

The Aims of Performance Measurement

Given their diverse origins, it is not surprising that multiple aims have been attached to the recently launched performance measurement systems. Often the aims are stated in highly positive terms. For example, the Kennedy School of Government at Harvard University begins its case for the use of performance measurement with the following statement: 'Effective performance management leads to better outcomes and strengthens democracy.'¹ As **Exhibit 1** indicates, the aims of performance measurement range from the narrowly managerial to the broadly political. Different purposes will require different types of measures. There is not one single magical measure or set of measures that will serve all these purposes equally well.² For example, if the principal aim is to achieve budgetary control and productivity, the focus will be on efficiency measures such as the costs of providing a certain volume of output on an annual basis. In contrast, if the aim is to promote public understanding and support for a program, it will be necessary to gather evidence of dimensions of performance about which people really care. Since performance measurement systems are costly to create and to maintain, there are practical limits on the number of dimensions of performance that can be measured on an ongoing basis. Also, the proliferation of measures can lead to information overload.

Exhibit 1 — The Aims of Performance Measurement

- To help clarify organisation goals, directions and expectation.
- To help organisations learn how to accomplish goals more effectively.
- To communicate the priorities of the organisation.
- To support strategic/business line planning by linking broad statements of direction to specific operational outputs and outcomes.
- To support budgetary planning and resource allocation processes.
- To monitor the operation of programs and to make continuous improvements.
- To motivate public servants and to restore pride within the public service that it is making a positive contribution.
- To enable citizens to make better informed decisions in the use of public programs.
- To restore public confidence that they are receiving value for money in public spending.
- To assess whether the organisation is achieving its goals.
- To strengthen internal administrative and external political accountability.

Multiple aims means multiple potential audiences for performance information and multiple, subjective perspectives on what constitutes good performance.³ Citizens will naturally think about performance mainly in personal terms — often based on how they perceived their most recent encounter with government or their general impressions of how governments work. Elected politicians often talk about using performance measurement to track general improvement in economic, social and environmental conditions. They are also deeply interested in how policies and programs affect various ‘constituencies’, not just of the territorial variety, but also economic and social in character. Performance measurement systems that fail to address distributional questions (who benefits and who pays) may not speak to these considerations.

For a number of reasons, governing has become a more adversarial process than in the past. In cabinet-parliamentary systems, of course, it is the job of the opposition parties to criticise the government. The aggressive partisanship and the negative theatrics featured prominently in legislatures largely prevent constructive debates about performance matters. Ministers will seek to avoid the publicity and controversy that ‘bad news’ brings — reacting defensively when something goes wrong. For their part, opposition parties can usually be counted on to interpret mistakes and shortcomings in performance in the worst possible light. When such clashes take place and are reported in the media, the issues involved become amplified and distorted. The whole process contributes to the public’s impression that nothing or little in government works as intended.

Public servants are interested in performance, but they also recognise the informal rules of the current accountability and rewards systems which operate in government. Ministers want error free government. When mistakes or just unforeseen and unwanted events occur, public servants are expected to provide a rationalisation to minimise the damage to the reputation of the minister and the government. With increasing frequency individual public servants are named and blamed for untoward events, even if the problems in question arise from flaws in policy or resource limits which are ultimately controlled by ministers. More is said on the problems separating political from administrative accountability for performance later in this article.

In summary, performance measurement has been asked to serve numerous purposes, which are both ‘political’ and ‘administrative’ in character. Not all of these aims are consistent and it is impossible for any single performance measurement system to serve them all equally well.

Different users approach the issue of performance differently. The aims, focus, methods and uses of performance measurement reflect both political and bureaucratic considerations. Performance reports have the potential to set the agenda both inside government and in the external world of public debate. Poor reports can damage ministerial reputations and negatively affect the position

and resources of departments and programs. In short, there are risks involved with the collection and the publication of performance information. These realities of the practice of performance measurement can be contrasted with the image of a rational and objective process presented in the official reports.

ENDNOTES

¹ Harvard University, Kennedy School of Government, Executive Session on Performance Management, 2001 (Downloaded from www.ksg.harvard.edu/visions/performance-management).

² Robert D. Behn. "Different Purposes Require Different Measures" (Paper presented to the Association for Public Policy Analysis and Management, Seattle, November 2-4, 2000).

³ Robert D. Behn. "The Psychological Barriers to Performance Management: Or Why Isn't Everyone Jumping on the Performance Management Bandwagon." *Public Performance and Management Review* 26, 1 (September 2002). pp. 5-25.