The Utilisation Problem

As the above discussion suggests, the ultimate worth of any performance measurement system is the use to which it is put. The functionality of the system is therefore very important. Providing relevant and reliable information to the right people at the right time is the ideal. The depressing news from the world of practice is that the utilisation of performance evidence on all levels appears to be limited. This strong statement must be immediately qualified, however. We simply do not have many good empirical studies of the actual use of performance information at different levels and for different purposes. Governments like to boast that their performance measurement systems are widely used, but ironically they rarely provide evidence to support this claim. Outside commentators have difficulty evaluating how well systems are working because of the confidentiality surrounding key relationships within the process. The fact that performance measurement serves many aims and different audiences, it is difficult to determine whether utilisation has occurred. Does utilisation consist of the direct and immediate use of performance data to guide decision-making? Or, at the other end of a continuum, does it refer to the general enlightenment function of performance information in support of social learning?

The Oregon Benchmarks program is the most ambitious program of its kind in the United States. In the early 1990s, under the leadership of a new governor, (Neal Goldschmidt) the State created a task force to draw up a state-wide strategic vision (called Oregon Shines) and then established the Oregon Progress Board to establish a set of ‘benchmarks’ to measure progress towards that vision. In 1991, the legislature approved 191 benchmarks, but the Progress Board kept on proposing new ones, so that the total soon reached 272 benchmarks, more than even the most dedicated public official could follow. An even greater problem was the indiscriminate lumping together of goals that were merely challenging, with those that were heroic and some that were utterly impossible — such as cutting child abuse in half within five years. The designers of the Oregon Benchmarks understood this, but they subscribed to the view that setting very difficult targets provided an incentive for people to work harder. A contrary assumption would be that unrealistic expectations would lead to frustration on the part of the public managers and worsening cynicism on the part of the public.

The lesson from Oregon is the need to balance comprehensiveness with parsimony in the creation of a performance measurement system. Also indicators must be realistic and deal with problems reasonably within the control of the agency responsible for them. Gradually, this recognition dawned on Oregon officials, and in 1996 the number of benchmarks was reduced to a more manageable ninety. In 2000, many of the benchmarks were revised so that the state actually had a chance to meet them. There were benefits from the program — apart from
the goals themselves. Information not previously available was published, inter-agency communication was encouraged and some agencies were encouraged to improve their performance. At the same time that Oregon was making its promises more realistic, Florida and Minnesota were also scaling back their performance reporting systems.