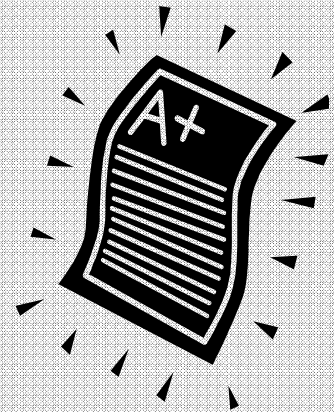


How Good is Your Government?

Assessing the Quality of Public Management



by Mark Schacter

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Published by:

Mark Schacter Consulting
Ottawa, Ontario Canada

www.schacterconsulting.com
mark@schacterconsulting.com

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How Good is Your Government?

Assessing the Quality of Public Management

*The object of government in peace and in war is not the glory of rulers or of races,
but the happiness of the common man.¹*

A. Introduction

How do you measure the quality of the “machinery” of public management? An announcement three years ago by the Government of Canada that it wanted to launch an annual report on the “state of government-wide management”² sparked reflection both inside and outside the Canadian government on this question.

The issues that such a report might address remain important today – not only in Canada but around the world. The purpose of this paper is therefore to stimulate further discussion on assessing public management at the government-wide level by presenting a discussion draft of an assessment framework for measuring the quality of government-wide management.

Although the immediate context for this paper is Canadian public administration at the federal level, the underlying questions and concepts are relevant to all levels of public administration in all countries. As the quotation at the head of the paper states, the central concern of governments everywhere is “the happiness of the common man”. The tools and techniques of public management are instruments that governments use (or should use) to pursue this goal. Protecting and expanding the common good is (or ought to be) the defining mission of governments everywhere. Any useful framework for assessing the quality of public management ought to be constructed on the foundation of this most basic purpose of government.

To my mind, two key questions must be addressed if one is going to produce a credible and practical assessment framework for whole-of-government management:

- Is it possible to reach a reasonable degree of consensus on the key ingredients of good public management at the whole-of-government level?
- Is it possible to produce a set of measures of manageable scope that, while not perfect, will be seen as good enough to support reliable and actionable assertions about the quality of public management across an entire government?

¹ Beveridge, Sir William (1942). *Social Insurance and Allied Services*, London: His Majesty’s Stationery Office.

² The government’s intention was to “report annually to Parliament on the state of government-wide management and on human resources management.” See The President of the Treasury Board (2005), *Management in the Government of Canada. A Commitment to Continuous Improvement*, p. 7. See http://www.tbs-sct.gc.ca/spsm-rgsp/cci-acg/cci-acg_e.pdf

As the bibliography at the end of the paper indicates, the draft assessment framework draws from the efforts of many practitioners and scholars who have worked on these two questions. The framework presented here is a work in progress. My aim is to incite further discussion, debate and reflection on how to assess the quality of management across an entire public administration. Suggestions for improving the framework are welcome.

B. Assessing Government-wide Management

Public management is important. At the federal level in Canada, for example, public managers will oversee expenditures of \$(C)240 billion in the current fiscal year – a sum equal to approximately 17 percent of Canada’s GDP³ and almost six times the annual revenue of Canada’s largest corporation⁴. Public management shepherds the transformation of this money – public money – into programs meant to maintain and improve our standard of living. And so, the quality of public management is, or should be, a matter of acute interest to public sector managers, to students of public management, and, in a less detailed way, to anyone affected by public management, which is to say anyone reading this paper.

With this in mind, the government of Canada launched (in 2003) the Management Accountability Framework (MAF) setting out “expectations of senior public service managers for good public service management.”⁵ (The MAF contains 59 indicators under 10 headings.) The MAF is used as a basis for detailed annual assessments of management performance, which are intended to help organizational chief executives (“deputy ministers” in the Canadian context) identify management priorities.

While the focus of the MAF is normally at the level of individual government organizations, most of its assessment criteria are also relevant at a government-wide level. On the other hand, results of the MAF Departmental assessments are in many ways not additive (because the “whole” of government is more than the sum of its parts); if you sum them and average them you will not necessarily get a reliable picture of the quality of public management for the entire government. The proposed report on government-wide management was meant to conceive of the operations of government as one machine rather than as a collection of component parts. It was intended to distil down the concept of good public management at the whole-of government level to the smallest feasible number of elements.

C. Key Concepts and Assumptions

(1) How Would the Assessment Framework Add Value?

The draft framework of the type presented in this paper would support the development of a regular public report on the quality of government-wide management. Such a report would presumably be of interest to Parliamentarians, citizens and citizens’ organizations with a particular interest in public management, public management scholars and public managers

³ [http://en.wikipedia.org/wiki/List_of_countries_by_GDP_\(nominal\)](http://en.wikipedia.org/wiki/List_of_countries_by_GDP_(nominal))

⁴ Canada’s largest corporation is the Royal Bank of Canada. It had revenue of \$41.3 billion in 2007. See <http://www.reportonbusiness.com/v5/content/tp1000-2008/index.php#>

⁵ For details on the MAF, see http://www.tbs-sct.gc.ca/maf-crg/index_e.asp

themselves. The report would help these and other interested parties develop informed judgments on questions such as:

- Is the government, as a whole, well-run? What are areas of particular strength or weakness?
- Is the quality of management in the government as a whole improving, declining or stable?
- Does the government have the management capacity required to deliver on its outcomes agenda?

(2) Public Service/Public Management

The framework for assessing the quality of government-wide management is grounded in the following understanding of the concepts of “public service” and “public management” as they apply to the Canadian context.

Public Service. The public service responds to direction from the elected government on social and economic outcomes to be pursued to serve the public interest. This is not to suggest, however, that the dialogue goes only in one direction. The views of elected leaders regarding desirable social and economic outcomes are also influenced by ideas originating in the bureaucracy. No matter how the ideas originate, the formal sanction for pursuing a given set of outcomes will come from the elected government.

Parliament authorizes the allocation to Departments of resources required to fulfill social and economic outcomes identified by the elected government. The public service supports the realization of these outcomes through the design and implementation of programs, and through advice to the elected government. In fulfilling this function, the public service must act in accordance with the laws and regulations that govern it, and in a manner consistent with core values and beliefs that citizens expect their government to uphold.

Public Management. Public management is the activities, structures, processes, procedures, rules, norms and incentives established within the public service that facilitate, monitor and control the direct or indirect production of outputs by the public sector. Public outputs may take the form of, among other things, financial support, advice, services, research, information, and training provided to individuals or organizations. Outputs are delivered with a view to realizing the outcomes established by the elected government.

Public management contributes to the realization of outcomes but it cannot completely control either their realization or their quality. Indeed, public management often has very little or no control over ultimate outcomes such as the state of the economy or the health of the population. However, the outputs produced by the public sector are intended at the very least to influence desired outcomes. The core justification for any public program is that there is good reason to believe that it will positively affect the realization of a desired outcome. If social and economic outcomes are the ends that public management serves, then the means to those ends are (i) the dollars and people that public management has to

work with (“inputs”), (ii) the activities supported by the inputs; and (iii) the outputs that result from the activities.

D. The Assessment Framework

Scope of the Framework. As described above, the logic of public management is that a set of activities overseen by public managers underpins public programs and policies that produce outputs which in turn are supposed to contribute to social and economic outcomes sought on behalf of citizens by the elected government. The assessment framework described here concentrates on the first link in the chain: the transformation of public resources into outputs. It looks at how government operates, but not at what it produces or the social or economic outcomes assumed to result from activities and outputs. (Assessment of outputs and outcomes is the business of performance measurement and evaluation, disciplines that would complement, and be complemented by, the type of assessment envisioned in this report.)

In other words, the framework for assessing of the quality of government-wide management is concerned with the *capability of public management to produce outputs* aligned with the social and economic outcomes sought by the elected government. To use a manufacturing metaphor, the concern here is the capacity of the “production machinery and processes” and their responsiveness to strategic corporate priorities, rather than the outputs produced or the outcomes that result from them. The draft assessment framework focuses on the design of the “machinery”, its state of repair, its maintenance, its relevance, the qualifications of the people operating it, and the systems and procedures used to monitor both the machinery and the people operating it.

Structure of the Framework. The framework is divided into four categories, representing the four broad areas affected by public management:

- *resources;*
- *the workforce;*
- *the public; and*
- *social & economic outcomes.*

Each of the category headings is accompanied by a phrase describing the public management outcome associated with the category. Under each heading, one or more performance indicators are defined. These describe the types of evidence that would provide a basis for assessing performance. Finally, under each of the performance indicators, there are suggestions of the information (quantitative or qualitative) that might be gathered to support the indicator. These are described only in general terms, the purpose being to provide an approximate sense of the information gathering requirements implied by each of the proposed performance indicators. As well, nothing is said about the methods that might be used to gather information. (These might include performance measurement,

internal/external audit, internal/external evaluation, staff surveys, client surveys, opinion polling, etc.)

(1) Resources

Resources allocated to the government by Parliament are managed efficiently, effectively and in compliance with law, regulation and policy.

Performance Indicator 1. Quality of the linkage between management of human/financial resources and achievement of intended social/economic outcomes.

- The government links resources to results, i.e. results-based performance information is routinely incorporated into resource-allocation and reallocation decisions.
- Results-based performance information is used routinely as a basis for continuous improvement of program/policy performance.
- Executives effectively communicate intended program results to staff.
- Individual performance appraisals are linked to contributions to results.
- The government has a comprehensive picture of key risks affecting the realization of intended results, and takes reasonable steps to minimize risks.

Performance Indicator 2. Extent to which public resource management is consistent with legal, regulatory and operational requirements.

- Control systems related to the management of resources are comprehensive and effective.
- Control systems do not impinge unnecessarily on the efficiency and effectiveness of program delivery.

Performance Indicator 3. Quality of the ethical environment in the public service.

- Public servants perceive that there is a healthy ethical environment in the workplace.
- Control systems related to ethical behaviour are comprehensive and effective.
- There is an effective system to track and report regularly on the ethical environment in the public service.

Performance Indicator 4. Quality and accessibility of the government's financial reporting.

- The government publishes timely accurate, reliable, thorough and easily understandable financial reports that give Parliament a basis for holding the government accountable for its stewardship of public resources.
- The government's financial reports are easily accessible to the public, in a timely manner.

Performance Indicator 5. Quality of the government's revenue and expenditure estimates.

- The government produces accurate, complete and timely revenue and expenditure estimates.

Performance Indicator 6. Quality of financial management data.

- Timely, operationally relevant, and complete financial data are readily available to managers.

Performance Indicator 7. Quality of capital asset management.

- The government effectively coordinates and prioritizes the acquisition of capital assets.
- The government uses capital assets efficiently.

Performance Indicator 8. Quality of management of information systems.

- Managers' needs for information to support program management and delivery of services are met.
- Policies are established and implemented to ensure maximum feasible standardization and integration of information systems across the government.
- The government analyzes future information-system requirements, and takes steps to address them.

(2) The Workforce

The public sector workforce is skilled, motivated, efficient and effective.

Performance Indicator 9. The quality of the public sector workforce.

- Public servants have the skills they need to do their work efficiently and effectively.

Performance Indicator 10. The quality of human resource management.

- Decisions regarding recruitment, retention, reward, discipline and promotion are transparent and merit-based.
- The government has an up-to-date and detailed understanding of the current status of its workforce in relation to immediate and longer-term needs, and acts effectively to address current and anticipated challenges.
- The government has an up-to-date and detailed understanding of workplace issues such as health and safety, conflict, labor relations, employment equity, human rights, morale and job satisfaction, and acts effectively to address current and anticipated challenges.
- Public sector remuneration is comparable to remuneration provided by other employers for similar work.
- The public sector is perceived as a relatively attractive place to work.

(3) The Public

Public programs, policies and services meet the needs and expectations of the public.

Performance Indicator 11. Responsiveness to the public.

- The development of policies and the design and implementation of programs and services are done in a way that systematically incorporates the perspectives of stakeholders.
- The public perceives that the government is responsive to its needs and expectations.
- The public perceives that it is well served by government programs.
- The government publishes, monitors compliance with and enforces service standards for dealing with the public.
- The public trusts that the government acts with the public interest in mind.

(4) Social & Economic Outcomes

Public programs and policies are designed and managed to achieve results desired by the elected government.

Performance Indicator 12. The quality of results management.

- A core set of government-wide measurable social and economic outcomes is defined and communicated, and the contribution of public programs to them is assessed through performance measurement and evaluation at the government-wide level.
- Department-wide measurable social and economic outcomes that are integrated with government-wide outcomes are defined and communicated, and the contribution of public programs to them is assessed through performance measurement and evaluation at the departmental level.
- The government regularly reports on its performance against intended outcomes – using data that are complete, accurate and valid – in a manner that gives Parliament a basis for holding the government accountable for performance in relation to results.

E. Conclusion

A performance measurement framework is by its nature an abstraction. Measurement, if it is to be feasible and useful, requires simplification, particularly when one is dealing with a subject as large and complex as the quality of public management at the level of a national government.

A performance measurement framework resembles a map in that it is a stylized approximation (or a model) of reality. A map can be produced at varying levels of detail, depending upon the purpose it is supposed to serve. A detailed map providing a fine-grained representation of a relatively small area is useful in some cases, while in other cases the need is for a large-scale map covering a broad stretch of terrain at a relatively low level of resolution.

The assessment framework presented here – which takes in the entire government – is similar to the large-scale map. (A performance measurement framework for a single public program within a department would be the analogue of the detailed, small-scale map.) Considerable simplification is required. While the assessment framework must not ignore critical data, it must also not overwhelm users with fine detail, nor should it impose a heavy administrative burden. It is also important to recognize a performance measurement framework for what it is: an imperfect (but nevertheless useful) representation of reality. The reality of public management will always be more complicated, less rational and less orderly than the quality-assessment framework might suggest.

I expect that future discussion about development of a framework for assessing the quality of whole-of-government management will focus on the challenge of striking an appropriate balance between simplicity (which makes the assessment framework administratively feasible and operationally relevant) and richness of detail (which contributes to the validity and reliability of assessments that result from the framework).

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About the Author

Mark Schacter lives in Ottawa, Canada, and works with Canadian and international organizations on matters related to governance, accountability performance measurement, and strategy. He provides advisory, analytical and facilitation services and professional development workshops.



Mark's publications on issues in governance and public management are widely read and used by practitioners in Canada and internationally. His publications, as well as other information about his work, can be found at www.schacterconsulting.com

Mark can be reached at mark@schacterconsulting.com or at 613.277.6777.
