

Managing Performance

International comparisons

**Geert Bouckaert and
John Halligan**

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Managing Performance

In recent years, concerns over the effectiveness of public administration have encouraged the widespread measurement and management of ‘performance’. But is performance management an appropriate model for public sector organisations, and has it proved successful? Moreover, how do the principles of performance management affect how public bodies operate, and the way they relate to the wider community?

In this important new text, the viability of performance management in public sector organisations is systematically assessed across a number of international case studies. The book provides a framework through which models of performance management can be understood in terms of both their impact within a public sector organisation, and the effects that have been seen in countries with contrasting administrative contexts.

Managing Performance – International comparisons critically examines the effects of performance management models in the public sector, and assesses their future evolution. It is an important book for all students and researchers with an interest in management, public administration and public policy.

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**To those who taught us how to compare and
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Introduction

Two big questions in public management during the last fifteen years – the role of markets and performance in the public sector – have attracted the most controversy in an unprecedented era of public sector reform. Both have recent origins in new public management (NPM), although their lineage is much longer, and reflects private sector ideas. Both are interlinked for some purposes as in many inter-agency relationships – but long-term trends now appear to support the ascendancy of performance ideas as a dominant force in public management.

Markets are examined in many studies addressing the application of institutional economics to public sector questions (e.g. Lane 2005), but performance management remains something of an enigma, a paradox lacking coherent meta-analysis. The ambiguities in research arise because although performance remains implicit in many studies, they either refer to it without clarification or use a general synonym such as ‘managing for results’. Or, the focus may be on measuring performance without locating it within a broader system of management in a way that invests the concept and practice with meaning.

The paradox derives from the inverse relationship between uptake and general growth, and the associated and sustained critique of performance management. There is a sharp divide between those passionately supporting it (usually practitioners and consultants) and those critiquing it (likely to be academics). Countries that declared opposition to NPM a decade ago have now succumbed to the use of performance for at least some purposes. The parallels between performance management and public management reform in general are sufficiently close that the observation ‘the international reform movement has not needed results to fuel its onward march’ (Pollitt and Bouckaert 2004: 132), can be applied equally to performance management.

The subject of this book is the core of public management, certainly in its new public management form: is it possible to envisage management in the public sector without due regard to the pursuit of results and the measurement of performance? Nevertheless performance management lacks a coherent treatment that explicates its significance, analyses its several dimensions as a working system, compares its application internationally, and challenges