

Golden Goals for Government Performance

Five case studies on how to establish goals to achieve results

Jitinder Kohli February 2010



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doing
what works

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Contents

- 1 Introduction and summary**
- 5 Setting goals for government**
- 8 The state of Victoria in Australia**
- 11 The commonwealth of Virginia**
- 15 The Scottish government**
- 18 The state of Washington**
- 21 The United Kingdom**
- 25 Key lessons and generic challenges**
- 30 About the author and acknowledgements**
- 31 Endnotes**

Introduction and summary

In sports, the goal is clear: win the game, ideally by a high score. In business, goals can be slightly more diffuse but making money is fundamental. Sports teams and businesses alike develop strategies that seek to maximize their chances of achieving their goals.

In government, however, it is more difficult. For public servants making the world a better place is always part of the goal, but that's a fairly broad definition. Often the next level of detail is working to deliver the program you are responsible for as well as possible. But without clarity about what the program is there to achieve, it is hard to be sure whether you are doing it well.

This is especially important given the Obama administration's desire to ensure that federal funds are used to do what works. Assessing whether individual programs are working depends crucially on knowing the overall goals that the programs are meant to contribute to.

The Government Performance and Results Act, or GPRA, requires agencies to define goals.¹ But in many cases, there are so many goals that it is impossible to get a sense of what different government departments and agencies are actually trying to achieve. Instead, they produce reams of paper defining their objectives and indicators, which unfortunately often read more like catalogs of what agencies are working on rather than the outcomes that agencies are trying to achieve.

This report sets out a federal government performance model for the future based on an analysis of what works at five different governments on three continents. Specifically:

- Government should define clear “outcome” goals (See box 1) at the highest level feasible. These goals should be about what government wishes to achieve for society, such as reductions in crime or improvements in educational attainment. Such outcome goals are much better than ones that set out what government initiatives will deliver such as an increase in the number of inspections, purchasing new equipment or implementing a new regulation, or what inputs government will make such as the number of inspectors, or the value of grants paid out.
- Because few of these goals can be achieved by a single government department or agency, it makes sense for the goals to be defined at the level of government as a whole, or across a number of relevant government agencies.

BOX 1

The difference between outcome, output and input goals

It is crucially important for government to adopt outcome goals wherever possible. These are significantly better than goals focused on government outputs or inputs—as it is outcomes that really matter for citizens, not how government seeks to achieve them.

An outcome goal: Reduced incidents of food-borne illnesses



An output goal: More inspection of establishments that serve food to people



An input goal: Increasing spending on inspectors by 10 percent

Once outcome goals have been defined, it is important for government to establish which inputs and outputs to pursue in order to achieve the outcome. Or put another way, it's important for government to work out what works in order to achieve the outcome.

This is extremely important. The best way of achieving a reduction in food-borne illnesses may well not be an increase in inspection. There may be evidence that many food-borne illnesses result from poorer cooking preparation in homes, and in this case, a marketing campaign may be more effective.

- Public servants and those to whom they are accountable such as legislators, voters, and taxpayers should all be clear about what the goals are, and who in government is responsible for delivering.
- Government agencies should work together to build strategies to deliver these goals. They should be encouraged to think creatively about how best to achieve the goals including by building partnerships with other organizations. They should consider options that feature tax expenditures alongside other forms of government intervention such as funding programs and regulation.
- All existing and future government programs should be evaluated by the contribution they make to these goals.
- Data on progress toward the outcome goals should be transparently available to the public.
- Where possible, the executive branch and the legislature should work together to define long-term goals. It is also important that budget setting operate in the context of the goals so that funds are allocated to programs that are most effective in delivering the outcome goals.

Legislative changes need not be required for the federal government to move to this model. But it is essential that any reforms be done in concert with Congress, since sustaining change and embedding it into the budgeting process requires buy in from both the executive and the legislative branches.

This report examines five particularly innovative examples where governments have successfully defined outcome goals that set out what they intend to achieve for society.

The state of Victoria in Australia was a pioneer in this area by defining goals for government as a whole across a 10-year timeframe in 2000. The goals emerged after a summit bringing together a wide range of people with different perspectives. Government agencies are expected to work toward these goals, among them reducing road deaths and increasing productivity. The result has been a culture change within the state government away from a focus on government outputs to a new focus on the societal outcomes the government is seeking to achieve.

The commonwealth of Virginia adopted a similar approach in 2004 by building consensus across state Democratic and Republican party lines, and involving the legislature, executive branch, and citizen and business leaders in defining success for Virginia should look like. This approach is articulated through 46 indicators under seven themes, among them reducing traffic congestion or reducing teenage pregnancies. Virginia also boasts a public reporting system that summarizes progress toward these goals, and gives citizens and legislators information on performance in their community.

The government of Scotland followed the Virginia model, but has gone further by adopting a single overall goal for government, focused on increasing sustainable economic growth that sits above five strategic objectives, including promoting a smarter and a greener Scotland. The Scottish government also reorganized lines of accountability in government such that government departments have been replaced by a system where senior officials are held to account on delivery of one of the aforementioned five outcomes.

The state of Washington took a slightly different approach by redefining the way budgets are set. After the formulation of goals across government, agencies work together to rank potential programs depending on their likely contribution to the goals. This ranking is publicly available and forms the basis of the executive's budget, with high-ranking programs earmarked for funding and others forming the basis of cuts. This novel budgetary process also helps to ensure that the legislature is aware of the trade-offs involved in setting a budget.

The United Kingdom first adopted a set of clear government performance goals across government departments and agencies as part of the budgeting process in 1998. These goals cover the whole range of government activity, from international development to educational attainment and from crime reduction to community relations. Public servants are asked to come up with innovative policies and programs to deliver the goals by working across agencies, developing partnerships with business and other key external stakeholders, and reprioritizing budgets.

In each of these five governments, defining clear outcome goals at the highest level of government has helped change culture within these governments. Specifically:

- There has been a shift in the way public servants define success. In the past, success was often defined as delivering programs well, but now it is increasingly defined as achieving clear goals for society.
- This leads to greater innovation when developing strategies to achieve goals, with more work across agency boundaries and with external partners.
- There can be a positive effect on organizational morale and staff engagement as employees become clearer about what they are trying to achieve.

Most importantly, greater clarity about what government is trying to achieve leads agencies and those who work in them to focus much more on doing what works to accomplish those goals. So programs that are least effective at delivering the goals are replaced by initiatives that are most likely to succeed. Making a similar shift at federal level in the United States could have similarly far-reaching effects.

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