCA always saw this work as a key foundation stone in building a stronger sense of shared intention, and shared value, with those you fund and partner.

The exciting possibility offered by the PVMF is that DCA's strategic intentions, and those of the arts and cultural sector, are now more closely aligned than ever, creating the opportunity for collaboration and greater value, captured effectively through the PVMF.

Over and above the suggested policy structure and metrics in the new Creating Value framework, we have flagged a number of issues for DCA to consider in terms of the operation of the policy framework:

- That DCA need to be very clear on the distinctions between 'internal' (to DCA and the funded organisations) and 'public' metrics. The public metrics are those that need to relate to your mandatory KPIs and form the benchmarks for demonstrable improvement over future funding cycles. DCA will need to review the emerging set of 'public' metrics and ensure they provide an appropriate performance dashboard for themselves and the wider sector.

- That DCA need to review their contracts / grants with their key service organisations, and seek to align any outcome / performance measures either directly with the PVMF where appropriate, or as a second best outcome to create clear links with any proxy measures and their contribution to your priority outcomes in Creative Experiences, Creative Communities and Creative People. This should be done as part of a wider integration of your Cultural Infrastructure Directions policy with Creating Value, focusing on a whole portfolio approach to your asset management and capacity development work, aligning all of it to your priority outcomes.

- We have recommended that DCA, working in partnership with its Treasury Colleagues, Australia Council and ABS, develop a light touch GVA model that will enable DCA to report directly on the GVA contribution of the funded portfolio at the end of each funding cycle. DCA would then include any necessary additional metrics in the reporting frameworks of your funded organisations.

- Consistent with VFM principles, DCA should take some early decisions on how it might deploy additional surveys

/ studies (for example exploring the institutional value of key institutions; liveability impacts; particular social impact outcomes) over the next two funding cycles.

• With regard to any cross-cutting themes that DCA may choose to identify, for example issues around diversity (of workforce, programme, product), these need to be either provided for by the core PVMF, or run as a cross cut theme within the new CV. Either way, DCA would need to identify and state any specific metrics that are required over and above the PVMF.

Similarly, in terms of your key outcomes for say children and young people, or other prioritised groups for engagement (rural communities; indigenous communities) – DCA needs to sense check the new outcome set in Creating Value to ensure that the PVMF and other metrics are allowing you to track these outcomes, and if not, whether that requires you to develop specific funding programmes that are delivering outcomes additional to your core metric set.

• We have made recommendations on how best to integrate stand alone strategic funding programmes with the PVMF. We have suggested that the best option would be to take the headline outcome areas in Creative Experiences, Creative Communities and Creative People, and use them as the organising principles for your individual funding programmes. The core or our recommendation here is that any individual funding programme should be designed to deliver against key outcomes in the PVMF – indeed decisions between competing funding programme

options should be determined on the basis of how much they are either filling vital 'outcome' gaps in your investments as measured against the PVMF, and their total ROI in terms of contribution across your outcome priorities and corresponding PVMF metrics. DCA clearly has to decide whether this suggested approach is appropriate, and whether it affords the right balance between PVMF integration and strategic funding flexibility.

• Another important issue for DCA is how it might set portfolio targets or targets for individual funded organisations. We have recommended that DCA is cautious in the early years of the PVMF to set organisational level targets based on particular outcomes and metrics. Once you have a number of years of baseline data, you will be able to analyse the performance of different parts of the portfolio and set appropriate stretch targets through your funding agreement processes.

In the intervening period, any aspirational targets should be held at the portfolio level until you are much clearer on the interaction and relationship between the variables in the PVMF, at both the funded organisation and portfolio level.

8.0

8 RECOMMENDATIONS

8.1 INSTRUMENTAL IMPACT

In order to measure instrumental value in terms of achieving broader economic and social policy goals, DCA must examine which instrumental impacts that they can potentially capture in a consistent way, and then agree upon a consistent set of measures for the short term that will be used as criteria for assessing instrumental impact across the board.

As only a small proportion of instrumental variables captured have been the focus of this stage of the project, the use of additional variables should be examined following completion of the OGMS to progress development of a more comprehensive instrumental impact picture.

The two instrumental variables that were the focus of this stage of work include income (funded and earned) and audience (attendance/memberships/exposure).

Recommendation 1: It is recommended that (once finalised), a link between the OGMS and PVMS is automated to enable these two variables to be exported from the OGMS to be used in PVMS management reporting.

The report output should include each piece of data as a checklist item on its own, in addition to the use of the funded income input variable in calculating intrinsic value (intrinsic impact/funded income=intrinsic value). This calculation identifies the average quality of the program as a function of the dollars spent to implement it (see intrinsic impact recommendations below for further explanation). While it does not take account of the number of people that are exposed to the event, the audience instrumental variable

should also be considered in conjunction with the intrinsic value measure to build a broader picture of the quality and reach of the program/event.

8.2 INSTITUTIONAL IMPACT

Recommendation 2: It is recommended that a scope of work is undertaken covering testing of the two methods used by Arts Council England in the WA arts context.

These methods include Contingent Valuation and Social Return on Investment, and are necessary for generating a comprehensive picture of the public value of the arts - particularly to enable DCA to compare the value of funding streams or organisations.

8.3 INTRINSIC IMPACT

Recommendation 3: While next steps regarding collection of institutional and wider instrumental measures are under examination, it is recommended that DCA can focus on rolling out the use of the web portal and mobile app assessments to a wider group of organisations and individuals.

The consistent and automated capture of intrinsic data will enable organisations and DCA to attribute, analyse and report value in a highly innovative new way.

Recommendation 4: It is recommended that intrinsic impact be measured as the average of all self, peer and public assessments.

This is reported via the web portal using a 0-1 scale, or could be viewed as a percentage (eg. an average score of 0.7).

This enables all events within an organisation's annual program to be aggregated to produce an annual average. It means that intrinsic impact can be monitored over different time periods to identify organisational improvements and develop targets (such as the requirement for a 5% improvement in a key dimension) that can also be used for funding decision rules. Comparison between organisations can occur, based on average intrinsic impact across all dimensions or focusing on specific dimensions that meet key policy objectives. It should be noted however that PVMF users can access the raw assessment score data at any time by exporting a CSV data file, and calculate average scores for self, peer and public data.

Recommendation 5: In addition to reporting on average intrinsic impact, it is recommended that an intrinsic value calculation be carried out as part of a reporting/decision-making checklist.

This would involve importing income and audience variables from the OGMS, and calculating average intrinsic impact divided by funded income. This converts the impact score to a value, which takes into consideration the relative cost of achieving the score. This can be compared over time within an organisation to monitor whether more funding leads to the achievement of higher quality scores, or across organisations to monitor different value outputs for funding inputs.

As average intrinsic impact is an aggregation of self/peer/public responses, it does not account for the number of people exposed to the event, and should therefore always be read in conjunction with engagement data. Engagement data is a combination of the audience variable (from OGMS - taken from box office, ticket sales, membership information etc.) and the intrinsic reach scores (to assess the level of connection that the audience felt with the event).

8.4 INTRINSIC REPORTING

As well as reporting on average intrinsic impact, intrinsic value and engagement, the data produced by the mobile app and web portal assessments enable the difference between the organisation, peer and public to be reported, generating an intrinsic learning system over time. This report can currently be produced in Excel, and an example is included in Appendix 7.

Recommendation 6: It is recommended that a basic version of this type of report be automated via the web portal.

The raw data in csv form is also provided through the web portal to enable DCA or organisations to produce more customised reports. It is also recommended that additional reports - particularly those covering improvement over time - are developed and automated as data becomes available.

In initial years, the intrinsic impact scores produced will lack benchmarks - meaning that it will not always be immediately clear what a 'good' score is. Once data from a selection of different organisations is collected, it will be useful to report average, high and low scores for different dimensions across organisations, along with standard deviations. Intrinsic value scores as a number on their own (impact/funding) will also lack meaning in the first year of assessment.

Recommendation 7: It is recommended that they be set as index numbers (i.e. CPI) to form a point of reference for reporting on improvements in subsequent years.

Note that the average intrinsic impact score discussed in Section 8.3 indicates an instant result of the self/peer/public assessment of a funded event, where as the index allows for the further analysis of the results over multiple time periods.

Recommendation 8: Following collection of a sufficient sample of public responses for an organisation (with demographic information provided), it is recommended that community of interest profiles be developed and used for future marketing from an organisation perspective, and for policy targeting by government.

8.5   DIMENSIONS

Recommendation 9: It is recommended that the organisation (self) and peer assess all fifteen quality and reach dimensions before and after (the event or annually) via the web portal.

The organisation and peer have the level of understanding required to provide reasonable opinion related to reach dimensions such as platform and leverage. However, due to a lack of understanding of these dimensions by the general public, it is not recommended that all the reach dimensions are visible in the mobile app. Dimensions including Audience Diversity, Collaboration, Leverage and Platform should be removed from the app survey. It is also suggested that the Audience Number dimension be removed completely (for peer, self and public assessments), as audience number data will be imported from the OGMS

and used to generate a picture of the actual number of people exposed to the work. This dimension could be replaced with a dimension such as 'The audience number is appropriate for this event type', which would only be assessed by self and peer, not public. This is beneficial in comparing events that have different audience sizes.

8.6   WEIGHTINGS

Recommendation 10: It is recommended that weightings be applied by DCA at the funding program level to reflect policy priorities.

This can be done on an annual basis and conveyed to organisations or individual artists within the funding program to ensure shared understanding/intention.

Key funded organisations should be weighted individually, to reflect their large differences in strategic direction, while funding programs containing smaller organisations or individuals can receive one set of weightings per funding period, based on the priorities for their particular fund.

Recommendation 11: It is recommended that weightings not be applied to individual organisations or events, as this reduces the ability to use intrinsic impact data for comparative purposes (for example: between organisations and over time).

Instead, raw intrinsic impact scores should be assessed against the weighting criteria at the end of a funding period to identify how well the organisations performed against the priority weighted dimensions, and relative to other organisations within the funding program.

The use of self and peer before assessments still provides a vehicle for facilitating discussion between DCA and organisations regarding strategic direction and diversion of opinion.

Recommendation 12: For the purpose of public assessment of events, it is recommended that all dimensions that are relevant to the public are visible within the app.

This enables the public to assess the event against all dimensions, regardless of whether they have been weighted within the funding program. It generates a richer data set and identifies whether public opinion aligns with DCA priorities.

Once DCA has agreed on where they would like to apply weightings, the app and web portal database can be programmed to accommodate these options.

8.7   INCENTIVES

Recommendation 13: It is recommended that DCA examine a series of incentives related to the collection of public feedback.

Events are likely to receive a certain level of feedback from dedicated arts supporters or core communities of interest. Another set of responses could be expected from people that are highly active within the social media community, with easy access to technology and an interest in having their opinions heard. Optimally, the mobile app would be linked to social media platforms that enable people to publicise their views while also receiving up-to-date information about new events and programs. Although DCA is currently constrained in terms of ownership of social

media profiles, different options should continue to be examined as part of an overall engagement and incentive strategy. In order to attract ongoing public feedback from people that are neither dedicated arts supporters or keen social media contributors, additional incentives should be considered. This could include a points system in which responders receive points for providing feedback that can be used to purchase products from a pool of gifts contributed by the organisations (most likely event tickets and merchandise).

Incentives for arts organisations to use the intrinsic assessment system are straightforward. The initial incentive is the use of the system by DCA for funding and decision making, in which organisations need to be able to articulate their own intrinsic impact in order to continue to receive government funds. Other benefits internally include the ability for multiple people within an organisation to complete 'self' assessments, providing a platform for shared understanding (particularly for non-arts board members). The improved ease of use of the self and peer assessment will require less time and cost involved in this part of the annual reporting process, and tracking multiple seasons and years will generate concise performance improvement data which can make program development and budgeting much easier. Finally, the key incentive is the ability for organisations to receive direct public feedback in an instantaneous and automated way. This reduces the need for costly market research, and enables public feedback to be compared consistently with internal and DCA assessment to facilitate improvements.

8.8 SERVICE ORGANISATIONS

Service organisations were not involved in the extensive process of dimension testing that was carried out with production organisations. As such, the wording of the quality and reach dimensions needs to be reinterpreted somewhat to enable the performance of service organisations (in providing services to their members) to be assessed.

Some of the dimensions relate to productive outputs rather than service outputs. For example, 'Inquisitiveness: The extent to which the work promotes curiosity in artist and audience' would not directly apply to a service organisation. However 'Innovation: the extent to which the work is able to realise creative ideas to real world outcomes' could be tweaked to apply to the service provided by the organisation in promoting innovation among its member organisations, in addition to operating in an innovative way internally.

Recommendation 14: It is recommended that reinterpretation of the dimensions with respect to service organisations be undertaken, with a focus on the way in which the organisations promote and facilitate intrinsic impact for their members.

Although the dimensions should be tweaked in order to be more applicable, it will be important to ensure that they stay true to the intrinsic impact rationale developed through the life of the project.

8.9 TOTAL VALUE

Recommendation 15: It is recommended that DCA practice developing a narrative around example organisation types to identify what they can currently measure and how it links to policy objectives.

This will enable gaps in information to be highlighted and placed within the development pipeline.

Until there is a way of measuring instrumental and institutional impact in a more comprehensive way, it is not recommended that the three types of impact be aggregated to form a 'total impact' (and then total value) measure. It is recommended that the PVMF components developed through this scope of work be used to evaluate the organisations (or individual artists) based on their contribution to policy objectives within separate value types, in the form of a checklist. For example, the checklist could initially contain average intrinsic impact (using the public, self and peer assessments), intrinsic value (integrating the instrumental funded income variable from the OGMS), and engagement (combining the instrumental audience data from the OGMS and the reach scores from the intrinsic assessments). As more data becomes available, measures can be added to the checklist (in a consistent manner across organisations).

APPENDIX 1: PVMF USER MANUAL

Signing in

1. Enter the URL http://art-o-meter.org/ into your browser. Click on the 'Sign In' link in the top right hand part of the page.

2. Enter the username and password you have been given.

3. Click the 'login' button.

Signing out

1. Enter the URL http://art-o-meter.com/ into your browser. Click on the 'Sign-Out' link in the top right hand part of the page.

Taking a survey

1. Sign in as per the instructions above.

2. If you are a peer or applicant you will be taken directly to the "Select Event" survey list to choose a survey to take.

3. If you are an administrator, manager, KFO, or DCA staff member you can navigate to the "Select Event" survey list using the "Manage" link in the top right hand corner and then the "Take a survey" link on that page.

4. Choose the event you would like to take a survey for.

5. Proceed through the questions by filling in the text boxes and using the sliders, and then click the "Finish" button when you are done. Most questions are optional.

Viewing reports

1. Sign in as above – you will need to have 'administrator' or 'manager' level access to be able to view reports.

2. Click on the 'Manage' link in the top right hand corner of the page.

3. Click on the 'View Reports' menu item.

4. In order to view the results of a particular event, click on the report you would like to view.

5. In order to view the results of an entire year, click on the company name under the year you would like to see.

6. In order to download the raw CSV data of all surveys taken click on the 'Download the CSV data' link at the top right hand corner of the report page.

7. In order to export a PDF version of the report click on the 'Export PDF' link at the top right hand corner of the report page.

8. Standard deviation values outside 0.3 are highlighted in red.

9. Averages less than 0.3 are highlighted in red.

Creating a login for a user

1. Sign in as above – you will need to have 'administrator' or 'manager' level access to be able to create new users.

2. Click on the 'Manage' link in the top right hand corner of the page.

3. Click on the 'Logins' menu item in the submenu 'Admin Backend'.

4. Click the 'Add user' button in the top right hand corner of the admin back-end.

5. Enter a username and password. Write down the password to give to the user. The password should be between 8 and 10 characters and contain non-alphanumeric characters as well as numbers and capital letters.

6. Select the organisations that the new user belongs to (if any).

7. Make sure your own organisation is selected in the "Parent organisations" box – members of these organisations are able to see and edit the user you are creating so if you do not select your organisation here you will not be able to edit the user once created.

8. If you need to create new organisations you may press the green "+" sign.

9. You may hold down the "ctrl" or "command" button on a mac to select more than one organisation if the user has multiple membership.

10. If the user is a peer or an applicant you should give them a "peer assignment" at the end of the form by selecting the survey that they will be a peer/self on, and the role they will play ("peer" or "self") for that survey.

11. Click the 'save' button when you are finished.

12. You may now fill in further details such as the user's first and last names, email, etc.

13. In order to give the user "administrator" level access (e.g. a DCA administrator or a KFO manager) you should tick the box that says "Staff status".

14. In order to give the user "manager" level access (e.g. a KFO manager) you should also select the "Manager" item in the "Groups" box.

15. Click the 'save button when you are finished and give the username and password that you created to the user so that they may log in.

Creating a new organisation

1. Sign in as above – you will need to have 'administrator' or 'manager' level access to be able to create new organisations.

2. Click on the 'Manage' link in the top right hand corner of the page.

3. Click on the 'Organisations' menu item in the submenu 'Admin Backend'.

4. Click the 'Add organisation' button in the top right hand corner of the admin back-end.

5. Select at least your own organisation in the "Parent organisations" box – members of the organisations in this box are able to edit the organisation you are now creating.

6. Enter the name of the organisation and click 'Save'. Optionally you can also enter a description.

Creating a new Funded Output survey

1. Sign in as above – you will need to have 'administrator' or 'manager' level access to be able to create new organisations.

2. Click on the 'Manage' link in the top right hand corner of the page.

3. Click on the 'Surveys' menu item in the submenu 'Admin Backend'.

4. Click the 'Add funded output survey' button in the top right hand corner of the admin back-end.

5. Fill out the details of the survey;

6. The name should correspond with the name of the event or showing.

7.   For KFOs the Funding programme should be one that is unique to that KFO. You may click the green plus sign to create new recipients.

8.   The Funding recipient should be the name of the individual, company, or organisation who received the funding for this event or showing. Click the green plus sign to create a new recipient. If you enter a value in the 'Info url' field such as http://www.fac.org.au/ then the user will be shown a link to that page at the end of the survey.

9.   The start and end dates should correspond with the first time that you would like people to be able to respond to the show (for example, an hour into the first show) through to the last time they are able to respond (for example two days after the end of the last show).

10.   You should select at least your own organisation in the "Parent organisations" box. Organisations listed in this box are able to administrate and view reports on the survey you are creating.

11.   Click on the 'Save and continue editing' button.

12.   You will now see a QR code image for this survey that can be printed and used on posters at the event itself.

13.   A Tiny URL version of the survey is also shown – this enables people without the app to enter the URL and take the survey online.

14.   Displaying both the QR code and the Tiny URL will enable members of the public at the event to take the survey.

15.   Posters advertising the availability of the app should also be shown.

A2

APPENDIX 2: PVMF SECURITY AND SOFTWARE STACK OUTLINE

Software Stack

- Smartphone clients use HTML5 code deployed using PhoneGap.

- Web based (browser) clients use standard HTML5 interface.

- Server stack:

    - Debian GNU/Linux VPS hosted at prgmr.com

    - Apache2 web server

    - mod_wsgi middleware

    - PostgreSQL server

    - Memcache server

    - Django / Python codebase

Security Considerations

- Debian packages kept up to date regularly with `apt-get update/upgrade` command.

- External ports listening:

    - SSH – 22 (remote access)

    - HTTP – 80 (web service)

    - Email – 25 (mail)

- PVMF Django app is the only Apache2 site configured to run on the server.

- Single user with ssh access to the system – strong password & using sha key pair for authentication.

- 4 levels of access to the web site and API:

    - Admin & DCA staff – full admin access to the Django back-end. Can read/write/modify all tables. Can view all reports etc.

    - Organisation user – Limited admin access to Django back-end for models and objects owned by the user's organisation is granted. Can view reports etc.

    - "Peer" user – can log in, fill out survey results as a peer through the website.

    - Anonymous (smartphone) users – can fill out survey results with the app.

- Note: site will use HTTPS (SSL certificate) – to be implemented once the final domain name is chosen

APPENDIX 3: PVMF APP SCREENSHOTS

Like

Finally, what was your overall feeling about the work?

Dislike 👎

Like 👍

‹ Back   Next ›

Results

Thanks for completing the survey. Here's how you compared.

▲ yours   ▲ everyones

Platform (26 responses)

Connection (25 responses)

Excellence (23 responses)

Innovation (21 responses)

Authenticity (22 responses)

‹ Back   Done ›

Thanks

Thank you for your feedback.

It helps us understand what people think about cultural events in Western Australia. Your ratings will also assist in making decisions about future events.

‹ Back   Home ›

APPENDIX 4: USER TESTING – PAPER FEEDBACK SURVEY

Culture Counts – User Testing Checklist

Your Name: _____

Understandability — Attributes of software that bear on the users' effort for recognising the logical concept and its applicability

#		Completely disagree 1	Disagree 2	Neither 3	Agree 4	Completely agree 5	Comments
1	I understood that the application was testing my feelings about the artwork I was reviewing						
2	I understood that the application was part of a sector-wide initiative, not just this one artist/company						
3	I clearly understood what was meant by:						
4	**Inquisitiveness:** it made me want to find out more						
5	**Imagination:** it explored a new point of view						
6	**Originality:** it was ground-breaking content						
7	**Risk:** the artist wasn't afraid to try new things						
8	**Rigour:** it seemed well-researched and put together						
9	**Currency:** it made me reflect on the world we live in today						
10	**Authenticity:** it was really West Australian						
11	**Innovation:** it connected creative ideas to the real world						
12	**Excellence:** I think it was the best of its type in the world						
13	**Diversity:** it could engage people from different backgrounds						
14	**Connection:** it moved and inspired me						
15	**Number:** it could appeal to new audiences						
16	**Platform:** it could work in other artforms						
17	**Leverage:** it could attract a variety of investors						
	Collaboration: it connected other artists						

Navigation — Attribute of software that bear on the user's effort to navigate through the application and the effort for recognising the logical navigation concept

#		Completely disagree 1	Disagree 2	Neither 3	Agree 4	Completely agree 5	Comments
18	I found the opening screen provided a clear explanation of the purpose of the application						
19	I found it easy to move between one screen and the next						
20	I found it easy to move backwards to screens I had already visited						
21	I found it easy to exit the application when I wanted to						
22	The closing screen directed me to where I wanted to go next						

Learnability — Attributes of software that bear on the users' effort for learning its application

#		Completely disagree 1	Disagree 2	Neither 3	Agree 4	Completely agree 5	Comments
21	I think that it was easy to learn how to use the application						
22	I was able to use the application without difficulty on the first attempt						

Operability — Attributes of software that bear on the users' effort for operation and operation control

#		Completely disagree 1	Disagree 2	Neither 3	Agree 4	Completely agree 5	Comments
23	I found that the look and feel of the app made me want to engage with it						
24	I found the typefaces in the app appropriate and easy to read.						
25	I was aware from the branding of the app that it is an initiative of Department of Culture and The Arts						

A5

APPENDIX 5: PVMF DATA MODEL

APPENDIX 6: PVMS GANTT CHART

PVMF Implementation Testing	Technique
Test Event A (KFO - Death of a Salesma	**Electronic**
Setup event	Database
Self Assessment - Before	Portal
Peer Assessment - Before	Portal
Event	Event
Public Assessment	App
Public App Feedback Survey	Paper
Self Assessment - After	Portal
Peer Assessment - After	Portal
Analysis of Results	Database
Event close-out	Database
Reporting	Portal
Test Event B (Regional Event)	**Manual**
Setup event	Database
Self Assessment - Before	Paper
Peer Assessment - Before	Paper
Event	Event
Public Assessment	Paper
Public App Feedback Survey	Paper
Self Assessment - After	Paper
Peer Assessment - After	Paper
Analysis of Results	Database
Event close-out	Datbase
Reporting	Portal
Test Event C (Visual Art Exhibition)	**Electronic**
Setup exhibition	Database
Self Assessment - Before	Portal
Peer Assessment - Before	Portal
Exhibition	Exhibition period
Public Assessment	App
Public App Feedback Survey	Paper
Self Assessment - After	Portal
Peer Assessment - After	Portal
Analysis of Results	Database
Exhibit close-out	Database
Reporting	Portal
Test Event D (PICA Services)	**Electronic**
Setup assessment period	Database
Self Assessment - Before	Portal
Peer Assessment - Before	Portal
Assessment Period	Series of events/services
Public Assessment	App
Public App Feedback Survey	Paper
Self Assessment - After	Portal
Peer Assessment - After	Portal
Analysis of Results	Database
Assessment close-out	Database
Reporting	Portal
Test Event E (Non-KFO Organisation)	**Electronic**
Setup event	Database
Self Assessment - Before	Portal
Peer Assessment - Before	Portal
Event	Event
Public Assessment	App
Public App Feedback Survey	Paper
Self Assessment - After	Portal
Peer Assessment - After	Portal
Analysis of Results	Database
Event close-out	Database
Reporting	Portal

Timeline columns (Mar–December): 4/03/13, 11/03/13, 18/03/13, 25/03/13, 1/04/13, 8/04/13, 15/04/13, 22/04/13, 29/04/13, 6/05/13, 13/05/13, 20/05/13, 27/05/13, 3/06/13, 10/06/13, 17/06/13, 24/06/13, 1/07/13, 8/07/13, 15/07/13, 22/07/13, 29/07/13, 5/08/13, 12/08/13, 19/08/13, 26/08/13, 2/09/13, 9/09/13, 16/09/13, 23/09/13, 30/09/13, 7/10/13, 14/10/13, 21/10/13, 28/10/13, 4/11/13, 11/11/13, 18/11/13, 25/11/13, 2/12/13, 9/12/13, 16/12/13, 23/12/13, 30/12/13

APPENDIX 7: EXAMPLE MANAGEMENT REPORT

Intrinsic Assessment Reporting

Figure 1: Event Assessment Scores

| Dimensions	Org Before	Peer Before	Org After	Peer After	Public After	Mean	St. Dev.
Inquisitiveness	0.92	0.72	0.95	0.85	0.78	0.84	0.10
Imagination	0.90	0.63	0.80	0.73	0.38	0.69	0.20
Originality	0.81	0.89	0.81	0.82	0.43	0.75	0.18
Risk	0.83	0.71	0.87	0.86	0.61	0.78	0.11
Rigour	0.95	0.80	0.95	0.91	0.79	0.88	0.08
Currency	0.29	0.38	0.60	0.80	0.66	0.55	0.21
Authenticity	0.50	0.50	0.70	0.81	0.66	0.63	0.13
Innovation	0.69	0.76	0.75	0.82	0.68	0.74	0.06
Excellence	0.27	0.25	0.50	0.49	0.49	0.40	0.13
Number	0.96	0.81	0.79	0.66	0.00	0.81	0.12
Diversity	0.95	0.76	0.78	0.68	0.00	0.79	0.11
Connection	0.69	0.62	0.79	0.75	0.52	0.67	0.11
Collaboration	0.91	0.72	0.91	0.80	0.00	0.84	0.09
Leverage	0.79	0.59	0.68	0.72	0.00	0.70	0.08
Platform	0.59	0.55	0.62	0.60	0.52	0.58	0.04
Like	0.95	0.84	0.90	0.93	0.71	0.87	0.10
Sum	12.00	10.53	12.40	12.23	7.23	11.50	1.85
Mean	0.75	0.66	0.78	0.76	0.60	0.719	0.116
St. Dev.	0.23	0.17	0.13	0.12	0.13	0.78	

Basic Statistical Analysis

Mean

Mean is calculated in two ways – as the average of all dimension scores for each 'user' (i.e. the arts organisation), and as the average of all users' scores for each dimension.

Figure 2 identifies the average score for all dimensions given by the organisation and peer before and after the event (using the web portal), and the public after the event (using the app).

Figure 2: Average Scores by User Category
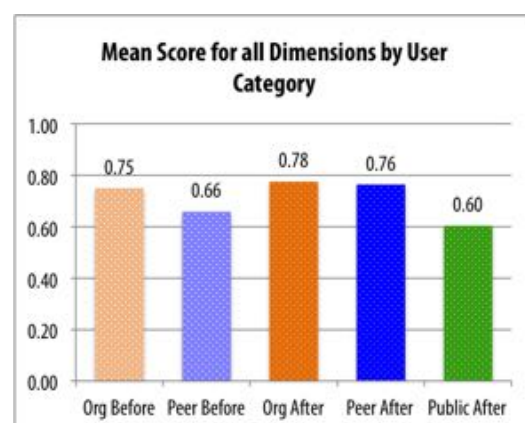
Before the event, the organisation gave the event a higher score than the peer.

After the event, the organisation gave the event a higher score than the peer.

The organisation gave the event a higher score after than before.

The peer gave the event a higher score after than before.

The public gave the event a lower score than the organisation and peer.

Figure 3 identifies the average scores for each dimension, using a combination of all users' assessments (before and after).

The event received the highest average scores for Inquisitiveness and Rigour, and the lowest average scores for Excellence and Currency.

All dimensions except Excellence received a combined average score of greater than 0.5 (out of 1.00).

Figure 4 identifies the average of all users' scores, the average of the before assessments, and the average of the after assessments. Only the organisation and the peer carry out before assessments, while after assessments also include the public scores.

The average of all after scores is higher than the average of the before scores, indicating that overall the event exceeded expectations.
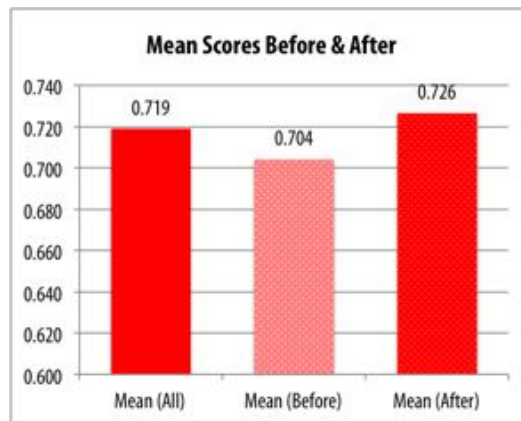
Figure 3: Average Scores by Dimension
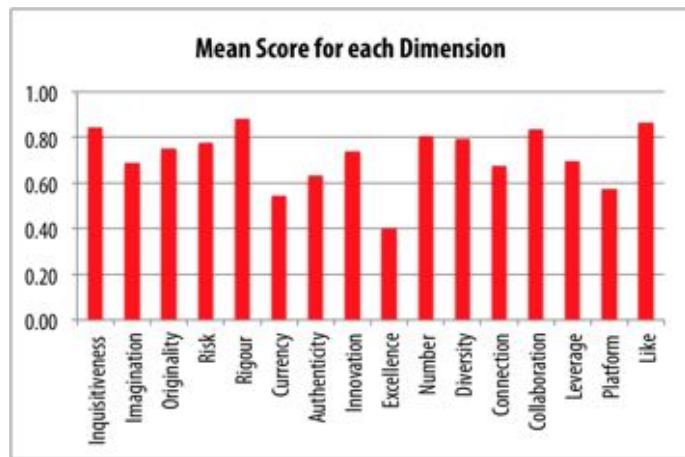
Figure 4: Average Scores Before and After

Standard Deviation

Standard Deviation (St Dev.) is also calculated in two ways – as the amount of variation in scoring between dimensions for each user, and as the amount of variation in scoring for each dimension between users.

Figure 5: Standard Deviation by User Category
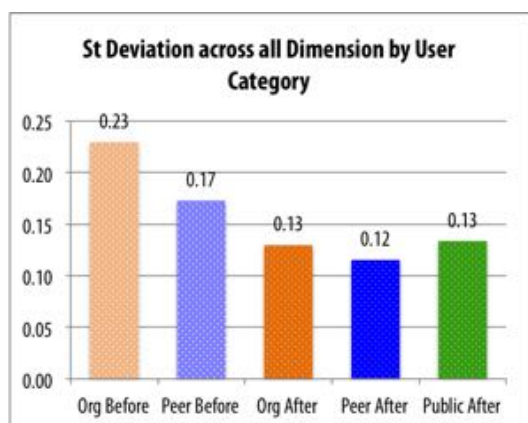

St Deviation across all Dimension by User Category

Figure 5 identifies whether there was large variation in the scores that users gave to each dimension.

The largest variation occurred in the organisation's before scores, indicating that the organisation expected some dimensions to perform very well, and other dimensions not so well.

Variation was reduced in after scores from both the peer and organisation. This indicates that scores for the dimensions after the event may have been less extreme than expected.

However, the addition of public scores to the after assessment means that total variation increased.

Differences in User Scores

Figure 6: Highlighting Differences

| Dimension	Ob - Pb	Ob - Oa	Ob - Pa	Pb - Oa	Pb - Pa	Oa - Pa	Ob - Public	Pb - Public	Oa - Public	Pa - Public
Inquisitiveness	0.20	-0.03	0.07	-0.23	-0.13	0.10	0.14	-0.06	0.17	0.07
Imagination	0.27	0.10	0.17	-0.17	-0.10	0.07	0.52	0.25	0.42	0.35
Originality	-0.08	0.00	-0.01	0.08	0.07	-0.01	0.38	0.46	0.38	0.39
Risk	0.12	-0.04	-0.03	-0.16	-0.15	0.01	0.22	0.10	0.26	0.25
Rigour	0.15	0.00	0.04	-0.15	-0.11	0.04	0.16	0.01	0.16	0.12
Currency	-0.09	-0.31	-0.51	-0.22	-0.42	-0.20	-0.37	-0.28	-0.06	0.14
Authenticity	0.00	-0.20	-0.31	-0.20	-0.31	-0.11	-0.16	-0.16	0.04	0.15
Innovation	-0.07	-0.06	-0.13	0.01	-0.06	-0.07	0.01	0.08	0.07	0.14
Excellence	0.02	-0.23	-0.22	-0.25	-0.24	0.01	-0.22	-0.24	0.01	0.00
Number	0.15	0.17	0.30	0.02	0.15	0.13				
Diversity	0.19	0.17	0.27	-0.02	0.08	0.10				
Connection	0.07	-0.10	-0.06	-0.17	-0.13	0.04	0.17	0.10	0.27	0.23
Collaboration	0.19	0.00	0.11	-0.19	-0.08	0.11				
Leverage	0.20	0.11	0.07	-0.09	-0.13	-0.04				
Platform	0.04	-0.03	-0.01	-0.07	-0.05	0.02	0.07	0.03	0.10	0.08
Like	0.11	0.05	0.02	-0.06	-0.09	-0.03	0.24	0.13	0.19	0.22
	1.47	-0.40	-0.23	-1.87	-1.70	0.17	1.16	0.42	2.01	2.14

Figure 6 identifies the difference between organisation, peer and public scores, and before and after scores for each dimension. For example, the first column of figures (Ob-Pb) illustrates the difference between the organisation before score and the peer before score. The second column shows the difference between the organisation before score and the organisation after score (Ob-Oa).

Highlighted cells illustrate a difference of greater than 0.20 or -0.20. Red cells mean that the first user scored the dimension higher

than the second user (i.e. for Imagination, the organisation gave a score 0.27 points higher than the peer before the event). Green cells mean that the second user scored the dimension higher than the first user (i.e. for Inquisitiveness, before the event the peer gave a score that was 0.23 points lower than the score given by the organisation after the event).

Figure 6 shows that the biggest differences (total of all dimensions) occurred between the organisation and the public after the event (Oa-Public), between the peer and the public after the event (Pa-Public), and between peer before and the organisation after the event (Pb-Oa).
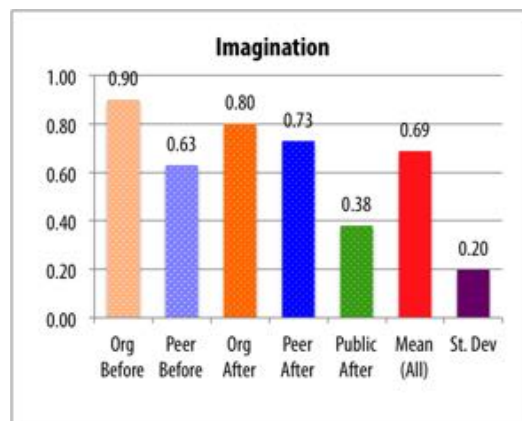
Focus on Dimensions
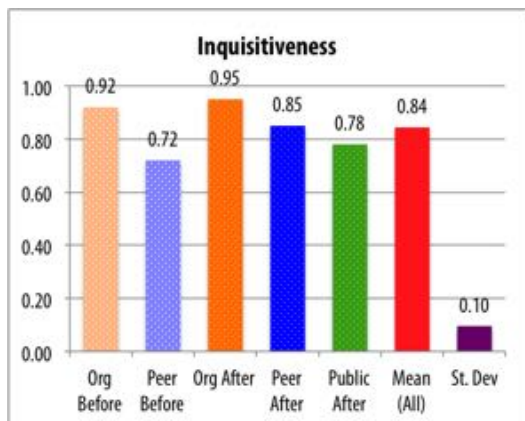
Key observations

Scores given by both the organisation and peer after the event were higher than before the event, indicating that it exceeded expectations for this dimension.

The organisation gave the event a higher score than the peer before and after.

The public gave the event a slightly lower score than the organisation and peer after the event.

Average scores across user categories were fairly consistent, resulting in a low standard deviation. The average score for Inquisitiveness was quite high at 0.84 (out of 1.00).
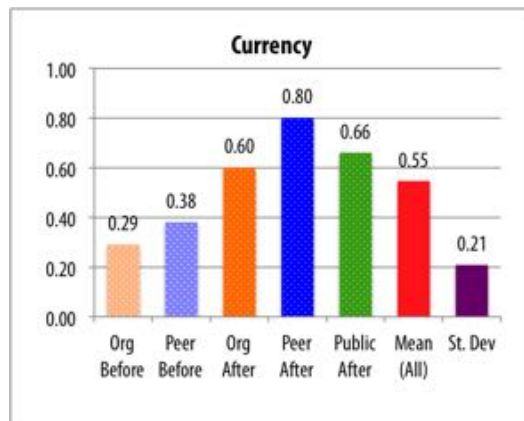

Key observations

Score given by the peer after the event were higher than before the event, indicating that it exceeded expectations for this dimension. In contrast, score given by the organisation after the event was lower than before, indicating that it did not meet prior expectation.

The organisation gave the event a higher score than the peer before and after.

The public gave the event a much lower score than the organisation and peer after the event.

Average scores across user categories were not very consistent, resulting in a high standard deviation of 0.20.
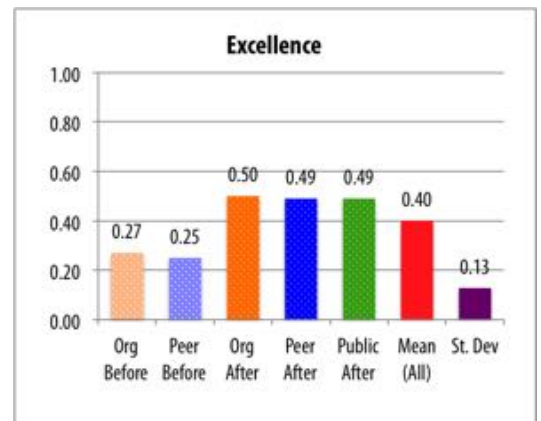
Key observations

Scores given by both the organisation and peer after the event were much higher than before the event, indicating that it greatly exceeded expectations for this dimension.

The peer gave the event a higher score than the organisation before and after. There was a difference of 0.20 between the peer after score and the organisation after score.

The public gave the event a lower score than the peer, but a higher score than the organisation after the event.

Average scores across user categories were not very consistent, as before scores were a lot lower than after scores. This resulted in a high standard deviation of 0.21.

Key observations

Scores given by both the organisation and peer after the event were higher than before the event, indicating that it exceeded expectations for this dimension.

The peer and the organisation gave the event similar scores before and very similar scores after.

The peer gave the event a score equal to that given by the public after the event. This indicates that public opinion may influence peer and organisation reflective scoring.

Average scores across user categories were low, indicating that the event was not expected to score highly against this dimension. After scores were very consistent, but the difference from the before scores increased the standard deviation.