Public sector performance – what it is

Public sector performance is about results and impact:

(i) A performance orientation in the public sector means that achievements matter, as well as probity and economy and that managers or agencies should pursue defined standards.

(ii) Performance in public service delivery means that public sector outputs efficiently contribute to policy objectives.

(iii) Performance measurements focus on outcomes and outputs, not merely inputs.

Public sector performance – what it rests on

In budget formulation and program planning, a performance orientation rests on the robust use of performance monitoring and evaluation information at key decision points, combined with a budget structure in which the costs and benefits of major programs can be identified.

In budget execution and program implementation, a performance orientation has been associated with a range of tools for using performance information in managing money, people and organizations, in employing alternative service delivery mechanisms, and in demand-side reforms. The essence of these mechanisms is that, within a performance-information rich environment, various types of performance agreements, more often informal than formal, structure relationships between the key actors – institutional and individual.

Public sector performance – what it is not

1. Something that you can only do when "the institutional basics" are in place
   Robust foundations of predictable funding, some discipline within a largely meritocratic senior staff group that is reasonably insulated from day-to-day politics and public service capacity are critical for sustainability – but these can follow as well as lead public sector performance improvements.

2. Always long term
   Quick wins are possible when embarking on improving performance in key programs or agencies.

3. Something inappropriate for low-capacity, fragile, post-conflict states
   Paying attention to performance is critical in low-capacity, fragile environments.

4. Always expensive.
   While some performance improvements are indeed capital intensive, most reforms do not require expensive budget outlays.

5. High-tech
   Some investments in reporting, monitoring and audit are usually needed to trigger improvements, but those can be distinctly low-tech.

6. Technocratic and not political
   Performance will not be sustained if politicians see no reason to do that – if patronage or the provision of local private goods to constituents remains a more rewarding political strategy than improving a public service, then performance improvements won't make much headway.

7. Based on extensive data collection
   One of the pitfalls of advanced performance management systems is the over collection of performance data.

8. A set of automatic or formula-driven decisions
   Performance information should influence decision-making, but can very rarely mechanically drive decisions. Performance information should serve as the basis for informed dialogue with managers.