Why Performance Measures Get a Bad Rap?

If I read one more article about how performance measures and performance targets are bad or evil or . . . I'm going to scream. Actually, I've already screamed. Many times.

It's true: Badly designed performance measures and badly designed performance targets are bad. They can screw everything up. And they do.

So, however, can bad legislation, and bad administrative regulations, and [fill in your pet peeve]. Indeed, bad anything can screw things up. As with all of life—personal life, professional life, government life—bad things can screw everything up.

So why do bad performance measures get more of a bad rap than (just to pick two examples) bad legislation or bad regulations? Don't they screw things up too? In fact, can't they screw things up so badly that it makes no difference what measures or targets a public manager chooses?

Yes: Badly designed performance measures and targets screw things up by motivating people to engage in counterproductive behavior—to improve the measure, to hit the target but to do so in a way that does not achieve the real public purpose.

Indeed, as I have argued before, there is "No Perfect Performance Measure." This is a given. If you give me a performance measure or target, I can tell you what's wrong with it. I'm good at this. It's easy to be good at this.

That's because the connection between a specific performance measure or target and the real public purpose is never perfect.

The same is also true for legislation and regulations. The connection between their specific words and the real public purpose is never perfect. Never! That's also why legislation and regulations can screw things up.

So why do performance measures and targets get such a bad rap?

The answer, I think, is because the causal connection between a bad measure or target and the resulting counterproductive behavior is often very direct and thus very obvious.

Bad legislation can avoid a bad rap by blaming those who crafted the accompanying regulations. Bad regulation can avoid a bad rap blaming those who implemented the regs.

At the core of effective implementation, however, are often the measures and targets that managers design, while carefully abiding by all of the regs, to produce the result necessary to achieve the legislative purpose.

Yet, if no performance measure can perfectly capture the true purpose of the legislation (while also complying with all of the regs), some people will find it convenient to engage in counterproductive behavior. If a public manager establishes a target, people will seek to hit this target—but not necessarily in a way that achieves the real, legislative purpose.

A manager can carefully chose the measure and the target to achieve the purpose. But if this target can never be exactly what is desired, then people will end up producing something that is not exactly what is desired. Who should be surprised at this?

Managers who create performance measures and performance targets have to be prepared for this mismatch. They have to think ahead: How can people hit this target but not achieve our real, public purpose?

Not thinking about the potential behavioral responses to a measure or a target (or to legislation or regulations) is the same as not thinking about your children's potential behavior in a variety of situations (at which, in just a few months, a parent gets quite good).

It’s like leaving a child who doesn’t like brussel sprouts in the dining room with the brussel sprouts and the dog while you go back to the kitchen to get a glass of wine. What do you think will happen?

If you have not thought ahead about what will happen—in fact if you have not planned how to prevent what will happen and vigilantly monitored for this counterproductive behavior—you will return to find both a happy child and a happy dog.

Thinking ahead: This imperative applies to the managers who create performance measures and targets. It also applies to legislators who enact legislation and to regulators who write regs.

They all have to think ahead. How can people follow the exact words in the legislation but not achieve its real purpose? How can people obey the exact words in the regs but not achieve their real purpose?

After all, with measures, targets, legislation, and regulation, things can go wrong. Murphy was right! Things will go wrong.

No government official can feign surprise. “I’m shocked that my brilliant legislation, regs, measures or targets have failed to motivate the desired behavior and thus are not producing the desired results.”

All public officials need to think ahead. Then, they have to be vigilant.

People—real humans—do create bad legislation, bad regulations, and bad performance measures and bad targets. Then bad things happen. They do. And they will!