

Bob Behn's 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.

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On why citizens need to establish

The Performance-Target Ethic

How can citizens decide whether their governments and public agencies are performing well?

Today, many public agencies and government jurisdictions have their **data dashboards**. These Web sites contain a glut of input, administrative, operational, output, and outcome data. In fact, most governmental **dashboards** contain so much data that they are useless. It isn't obvious what data are relevant and what data aren't. It isn't even obvious how or where to find the meaningful data.

Too often, these dashboards are little more than **data dumps**. Consequently, citizens are confused: What data might provide what kind of clues about what agency's performance?

Furthermore, even if a citizen is concerned about a specific aspect of governmental performance, and even if this citizen has figured out what measure captures this specific aspect of performance, how can a citizen decide whether the reported results are outstanding, good, fair, or stinko?

To evaluate a public agency, citizens need to answer **the compared-with-what? question**.

With what can the citizen compare his or her selected performance measure? There are three obvious candidates: (1) the agency's past performance, (2) the performance of similar agencies in similar jurisdictions, (3) the agency's own **performance target**. Each has pluses and minuses.

The agency's past performance is an obvious basis for an evaluative comparison. Is the agency improving or not? But any improvement might be accidental. After all, any improvement could easily be explained by the well-known statistical phenomenon of "regression towards the mean."

If an organization is producing results that are below (or above) its usual level of performance, what should we expect in the future? Answer: It will "regress" or move towards its normal mean. Regardless of what its managers or employees do, if a public agency has been performing

very badly, we would expect it to improve. Conversely, if an organization has been doing particularly well, we would expect its performance to slip.

(Hint to would-be public managers: Don't take a job managing a well-performing agency; for even if you are brilliant, regression towards the mean may undermine your efforts. Instead, do take a job managing a poorly performing agency; as long as you avoid big mistakes that make things worse, regression towards the mean can help your reputation.)

Okay: Maybe we should compare the agency's performance with that of similar agency's in similar jurisdictions. Maybe. But how similar are these jurisdictions, these agencies?

Citizens need to establish the performance-target ethic: "We expect our elected and appointed executives to establish specific, meaningful performance targets." Then citizens will have a basis on which to judge whether their government is performing well.

Consider the task of picking up the trash. Most municipalities do this. So why not compare a set of similar municipalities in terms, for example, of their per-ton-collected cost? If a sanitation department collects its trash more cheaply than others, isn't it doing a better job?

Maybe. Maybe not. It might be cheaper to pick up trash in a municipality where houses are close to each other. Besides, the city council has made a number of policy choices that can affect the cost: Will citizens roll their trash out to the street, or will the city pick it up at their back door? Has the city made a capital investment in city-owned trash cans that work with the city's trash trucks to make the process more efficient? Moreover, the fit between these cans and the city's trucks might leave less debris on the sidewalks and streets.



After all, citizens don't just care about cost; they also care about how messy their streets are after trash day. And the policy choices made by the city council, even on the basic operational task of collecting trash, reflect a variety of conflicting citizen preferences. Thus, it is logically legitimate to compare only those jurisdictions that have made very similar (if not quite identical) policy choices.

A third possibility is to compare an agency's performance with its own **performance target**. After all, this target reflects (either directly or indirectly) policy choices of the jurisdiction's political leadership—both elected and appointed. Indeed, creating a performance target is, itself, a policy choice. It states: With these resources (and flexibilities), we commit to accomplish the following . . .

Then, at the end of the month, quarter, or year, the data will reveal whether the agency did, indeed, accomplish what it set out to do.

It would be tempting to pass a law or promulgate a rule requiring all agencies to set performance targets. And if we do so, all agencies will comply. They will, however, see this requirement as just another regulatory **hoop-jumping** exercise. Yes, they will jump through it. But they will not take the hoop seriously.

Instead, citizens need to establish the performance-target ethic: "We expect our elected and appointed executives to establish specific, meaningful performance targets."

If a governmental jurisdiction and its agencies did create such targets, its citizens would have a clear basis on which to judge whether their government was performing well. **B**

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