

Public Management Report

An occasional (and maybe insightful) examination of the issues, dilemmas, challenges, and opportunities in leadership, governance, management, and performance in public agencies.

On the universal:

Limitation of Systems

Government runs on systems. It has financial systems, personnel systems, budgetary systems, and procurement systems. Before government can do anything, it first has to create a system for doing it.

A system is a universal, government-wide set of requirements designed to force or persuade people to do some things and not to do other things. Such a government system typically has four components.

Component #1 is the *rules* specifying what people should do and not do, including the laws enacted by the legislature and the regulations established by an overhead agency.

Component #2 is the *documentation* that an agency must produce to demonstrate that it has complied with the laws and regulations. Such documentation consists of both the ongoing paperwork that it produces as it does various tasks (such as spend money or let a contract) and an annual report.

Component #3 is the *auditing* of this documentation by independent individuals such as accountants and inspectors general who are officially charged with checking to ensure that the documentation exists and is an accurate reflection of reality.

Component #4 is the *consequences*—usually the consequences for failing to follow

rules. These may be formal sanctions created by government itself, or informal reputational repercussions imposed by outsiders such as journalists and watchdog groups.



Such bureaucratic systems have proven quite useful in preventing people from doing bad things. They are much less effective, however, in getting people to do good things.

Government-wide systems can, for example, prevent public employees from stealing money, from using funds for unappropriated purposes, from hiring their cousins, and from awarding contracts to their friends. This is because society can agree in general what people should not do—and this consensus does not depend upon the particulars of the situation. (There is no situation in which citizens think public employees can steal public money. And if they want to hire their cousins, they need to document how they followed the rules.) This agreement makes it possible to specify the actions that we want to prohibit in clear, unambiguous language and, thus, to create a system to inhibit such actions and to catch those who are uninhibited.

If the rules are spelled out clearly, if the documentation provides an adequate paper trail, if the auditing is sufficiently thorough, and if the consequences are severe enough, such systems can, indeed, prevent much bad

behavior. They will not thwart every individual who contemplates violating the rules. They will not uncover every effort of ingenious people to sneak something through. Still, good systems can deter most people from doing bad things and catch most of those who try.

If traditional systems can prevent the bad, why can't they require the good? Why can't systems get public employees to plan creatively, to inspire subordinates, to work cooperatively with peers, to treat citizens with respect, or to do all of those other wonderful things that would make government's work effective, efficient, and valuable?

Because we cannot create rules that adequately specify the positive things that we want public employees to do. First, we do not always agree on what are the good things that they should do. Second, if we do agree, we find it very difficult to define in a rule precisely what these are. Sometimes we cannot specify the good things that we want all public officials to do in all circumstances; other times, we cannot specify the different circumstances that require different kinds of good things. For example, what, precisely, are the customer-friendly actions (besides smile) that we want all public employees to take in all circumstances?

Sure government systems can require people to do things that—if done intelligently and subtly—might contribute to something good. For example, government could establish a rule requiring public agencies to produce *creative* strategic plans or to set *meaningful* performance targets. Certainly, if an agency's leadership did these things with diligence and imagination, they could have a positive impact. But such good things won't happen because they followed some rule.

Because it is difficult to specify with a rule how creative a strategic plan should be or how

meaningful a performance target has to be, the auditor has no standard with which to judge compliance. The second, third, and fourth components of a bureaucratic system can work only if the rules created by the first component are both unambiguous and connected directly to the real underlying purposes of the rule.

Bureaucratic systems are designed to be the organizational engines of government. You set them up, you push the start button, and the systems do the work. Of course, an effective engine requires a good design. Otherwise, friction will consume the energy and prevent the engine from doing much work. The same applies to bureaucratic systems, with the friction coming from human resistance.

That is why bureaucratic systems need more than rules. The documentation, auditing, and consequences

are necessary to overcome the human resistance. Indeed, when the system is designed to prevent people from doing bad things, these three additional components can prove powerful enough to overcome the friction.

When a system is designed to get people to do good things, however, these three extra components are not as effective. **B**

Bureaucratic systems have proven quite useful in preventing people from doing bad things. But such systems, which are based on easily specified rules, are much less effective in getting people to do good things.

Robert D. Behn is the author of *Performance Leadership: 11 Better Practices That Can Ratchet Up Performance* and a lecturer at Harvard University's Kennedy School of Government.

As a member of the team of Kennedy School faculty who lead executive-education programs for the public sector, Bob chairs "*Driving Government Performance: Leadership Strategies that Produce Results.*" He also conducts *custom-designed executive programs* for public agencies, most recently for the California Air Resources Board.