

# CASE STUDY – PERFORMANCE MANAGEMENT SYSTEM

|          |                                    |
|----------|------------------------------------|
| Job      | <b>External Evaluation of EMSA</b> |
| Customer | <b>EMSA</b>                        |
| Type     | <b>Case study report</b>           |
| Date     | <b>09 December 2016</b>            |
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## 1. INTRODUCTION

The present case study is an in-depth investigation into the performance management system at EMSA for the purpose of exploring the relation between the activities implemented by EMSA and the achievement of the Agency's objectives.

The case study focuses on a specific area of EMSA's work in order to assess in-depth the relevance, effectiveness and efficiency of EMSA's activities in this area. The analysis is based on triangulation of different data sources.

Following this introduction, the second section of the case study introduces the policy background of EMSA's performance management framework, outlines the scope of the case study, presents an intervention logic for the implementation of the performance management framework and lays down the methodology of this case study. The third section presents the findings of the case study, organised according to the evaluation criteria: relevance, effectiveness and efficiency. The last section contains conclusions and recommendations.

## 2. SCOPE AND METHODOLOGY

### 2.1 Policy background

EMSA is responsible for ensuring that its management and structure ensure high efficiency and effectiveness in the performance of its tasks as stated in the duties of its Executive Director. For that purpose, since its establishment the Agency has developed a number of planning, monitoring and reporting tools and standards.

The agency's work on its performance management framework takes place on the basis of the requirements of EMSA's founding regulation - Regulation (EC) N° 1406/2002 as amended, Article 15.2(d) and EMSA Financial Regulation adopted by the Administrative Board on 18 December 2013. Further requirements are planned by the European Commissions' Common Approach on EU decentralised agencies and the subsequent EC Roadmap actions and Commission guidelines.

The performance monitoring framework encompasses planning, monitoring and reporting tools and processes, covering operational, financial and human resources.

Responsibility for the framework is centred in the EMSA's Planning and monitoring unit, but processes leading to the preparation of plans, provisions of monitoring information and reports involve staff with operational, administrative and management functions in the whole organisation.

### 2.2 Scope of the case study

One of the recommendations of the previous evaluation Agency was to improve the correlation between various documents and tools for internal controls, budget implementation and planning.

Since then, EMSA has worked to improve its planning, monitoring and reporting on budget implementation and performance. It is relevant to assess to which extent this has contributed to improving the core tasks of the agency and whether there is still be room for improvement.

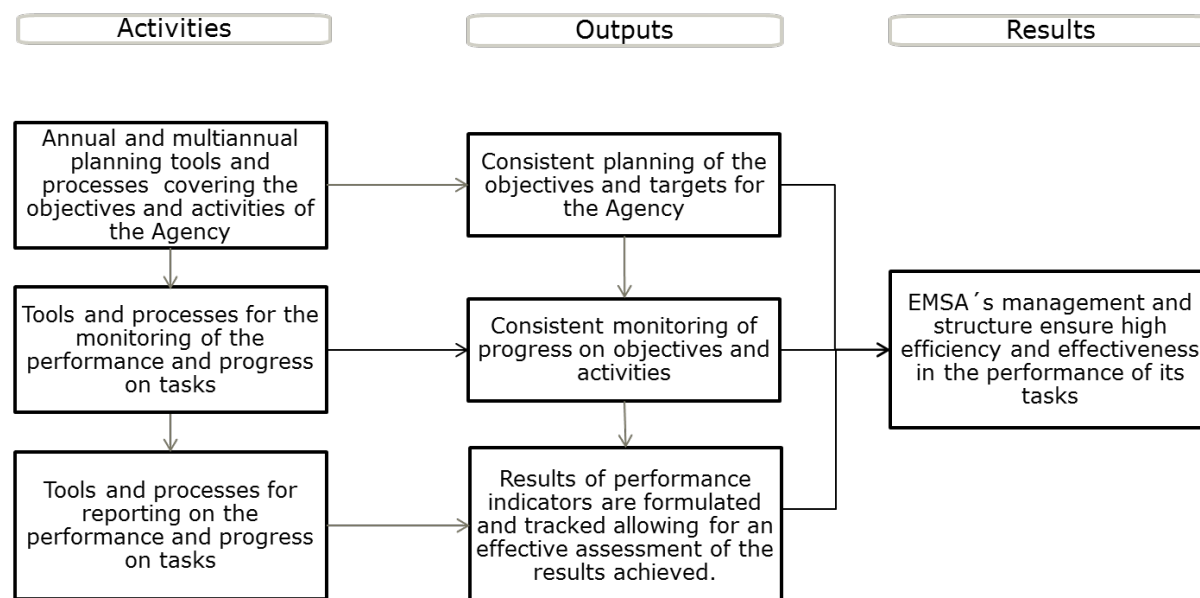
The case study aims to present the work done by EMSA in the area of performance management and assess how it supports the effective and efficient functioning of the Agency. The focus is be on

- a) showing the **progress** made in developing a performance measurement framework since the previous evaluation, while acknowledging that the framework is WIP;
- b) analysing whether the framework addresses the **legal requirements** for performance monitoring;
- c) drawing out the (expected) **causal links** between the framework and its intended effect on the Agency's effectiveness and efficiency;
- d) Identifying **areas for improvement**.

### 2.3 Intervention logic

The following figure presents the intervention logic for the performance management system of EMSA. An intervention logic is a systematic and reasoned description of the casual links between the Agency's activities, outputs, outcomes, results and impacts. It helps to understand the objectives of the Agency as a whole and its specific deliverables.

Figure 1 Intervention logic



In this case, the intervention logic shows that the implementation of the different activities carried out as part of the performance management framework developed by EMSA are expected contribute to the effective and efficient performance of EMSA's tasks. The objective of this case study is to verify the causal links depicted in the intervention logic..

## 2.4 Methodology

The following figure presents a brief outline of the different data collection activities carried out in connection to the case study.

Figure 2 Overview of data collection activities



Source: Ramboll Management Consulting

The data collected through the survey will be introduced, once the survey has been closed, during the third week of November. For now, placeholders have been included, showing where survey data will be introduced to the report. Some assessments have been made based on preliminary results from November 7<sup>th</sup>.

The collected data has been triangulated to respond to a number of evaluation questions. These questions have been developed to cover the evaluation criteria of the external evaluation of EMSA, namely: relevance, effectiveness and efficiency. In the annex, an overview table linking the case study questions to the evaluation question matrix of the external evaluation is presented.

## 3. FINDINGS

This section presents the findings of the case study on EMSA's performance management framework. It is structured according to the evaluation criteria.

### 3.1 Relevance

The relevance of the performance management framework developed by EMSA is mainly assessed on the basis of its conformity with the requirements of the Agency's legal basis. A comparison with other decentralised agencies is also considered.

#### 3.1.1 To what extent does the performance management framework developed by EMSA fulfil the legal requirements of the Agency? [EQ 1]

The review of the performance management framework of EMSA shows that the Agency has developed the mechanisms and products required to fulfil the relevant legal requirements.

As far as EMSA's legal basis is concerned, there are provisions regarding the elements of the performance management framework in both the EMSA Founding Regulation<sup>1</sup> and the Financial Regulation.<sup>2</sup>

**Regulation (EC) No 1406/2002**

Art. 15.2(d)

*(d) (The Executive Director)... shall organise an effective monitoring system in order to be able to compare the Agency's achievements with its objectives and tasks as laid down in this Regulation. To this end, he/she shall establish, in agreement with the Commission and the Administrative Board, tailored performance indicators allowing for an effective assessment of the results achieved. He/she shall ensure that the Agency's organisational structure will be regularly adapted to the evolving needs within the available financial and human resources. On this basis the Executive Director shall prepare a draft general report each year and submit it for consideration by the Administrative Board. The report shall include a dedicated section concerning the financial execution of the detailed plan for the Agency's pollution preparedness and response activities and give an update of the status of all actions funded under that plan. He/she shall establish regular evaluation procedures that meet recognised professional standards;*

**EMSA Financial Regulation 2013**

Art. 29.4

*Specific, measurable, achievable, relevant and timed objectives shall be set out for all sectors of activity covered by the budget of the Agency. The achievement of those objectives shall be monitoring by performance indicators for each activity, and the information shall be provided to the Administrative Board by the Executive Director. That information shall be provided annually and at the latest in the documents accompanying the draft budget of the Agency.*

Art. 30

*The budget of the Agency shall be implemented in compliance with effective efficient internal control... Effective internal control shall be based on best international practices and include, in particular the following:...*

*(e) procedures for monitoring of performance and for follow-up of identified internal control weaknesses and exceptions...*

Art. 32

*1. The Agency shall draw up a programming document containing multi-annual programming taking into account guidelines set by the Commission.*

*2. The multi-annual programme shall set out: - overall strategic programming including objectives, expected results and performance indicators...*

*3. The annual work programme of the Agency shall comprise detailed objectives and expected results including performance indicators....*

Art. 44

*...The authorising officer shall in accordance with minimum standards adopted by the Administrative Board on the basis of equivalent standards laid by the Commission for its own departments and having due regard to the risks associated with the management environment and the nature of the action financed, put in place the organisational structure and the internal control systems suited to the performance of the duties of authorising office...*

Art. 47

*...The CAAR shall indicate the results of the operations by reference to the objectives set, the risks associated with the operations, the use made of resources provided and the efficiency of the internal control systems, including an overall assessment of the costs and benefits of controls...*

In addition, the Commission's approach to decentralised agencies<sup>3</sup> and the ensuring Roadmap,<sup>4</sup> lay down further provisions.

<sup>1</sup> Regulation (EC) No 1406/2002 of the European Parliament and of the Council of 27 June 2002 establishing a European Maritime Safety Agency

<sup>2</sup> Financial Regulation of the European Maritime Safety Agency - Adopted by the Administrative Board on 18 December 2013

<sup>3</sup> [https://europa.eu/european-union/sites/europaeu/files/docs/body/joint\\_statement\\_and\\_common\\_approach\\_2012\\_en.pdf](https://europa.eu/european-union/sites/europaeu/files/docs/body/joint_statement_and_common_approach_2012_en.pdf)

<sup>4</sup> Roadmap on the follow-up to the Common Approach on EU decentralised agencies

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*In addition to annual work programmes, agencies should draw up multiannual strategic programmes or guidelines, tailored to the specificities of their activities. Such multiannual activity planning should be linked with multiannual resource planning (budget and staff in particular).*

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*Key performance indicators should be developed by the agencies and the Commission and be adapted to agencies' specificities. Furthermore, the link between financial and human resources and each specific action to be carried out should be reinforced and become systematic. The link between successive annual work programmes and the multiannual programme should be enhanced.*

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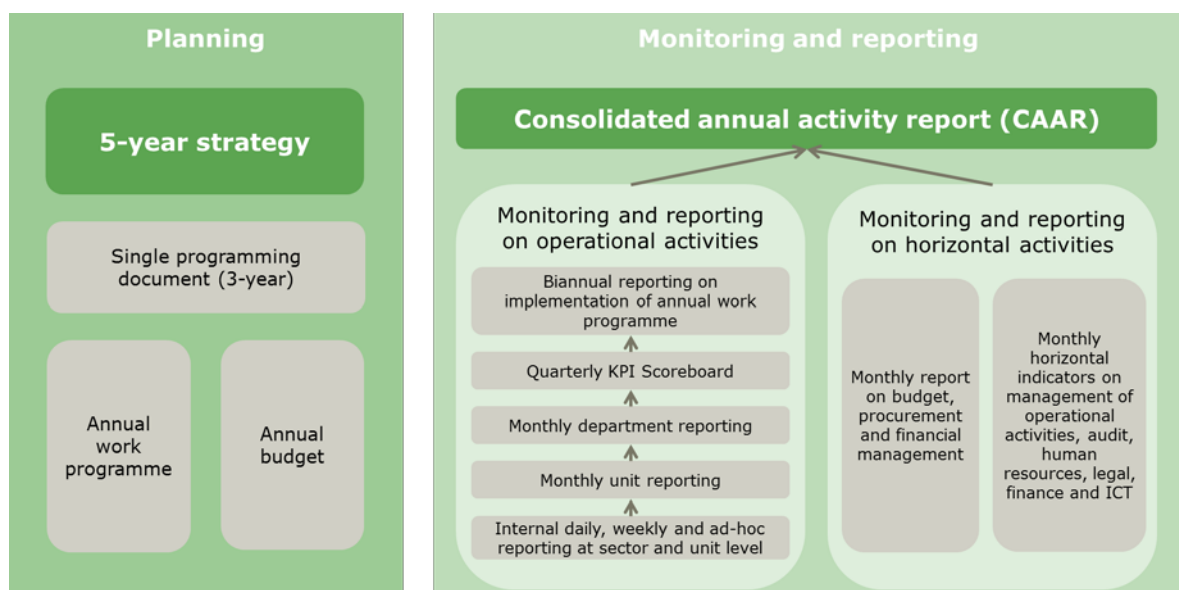
*All agencies should apply, more systematically than at present, a system of activity based budgeting / activity based management (ABB/ABM). The available ABB/ABM tools (i.e. to plan, monitor, report and evaluate activities) should be adapted to the reality of agencies. In this context, agencies should be encouraged to exchange best practice and their idea to develop an ABB/ABM toolbox is to be welcomed. The Commission will provide assistance in this regard, for instance by giving a general ABB training to agencies.*

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*As far as possible, the structure of the single Annual Report should include a number of common elements based on best practice across agencies, with a view to easing comparison. The Commission should develop an indicative template in cooperation with agencies.*

The planning, monitoring and reporting activities at EMSA take place at different organisational levels and the main building blocks have been illustrated in the following figure.

**Figure 3 Overview of planning, monitoring and reporting elements of the PMF of EMSA**



Source: Ramboll Management Consulting

It is important to note that the system of planning, monitoring and reporting combines a top-down and bottom-up approach. It is top-down and centralised in the sense that there is a single annual plan with an agreed set of objectives and indicators that are checked on a regular basis by the senior management of the agency via e.g. the quarterly scoreboard and the currently developed semi-annual reporting on the implementation of work programme and the final consolidated report. However, the system is also bottom-up, in the sense that monitoring and reporting activities at unit level are up to the department/unit management to establish, giving them flexibility to adjust to the specifics of the activities carried out. As a result there are substantial differences between the monitoring and reporting processes in place in Department B and Department C.

### 3.1.2 How does the framework compare to that of other decentralised agencies? Are there any best practices which can be followed?

The case study shows that EMSA's framework has been developed in line with good practices.

As can be seen from the legal provisions listed in Section 3.1.2, one of the requirements for the performance management system of the Agency is that it is informed by good practices implemented by other agencies. The interviewed staff of the planning and evaluation unit as well as the internal control coordinator confirmed that the development of the necessary processes and planning and reporting products was informed by the practices of other decentralised agencies, via the cooperation taking place between all agencies in the context of implementing the EC's Roadmap on the follow-up to the Common Approach on EU decentralised agencies. The cooperation between EU agencies in the context of the intra-agency Performance Development Network focuses directly on the actions implementing the provisions of the Common Approach, e.g. Activity Based Budgeting, Costing and Management, performance management (including KPI's) as well as working out common standards for planning and reporting.<sup>5</sup>

Concerning the comparison of EMSA with other agencies, it is worth noting that there are a number of common requirements towards the agencies' performance management tools. Among these, the two main tools are the Single Programming Document (SPD) that each Agency is supposed to adopt as of 2017 and the Consolidated Annual Activity Report (CAAR) on the basis of the Commission's requirements and the templates developed by the inter-agency Performance Development Network.

Apart from these two tools, the Agencies have certain flexibility in selecting the monitoring processes and tools they employ. Discussions with EMSA's planning and evaluation unit confirmed the benefits of good practices exchanges; but interviewees also pointed to the limits of applying processes and tools used by other Agencies, due to the specific nature of activities in each Agency.

A brief review of the frameworks adopted by other Agencies shows that a number of Agencies have implemented a quality management system (QMS) certified by the ISO 9001 standard, which is meant to ensure the continuous quality of services to customers. These include EFSA and EASA, and CEPOL is set to obtain one by the end of 2016.<sup>6</sup>

The introduction of QMS in EMSA was one of the points brought to the Agency's agenda by its Executive Director upon his appointment in 2012.<sup>7</sup> In 2015, a Special Advisor for Quality Assurance was appointed in EMSA. The advisor was tasked with the development of the QMS system and in the process consulted most of the other six agencies who have made progress in this direction at that time. The work on this in EMSA started with the "pilot" development of a QMS system for Department B1 Visits and Inspections, with the aim of obtaining an ISO 9001:2015 certification by the end of 2016. This department's activities include the inspection of QMS systems among MS and other parties, and it was considered that obtaining the certification would strengthen the credibility of its work, contribute to the consistent provision of quality services in compliance with stipulated regulations and requirements, and the attainment of high levels of performance through an effective continual improvement process. It is relevant to clarify that whilst the QMS covers only the visits and inspection activities, the system was developed as an integrated part of the Agency's general management framework and is directly linked with the applicable EU rules and regulations regarding management requirements, financial and procurement rules, staff regulations and Agency's annual work planning and reporting.<sup>8</sup>

Once the process is completed the special advisor will report to the Executive Director and the Administrative Board, who will then decide on the next steps and specifically whether such a QMS system should be developed for the entire Agency.

<sup>5</sup> EU Agencies Network (2013) Position paper of the EU Agencies Network

<sup>6</sup> <https://www.cepola.europa.eu/who-we-are/european-union-agency-law-enforcement-training/mission-vision-values>

<sup>7</sup> EMSA 5-year strategy

<sup>8</sup> EMSA V&I QMS Version 3.0, Date: 24.10.2016

### **3.1.3 To what extent is the performance management framework relevant for the needs of EMSA's management?**

The interview with the Executive Director of EMSA confirmed that the development of the PMF has been relevant for the performance of the Agency – both in the planning and monitoring phase, ensuring that there is transparent and actionable information about each activity carried out.

The performance management framework was also found to be relevant for the needs of managers at department and unit level. The structured setting of multi-annual and annual objectives and their operationalisation was considered to facilitate the transfer of performance-related information from one level to another, all the way to overall monitoring and reporting for the agency.

## **3.2 Effectiveness**

The effectiveness of EMSA's performance management framework is carried out on the basis of information collected on the development of the system and its contribution to improving the effectiveness of the agency.

### **3.2.1 In what ways has EMSA worked to improve its effectiveness, efficiency and added value since the previous evaluation?**

As far as its performance management framework is concerned, EMSA has implemented different activities since 2008, in order to improve its effectiveness, efficiency and added value

In relation to improvements in the effectiveness and added value of performance management, one of the main changes derives from the 2013 amendment of EMSA's founding regulation, which established a delineation between the Agency's core tasks and ancillary tasks. The Agency has an "automatic" mandate to carry out the core tasks, but has to reach an agreement with the Commission and its administrative board about the ancillary tasks, after analysis confirming the added value for its stakeholders.

This approach was also adopted in the 5-year Strategy from 2014, which set the vision for how EMSA will fulfil its mandated objectives in an effective way that guarantees its added value. All ensuing annual plans have been set within the framework of the 5-year strategy and its objectives.

The efficiency of the Agency has been addressed through a number of approaches streamlining existing budgeting processes, specifically the further development of ABB and ABM and the recent introduction of an e-tool for budgetary reporting and monitoring (Shape).

### **3.2.2 How has EMSA worked with the recommendations from the previous evaluation for improving the internal functioning of the Agency via its performance management system?**

The 2008 evaluation of EMSA included several recommendations on how the Agency can improve its performance management system. It was recommended that the Agency should:

- Develop the annual work programmes to function as operational action plans for the given year
- Develop the annual report to reflect actual achievements made against the targets – and prepare it in a way that it distinguishes between target groups (i.e. the general public and the Administrative Board)
- Develop a direct link between project work plans and unit work plans
- Introduce activity based costing and budgeting

The case study shows that the Agency has implemented all of these recommendations from the 2008 evaluation.

### Annual Work Programme

The format and content of the annual work programmes of the Agency have evolved significantly over the years. The latest version studied – the Annual Work Programme for 2016 - exemplifies how each activity area is linked to the objectives in the agency's 5-year strategy, and each activity or project is presented in connection to its ABB/ABC code (activity-based budgeting, activity-based costing).

Figure 4 Extract from Annual Work Programme 2016

| CODE <sup>1</sup>                                       |      | ACTIVITY NAME  | PROJECT FINANCED ACTIVITIES   |
|---|------|--|-------------------------------|
| Traffic monitoring and information on ships and cargoes |      |  |                               |
| 2.1   |      | Union maritime information and exchange system (Integrated maritime services; SafeSeaNet; Improving internal market and maritime transport efficiency) |                               |
| 2.2   |      | EU LRIT Cooperative Data Centre and LRIT IDE   |                               |
| 2.3   | 7700 | Information System for PSC (THETIS)  | THETIS-S                      |
|   | 7710 |  | THETIS-MRV                    |
|   | 7720 |  | Emissions Inventories Project |
| 2.4   |      | Maritime Support Services  |                               |
|   | 7500 |  | Copernicus                    |
|   | 7200 |  | Frontex                       |

Furthermore, for each activity, the agency has listed:

- Inputs
- Links to multiannual strategic objectives
- Annual objectives for the year
- Expected outcome for the year
- Planned output for the year
- Output indicators
- Output levels in the preceding year (baseline)'
- Output level targets for the year

Figure 5 Extract from Annual Work Programme 2016 – output indicators for Activity 2.4 Maritime support services

| Output Indicators                        |  | Result 2015 | Target 2016 |
|--|--|-------------|-------------|
| Maritime Support Services available 24/7 | average time in hours for feedback or resolution of issues relating to emergencies, incidents in maritime applications or urgent helpdesk requests | 0h 16 min   | <2          |
|  | average time in hours for feedback or resolution of issues relating to non-urgent helpdesk requests or scheduled interventions                     | 0h 27 min   | <8          |
| MSS Data Quality Reports                 | reporting on the SafeSeaNet implementation and data quality (overall and per Member State)   | 25 Reports  | 20 Reports  |

It should be noted that the latest version of the WP is the Single Programming Document which has a rolling 3-year perspective and consolidates 3 self-standing planning tools. Furthermore, the SPD requires the agency to report on the potential risks connected to its planned activities – a



feature that was assessed positively by the consulted Agency management as it allows them to flag up in advance potential threats to the successful attainment of targets.

### **Annual report**

The Annual report has also evolved since 2008. The main developments have been towards the provision of more structured and detailed information, following closely the detailed planning in the work programme. In line with the EC requirements mentioned above, since 2014 the Agency has been producing Consolidated Annual Activity Reports (CAAR), which also includes an assessment by the Administrative Board of EMSA.

For each activity, the CAAR reports on:

- Planned and actual inputs
- Outcomes
- Multiannual and annual objectives
- Planned and actual outputs
- Output indicators, with the annual targets and annual results.

**Figure 6 Extract from 2016 Consolidated Annual Activity Report, Activity 4.5 Maritime information, equasis and statistics**

| Output Indicators          |   | Target 2015 | Result 2015          |
|----------------------------|---|-------------|----------------------|
| Availability of the system | percentage per year availability of Equasis | 99.5        | 99.93                |
| Users                      | number of users per month                   | 35 000      | 33 018 <sup>13</sup> |
| Contributors               | number of contributing members              | 9-10        | 9                    |

<sup>13</sup> Due to the crisis shipping is currently facing worldwide and considering that a vast number of ships remained without a charter, a slight decrease to the number of individual visits to Equasis to retrieve safety information before chartering ships was noted.

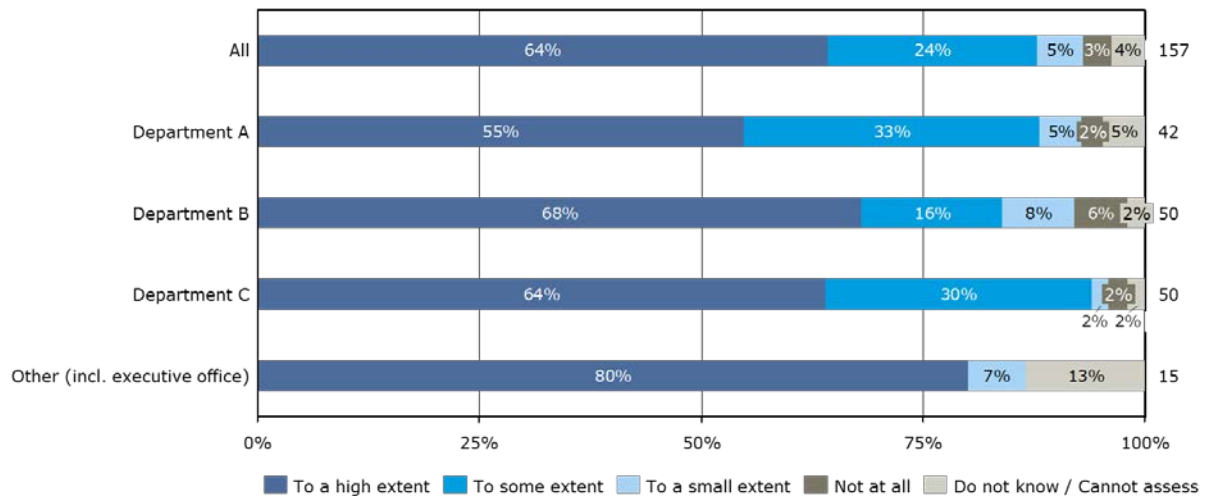
### ***Activity base budgeting, activity based costing, activity based management***

According to consulted EMSA staff, the Agency is one of the early adopters of the principles of activity based budgeting/costing among the EU decentralised agencies. After the 2008 evaluation, the Agency dedicated further efforts to fully integrating ABB/ABC in its planning, monitoring and reporting systems.

### **3.2.3 To what extent are staff at different levels aware of the performance criteria/targets set for their work?**

The case study included only few interviews with staff members, all of them being responsible for reporting and as such very well aware of the performance management framework. However, the survey results indicate that staff members consider that they are aware of the performance criteria and targets set for their work.

**Figure 7: what extent do you agree with the following statements? - I am familiar with the Key Performance Indicators and targets set for my area of work. (shown per department, N=157)**



*Note: this question was only asked to EMSA staff.*

Interviews with EMSA's Heads of Units (HoUs) and Heads of Department (HoDs) indicate that they have integrated the performance criteria and targets set in the annual work programme in their ongoing planning and monitoring processes. The performance of departments is discussed in monthly meetings between the HoD and their HoUs, while HoUs hold meetings with Heads of Sectors and staff to discuss the unit's performance.

### 3.2.4 To what extent are the set KPIs used to continuously monitor performance?

The case study found that the KPIs set in EMSA's annual working programmes are the backbone of the process of continuous monitoring and reporting at the Agency.

The main instrument in this process is EMSA's quarterly KPI Scoreboard. The Scoreboard contains KPIs set in the annual work programme and provides information on their target values for the year as well as their quarterly results and cumulative results. The Scoreboard uses a colour-coding system, assigning red colour to activities that are lagging behind the set targets and includes brief explanations for the reasons for the noted performance issues.

As of 2015, the Scoreboard also includes information on the status of the multi-annual objectives set by the 5-year strategy and concludes with an overall assessment of the performance of the agency with respect to the annual work programme.

It should be mentioned that the scoreboard as such is mainly used by the senior management of the Agency, while at Unit level, KPIs are "translated" to operational deliverables.

Another observation regarding the present set of KPIs used is that they are overwhelming output-related and there are hardly any result indicators. This is an area where the Agency could try to develop more sophisticated measures of its performance, so as to facilitate the overall evaluation of its effectiveness.

### 3.2.5 To what extent does management (at different levels) find that they have sufficient means and line of sight to monitor progress and performance of the organisation?

The case study finds that EMSA's management at executive, department and unit level considers that the performance monitoring system used is effective in delivering sufficient and timely information about the performance of the agency. Overall, EMSA's staff considers that they have sufficient knowledge of the extent to which their targets are met.

The discussions with the Executive Director and Heads of Departments showed that they found the development of the system over the years to have been beneficial for their ability to carry out their managerial tasks, enabling them at any point of time to obtain a full picture of the progress of operational activities as well as horizontal indicators.

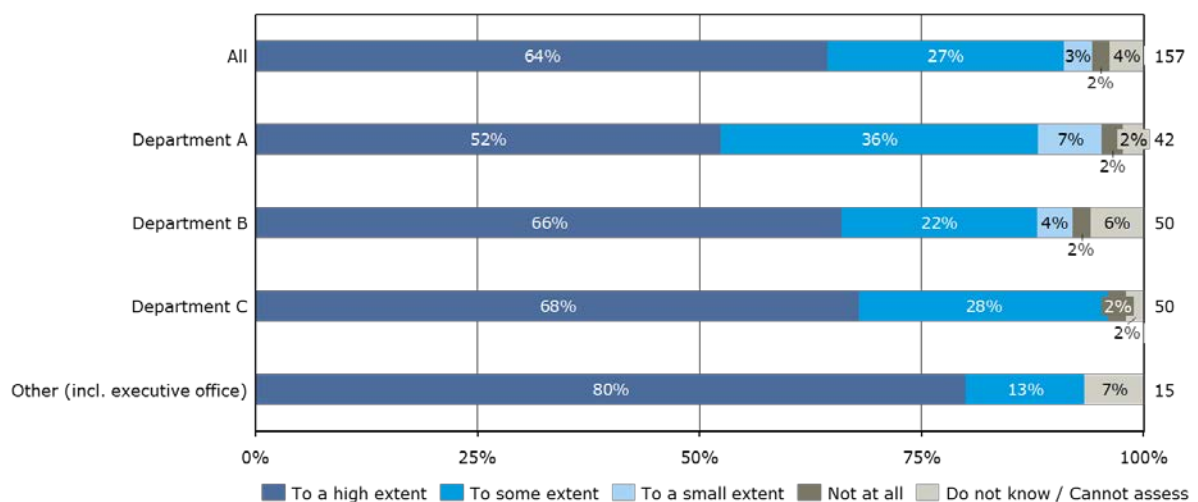
Furthermore, the reporting process has been streamlined, in that it is embedded in the ongoing management and coordination activities and not a separate process.

Review of the minutes of a monthly activity coordination meeting in Department C offers examples of this. At the meeting, each HoU was invited to present a status on the main ongoing activities in their department, e.g: "Delivery of SafeSeaNet V3.2 had been delayed, but is now delivered and under testing."; "There is a possible risk of delay to the CARD project. Procurement should be ready within a couple of weeks."

According to the interviewed management staff, the transparent nature of the system also makes it easy to detect potential issues and engage the planned risk mitigation measures to address them.

The results of the survey also indicate that staff of the agency generally consider that they have sufficient knowledge of the extent to which their targets are met.

**Figure 8: To what extent do you agree with the following statements? - I have sufficient knowledge of the extent to which we are meeting our targets within my area of work. (shown per department, N=157)**



*Note: this question was only asked to EMSA staff.*

### 3.2.6 To what extent are recommendations from external audits and evaluations implemented effectively and in a timely manner?

The case study finds that in EMSA there is systematic follow up on the implementation of recommendations from external audits and evaluations. The Agency presents progress on these to the Administrative board in their regular meetings.

### 3.2.7 To what extent has the 5-year strategy contributed to an improved and aligned understanding of EMSA's priorities and intended impact?

The case study found that the 5-years strategy is seen by the Agency staff and management as a high-level document that represents the vision for where the Agency is to be in 5 years and has been relevant for ensuring alignment between the Agency and its main stakeholders – the Member States – as represented on its Administrative Board. Furthermore, the strategy was assessed to give a good structure for the Agency's senior management to frame all concrete tasks of the Agency.

However, the case study found that the 5-year strategy is also considered too high-level to be of relevance for the understanding of the Agency's staff of their direct responsibilities – instead, this happens through the operationalisation of the strategic objectives via annual programming and activity planning at unit and sector level. Both HoDs and HoUs agreed that for a single staff member it would be difficult to connect the strategic objectives to their work responsibility and it doesn't necessarily guide them on a daily basis. However the connections drawn between the strategy objectives and annual operational tasks in the context of both planning and reporting was considered to be an effective way of ensuring the implementation of the strategy and the implementation of the mandate and tasks given to the Agency by its Founding regulation.

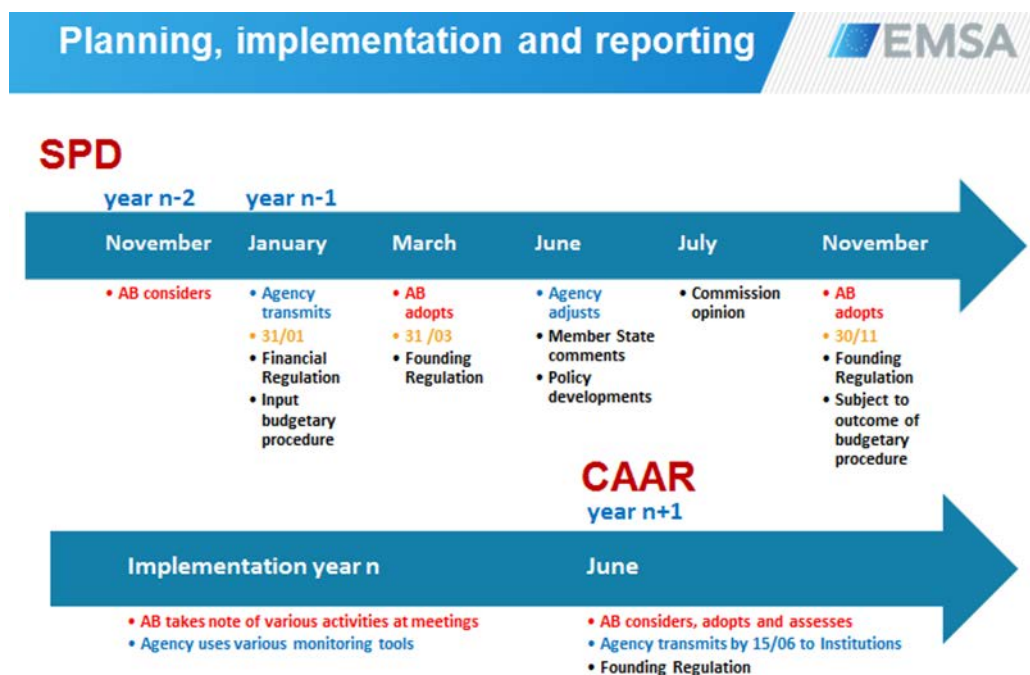
The consulted Agency staff (operational as well as managerial staff) also did not consider the 5-year strategy to have directly contributed to improved understanding of EMSA activities in the context of communication with external stakeholders in the sense that it is not necessarily a topic in their interaction with MS or international organisations at operational level. However, they recognised that it implicitly steers all these interactions as the annual plans are set based on the direction given by the strategic objectives.

### 3.2.8 To what extent do EMSA management and staff find that the organisation and internal processes in relation to performance management are adequate and flexible enough to adjust to changes and tasks and resources?

The case study found that EMSA's staff and management consider that the organisation and processes of the performance management system are conducive to the effective management of changes in relation to tasks and resources.

Specifically, the interviewed management pointed to the frequent monitoring of operational activities and horizontal indicators related to e.g. financial performance as a means of identifying possibilities and needs for changes throughout the year. The developments in the system as of 2016 in terms of streamlining in the schedule for operational and budgetary monitoring have contributed to this – the fund release exercise and cash flow exercise are timed to coincide with the report on the implementation of the work programme due every 4 months, and gives management certain information about and flexibility in the potential for reallocation of financial resources within the Agency.

Figure 9 Timeline for planning, implementation and reporting in connection to SPD and CAAR, 2016



### 3.2.9 To what extent has EMSA fulfilled the performance objectives/targets set over the past 3-5 years?

The case study found that EMSA has achieved its objectives and targets to a high extent.

The review of annual reports in the past 5 years shows that the Agency is reporting on KPIs, in an increasingly transparent way. Since 2014, all KPIs are presented in a single table providing targets, achievements and explanations for any deviations.

**Table 1 Overview of KPIs and KPI targets 2011-2015**

| Year | Number of KPIs | Number of KPIs targets not reached | % of KPI targets not reached |
|------|----------------|------------------------------------|------------------------------|
| 2015 | 101            | 11                                 | 10,89%                       |
| 2014 | 79             | 6                                  | 7,59%                        |
| 2013 | 81             | 5                                  | 6,17%                        |
| 2012 | 78             | 7                                  | 8,90%                        |
| 2011 | 78             | 3                                  | 3,84%                        |

The analysis of the KPI targets not reached indicates that these are often in connection to activities which are highly dependent on external stakeholders not under the direct control of the Agency. For example, the number of visits and inspections carried out depends on the plans and decisions of the European Commission.

Progress in the achievement of the multi-annual strategic objectives deriving from the 5-year Strategy is assessed through the overall performance of relevant activities. According to the KPI Scoreboard for Q3 in 2015, most of the 28 multi-annual strategic objectives are 'ongoing' (24), and 4 are 'initiated'.

### 3.3 Efficiency

The assessment of efficiency relates to the role of EMSA's performance management framework in improving the efficiency of the agency. The efficiency of the system itself is assessed to a limited extent.

#### 3.3.1 To what extent has the performance management framework contributed to improving the efficiency of the Agency? Has it contributed to the Agency's ability to:

- achieve the same results with fewer resources;
- take on new tasks and produce more/new outputs without an increase in resources?

The case study found that performance management framework contributes positively to the efficient allocation of resources in the Agency.

The review of the framework shows that the use of ABB and the integration of the long-term strategic objectives of the Agency in the ongoing planning and reporting activities points to the presence of a clearly structured and systematic implementation of the framework presenting a transparent allocation of resources and increasingly up-to-date information on progress. This was confirmed by the management staff, who considered that the performance management framework enables management to monitor more accurately how resources are allocated to different tasks in the work programme. The systematic monitoring was considered to make it easier for management to understand where the thresholds and gaps are and where to take corrective action, including through reallocation of resources.

The Heads of Departments also pointed to the usefulness of the information collected through the planning and reporting system for the optimisation of planning – e.g. based on the inputs and outputs for a given activity in year X, the management can more accurately estimate the inputs and outputs needed for year X+1.

That said, Heads of Departments were keen to point out that the system contributes to effectiveness mainly through the increased transparency it brings about, but there is still need for management to determine what is the best course of action in terms of resource allocation.

### **3.3.2 To what extent is the performance management framework efficient?**

The case study could not determine with a high degree of certainty the extent to which the performance management system as such is efficient, due to the lack of concrete data on the amount of resources used for the ongoing planning, monitoring and reporting.

EMSA does not employ any system for time registration of its staff. Therefore, the amount of time spent by different employees on contributing to the planning, monitoring or reporting of activities cannot be determined.

The feedback received by the consulted managers in EMSA suggests that they do not find these tasks to be particularly burdensome or excessive and in most cases they consider them to be an integrated part of their daily work, with certain peaks associated with the annual working programme and annual report.

Furthermore, it was considered that the consolidation of reporting instruments and platforms in single documents and platforms is efficient.

## **4. CONCLUSIONS AND RECOMMENDATIONS**

The review of the performance management framework of EMSA shows that the Agency has developed the mechanisms and products required to fulfil the relevant legal requirements has taken into account the good practice of other decentralised agencies. Furthermore, the developments address the recommendations of the 2008 external evaluation of EMSA.

The interview with EMSA's management confirmed that the development of the PMF has been relevant for the performance of the Agency – both in the planning and monitoring phase, ensuring that there is transparent and actionable information about each activity carried out.

Furthermore, EMSA's staff generally consider that they are aware of the performance criteria and targets set for their work and that they have sufficient knowledge of the extent to which their targets are met.

The case study found that EMSA's staff and management consider that the organisation and processes of the performance management system are conducive to the effective management of changes in relation to tasks and resources. The system was also found to contribute positively to the efficiency of the agency, by increasing transparency about the costs and outputs of different activities and thus enabling staff to more easily identify areas where resources can be reallocated.

Based on these conclusions, the overall recommendation of the case study is for EMSA to continue with the process of optimising its performance management system in order to ensure that it remains up-to-date and contributes positively to the ability of the Agency's staff and management to plan, monitor and report on their work.

The case study indicates that the KPIs used in the performance management system are overwhelmingly output-related. This is an area where the Agency could try to develop more sophisticated measures of its performance, focusing on result and impact indicators, also in relation to its multi-annual objectives. This would improve the ongoing accountability of the agency towards its stakeholders. Furthermore, the setting of result-based indicators can be used as a basis for considering the implementation of result-based management.

## 5. ANNEX

### Correspondence matrix:

| EQ | Descriptor   | Case study section / question   |
|----|--|---|
| 1  | 1.1 Extent to which EMSA has fulfilled its mandate and tasks as set out in the Regulation  | 3.1.1 To what extent does the performance management framework developed by EMSA fulfil the legal requirements of the Agency? [EQ 1]  |
|    | 1.2 Extent to which the objectives and tasks set out in the Regulation have matched the needs of stakeholders in the field of European maritime safety   | 3.1.3 To what extent is the performance management framework relevant for the needs of EMSA's management?   |
| 7  | 7.2 Extent to which EMSA staff find that they have sufficient resources and appropriate processes in place for completing tasks in accordance with expectations in terms of time and quality   | 3.2.10 To what extent do EMSA management and staff find that the organisation and internal processes in relation to performance management are adequate and flexible enough to adjust to changes and tasks and resources?   |
|    | 7.4 Extent to which the management structures and organisation of the Agency has proven conducive to the organisation's performance<br>7.5 Extent to which EMSA management and staff find that the organisation and internal processes are adequate and flexible enough to adjust to changes and tasks and resources   | 3.2.7 To what extent does management (at different levels) find that they have sufficient means and line of sight to monitor progress and performance of the organisation?<br>3.2.10 To what extent do EMSA management and staff find that the organisation and internal processes in relation to performance management are adequate and flexible enough to adjust to changes and tasks and resources? |
|    | 7.6 Extent to which the Agency has been able to effectively adapt its organisation and processes in order to undertake an increased number of tasks while maintaining high quality performance, based on: <ul style="list-style-type: none"> <li>Extent to which changes in the mandate/tasks of the Agency have spurred organisational changes</li> <li>Extent to which new(er) tasks are assessed by EMSA staff as being well-integrated in the organisation's work and structure</li> </ul> | 3.2.1 In what ways has EMSA worked to improve its effectiveness, efficiency and added value since the previous evaluation?<br><br>3.2.2 How has EMSA worked with the recommendations from the previous evaluation for improving the internal functioning of the Agency via its performance management system.   |
| 11 | 11.3 Extent to which the Agency has been able to improve its efficiency by <ul style="list-style-type: none"> <li>Achieving the same results with fewer resources</li> <li>Take on new tasks and produce more/new outputs without an increase in resources</li> </ul>  | 3.3.1 To what extent has the performance management framework contributed to improving the efficiency of the Agency?  |

### List of references:

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 EU Agencies Network (2013) Position paper of the EU Agencies Network  
<https://www.cepol.europa.eu/who-we-are/european-union-agency-law-enforcement-training/mission-vision-values>

#### List of interviewees:

| Name  | Organisation | Type of stakeholder | Date of interview | Contact details |
|---|--------------|---------------------|-------------------|-----------------|
| <b>Markku Mylly</b>   | EMSA         | EMSA management     | 24 October 2016   |                 |
| <b>HoD: Isabel Torné, (HoD A), M. Tomassini (HoD B), Leendert Bal (HoD C)</b>     | EMSA         | EMSA management     | 24 October 2016   |                 |
| <b>B.1 Mr Mario Mifsud<br/>C.2 Mr Lazaros Aichmaloditis<br/>C.4 Mr Ivo Kupsky</b> | EMSA         | EMSA management     | 24 October 2016   |                 |
| <b>Marin Chintoan-Uta</b>   | EMSA         | EMSA staff          | 24 October 2016   |                 |
| <b>Planning and monitoring Unit and Internal control coordinator</b>              | EMSA         | EMSA staff          | 24 October 2016   |                 |
| <b>Staff of units B and C</b>   | EMSA         | EMSA staff          | 24 October 2016   |                 |