



Modelo de Avaliação do Desempenho e Benchmarking da Sustentabilidade do Setor Público

## Seminário – Avaliação de Desempenho e Benchmarking de Sustentabilidade no Setor Público

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## Sustainability Performance Evaluation in the Public Sector: Challenges and Opportunities

Richard M. Walker

Chair Professor of Public Management



## Overview

1. Interdisciplinarily sustainability studies : notes from a review
2. Public administration as a design science
3. Performance: models, dimensions, stakeholders and the challenge of managing performance
4. The public sector: publicness and performance
5. Networking, publicness and performance (case study evidence from Hong Kong)

## 1 Interdisciplinary sustainable studies: notes from a review



Lam, Jacqueline C. K., Richard M. Walker and Peter Hills. Forthcoming.  
 'Interdisciplinarity in Sustainability Studies: A Review', *Sustainable Development*

## Sustainable development

- Wicked public policy issue: solutions or progress generally accepted to require multifaceted approaches
- By 1990s pre-eminent paradigm in development studies, environment and resource management, urban and regional planning etc
- Endorsed and promoted by international agencies, national governments, regional and local government (Agenda 21)
- Outpouring of research: large focus on pathways
- Central issue: development that meets the needs of present and future generations (WECD 1997), somewhat superseded by climate change agenda, but bottom line
  - Global society faces unprecedented challenges and development paths must be reconfigured

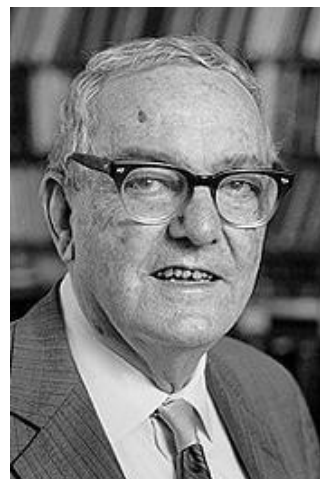
## Interdisciplinarity

- Research that cuts across boundaries of disciplines or institutions
- Social knowledge is significant: implies need for public participation in knowledge generation
  - Moving from 'science on society' to 'science for/with society'
- Key elements
  - Integration of knowledge, perspectives, approaches, disciplines
  - Generation/formulation of new elements from the integration
  - Identifies solutions to real world problems

## Interdisciplinarity and SD

- Review: searched Web of Science including interdisciplin\* and sustainabl\* (2003-2008)
- 351 articles – 281 removed, leaving 70
- Conclude: increased attempts to integrate different disciplines:
  - From resource management, education issues and environmental management
  - Qualitative, case study of mixed methods
  - Practical orientation towards policy issues, and people participation in decision-making
  - Does not address integration, formation and real-world problems simultaneously
  - Typically European and North American
  - Not published in Q1 journals – implications for the development of the field

## 2. Public administration as a design science



Simon, Herbert A. 1996. *Sciences of the artificial*, 3rd ed. Cambridge, MA: MIT Press

## Public administration as a design science

- Design science is orientated to solving real-world problems that are complex, human-related and involve value judgments: emerge from external environment (Simon 1996).
- PA: study of administration and management to advance government
- Design science for PA draws attention to: evaluation of institutions, mechanisms and processes that convert collective will and public resources into social profit

Walker, Richard M. 2011. 'Globalized Public Management: An Interdisciplinary Design Science?', *Journal of Public Administration Research and Theory*, 21, i53-59.

## Public administration as a design science

- Interdisciplinary: PA draws on administrative studies, economics, management, political science, sociology etc.
- Interdisciplinary design science of PA:
  - opens up what is a black box for other disciplines and examines the variables that influence the adoption of new practices, their implementation, and the effectiveness of the strategies adopted.

## SD PA interdisciplinary opportunities

- PA and sustainability are both
  - Interdisciplinary:
    - Brewer (1999) problem orientation, contextuality, multiple methods, and an overriding concern for the human dimension and value
  - Design science:
    - Orientated towards the resolution of real world problems
  - Respond to problems that emerge from the external environment
- Natural synergy for PA to lead on sustainability

## SD PA interdisciplinary challenges

- Policy
 

Inputs     $\longrightarrow$     Outcomes
- Public administration/management
 

Management     $\longrightarrow$     Outcomes
- Linking Policy, PA and outcomes
 

Inputs     $\longrightarrow$     Outcomes

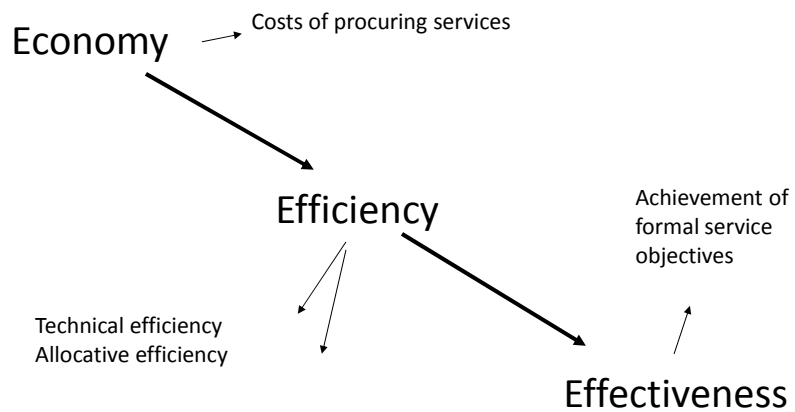
Management

### 3. Performance: models, dimensions, stakeholders and the challenge of managing performance



Richard M. Walker, George A. Boyne and Gene A. Brewer. 2010. *Public Management and Performance: Research Directions* Cambridge: Cambridge University Press.

### 3E' s model

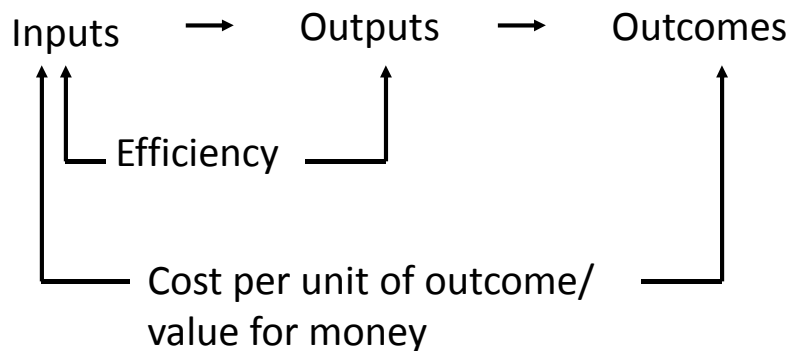


## IOO model

Expenditure  
Staffing  
Equipment

Services produced  
Quantity of service  
Quality of service

Consequences  
of services  
Effectiveness  
Impact  
Equity/fairness



## Multidimensional nature of performance

- Models provide:
  - economy, technical efficiency, quantity and quality, effectiveness, cost per unit of outcome, impact, equity.
- But overlooks:
  - Responsiveness to citizens, users and staff?
  - Governance: probity, participation accountability?
- Role of sustainability performance?



## Dimensions of performance

Performance domain	Sub-performance domain
Outputs	Quantity; Quality
Efficiency	Cost per unit of output
Service Outcomes	Equity, Formal effectiveness, Impact, Value for money (cost per unit of service outcome)
Responsiveness	Citizen satisfaction, consumer or customer satisfaction, staff satisfaction
Governance	Accountability, Civil rights, Human rights, Probity

## Who should make judgments?

		Stakeholders	
		Internal	External
Types of data	Perceptual		
	Archival		

## Who should make judgments?

		Stakeholders	
		Internal	External
Types of data	Perceptual	Staff survey	Citizen survey
	Archival	Operational data	National accounts

## Who should make judgments?

		Stakeholders	
		Internal	External
Types of data	Perceptual	Effectiveness of stakeholder relationships	Citizen assessment of air pollution
	Archival	Environmental training	Air pollution

## Performance data challenges

- Range of stakeholders: who is most important?
- Archival data = 'gold standard'?
  - Who decides what is measured and how?
  - Cheating on performance scores
- Perceptions
  - Common source bias
  - Recall
  - Knowledgeability
- 'Beauty is in the eye of the beholder'

## Managing SD performance challenge

### *Selecting indicators*

- C1: PIs are more likely to lead to better results if they focus on outcomes rather than outputs or activities
- C2: The positive relationship between PIs that focus on outcomes and service results will be weaker when such outcomes are viewed by organizations/managers as 'uncontrollable'
- C3: The relationship between the number of PIs and performance resembles an 'inverted' U

## Managing SD performance challenge

### *Setting targets*

- C4: A target boosts performance on the indicator that is targeted
- C5: A target cuts performance on indicators that are not targeted
- C6: The relationship between the number of targets and performance resembles an inverted 'U'
- C7: The relationship between targets and performance is moderated by managerial gaming
- C8: Consultation with staff responsible for achieving a target is likely to moderate the link between target setting and performance

## Managing SD performance challenge

### *Taking Action: From measurement to management*

- C9: The positive effect of a target is strengthened by budgetary incentives
- C10: The impact of target is moderated by perceptions of the fairness of the pecuniary rewards
- C11: The impact of monetary rewards is moderated by service motivation

## 4. The public sector: publicness and performance



Andrews, Rhys, George A. Boyne and Richard M. Walker. 2011. 'Dimensions of Publicness and Performance: A Review of the Evidence', *Journal of Public Administration Research and Theory*, 21, S3, i301-319

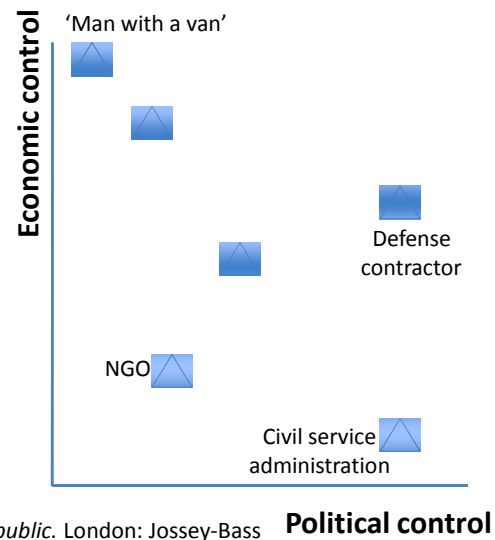
### The public sector – oversimplification?

- After four decades of growth in the welfare state the new right and New Public Management movements started to shift the public into the private together with growth in NGOs
- 2008 recession Western democracies reasserted the role of the state (banks and public ownership)
- Large growth in civil society – as protest and as mechanisms of co-production

## Publicness

Dimensional model

- Ownership
- &
- Funding:
  - tax dollars verses fees
- &
- Control:
  - economic and political



## Publicness and performance

Conventional model:

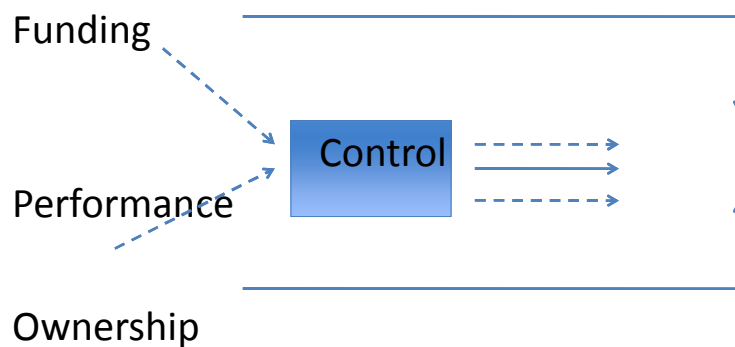
Ownership → Performance

Publicness multidimensional:

Ownership → Performance  
 Funding → Performance  
 Economic/political control → Performance

## Publicness and performance

Funding and ownership moderated by political control



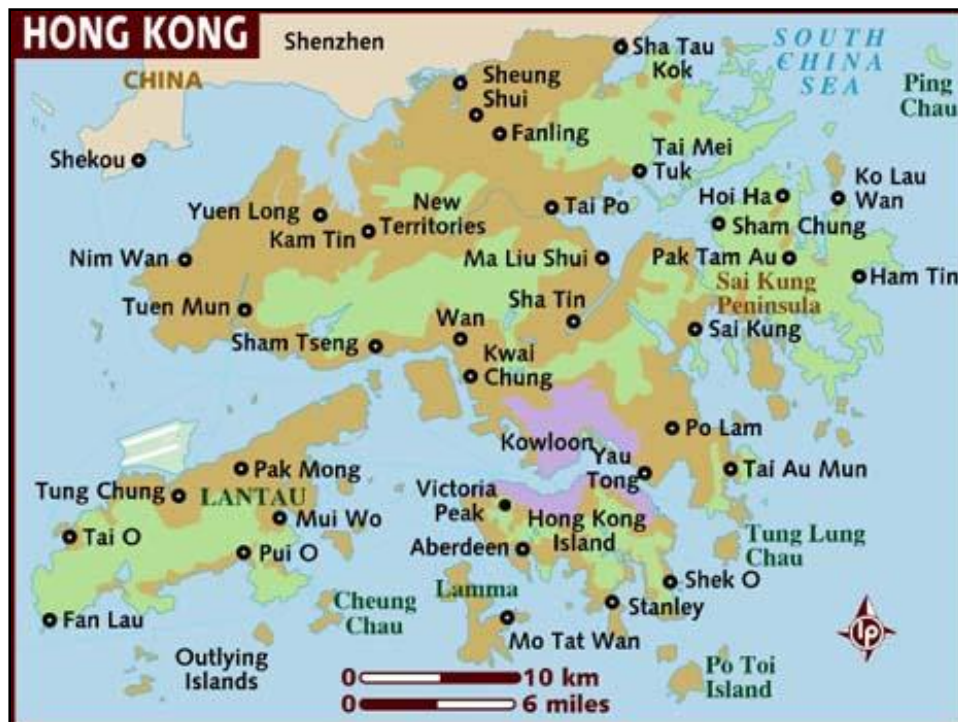
## Publicness, performance challenges & opportunities

- Being clear what we mean by the public sector
- Research focuses on the conventional ownership model:
  - Opportunities to conceive of sustainability performance indicators in context of political control model
- Research focuses on effectiveness and efficiency to the neglect of equity
  - Opportunities to put equity centre stage and other dimensions of performance that are central to SD

## 5. Networking, publicness and performance (evidence from Hong Kong)



Walker, Richard M. and Peter Hills. 2013. Partnership characteristics, network behavior, and publicness: Evidence on the performance of sustainable development projects. *International Public Management Journal*







## Hong Kong

- One country-two systems
- City in transition: fledgling democracy, growing political competition, shifting relations between institutions and growth in civil society
- Environmental policy led by command and control, more recently partnerships and participation
- Business and NGOs taken lead on SD issues, in particular air quality and concerns about long term sustainability

## One of Hong Kong's problems



## Research questions

- What are the network behavior and partnership structure characteristics associated with sustainable development?
- How does publicness influence these relationships?
- What forms of behavior and structures are likely to be associated with higher levels of performance?

## Partnership structure, network behavior and publicness

- Context:
  - Sustainability challenges mean that publicness solutions are required
  - Requires management practice of partnership
- Shift from centralized and bureaucratic approaches to public policy to decentralized, partnership-led and networked (Edelenbos 1999; Kickert et al. 1997; Lowndes and Skelcher 1998)
- Presumption is that partnership = better outcomes (Klijn et al. 2010; O'Toole et al 2005; Walker et al. 2010)

## Partnership structure, network behavior and publicness

- Partnership: two aspects (Rhodes 1999):
  - Partnership structure
    - Most knowledge here: for SD key concepts include: commitment, mutuality, trust and equity or fairness (Brewer and Hayllar 2005; Thompson et al. 2007)
  - Network behavior
    - What do people do and who do they interact with? Behavior in networks different to hierarchy (Klijn 1996)
- Behavior vary by publicness
  - Evidence on decision-making from Bozeman and Kingsley (1998) and Nutt (2006)
- Partnership and network literature shy of tackling performance problem (Klijn et al. 2010; Walker et al. 2010)

## Unit of analysis & data

- Unit of analysis: sustainable development projects (SDP) in Hong Kong. These have grown over recent years, and seen reduction in command and control regulation (Hills 2005) as SDP produce speedier decisions (Gouldson et al. 2008)
- Identify SDP via advisory committees/representative organizations (environment and climate change focus): knowledgability
  - Population = 56 (16 government advisory committees, 27 business community, 13 civil society organizations)
  - 56 'organizations' produced sample of 687 individuals
  - 50% response rate 'organizational level' and 9.6% (66) at individual level
  - 66 people identified 53 unique SDP: 31 environmental, SD, climate change; 11 built environment, 5 energy issues, 4 harbor and water quality and 2 fisheries and endangers species.
  - SDP type: 40 promotional, 13 direct projects

## Challenge of measuring performance

- Respondents identify SDP projects involved in, and one that occupies most of their time
- Rate project that occupies most of their time on: efficiency, effectiveness, equity, responsiveness and impact. Each question was asked on an 11 point Likert scale ranging from 0-10, where 0 = not effective, not efficient etc and 10 = effective, efficient etc.
- Load onto one factor (Eigenvalue 3.11,  $\alpha$  .9)

## Measures: independent variables & controls

- Partnership structure
  - Trust (index  $\alpha$  .8), mutuality (index  $\alpha$  .8) together with consensus or agreement, commitment and equity and fairness (single items).
  - Scale 1-10, 1 disagree and 10 agree.
- Network behavior
  - Builds off Meier and O’Toole, and validated in US, UK, China
  - Respondents asked to indicate how frequently they interacted with individuals in the following groups: consultants (town planning, engineering etc.), government officials/civil servants, members of green/environmental civil society groups, members of social civil society groups, LegCo members, district councilors, general public, academics, members representative committees partnerships for sustainable development.
  - 1 = never, 2 = yearly, 3 = monthly, 4 = weekly, 5 = more than once a week and 6 = daily
- Controls:
  - Gender, education, employment, number of committees

## Findings 1: Network behaviour in PSD

	Public		Private		Civil Society		
	1	2	1	2	1	2	3
Consultants	.40	.30	<b>.79</b>	.20	<b>.87</b>	.10	.13
Civil servants	.27	<b>.78</b>	.44	<b>.76</b>	<b>.85</b>	.21	.17
Green civil society groups	<b>.86</b>	-.23	<b>.89</b>	.29	<b>.94</b>	-.17	.06
Social civil society groups	<b>.93</b>	.10	<b>.78</b>	.29	.39	<b>.73</b>	-.18
LegCo members	-.16	<b>.91</b>	.33	<b>.83</b>	.25	-.25	<b>.81</b>
District councilors	.13	<b>.88</b>	.14	<b>.95</b>	.07	.20	<b>.92</b>
General public	<b>.67</b>	<b>.60</b>	<b>.53</b>	.44	-.21	<b>.87</b>	.01
Academics	<b>.69</b>	.31	<b>.77</b>	.29	<b>.61</b>	.22	.10
Members rep’ committees PSD	<b>.89</b>	.10	.45	<b>.51</b>	.29	<b>.81</b>	.12
Eigenvalue/	3.58	2.84	3.41	2.93	3.08	2.19	1.60
% cumulative total	39.79	71.38	37.92	70.42	34.20	58.39	76.21

## Findings 2: OLS multiple regression

	$\beta$	Std. Error
Mutuality	.03	.04
Consensus or Agreement	-.11	.10
Commitment	-.11	.14
<b>Trust</b>	<b>.06</b>	<b>.04*</b>
Equity or fairness	.06	.06
Public networking	-.44	.35
<b>Private networking</b>	<b>.81</b>	<b>.40*</b>
<b>Civil society networking</b>	<b>-.51</b>	<b>.24*</b>
Gender	-.06	.26
Education	-.38	.24
Employment	-.09	.12
Number of committees	.06	.06
R <sup>2</sup> / F score	.221/2.232*	

## Challenges and opportunities

- Trust – important in a city where government may be characterized by a “trust deficit”
- Here trust facilitates partnership and encourages stakeholder cooperation and engagement
- Networking important but pans out in different ways
  - Public sector, no influence – government laggard in development of SD
  - Private sector, positive association – many parts of business community embraced SD
  - Civil society, negative association – competition between different parts of civil society for resources and resource dependency on government
- Introduction of publicness and management in evaluation SD bring unexpected results

## Major challenges and opportunities

- Doing interdisciplinary work – in academic and practice
- Blending the design sciences of PA and sustainability
- PA taking a leadership position on sustainability
- Develop appropriate and parsimonious SD PIs
- Recognize that success is: fact and interpretation
- Range of stakeholders: different assessments of success
- Being clear on what is the public sector
- Bringing management into the sustainability policy process to ensure indicators and targets lead to actions