

**WHO ARE WE, WHAT ARE WE DOING, WHERE ARE WE GOING? A  
PERSPECTIVE ON THE PERFORMANCE MANAGEMENT COMMUNITY**

**CHRISTOPHER POLLITT**

**KEYNOTE SPEECH TO THE SECOND TRANSATLANTIC DIALOGUE: 'A  
PERFORMING PUBLIC SECTOR', KATHOLIEKE UNIVERSITEIT LEUVEN,  
1 JUNE 2006**

(transatlantic2/121-5-06)

Institutional details

Christopher Pollitt

Professor of Public Management, Centre for Public Management, Erasmus University  
Rotterdam

Visiting Senior Fellow, Institute of Public Management, Katholieke Universiteit Leuven  
(2005/6)

Email: [Pollitt@fsw.eur.nl](mailto:Pollitt@fsw.eur.nl)

# WHO ARE WE, WHAT ARE WE DOING, WHERE ARE WE GOING? A PERSPECTIVE ON THE PERFORMANCE MANAGEMENT COMMUNITY

## Introduction

It is both a pleasure and a privilege to speak at such a multi-talented, experience-rich gathering of scholars. My particular thanks go to my good friend Geert Bouckaert for organizing this dialogue and for inviting me to make one of the opening addresses. It is always pleasant to be in this beautiful city, a place where the good governance of public authorities, both lay and ecclesiastical, has been earnestly debated for more than 500 years.

It is a little more than twenty years since I published my first scholarly article on performance measurement, and well over thirty since, as a young Whitehall civil servant, I first encountered performance measurement in practice. So one useful thing I can try to do is look back and look forward at ourselves – the community of academics interested in performance measurement and performance management in the public sector.

## Past and present

The most obvious difference, if I compare the mid 1980s with today, is that there are more of us. A performance management ‘industry’ has grown up, fuelled not only by pure scholarly interest, but also by the plentiful demand for advice and consultancy work from public authorities in many countries, anxious not to miss out on the hugely politically popular idea of a more performance-oriented public sector.

Intimately connected to this, of course, has been the tremendous spread, in almost every public sector, of the practices of performance measurement and the construction of performance indicator sets. Performance measurement has surely become more intensive, more extensive, and more closely integrated with other management processes and functions (Bouckaert and Halachmi, 1996). The following words from the 2003 Volcker Commission in the United States could have come from any one of a hundred government publications in somewhere between a dozen and 20 countries:

‘The government we envision would be organized around critical missions, with management keyed to performance’ (National Commission on the Public Service, 2003)

It is not only secular governments that seek the services of our community. Lourdes is the most popular shrine in the Roman Catholic church, currently receiving around 6M pilgrims each year. However, since the Virgin Mary appeared to Bernadette Soubirous in 1858, there have been depressingly few additional audited miracles. Depending on your point of view, this is either bad for business or inappropriate use of an unduly narrow indicator. Many of the ‘results’ achieved by pilgrims, although apparently adding value, do not meet the extremely strict and extremely old criteria for a full-blown Roman Catholic miracle. Therefore this year Bishop Jacques Perrier has proposed to introduce a new measurement category, translated as ‘authentic healings’. This will catch the dozens

of sub-miraculous pilgrims who leave Lourdes each year nevertheless convinced that their serious conditions have been improved (Chrisafis, 2006).

A second change is that our growing community now includes a wide range of disciplinary approaches. Our community of discourse contains *inter alia* political scientists, public administrationists, generic management specialists, sociologists, economists, accountants, operational researchers and statisticians (and I have probably missed some out – priests for example!). [Whether these sub-groups talk to each other very much is another question. My impression is not much, but I have no hard data about this.]

Today's *foci* of interest have also broadened. They range from high level studies of how politicians use performance information, through middle level accounts of how managers address frameworks of performance indicators (Pollitt, 2006b) to detailed studies of how 'street level' staff may game and pervert PIs (Hamilton, 2005). They include highly technical studies of validity and reliability and highly philosophical studies of the meaning of measurements and the rhetoric of performance (Kurunmäki and Miller, 2006). They also stretch from rather prescriptive advice on 'how to do it better' to highly detached academic interpretations and deconstructions. It would be very difficult for any single individual to command expertise right across this tremendous panorama of literature.

A fourth, and highly significant change has been that in the information and communication technologies which support and sometimes shape performance management. This has prompted at least two kinds of work from our community. First there are studies of how new ICTs may facilitate the collection and dissemination of performance information (Benyon-Davies, 1994). Second there are studies of how to measure progress with, and the effects of, ICTs themselves (Welch, Moon and Wong, forthcoming). Clearly there is much that remains to be done here, especially with respect to the identification and measurement of the final outcomes of ICT innovation.

A fifth change is that, whereas 20 years ago we had rather few studies of measurement in action, now we have amassed a good deal of this kind of material. The early articles tended to analyze performance indicator sets 'cold', by counting and classifying the different types of measure and the logical relations (if any) between them. But now we can complement such studies with field studies of how indicators are actually used (or not used) in by practitioners (e.g. Boyne, Meier, O'Toole and Walker, forthcoming; Chang, 2006; Ingraham, Joyce and Donohue, 2003; Pollitt, 2006b).

So we can do more and there are more of us to do it, but have our *foci* of interest really changed that much? Glancing over a sample of recent articles and books I see that our community today is absorbed with a number of important topics. These begin with the simple need for better measurement – more valid and reliable measures of more important dimensions (Boyne et al, forthcoming; Kelerman, 2005; Klitgaard, Fedderke and Akramov, 2005)). They also include the need to shift from process measurement to output measurement and, beyond that, to outcome measurement (Kurunmäki and Miller,

2006). It is also worried about the perverse incentives which performance management systems can inadvertently create, and the gaming which takes place around these systems (De Bruijn, 2001; Halachmi, 2005; Smith, 1995). And it is often concerned at the merely spasmodic or downright eccentric use which politicians and the mass media make of the performance information which has been so carefully and expensively produced for them (Bogt, 2004; Johnson and Talbot, forthcoming; Pollitt, 2006a).

Although sometimes one or more of these topics is described as ‘new’ or ‘at the cutting edge’ or ‘the next stage of performance management’, I am afraid such descriptors are inaccurate and ahistorical. All these topics can be found in the literature of two decades ago, in some abundance (e.g. Donabedian, 1983; Pollitt, 1985; 1986; Cave, Kogan and Smith, 1990). In these areas today our community is wrestling with hardy perennials not new green shoots. Indeed, some of these topics were debated even longer ago – when attempts to install performance related pay and other forms of performance indicator were made in the late nineteenth or early twentieth century. This is not, of course, to say that such concerns are worn out and lacking value. On the contrary, their evergreen nature probably signals that these are, so to speak, genetic problems of performance measurement, chronic conditions that require continuing careful management rather than one-off but illusory solutions.

#### Present and future

By this point you may be thinking that this is the standard ploy from a scholar in the later stages of his career. This is the “there’s nothing new under the sun” speech. Well, that is not my intention. Whilst I do occasionally find the historical ignorance of some colleagues mildly shocking, I also see that new issues, or new forms of old issues, are arising all the time. To address these I would suggest that we will need *both* a good sense of where we have discovered already *and* a good helping of intellectual ingenuity to help us fashion novel responses.

Of course, everyone will have their own list of what the most important new issues are. I apologise in advance to those of you whose favourites and pets I have unwittingly omitted from my own agenda, which I will now set before you.

*Performance management in networks and partnerships:* the rapid increase in the number of occasions in which public authorities attempt to use networking or partnership solutions to their problems has been quickly followed by an explosion of both academic and practitioner literature on these modalities. A number of writers have wrestled with the problem of measuring performance in such complex situations (e.g. Meier, O’Toole and Lu, forthcoming) but it would be optimistic to claim that any generally convincing or accepted methods have yet emerged.

*Connecting PM to trust:* for reasons that are fairly obvious, many governments on both sides of the Atlantic have become concerned at the apparent decline of citizen trust in politics and politicians. Performance management has been dragged into this because some political leaders have hoped that trust and legitimacy can be restored by proving to

citizens that the quality and efficiency of the services they are being offered are improving. It turns out, of course, that the equation is unlikely to be so simple (Bok, 2001; Bouckaert and Halligan, 2006). Some of the most interesting work on this set of relationships has been undertaken here at Leuven (e.g. Bouckaert et al, 2002). But what this work has uncovered is how many basic questions cannot yet be confidently answered. The topic is wide open for further research, and I would expect a considerable flow of publications on these issues over the next five years.

*The end users:* it is mildly amazing that, while we have amassed many studies of how managers and professionals use or fail to use performance information, we still have only a few analyses of what the ultimate users – elected politicians and citizens – do with all this stuff (Pollitt, 2006a). On both sides of the Atlantic we seem to have many prejudices, dreams and stereotypes of what these end users will do with our carefully-crafted performance data, but not so many empirical studies. Most of the few we do have are not terribly encouraging (e.g. Bogt, 2004; Johnson and Talbot, forthcoming). The research here is difficult but certainly not impossible to do, and its significance in a democratic context can hardly be exaggerated. I therefore hope that we see the trickle of studies we have had thus far soon become at least a vigorous tributary.

*International comparisons of state performance:* in the past 18 months we have seen a trickle of academic papers on international performance comparisons swell into a young river. In December 2005 the UK Economic and Social Research Council organized a timely conference entitled ‘Where does Britain rank? International public service rankings’. It revealed at least three things: first that there already exist many rankings, second that some of these are highly suspect and, third, that there is a bit of a mystery about what they are being used for, and by whom – supply is growing, but where is the demand? (Hood and Beeston, 2005; Pollitt, 2005). All this confirmed pioneering work already undertaken by Steven van de Walle at Leuven (Van de Walle, 2005; 2006). Yet despite growing awareness of the difficulties, both practical and interpretive, a number of scholars are confidently - or over-confidently - pushing ahead (Mahoney and Stevens, forthcoming). This is definitely a patch to be watched.

*PM and the long term:* The final item on my list of ‘coming’ topics is a hobby horse of my own. It concerns the paucity of studies of performance management over more than a few years. Most of our literature examines the latest set of indicators, or compares results over a few years. Yet we know that many processes in public administration do not come to fruition (whether the fruit is good or evil) over such short periods. Learning curves and the effects of reorganizations typically stretch out over at least three and sometimes five years or more (Pollitt, 2006c). There are sound reasons to expect that performance indicator systems will evolve, year on year, but we have tantalisingly few studies of this up until now. Those that do exist contain some rather provocative ideas and findings. Meyer and Gupta, for example, declare that there is a ‘performance paradox’, and that most or all indicators, in both the public and the private sector, wear out over time (Meyer and Gupta, 1994; for a recent application to the public sector, see Thiel and Leeuw, 2002). Some studies posit an alternation between many indicators, bringing sensitivity but complexity, and smaller numbers of key indicators, bringing apparent

clarity but also crudeness and increased risks of gaming (Nove, 1978). Talbot, in his studies of the intensive performance measurement regimes around early Next Steps agencies records that in his sample the ‘churn rate’ - that is the rate at which last year’s indicators are replaced by new ones this year – was very high. Thus even the possibility of measuring progress over a number of years was impossible, because the menu of measures was always changing (Talbot, 1996). It seems as though synchronic league tables are somehow regularly privileged over diachronic trends, which, if it is true, has huge implications for the management public service organizations. We need more natural histories of performance management systems.

### Transatlantic?

Perhaps I should conclude by asking whether this story I have told about our field is the same story on both sides of the water, or whether we see different variants in North America and Western Europe? On the whole my impression is that the similarities outweigh the differences. Most of the topics I have cited have been tackled by both North American and European scholars. Quite frequently, indeed, they co-operate (e.g. Bouckaert and Halachmi, 1996; Boyne et al, forthcoming).

If there is a difference perhaps it is that what I might call the skeptics and the social constructivists are somewhat better represented in the Old World. The skeptics are those who see performance management as a somewhat Faustian bargain, in which bring the up-front appearance of progress and control but, simultaneously, a behind-the-scenes trajectory of the growth of gaming and other distortions, as we over-reach ourselves in trying to encapsulate complexity, diversity and tacit knowledge in a dream – the modernist fantasy of having a few key indicators to steer by. The optimistic rationalists and functionalists are perhaps more to the fore in the New World.

The social constructivists are those who are more interested in the symbolic than the functional role of performance management systems. They are less interested in the validity and reliability of PIs than in questions such as way in which legitimacy is conferred by the possession and deployment of performance management systems, and the ways in which meanings and reputations can be constructed on the basis of often highly fallible statistics and standards, and careers can be built on claims of expertise in these arcane arts. Again, the foremost practitioners seem to be European (Brunsson and Olsen, 1993; Brunsson and Jacobson, 2000; Kurunmäki and Miller, 2006)

But even if I am correct to see the doubters as being rather better represented here in Europe, they certainly also exist in North America. So we are a real academic community, not two warring camps, and events like this Dialogue confirm and reinforce our shared interests and concerns.

## REFERENCES

Benyon-Davies, P. (1994) 'Information management in the British National Health Service: the pragmatics of strategic data planning', International Journal of Information Management, 14:2, pp84-94

Bogt, ter, H. (2004) 'Politicians in search of performance information? Survey research on Dutch aldermen's use of performance information', Financial Accountability and Management, 20:3, pp221-252

Bok, D. (2001) The trouble with government, Cambridge, Mass., Harvard University Press

Bouckaert, G. and Halachmi, A. (1996) 'The range of performance indicators in the public sector: theory vs. practice', pp91-106 in A. Halachmi and G. Bouckaert (eds.) Re-engineering and performance measurement in criminal justice and social programmes, Perth, Western Australia, International Institute of Administrative Sciences

Bouckaert, G.; Van de Walle, S.; Maddens, B. And Kampen, J. (2002) Identity vs. Performance: an overview of theories explaining trust in government, Leuven, Public Management Institute

Bouckaert, G. and Halligan, J. (2006) 'Performance and performance management' in Guy B. Peters and J. Pierre (eds.) Handbook of public policy, Sage, London

Boyne, G.; Meier, K.; O'Toole, L. and Walker, R. (eds.) Public service performance: perspectives on measurement and management, Cambridge, Cambridge University Press (forthcoming)

Brunsson, N. and Olsen, J. (1993) The reforming organization, London and New York, Routledge

Brunsson, N. and Jacobsson, B. (2000) A world of standards, Oxford, Oxford University Press

De Bruin, H. (2001) Managing performance in the public sector, London, Routledge

Donabedian, A. (1983) 'Quality assessment and monitoring: retrospect and prospect', Evaluation and the Health Professions 6:3, pp363-375

Cave, M.; Kogan, M. and Smith, R. (eds.) (1990) Output and performance measurement in government: the state of the art, London, Jessica Kingsley

Chang, L-C. (2006) 'Managerial responses to externally-imposed performance measurement in the NHS: an institutional theory perspective', Financial Accountability and Management, 22:1, pp63-85

Chrisafis, A. (2006) 'Lourdes finds a cure for lack of miracles: a less strict definition', Guardian, p6

Halachmi, A. (2005) 'Performance measurement: test the water before you dive in', International Review of Administrative Sciences, 71:2, pp255-266

Hamilton, L. (2005) 'Lessons from performance management in education', pp381-405 in R.Klitgaard and P.Light (eds.) High performance government: structure, leadership, incentives, Santa Monica, RAND

Hood, C. and Beeston, C. (2005) How does Britain rank and how do we know? International rankings of public service performance paper presented to ESRC Conference 'Where does Britain rank? International public service rankings', London, 13 December

Ingraham, P.; Joyce, P. and Donahue, A. (2003) Government performance: why management matters, Baltimore and London, John Hopkins University Press

Johnson, C. and Talbot, C. 'The UK Parliament and performance: challenging or challenged?' Public Money and Management (forthcoming)

Klerman, J. (2005) 'Measuring performance', pp343-379 in R.Klitgaard and P.Light (eds.) High performance government: structure, leadership, incentives, Santa Monica, RAND

Klitgaard, R.; Fedderke, J. and Akramov, K. (2005) 'Choosing and using performance criteria', pp407-446 in R.Klitgaard and P.Light (eds.) High performance government: structure, leadership, incentives, Santa Monica, RAND

Kurunmäki, L. and Miller, P. (2006) 'Modernising government: the calculating self, hybridization and performance measurement', Financial Accountability and Management, 22:1, pp87-106

Mahoney, M. and Stevens, P. 'International comparisons of output and productivity in public service provision: a review', in G.Boyne, K.Meier, L.O'Toole and R.Walker (eds.) Public service performance: perspectives on measurement and management, Cambridge, Cambridge University Press (forthcoming)

Meier, K.; O'Toole, L. and Lu, Y. 'All that glitters is not gold: disaggregating networks and the impact on performance', in G.Boyne, K.Meier, L.O'Toole and R.Walker (eds.) Public service performance: perspectives on measurement and management, Cambridge, Cambridge University Press (forthcoming)

Meyer, J. and Gupta, V. (1994) 'The performance paradox', Research in Organizational Behavior, 16, pp309-369

- National Commission on the Public Service (2003) Urgent business for America: revitalizing the Federal Government for the 21<sup>st</sup> century (the Volcker Report), Washington DC, The Brookings Institution
- Nove, A. (1978) The Soviet economic system, London, Allen and Unwin
- Pollitt, C. (1985) 'Measuring performance: a new system for the National Health Service', Policy and Politics, 13:1, pp1-15
- Pollitt, C. (1986) 'Beyond the managerial model: the case for broadening performance assessment in government and the public services', Financial Accountability and Management, 2, pp155-170
- Pollitt, C. (2005) Response to opening presentation and background paper, paper presented to ESRC Conference 'Where does Britain rank? International public service rankings', London, 13 December
- Pollitt, C. (2006a) 'Performance information for democracy: the missing link?', Evaluation, 12:1, pp39-56
- Pollitt, C. (2006b) 'Performance management in practice: a comparative study of executive agencies' Journal of Public Administration Research and Theory, 16:1, pp25-44
- Pollitt, C. (2006c) Time for public management?, paper presented to the Hallsworth Conference, Institute for Political and Economic Governance, University of Manchester, 16/17 March
- Smith, P. (1996) 'On the unintended consequences of publishing performance data in the public sector' International Journal of Public Administration, 18, pp277-310
- Talbot, C. (1996) Ministers and agencies: control, performance and accountability, London, CIPFA
- Thiel, S van and Leeuw, F. (2002) 'The performance paradox in the public sector', Public Money and Management, 25:3, pp267-281
- Van de Walle, S. (2005) Measuring bureaucratic quality in governance indicators, paper presented to the EGPA annual conference, Bern, 31 August-3 September
- Van de Walle, S. (2006) 'The state of the world's bureaucracies', Comparative Policy Analysis, (forthcoming)
- Welch, E.; Moon, M. and Wong, W. 'What drives global e-government? An exploratory assessment of existing e-government performance measures', in G.Boyne, K.Meier,

L.O'Toole and R.Walker (eds.) Public service performance: perspectives on measurement and management, Cambridge, Cambridge University Press (forthcoming)