The vertical dimension of a Joined-up administration

A report on horizontal collaboration and performance management
Johan Quist

The vertical dimension of a Joined-up administration

A report on horizontal collaboration and performance management
Summary

This report is primarily addressed to leaders and decision-makers within Sweden’s public administration. It has been commissioned by the Swedish Agency for Public Management and forms part of a government commission (N2006/1661/RUT). It focuses on the intersection between horizontal collaboration and performance management. The major activity surrounding horizontal collaboration at the beginning of the 21st century was described as a countermovement to the accentuation of the vertical dimension which an increased level of interest in Performance Management (PM) has entailed for both Swedish and overseas administrations. In Sweden’s fragmented administration, there is an increasing need to reflect upon the relationship between governance and collaboration across organizational boundaries. The contribution made by this report is a platform for discussion based on a review of international research literature and interviews with leading researchers and practitioners in a number of different countries. The countries visited and studied were Australia, the UK, Finland, the Netherlands, Canada, New Zealand, and the USA.

The report features a concrete Swedish case – the desire for larger labour market regions – in order to illustrate the complexity existing within Sweden’s public administration. In the introductory chapter, this case is related to Swedish PM and to the pilot projects involving collaborative governance which are being conducted at the time of writing by the Ministry of Finance. At the end of the report, the case is set in relation to the international experience presented.

From the international scene, there are some general observations to report. Firstly, there is a presentation of an ongoing discussion regarding the balance between output and outcome. Then there is some discussion regarding the inherent differences concerning both the production logic and the forms of horizontal collaboration and the demands thus placed on PM. Additionally, there is some argumentation concerning the link between the budgetary process and PM. Here, there is also some discussion about
the possibility of demanding accountability - one of the greatest challenges for a public administration wishing to emphasize horizontality.

The report also features a number of more specific approaches used to handle the vertical dimension of a Joined-up administration in the studied countries. The examples should primarily be regarded as sources of inspiration, not as completed solutions ready for implementation. In several cases, electronic sources are also accounted for where readers who are interested can continue browsing. Experience from the international arena is also discussed in relation to the situation in Sweden’s public administration. The report concludes by outlining a number of challenges for Sweden’s public administration.
1. Introduction

The federal public service needs to rediscover its frugal culture and to stress its ability to deal with all Canadians with a deep-rooted commitment to equity and fairness. It also needs to lead the way in establishing a collaborative mechanism to accommodate the fact that horizontal government is here to stay. There is simply no turning back the clock to the old ways of policy making, and in future departmental silos will exist in memory only. The public service itself will need to redefine how policy is struck and government services are delivered, in a way that transcends departmental boundaries.

Donald J. Savoie
Canada Research Chair in Public Administration and Governance

Professor Savoie is one of many researchers whom we have had the benefit of meeting during the period of data gathering which preceded this report. The reason behind the study is a government commission which the Swedish Agency for Public Management, in collaboration with the Service Research Centre (CTF) and the Swedish Institute for Growth Policy Studies, has conducted. A more detailed description of the commission and study may be found at the end of this introductory chapter. I will argue that the nature of the commission has placed us at the leading edge of an ongoing international discussion concerning the intersection between horizontal collaboration and Performance Management.

Among researchers, both in Sweden and internationally, a critical dialogue is under way regarding the role and function of the state in contemporary society. The concept of governance is in frequent use in these contexts to mark dissociation from the traditional form of the word (government), with this dialogue touching upon new forms of organisation and management. According to Pierre & Peters (2005), the concept has hitherto been poorly defined, but researchers in this field are dissociating themselves to varying degrees from the traditional image of the state as the owner of instruments of control in the evolution of society. It is thus not surprising that the current, vertically-oriented forms of management and control are being questioned within the framework of this dialogue. One area receiving attention is the increasing level of complexity in the
production of public services. Not infrequently, value is produced for the citizenry via horizontal processes running across organisational boundaries (Quist 2005). Besides this, the various organisations involved in this value creation can have different principals and thus different systems of control, monitoring, and evaluation.

New Public Management (NPM) is a summatory term used to describe the modernisation of a number of public administrations, not least those of the Anglo-Saxon countries. An important feature of this evolution has been striving towards a more – in my words - reductionist form of PM. At the beginning of the 21st century, however, we are able to discern a slightly different and partly supplementary trend. Some researchers are speaking explicitly of a post-NPM era where horizontal issues constitute a key element (Bakvis, 2002; Ferlie et al, 2003). McNulty & Ferlie (2004) claim that: The NPM wave of restructuring has strengthened vertical lines of reporting in many public service organizations through the advancements of managerialism and performance measurement. In the same spirit, Cowell & Martin (2003) claim: The push for closer vertical integration between local and central government, with ever-tighter control being exerted from the centre over priorities and performance, is seen as constraining progress towards more effective horizontal joined-up working at a local level. These arguments have their basis in the fact that PM in particular has augmented organisational boundaries and increased the focus on the internal work conducted within the respective organisation. Thus, it is the flipsides created by NPM, in the form of too great a focus on detailed performance measurements and difficulties collaborating across organisational boundaries that have been highlighted. In many countries, we thus see a form of backlash whereby a prime concept is to break free of the vertical, silo-like systems which have been created and which have a strong emphasis on performance-based measurement and control systems.

It is against the backdrop of the above-mentioned that Professor Savoie, in the above quote, speaks about Canada’s public administration, claiming that horizontal administration is here to stay. Today, it feels strange to envisage an administration
without the silo-like structures we know so well, based on ministerial divisions. But perhaps he is right? It is my hope that this report, despite the fact that it might be more likely to raise more new questions than answer some of the original ones, will function as the supportive data for future national discussions.

1.1 Performance Management in Sweden

Sweden has also clearly been influenced by the international evolution towards a more reductionist form of PM and has been using this model as a comprehensive governance model for over 15 years. This report is far from being the first to point out shortcomings in the current governance model and thus it is natural during this introductory chapter to present the contents of some of the earlier reports. However, I make no claim to provide a comprehensive or all-embracing picture of the field\(^1\). Instead, the emphasis will be on the identified problems linked to the focus of this report, i.e. it’s intersection with horizontal collaboration.

Christensen et al (2006) define three fundamental components of the PM which has emerged in so many countries over the past 20 years:

First, the leadership must formulate clear, stable, and consistent goals and targets, and give subordinate bodies more leeway and discretion in their daily work. Second, subordinate agencies and units must report on performance and results using a well-developed system of performance indicators. Finally, the leadership must use the reported results to reward good performance and punish bad.

In this quote, we see clearly that the relevant paradigm rests on an assumption regarding a principal who formulates a comprehensive focus for the operation and then monitors his agent regarding the results at hand. In Sweden, we can translate the principal-agent\(^2\)

\(^1\) Readers wishing to obtain a more comprehensive picture of the history surrounding, and the present formulation of, Swedish PM are referred to Appendix 2 of the Swedish Agency for Administrative Development’s report (2006:3) Effective Management? Performance Management and the Problems of Managing Across Levels of Government.

\(^2\) In for instance Quist (2005), there are similar discussions where principal-agent is replaced by the twin levels of policy and administration.
relationship using Government-Cabinet Office – the government agencies\(^3\). In the report by the Swedish Agency for Public Management entitled *Effective Management?* (2006:3, p 24), important departure points linked to Swedish PM are summarized. Firstly, there was a notion regarding the clearer distribution of responsibility between, on the one hand, the politicians as the ones responsible for formulating goals, monitoring results, and demanding accountability and, on the other, the government agencies as the implementers of endeavours. Furthermore, there is mention in the report of the ambition to strengthen political power by focusing on achieved results instead of, as previously, regulating in advance, and in detail, how allocated resources may be used. This would simultaneously provide the agencies with greater freedom to choose the means of implementation.

Obviously, we in Sweden have been able to see the continual development of the system which was launched here more than 15 years ago. However, it is clear that the system continues to contain problems which cause frustration, both within the Cabinet Office and among the government agencies. As early on as in the Administration Policy Bill (1997:57), the low level of participation by politicians in monitoring results was identified. Here, the problem of PM being focused to such a high degree on individual agencies was also emphasized. In the same spirit, it was established that the ambition to break down the overarching political goals into agency-specific goals and result requirements, as well as make these goals precise and measurable, is sometimes pushed too far. Yet another serious criticism can be found in the assertion that the feedback from the agencies, in the form of annual reports, is so seldom used for planning and decision-making within the Cabinet Office. The latter point returns in, for instance, the report *Sektorisering inom offentlig förvaltning* (Sectorization within public administration, Swedish Agency for Public Management 2005:3). A similar thought is

\(^3\) Possibly, this is something of a simplification since Parliamentary Standing Committees are omitted. Exactly how the relationship between Parliament and Government looks in a governance perspective, however, deserves a report of its own and will, for the moment, be put to one side without taking any further steps. However, it may be mentioned here, for instance, that Parliament votes on the national budget and thus on the allocation of funds to various areas of spending.
also to be found in a report by the Centre for Business and Policy Studies from 2002\textsuperscript{4} wherein the shortcomings of the government’s management of the agencies were problematized. In this report, the Cabinet Office is deemed to lack the strategic capacity to control the growing number of agencies with complex operations.

An interesting observation that is difficult to pass by when studying a number of critical reports spread out over a number of years is the lack of concrete activities aimed at sorting out the indicated shortcomings. Possibly, the fact that we have, at the time of writing, an ongoing government inquiry where PM is being evaluated may change this. In any event, during recent years, we have noted that the reaction against NPM that was introduced to the reader during the lead-in to this report has made inroads into both political rhetoric and practical reality in Sweden’s public administration. \textit{A cohesive administration} was, for instance, the catchphrase in former Minister Österberg’s formulation of administrative policy\textsuperscript{5}. Consequently, one could argue that the development trend visible in the international research literature at the beginning of the 21\textsuperscript{st} century is now also visible in Swedish practice. In the report concerning sectorization mentioned above, several partial diagnoses are to be found. Here, there is mention of, among other things, the risk of several agencies working with the same tasks, the risk of cases falling between stools, and an administration that is difficult to survey. In the VISAM project’s\textsuperscript{6} final report, PM is discussed in relation to horizontal collaboration (the Swedish Agency for Public Management 2005:125, p 242):

The way in which PM is used is internalised throughout the administration. This means that private individuals’ mental structures and processes, as well as the administration’s collective ditto, do not pave the way for alternative ways of regarding reality. In practice, this means that goals regarding collaboration and the development of new forms of work do not have priority vis-à-vis the pure production targets of the respective agency.

\textsuperscript{4} Does anyone govern?  
\textsuperscript{5} Just what line the new Government will take with this phenomenon, however, was unknown to the author at the time of writing.  
\textsuperscript{6} A project where several agencies, via a large number of official meetings, worked in concert to investigate various issues linked to horizontal collaboration.
In 2004, the now defunct National Council for Quality and Competence\(^7\) was tasked, in dialogue with the Swedish National Financial Management Authority and other agencies, with analysing and assessing how traditional PM can be supplemented with what was called *Performance Management based on cross-agency operational processes*. The assignment was reported on in *Processbaserad verksamhetsstyrning i staten* (Process-based Performance Management in the state). One important conclusion of the report was that process-based PM can contribute to streamlining the public administration as well as developing result monitoring. In the report, process-based PM is defined as collaboration based on a joined-up process in which two or more players jointly provide a service to a citizen. The departure point is understanding the citizens’ expectations and desires regarding a certain service and how to best create the value-creating chain of activities that can meet these expectations. Using such an approach, it also becomes clear that there are a number of factors that can facilitate, hamper, or sometimes even prevent the process from working. The formulation of measurement and control systems is one such system factor. The process forms part of a larger system which, by means of its design, sets the boundaries for how good the achieved results can be.

By means of a decision the then government declared its intention to conduct development work in order to examine whether process-based PM can contribute to developing result monitoring, in order to streamline public administration in the long-term. At the time of writing, four subprojects are thus ongoing at the Ministry of Finance concerning what is called collaborative governance. The common aim of these projects is to develop the governance of government operations so that the overall value of public operations is improved for various groups. Through joint learning in four different case studies, the project will result in improved understanding of the connections between the Cabinet Office’s *modus operandi*, the Government’s governance of public operations, and the intended effects within cross-sectoral

\(^7\) Effective 1 January 2006, the National Council for Quality and Competence (KKR) now forms part of the Swedish Administrative Development Agency (Verva)
operations encompassing other operations than public ones. The four case studies are; regional enlargement as a cross-sectoral process, the rapid settling of newly-arrived immigrants on the labour market, adult learning, and the overseas government agencies’ statutory provision of services to Swedish citizens abroad. In the present report, we will be focusing our interest specifically on the first case; i.e. regional enlargement.

1.2 A challenging Swedish case – regional enlargement

Thus far during the 21st century, Swedish regional policy has been evolving into a regional development policy. Gone, at least rhetorically, is the previous notion of equalization whereby vulnerable regions were compensated. Today, each region is expected to conduct development work based on the opportunities and limitations that the respective region has, with the key objective being regional growth. There continues to be, however, some vagueness regarding what the real purpose of the regional policy is. In a report by the Swedish Institute for Growth Policy Studies (A2005:011) entitled Regionalpolitik som tillväxtpolitik (Regional policy as growth policy), the author argues that the policy area is characterized by unclear roles and imprecise responsibility, as well as goal conflicts between the traditional goal of equalization and the more contemporarily-oriented goal of growth. The policy area is further characterized by being territorially focused despite a large portion of the resources required to stimulate regional growth being deadlocked in sectoral silos. Funds for the labour market, education, and communication are all examples of functional policy areas that are of great significance to regional growth.

Against the backdrop of the above, it is easy to understand that collaboration across sectoral boundaries has been emphasized as an important factor in successful regional development. According to the above-mentioned report by the Swedish Institute for Growth Policy Studies (2005, p. 40), “the need for more powerfully-coordinated endeavours has been emphasized as something of a principle strategy in the new regional development policy”. In government Bills of recent years, as well as in key documents from the Swedish Board for Industrial and Technical Development, there is
talk of strategic coordination, of increased sectoral coordination, and of administrative boundaries not deciding how various actors will jointly approach important issues.

One of the key areas highlighted in the relevant policy area is the need for larger labour market regions. There is a fundamental assumption that larger labour market regions will lead to increased growth. There may be reason to question this assumption, but this report is not the right forum for such a discussion. Let us instead establish the fact that we have a situation whereby the country’s politicians, via Sweden’s public administration, are seeking to create larger labour market regions and thus growth. This must furthermore take place in such a way that aspects such as sustainability and equal opportunities are not impaired in any way. Regional enlargement is the term used in this context. This can be stimulated via, for instance, investment in infrastructure, the facilitating of remote working, or the planning of housing. We can thus point out that the realisation of this idea entails activities within several different government agencies which additionally work within different sectors and with different principals in the form of different ministries and units within the Cabinet Office. In the directives issued in conjunction with the sub-project concerning collaborative governance relating to regional enlargement, government agencies such as the Swedish Board for Industrial and Technical Development, Swedish Governmental Agency for Innovation Systems, the Swedish Road Administration, the Swedish Rail Administration, the Swedish Board of Building, Planning and Housing, the Swedish Post and Telecom Agency, and all county administrative boards etc are listed.

The shared goal of the relevant agencies could be expressed in terms of fewer labour market regions than there are today, within a five-year period. This simple formulation alone gives rise to several questions. Who formulates an outcome target like this? How can this outcome target be balanced against other targets in the various agencies’ government approval documents? On which level is such an outcome target translated into more concrete activities or outputs in various agencies? How will the activities needing to be implemented be financed? How is progress to be measured over time?
Who is responsible for the outcome target being achieved? Quite possibly, it is questions of this nature that have formed the basis for formulating the government commission which this report is a part of.

1.3 Task, aim, and approach

As mentioned in the very first paragraph of the report, this report on supportive data forms part of a government commission (N2006/1661/RUT). Additionally, the task is linked with the case study concerning regional enlargement. In the task, a review of international examples is requested in order to understand how to monitor and evaluate such complex issues. Seven questions which are to be especially illuminated are taken directly from the text outlining the task:

- Which delimitations of organisations, actors, and expenditure are made during the monitoring and evaluation of cross-sectoral processes?
- How are the results of cross-sectoral evaluations related to what is being reported upon within the framework of sector-specific monitoring and evaluation?
- Which indicators are used to monitor and evaluate target fulfilment when several actors are contributing towards the results?
- How are the connections between resource consumption and expected outcomes measured during collaborative governance?
- How are the connections between targets, costs, and results managed during outcome evaluations of cross-sectoral processes?
- Are the methods focused on evaluating details or on entire system chains of measures taken during the processes?
- How do the prerequisites look for applying collaborative governance and facilitating the initiation of cross-sectoral evaluations?

This report is just one part of the reporting that is expected to correspond to the government commission. The aim, on the basis of the above-mentioned issues, is to study international experience of the intersection between horizontal collaboration and Performance Management. This is done with a clear connection with the Swedish case concerning regional enlargement. Together with Lars Niklasson of the Swedish Agency for Public Management, I carried out educational visits and semi-structured interviews
in seven different countries during the spring and autumn of 2006. In the commission, the UK, Canada, Australia, and Finland were mentioned as especially interesting countries to study. Along the way, we have supplemented these countries with the Netherlands, New Zealand, and the USA, and for our own part also held interviews there. In total, I have participated in 42 different interviews with more than 60 respondents in the seven different countries (see Appendix 1 for details). I have also, within the framework of the study, taken part in a number of interviews with people who are active within the Swedish administration. Besides holding interviews, supplementary data has also been collected via key documents and web pages. Current research literature has also been studied. Despite the fact that educational visits and interviews have been planned and implemented collaboratively, responsibility for the shortcomings and merits of the present report rests squarely with its author.

In the coming chapters, there will be an account of an initial review of impressions from educational visits and interviews. These are on a general level and represent things that were discussed recurrently in more or less all the countries. Then comes a chapter containing an account of the more detailed experiences and pluralistic approaches of the different countries. Finally, international experiences are discussed and set in relation to the Swedish case concerning regional enlargement.
2. Recurrent topics of conversation – a frame of reference

In this chapter, a frame of reference is presented which contributes towards putting in context the coming examples from the international scene. The frame of reference is based on a number of general observations from the educational visits and interviews conducted. Additionally, the relevant research literature\(^8\) has been used to brace the argumentation. The four sections each constitute a challenge on which to take a stance for public administrations with the ambition of developing forms of horizontal collaboration. In the first section, there is some discussion on the distinction between output and outcome. There then follows a section which takes up different forms of production logic and different forms of horizontal collaboration. Next, there is a line of reasoning concerning the link between government budget and PM. The chapter concludes with an introduction to the issue of accountability.

2.1 Output or outcome?

In connection with introducing the Swedish case concerning regional enlargement in the previous chapter, the term *outcome target* was used. Of key importance to the coming argumentation in the report is the distinction between what is called output and what is called outcome in the international debate. Radin (2006:15) defines the two terms thus:

*Output*: Products and services delivered. Outputs are completed products of internal activity: the amount of work done within the organization or by its contractors (such as miles of road repaired or number of calls answered). A focus on outputs is criticized as a way for organizations to continue to do the work they have always done without determining whether that work actually leads to desired outcomes.

*Outcome*: An event, occurrence, or condition that is outside the activity or program itself and is of direct importance to program customers or the public. We also include indicators of service quality, those of importance to customers, under this category. While the definition of outcomes may emerge from organizational goals, the organization may not have the authority or resources available that allow it to actually reach for the goal.

---

\(^8\) The areas dealt with represent all extensive fields of research and the chapter makes no claims to contain complete accounts of the respective areas.
A diagram (Figure 1) originating from Finland’s public administration can help us to contextualise these two terms. The diagram describes how the principal formulates which outcomes are desirable in society via the commission given to the agent. In Sweden, these formulations are primarily to be found in the government approval documents sent to the government agencies. On their way “down” to frontline staff, these should, in one or more stages, be broken down or translated into operational targets which govern the activities carried out. Via the production processes of an agency, output will be created in the form of different activities or services. From the diagram, it can also be seen that a loop should beneficially be established whereby the originally-formulated outcome targets will colour activities and reporting, finally returning in some form to the policy level as input into the next circuit of the loop. This means in theory that the first step, where the outcome targets are formulated, will provide the prerequisites for monitoring and evaluating. A conclusion drawn from the above-mentioned, which is of relevance to the report, is that it can be difficult, within a public administration, to study or develop forms of monitoring and evaluating without relating to issues such as how targets are formulated and broken down or translated.

Figure 1. Taken from Joustie (2006)
The diagram also meritoriously shows the two terms *efficiency* and *effectiveness*. Paradoxically, this is no guarantee that an agency with a high level of internal efficiency (operational efficiency) will contribute equally greatly to the policy area evolving in a desirable direction for the policy level (policy effectiveness). The challenge lies in the very breaking down of the targets illustrated on the left of the diagram (outcome targets – operational performance targets). In cases where the principal is uncertain as to whether the agent really is delivering in compliance with the outcome target, the possibility exists of the principal formulating detailed output targets himself and of thus governing by activities or services. Let’s assume, for instance, that an important part of the brief of Swedish Customs is to play its part in trade across our national borders being conducted correctly. The ministry can choose to formulate the government approval document either as an all-embracing task in order to specifically secure the nation’s borders (outcome) or to task the agency with conducting 40,000 hours of checks (output). The agent’s degree of freedom will be considerably reduced in the latter case. Important to bear in mind in the continuing account is the assumption regarding the principal’s choice vis-à-vis the balance between governing by output or by outcome.

The notion concerning governing that the diagram from Finland’s administration represents is based on an assumption that there are causal connections between outputs and outcomes; that it is quite possible to break down an outcome target into a number of output targets and that several outputs can in turn be added together into an outcome. The figure (2) below from New Zealand’s public administration illustrates this assumption in the form of a cohesive chain.

![Figure 2](image.png)

Figure 2. Taken from *Learning from Evaluative Activity*, Nov 2003, SSC, NZ.
However, it is doubtful whether the connections between outputs and outcomes are always as straightforward as the diagram purports. Radin is critical of how outcome targets are used within the US public administration, also indicating the political dimensions (2006:2):

> While the emphasis on outcomes is appealing, it is difficult to put into operation. This is particularly true in the public sector, where the complexity of public action frequently involves a range of actors with different agendas and conflicting values operating within a fragmented decision process.

New Zealand researcher Norman conducts a line of reasoning around the strengths and weaknesses of governing using outcomes and outputs. He states (2006:5):

> Outcomes can become so broad that they can mean all things to all people, with achievement being very difficult, if not impossible to measure. Outcome statements can become window dressing, which prevent outsiders from assessing how well an organisation is doing.

We can also add the difficulties of demanding accountability, something we will return to later on in this chapter. In summary, we can establish that the appealing thought behind governing with the aid of formulating the desired outcomes has its limitations.

On the other hand, there are also apparent disadvantages to governing by outputs. Firstly, there is a risk of the civil servants formulating the detailed demands on the policy level not having sufficient insight into the conditions surrounding production. There is also a risk of the field of vision being restricted, something that will become clear not least during discussions connected with horizontal collaboration. A further problem is that the focus may end up on what is easy to measure, which does not always have a clear connection with the agency’s task and true value-creation. The clearest Swedish example is the previous governance of the Swedish Labour Market Board which has been a hot potato, both in the media and during the last election. One of the negative outcomes that risks being created with such a design is goal displacement.
Norman (2006) discusses the concept:

The concept of goal displacement sums up the human tendency to focus on the most easily defined and monitored definitions of results, particularly when their work futures depend on such reporting….Clearly specified objectives (outputs) can result in people putting all their efforts into achieving the specifications and in so doing undermine achievement of the goals (or outcomes) that are the desired end result.

If we relate developments in Sweden’s public administration to the above, we can establish that the original thought when PM was introduced was to abandon the micromanagement that the previous input-model naturally provided. An interpretation here is that a situation was aimed at whereby the policy level formulated the desirable outcomes and then handed these over to the next level to be realised. In a recent report (The Swedish Agency for Public Management, 2006:3), however, it is evident that we now have a situation whereby the government has to a great degree begun governing the implementation of the operation “by leaving lots of tasks and putting extensive demands on feedback”. By studying a number of government approval documents, it can also be established that there are a great many control signals focused on detailed outputs. In the same spirit as that of international researchers, it can be expressed that Sweden’s public administration, in NPM, has also obtained an increased focus on outputs.

The Swedish situation is very reminiscent of developments in New Zealand. In 2003, an extensive development programme was started up there under the label of Managing for Outcomes, aimed at counteracting the keen micromanagement of outputs. In Canada, too, extensive work is ongoing to strike a balance between output and outcome in governance on the federal level. From both these countries, a raft of examples will be presented in the next chapter.

2.2 One size fits all?

Wilson (1989) is responsible for one of the more famous attempts at classifying production within a public administration. He bases his classification on the distinction between outputs and outcomes introduced in the previous section. Wilson’s typology (Figure 3) indicates that both outputs and outcomes can either be observable or not
observable\textsuperscript{9}. This results in four different types of agencies with different production logics\textsuperscript{10}. Wilson (1989:158) states:

Agencies in which both outputs and outcomes can be observed; agencies in which outputs but not outcomes can be observed; agencies in which outcomes but not outputs can be observed; and agencies in which neither outputs nor outcomes can be observed (…) I have called the first kind of agency a \textit{production} organization, the second a \textit{procedural} organization, the third a \textit{craft} organization, and the fourth a \textit{coping} organization.

![Figure 3. Typology of state production from Wilson (1989)](image)

Gregory (1995) has further developed this classification with the aim of criticising the “one-size-fits-all” trend which he feels characterizes New Zealand’s public administration. He argues for PM being based on the assumption that all agencies can produce observable outputs and outcomes (i.e. assumed to be production organizations). Similar criticism of PM in the US has been framed by Radin (2006:34f):

Managers and officials who face performance measurement demands often find that these requirements come from those who seem to ignore the special requirements of programs or organizations. (…) As I have written elsewhere, you could call this a situation where square pegs are expected to fit into round holes.

There are certainly opportunities for discussing the weaknesses of Wilson’s classification\textsuperscript{11}, but as regards the argumentation in this section, it works with regard to

\begin{itemize}
  \item \textsuperscript{9} Observability also includes, in this case, the possibility of measuring the phenomenon in question.
  \item \textsuperscript{10} It is also possible, of course, that different types of production can be accommodated within one and the same agency.
  \item \textsuperscript{11} See, for instance, Barzelay (2001).
\end{itemize}
illustrating the problem of, for instance, regarding a process for taxing private individuals (production) and protecting wild animals (craft) as comparable quantities. The Swedish Agency for Public Management (2005:3, p. 114) is on the same track:

The term public sector is becoming a collective noun for operations of entirely differing kinds: regulating, controlling, supporting, furthering, preserving, protecting, scouting, negotiating, judging, and service-performing. Placing all these activities beside each other as comparable “sub-sectors” will easily lead to important dimensions disappearing from our field of vision.

In all likelihood, it is the case that the discussion concerning the balance between governing by outputs or by outcomes is highly dependent on which type of production logic prevails. My perception is that the object of the discussion is often a public administration instead of an agency, or perhaps even a part of an agency. Dissimilarities within the administration would to a greater degree be taken into consideration in connection with the formulation of goals, monitoring, and evaluation.

The above can be augmented by adding the fact that there are also various forms of horizontal collaboration. In conjunction with an international literature review concerning concepts such as joined-up government, whole-of government, and horizontal management, it was established that the collaboration between different actors should beneficially be regarded as a heterogeneous phenomenon (see Quist 2005 for more details). The report problematizes four different forms of horizontal collaboration, of which three feel pressing to also name in this context. The first form is designated collaboration based on a joined-up process. Characteristic features here include two or more actors jointly providing a service to a citizen. A current example from Sweden is the start-your-own-business process whereby new entrepreneurs in pursuit of an activated company are supposed to follow a more or less clearly marked-out track running across several agency boundaries. From the would-be entrepreneur’s

---

12 The fourth form is to spread certain types of issues over many or all agencies. Examples of such issues include equal opportunities and democracy. In the international research literature, these issues are often designated as horizontal, but in cases such as these, it is not a question of collaboration around clear value-creating chains but purely that many agencies are expected to work with one issue during the same time period, cf. the Cabinet Office report På tvärren (Crosswise) (2006:13).
perspective, there is one value to be obtained, but the value-creating chain of activities runs sequentially through several different agencies (see Figure 4). By identifying the flow on the basis of the citizen’s perspective, it becomes clear that the process holds the various agencies together.

Figure 4. An illustration of *Collaboration based on a joined-up process*.

Expressions such as *life event* and *target population* are often used. In principle, these two terms are variants of the same theme and the second form of horizontal collaboration is designated here *collaboration based on a target group*. This could be about poor people in Vancouver or students in Australia. In the first-mentioned case, the target group is affected by a number of different public sector actors such as social services agencies, the public employment service, and the police. By gathering these actors together and identifying the different processes which jointly create value for the target group, collaboration aimed at improving the situation for the relevant target group takes place.

Figure 5. An illustration of *Collaboration based on a target group*. 

22
There are similarities with the first example above, but collaboration of this kind does not need to entail working together in a clear value-creating chain. If anything, this is about the various actors striving towards a greater awareness of each other’s processes. Here, the sequential timeline from above can in many cases be replaced by a greater degree of parallelity between the various actors’ endeavours.

Both of the above-described forms of collaboration can be said to belong to the service delivery family. The third form of horizontal collaboration contrasts with the above-mentioned by lacking a clear recipient of the value being created. Instead, for example, there is a specific space which the attention is focused on. It could be the beautiful natural harbour in Sydney or a conservation area in northern Canada which lies at the heart of the collaboration. The designation of this form in the previous report was collaboration based on a shared vision. An alternative designation could contain the terms collective utilities or collective value. The ambition to create larger labour market regions comes under this category of horizontal collaboration. It is not possible to identify a clear joined-up process and all the same there is no clear target group. Thus, the closest we can get is the form of collaboration based on a shared vision.

2.3 The connection with budgeting

A fundamental notion is that the principal must not assign an agent more, or more extensive, tasks than the agent can accomplish using the funding allotted during the budgetary process. Consequently, a balance between funding and goals is desirable. Several of the international examples accounted for in the next chapter illustrate well the connection between the government budget and Performance Management. As a background to the international examples, it thus becomes relevant to emphasize some of the weaknesses noted in Swedish budgetary process.

The process takes place in a structure which is divided up into areas of spending and budget allocations. Result monitoring in turn takes place in a structure containing the three levels; policy areas, operational areas, and operational sectors. If one studies how
the budgetary process is accounted for on the Swedish government’s website (www.sweden.gov.se), you get the impression that there is a logical connection between the 27 different areas of spending, which originate from the Parliamentary Standing Committees, and the 48 political areas for which the government formulates targets. This is called into question by, among others, the Swedish Agency for Public Management (2006:3, p 89) which is of the opinion that the link between the two forms has not yet been achieved.

If we follow the budgetary process for a year, we will also be able to note other problems. The Budget Proposal laid before Parliament in September contains proposals regarding spending caps for the following budget year. Furthermore, it also contains proposals regarding how government funds are to be distributed among the various areas of spending and among the all in all more than 500 budget allocations. The Budget Proposal also contains targets expressed for the 48 policy areas.

In December, Parliament ratifies the economic scope within the respective area of spending. Following this, the Parliamentary Standing Committees suggest how the money is to be distributed between budget allocations within the areas of spending that the committee works with. The chamber makes a decision regarding the 500 plus budget allocations in the middle of December. After this, the government must ensure that these decisions are executed. This takes place by means of the government drawing up approval documents for the agencies. The approval documents specify the targets for the agencies’ operations, what size budget allocations the agencies can utilize, and which details of results they must submit to the government. A new financial year can then begin.

Early on during this new financial year (February), the agencies have to submit their annual reports for the previous year. An annual report contains information about finances and operations. It includes an account of how the agency has succeeded in achieving the targets which the government, in the previous approval document, has
specified for its operations on the sector level. This material is processed by the Cabinet Office and the government then submits, in mid-April, a written communication to Parliament containing an annual report for the state, containing an account of the financial outcome. Among other things, this renders an account of how large the income and expenditure of the state actually were during the previous budget year. Here, there is also an account of a couple of results from some key areas, e.g. unemployment and sick absence. At about the same time, next year’s budgetary process is commenced upon through the Spring Budget Bill. We are about to come full circle.

However, when viewed critically, there are logical gaps in the loop described above. Exactly how the Cabinet Office, for instance via the results reported per operational sector by the agencies via operational areas, arrives at next year’s targets for the policy areas is unclear. What is the logic behind the two quantities of areas of spending and policy areas? In the annual report for the state, there is a clear bias towards financial accounts. Exactly which results have been output is difficult to obtain a coordinated grasp of. Of significance is the media-scrum occurring when the Minister of Finance walks to Parliament carrying his budget. When, where, and how will the corresponding walk take place for this year’s results? One can also wonder about the length of the planning cycle described in outline above. Many of the outcomes the government wishes to achieve from the policy level simply cannot be attained within the framework of a one-year cycle. The risk is obvious that approval documents and annual reports will be filled with different information than that which is relevant to the ongoing value-creation.

The dialogue thus risks becoming an empty routine action whereby officials, both in the Cabinet Office and in the agencies, merely go through the motions. On top of this, we can place the vision of a joined-up administration forming the focus of this report. Today, it is complicated enough to follow the dialogue between the Cabinet Office and the agencies when these move within one and the same vertical reporting system. When value-creation intersects areas of spending or policy areas, this will in principle be
impossible to follow. The question is whether it will be at all realistic to speak of a joined-up administration within the framework of current governance paradigms.

2.4 The issue of accountability

Accountability is an extensive and topical area of research. It is reasonable, bearing in mind the receding level of confidence in politicians and the tax-payer’s desire for transparency and value-for-money, to deal with this area very seriously. In Sweden, the National Audit Office has a key role in creating the supportive data which enables the demanding of accountability. This agency is commissioned by Parliament to review the stewardship of the government and agencies. Similar functions exist in several of the countries in the study, and the Canadian equivalent (Office of the Auditor General), not least, receives extensive media coverage and plays an important part in ongoing development work in Canada. It is important to point out here that we are not primarily taking into account the possibility of demanding accountability when it comes to corruption and suchlike. In order to maintain a credible administration, shortcomings in the governance and organising of the operation should be noted and accountability should be demanded.

In a vertically-designed system, it is relatively uncomplicated to discuss the issue of accountability. Normally, there is some form of contract or approval document between principal and agent which regulates both the financial side of the relationship and what is to be expected in return (cf. the funds-goals discussion in section 2.3). In cases such as these, it is possible to subsequently point out shortcomings in the administration and, depending on their origin, trace these to the policy or administrative levels. In previous research literature (e.g. Bakvis & Juillet, 2004; Ryan & Walsh, 2004), it has been indicated that the possibility, specifically, of demanding accountability is a great challenge during horizontal collaboration. Existing structures for demanding accountability can even be counterproductive. Norman (2003:18) summarizes this well:

The focus on accountability for performance and results can narrow the perspective of managers to visible and predictable outputs. This is at the expense of taking responsibility for less easily predicted and controlled outcomes. Structures and
systems that emphasise accountability and the delivery of performance can provide focus at the expense of coordination.

The American professor Donald Kettl has become renowned for his studies of coordination problems in the public administration of the US. His empirical objects of study include this administration’s response to hurricane Katrina, as well as the emergence of Homeland Security in the wake of the 9/11 attacks. In one report (Kettl, 2005:9), he poses the question of how a more network-like administration would work with the issue of accountability, partly answering this himself:

The answer to these questions traditionally came through hierarchy, but, as we have seen, the conduct of 21st century government directly challenges this approach. We certainly are not about to abandon authority as the cornerstone of public administration. Nor should we. Elected officials and citizens alike have the right to expect to hold administrators accountable for the performance of public programs. But the more we rely on network-based service systems, the more we need approaches to accountability beyond hierarchy to ensure that public agencies effectively manage public programs.

Figure 6 illustrates the challenge of hierarchical organising and lays the foundation for future discussions concerning accountability based on the international examples. It describes a relatively simple situation wherein one and the same principal holds together an area containing multiple agents. An important prerequisite is some form of synergetic outcome which can be achieved when coordinating the three agents’ activities. In this case, the principal has at least two different alternatives.
Alternative one in the above diagram describes a situation where the coordination takes place on the policy level and three different target descriptions (M1-3) are to be found in the three different approval documents of agencies A, B and C. The responsibility for meeting each respective target can be placed with the three agencies. On the other hand, only the principal can be held accountable for an unforthcoming synergetic outcome. For this alternative to work in practice, an extensive strategic and analytical capability will be required on the policy level. It will probably also be of major importance to understand in depth how the value-creating processes look. In alternative two in the diagram, the principal devises a joint outcome target for the relevant area and leaves coordination to the agents.

In the latter case, the accountability issue becomes complicated. Who can be held accountable for an unforthcoming outcome? The principal, who has no control over the implementation, can hardly be held accountable. The three agents can each push the burden of responsibility over to the other two and claim that they have done their fair share. Somewhat conspiratorially, we could say that this is the “perfect” design for a political system. No one can be held accountable if the outcome is unforthcoming and everyone can stand tall in the event of success. For the tax-payer and those wishing to maintain confidence in public sector services, alternative two, on the other hand, has obvious limitations.

In the international discussion, terms such as shared accountability occur, but no productive solution to this challenge has been identified. The diagram also illustrates that the accountability discussion incorporates a dimension relating to the relationship between autonomy and control. In accordance with what has previously been discussed in this chapter concerning the balance between outputs and outcomes, the principal has choices regarding the level of micromanagement. The next chapter includes, among many other examples, an idea from New Zealand’s public administration where autonomy and control are envisaged in terms of balancing each other.
2.5 Summary

In this chapter, important and partly cohesive areas have been discussed. By way of introduction, the ongoing debate concerning the relationship between outputs and outcomes was presented. Fundamental assumptions concerning the causal connections, among other things, were problematized. I then argued for the need to take into account to a greater degree the dissimilarities relating to production logic and horizontal collaboration when forms of governing and monitoring are being developed. Bearing in mind the fact that, in principle, we in Sweden use one and the same model for PM, adapted to a vertical logic, it is hardly surprising that different inquiries have found shortcomings in this model. Additionally, the connection between Performance Management and the budgetary process was introduced. Here, a number of issues of crucial importance to the Swedish situation conceal themselves. The chapter concludes with a discussion concerning the difficulty of demanding accountability in conjunction with horizontal collaboration. Keeping this frame of reference in mind, we will be able to turn our attention in the next chapter to the international examples deemed to be of major interest to the focus of this report.
3. International experience

In this chapter, there is an account of the concrete measures that various countries or federal states undertake in order to support horizontal collaboration. Obviously, it is important to note that the different approaches accounted for should be seen as the result of the specific context in which they have emerged. However, the choice has been made here not to problematize, in each individual case, any dissimilarity with Sweden’s public administration. The examples should primarily be regarded as sources of inspiration; not as finished solutions ready for implementation. The critical reader should also note that several of the approaches only have a few years under their belts and thus lack empirical support. It should also be pointed out that it is only possible for this report to scratch the surface of the respective examples. In several cases, electronic sources are thus specified where readers who are interested can browse further.

Figure 7. An illustration of the nature of the studied phenomenon
The chapter follows a chronological structure reminiscent of the nature of the studied phenomenon (see Figure 7). The first section deals with different approaches in the borderlands between goal formulation in conjunction with budgetary work and the authoring of different forms of contracts similar to those in Swedish government approval documents. Here, the focus is thus on the principal, or putting it another way the policy level. In the second section, we approach the implementation. Here, guidelines in contracts are to be broken down or translated into concrete operational plans and procedures for measuring and reporting results are to be formulated. The final section of the chapter takes up various examples dealing with monitoring and evaluation. The results that have been produced and reported upon will provide the input for future analyses and standpoints on the policy level. In this concluding section, it is also relevant to refer back to argumentations in the previous chapter concerning the accountability issue.

### 3.1 Approaches on the policy level

There are a number of different approaches on the policy level which can be of interest to account for. These are used with the aim of taking into consideration the horizontal challenge connected with the determining of strategic documents and budgets. Before turning to more concrete examples of approaches, we can establish that different forms of workgroups for ministers, coordinating units close to the government, and task forces for specific purposes are all examples of more or less new ways of dealing with coordination issues on the policy level, which seems to have increased in its extent in step with the arrival of the NPM movement. Perhaps this is not so strange bearing in mind that a greater degree of autonomy and the delimitation of distinct units has been such a clear pattern during reform work. There are researchers who view developments during recent years as an attempt, from the centre, to retake some of the control that has been lost and who use the term *recentralization* to describe this movement (e.g. Halligan, 2005). The following approaches can also, however, be regarded as attempts to quite simply create improved prerequisites for the value-creation that will take place on lower levels of the fragmented public administration. A centre which is stronger in
terms of resources is a prerequisite for the increased volume of analytical and coordinating work which will self-evidently be the result of horizontal ambitions.

In Finland, work has been ongoing since 2003 with a new form of cross-sectoral policy programme (for further background details, see Quist 2005). The objective is described thus by Kekkonen (2006):

The main objective is to improve horizontality within central government in order to enhance the implementation of the Government Programme. Instead of trying to solve problems by structural changes, “box management”, the decision was to go for a much more ambitious objective of reforming the working methods of Government.

The incumbent government prioritises four horizontal areas\(^{13}\). However, in the government’s strategy document, a large number of further horizontal issues are identified. These include, for instance, the area *The regional balance is improved and areas and regions are strengthened*. The four prioritised areas are led and coordinated by a minister who in so doing also obtains the mandate to exert an influence outside his or her own traditional portfolio. For example, it is the prime minister who is responsible for the information society programme. Furthermore, for each programme, there is a group of ministers who work together to realize that programme’s content\(^{14}\). Each and every one of the four programmes also has a full-time programme manager.

Outcome targets have been set for each respective policy programme. For the employment programme, for instance, the outcome goals include reducing structural unemployment and preventing social maladjustment, safeguarding the availability of skilled labour, and preparing measures ahead of a future dearth of labour caused by changes in the age structure, postponing withdrawal from the labour market, as well as boosting work productivity and improving the organising and enjoyment of work. For each and every one of these outcome targets, a number of key ratios have been

\(^{13}\) The policy programmes for employment, enterprise, the information society, and citizen power.

\(^{14}\) Worth mentioning in the context is the fact that Finland does not have the same form of consensus-based government decisions as in Sweden.
The ambition behind these key ratios, according to Kekkonen (2006), is to establish a new form of discussion in conjunction with budgetary work. There is a desire to end the restriction of just using economic and financial data as supportive data. However, a clear connection is still lacking between the government’s strategic document and the national budget. In the Budget Proposal for 2007, one can certainly study, in matrix form, which budget allocations are envisaged to cover activities within the framework of the various programmes, but the money continues to be doled out to the respective sector. It is also unclear to the author of this report how the relationship between the outcome targets and the key ratios looks or how the ambitions on the policy level are being translated into demands in the contracts for the respective agent on the implementation level. All in all, however, the policy programmes will probably be an initiative of interest to Sweden’s public administration. We will return to the Finnish situation for discussions concerning monitoring and evaluation further on in this chapter.

A closely-related example can be taken from Canada’s public administration. Here, what is known as a Whole-of-Government Framework has been developed. This framework for PM follows a cascade-like structure based on three very comprehensive policy areas that the government has formulated. In the 2005 annual report, these three areas are defined as Sustainable Economy, Canada’s Social Foundations and Canada’s Place in the World. For each and every one of these areas, there are four or five long-term outcome targets. An example of one of these within the first policy area above is A clean and healthy environment. Furthermore, a number of indicators (concerning, for instance, air quality and biodiversity) have been devised in order to be able to monitor

---

15 A similar initiative is also to be found at the federal state level in the form of Measuring up! in Alberta (www.finance.gov.ab.ca/measuring/index.html). Here for instance, there are good examples of various matrices where cross-references between various ministries, outcome targets, and budget allocations can be studied. A recently-produced equivalent document is also to be found in, for instance, the Australian state of New South Wales where five prioritised areas and a great number of measures and targets are presented. This document is called the State Plan and can be downloaded from www.nsw.gov.au/stateplan/.
trends within the respective area. It is also simple to find out, from the database\textsuperscript{16} linked to this initiative which federal organisations contribute towards which respective outcome targets. There is also a clear ambition for the cascade to continue via ministries and agencies and for the outcome targets and indicators to permeate the contracts drawn up. Further on, the tool (RMAF) devised for this purpose will be presented.

Before leaving Canada on this occasion, we should also mention that for several years, work on horizontal initiatives has been ongoing on the central, federal level. This is a project-like form\textsuperscript{17} whereby different areas are designated which needs to be developed on the basis of a horizontal perspective. In comparison with the Finnish policy programmes, the horizontal initiatives are more in number and more clearly delimited as projects. For example, right now, services to farmers, the national plan against homelessness, and the Olympic Games in Vancouver 2010 are delimited as horizontal initiatives. For each project, specific budget funding is earmarked. This is normally allotted via the vertical channels; however, according to co-workers at the Treasury Board Secretariat (TBS), a pilot scheme is ongoing featuring shared reserves and funds and aimed at facilitating horizontal collaboration. This is something that was also sought in the 2005 annual report by the Auditor General of Canada\textsuperscript{18}. In this, it is proposed that: “existing practises, financial tools, and delegated authorities be examined with a view to harmonizing interdepartmental approaches”.

In Australia, a Cabinet Implementation Unit (CIU) has been set up within the Department of the Prime Minister and Cabinet. This unit’s primary task is to support, supervise, and report on the implementation of the government’s prioritised

\textsuperscript{16} The database is called the Strategic Outcome Database and may be found at www.tbs-set.gc.ca/rma/krc/so-rs_e.asp.
\textsuperscript{17} It could be appropriate to comment that several of the studied administrations are on the whole more project-oriented than the Swedish administration can be said to be. Certainly, projects occur between different public-sector actors in Sweden, too, but not to the same extent as in several of the studied countries.
\textsuperscript{18} Report of the Auditor General of Canada to the House of Commons, Chapter 4, Managing Horizontal Initiatives.
programmes. In many cases, this entails the establishment of taskforces to support complex and horizontal policy areas. Such taskforces are always of limited duration and can last between a few months and several years. The evolution of the RMAF in Canada was mentioned above. A similar guide for Implementation Plans has been devised within the CIU. This tool is also presented in more detail further on in this chapter.

An initiative relatively close to the Swedish area of regional enlargement can be taken from New South Wales in Australia. During 2006, the first ten-year plan for infrastructural investment in the history of this state was presented. The plan outlines the prioritizations made, as well as the schedule according to which it is planned to carry out different kinds of investments. The plan is labelled as a whole-of-government initiative and is said to be integrative in nature. Public sector agencies as well as private actors are expected to use the plan in their own strategic work and it helps various public sector actors to align with one another. The commencement of the plan has been preceded by solid planning work and, among other things, the seven driving forces (e.g. population increases, technical development, and environmental aspects) behind the necessary investments have been identified. There is also a clear link with the Sydney Metropolitan Strategy\textsuperscript{19} and the budget of this state. However, the plan does not include any concrete information about what line the respective agency is to take vis-à-vis the comprehensive strategy. It is also unclear to what extent the respective agency has been able to exert an influence on the contents of the plan.

While we are in this part of the world anyway, the horizontal ambitions of the central administration of New Zealand should be dealt with. The catchphrase in the governance of the administration, as previously mentioned, is Managing for Outcomes. The entire idea is clearly based on an outside-in logic where the value delivered to the New Zealanders is the departure point for the public actors’ questioning of their own methods

\textsuperscript{19} A 25-year plan for the development of Sydney
of working. Within the State Service Commission (SSC)\textsuperscript{20}, there is a development programme focusing specifically on targets and measured values based on outcomes. Within the framework of this programme, a large number of documents and guides have been produced. Especially interesting are the two documents\textsuperscript{21} published in 2003-2004 on the theme of shared outcomes. On this, for instance, the following may be read:

The decision to collaborate towards a shared outcome should be deliberate, and based upon an assessment that the joint activity of the two (or more) agencies is likely to be more effective (and cost effective) in achieving the outcome than their separate individual activities. There should also be some underpinning and testable rationale that clearly articulates how working together contributes to the outcome, and how results will be demonstrated in order to inform future decisions and ongoing learning.

Entirely naturally, bearing the above in mind, it can be seen in various key documents from the policy level how long-term outcome targets, which are shared by several organisations, are used with the aim of governing the administration. Each ministry expresses its ambitions, for instance, in a statement of intent in its annual budget. An example often emphasized in interviews with researchers and practitioners in New Zealand is the Ministry of Social Development. In its statement for 2006, outcome targets and prioritized areas are expressed for the entire operation. Moreover, it has created regional development plans that include outcome targets that jointly apply to the various agencies. This is admittedly an example of collaboration based on a target group, but it is still worth emphasizing as an interesting case. Once again, however, we are forced to point out that it is difficult to follow how the various outcome targets are translated into concrete targets for the respective agency. Another variant of the same theme can be taken from the Ministry for Agriculture and Forestry. This can report on a three-year plan wherein, for each and every one of four comprehensive outcome targets,

\textsuperscript{20} \url{www.ssc.govt.nz}. The organisation is to a certain extent reminiscent of a combination of the Swedish government’s central advisory agencies the Swedish Administrative Development Agency and the Swedish National Financial Management Authority.

\textsuperscript{21} \textit{Getting better at managing for shared outcomes} and \textit{Learning from evaluative activity – Enhancing performance through outcome-focussed management}
an account can be rendered which is broken down into outcome targets, indicators, and which other ministries/agencies are contributing towards realizing the outcome target.

In the UK, PM is formulated around Public Service Agreements (PSAs). These objectives are long-term and the current PSAs are valid from 2005 to 2008. The work of formulating PSAs is preceded by spending reviews, which can be said to be extensive horizontal evaluations of the public sector apparatus (more about these evaluations later on in the chapter). On a high level, PSAs are clearly formulated around the desired outcomes. Here is an example taken from the Treasury (SR2004 PSA Target 6): *Make sustainable improvements in the economic performance of all English regions by 2008 and over the long term reduce the persistent gap in growth rates between the regions, demonstrating progress by 2006.* It is also clearly formulated that the Treasury shares this outcome target with the Office of the Deputy Prime Minister (ODPM), as well as the Department of Trade and Industry (DTI). The indicator which is followed over time is: *Gross Value Added per head in each region.* During interviews, it emerged that there are joint workgroups where the Treasury, the ODPM, and the DTI follow developments across portfolio boundaries.

In summary, it can be said that, in several countries, there is an awareness that a major part of the value-creation taking place in public administration is done via joint efforts between different sectors. It is also clear that, in several countries, work is systematically being conducted to formulate, on the policy level, long-term and shared outcome targets for two or more units further down in the system. Development work is also ongoing to enable the link with budgetary work to be strengthened. Several times, we have also encountered tools such as the RMAF and Implementation Plans, which are envisaged to make it easier for units on the implementation level to achieve these outcome targets. In the next section, we will study such initiatives a little more closely.
3.2 Approaches on the administrative level

In the previous section, I introduced the horizontal initiatives that Canada’s public administration is working with. There it was mentioned that the most normal thing is for funding of these initiatives to be allotted via the normal vertical channels. In order to create good prerequisites, among other things, for the horizontal aspects of these initiatives, the Treasury Board Secretariat (TBS) has developed the tool Result-based Management Accountability Framework (RMAF) which can be said to be a kind of project management tool. Despite having experimented, since 2002, with different forms of RMAF, including a specific version for horizontal initiatives, this still seems to be more of a theoretical exercise than something implementable in practice. There are, however, some interesting aspects making it worthwhile to study in detail the version envisaged for use in horizontal initiatives.

The RMAF must principally be owned by the programme managers responsible for implementing the horizontal initiatives. Together with an expert in evaluation issues and the rest of the project management group, an extensive document must be drawn up early on in the project. According to the guide\(^\text{22}\) issued at the start of 2005, a complete RMAF can in brief be said to include three core components:

- Program Profile - is a concise description of the policy, program or initiative including the context and need, stakeholders and beneficiaries, and resource allocations;
- Expected Results - is a description and illustration (i.e., logic model) of how the activities of a policy, program or initiative are expected to lead to the required economic, social and or environmental change, accountabilities, and the critical assumptions on which the program, policy or initiative is based;
- Monitoring and Evaluation - is a detailed roadmap for ongoing performance measurement and evaluation activities that will support effective program management and accountability.

The logic model referred to in the second bullet point above is described in more detail in the document. The model is made up of a graphic representation of the causal

\(^{22}\) Preparing and Using Result-based Management and Accountability Frameworks
connections between the activities, results, and outcomes that the horizontal initiative is expected to contribute. Based on this model, one can then (in any case theoretically) build systems to monitor and evaluate the work. This is emphasized as specifically important for initiatives where several different actors are expected to contribute towards a shared outcome. Another experience gained from Canada’s public administration is that the horizontal initiatives need to clarify to a great extent the demands placed on reporting as well as the economic relationships between the parties. The RMAF is the tool which should be used in this context. In the database\(^23\) linked to the horizontal initiatives, as a result of working with the RMAF, one can study the different projects and get to know which ministry has the leading role, the time schedule, the overall financing, the outcome targets, and the governance structure. Purely theoretically, the RMAF could be a tool used to transform an outcome target into more useful plans for implementation, monitoring, and evaluation. But, as stated, there is still largely a lack of empirical experience of similar work.

Previously, there was also mention of the *Implementation Plans* which are used in Australia with a purpose similar to that of the RMAF in Canada\(^24\). Among other things, these plans must be\(^25\):

…based on a sound programme logic, presenting a clear line of sight from the original proposal and the government’s expectations, to the inputs and how they will contribute to the achievement of those expectations; the outputs to be delivered; why and how those outputs are expected to deliver the outcomes sought, and the assumptions made about those links; and how this delivery chain and its supporting assumptions will be evaluated.

Here too, an important part of the work is thus about creating systems for monitoring and evaluating an envisaged development effort. In the relevant guide, it is also pointed out that in cases where several agencies are involved, the plan must clearly show which agency is responsible for which different aspects of the overall effort. All in all,


\(^24\) In the US, Performance Partnerships are used which have a clear kinship with the approaches reported upon here. See Radin (2006:157 ff) for details.

extensive work is necessary in order to create the plans in question and it seems relevant to ask oneself how much information will be available so early on during a development process. It is also clear that the plans are based on the assumption that there are identifiable causal connections between the various activities carried out by the agencies and the final outcome delivered to society. At the same time, it might of course seem better that there are attempts to think and communicate in such terms than not to think or communicate at all. Kettl (2005:22) seems to be on the same track when he writes:

One of the most promising solutions is performance measurement. The technique embraces the usual puzzles of defining what organizations ought to do and measuring how well they do it. Some of the most interesting innovations involve “crosscutting performance management” to encourage all of the members of an interorganizational network to recognize their individual contributions to shared goals – and to assess their effectiveness in doing so. Seen this way, performance management becomes more than a tool of measurement and more than a driver of management – it becomes a language for talking about common action.

3.3 Monitoring and evaluation

Earlier in this chapter, we adhered to a logic focusing on the dynamic between the principal and the agent. In the first section, there was a discussion regarding various approaches that can be used by the principal, as early on as at the policy level, in order to seek to create good prerequisites for horizontal issues. Next, a couple of different approaches were introduced which are used on the administrative level to structure horizontal work. In this concluding section, we return to the policy level and study the ways in which the implemented activities are monitored and evaluated.

The Finnish policy programmes include, as previously mentioned, outcome targets which are clearly horizontal in nature. There is thus no agency which can alone be held accountable for any unforthcoming target fulfilment. Each outcome target can be monitored using a number of key ratios which are already specified in the government’s strategic document. According to Kekkonen (2006), it is the co-workers at the minister’s office who are responsible for evaluating the strategic document and thus the policy programmes. In order to deal with this process, the office has been augmented with new resources earmarked for monitoring and evaluation. For each respective policy
programme, there is also a network of civil servants within the ministries who coordinate data gathering and prepare reports. Formally, each respective evaluation is started by the prime minister who tasks each respective ministry and programme with reporting in data. The effects of, for instance, the employment programme will consequently be regularly monitored in this way. The monitoring of statistics is supplemented by a research evaluation (which has not yet been completed).

In Canada, the Treasury Board Secretariat annually produces an extensive result report called *Canada’s Performance – The Government of Canada’s Contribution*. This is the government’s combined annual report which is put before Parliament. It is structured around what was previously accounted for as the Whole-of-Government Framework. We can thus note an ambition, both as regards horizontal initiatives and other policy areas, to clearly show connections between the budget/strategic plans and the results produced (cf. with the Swedish situation described in section 2.3). Another clear ambition in Canada is to allow the received results to influence next year’s budget/strategic plans. Despite these ambitions, there continue to be deficiencies in the system. The Auditor General\(^\text{26}\) levels criticism at evaluations of the horizontal initiatives and is of the opinion that there is even a lack of such evaluations in the cases studied. This provides further proof that work on the link between the two levels – the RMAF – is either still at an immature stage or only works in theory. A related problem is that the results reported in the extensive database are structured in accordance with the various ministries and that it is difficult to follow the connections with the comprehensive outcome goals.

In different ways, the above example shows how to monitor activities within public administration. When it then comes to evaluations of horizontal initiatives, a few examples have been identified. We have focused this hunt on evaluations of outcomes and thus omitted formative evaluations. Here, evaluating outcomes means evaluating

\(^{26}\) Report of the Auditor General of Canada to the House of Commons, Chapter 4, Managing Horizontal Initiatives, 2005.
both the positive and negative results originating from activities conducted by multiple agents on the instructions of one or more principals. A general insight which has in several cases been mentioned during interviews is the need to allocate funds for extensive evaluations as early on as during the creation of different horizontal projects and initiatives (cf. the RMAF).

In the public administration of the UK, the Treasury plays a key role. An important instrument is the Spending Reviews conducted every other year\textsuperscript{27}. These evaluations normally follow the respective sector and contribute important input to the coming year’s budget as well as strategic planning in other respects. However, there is also an awareness that a number of important issues cannot be accommodated within sectors, thus in both 2000 and 2002, cross cutting reviews\textsuperscript{28} have been included. In 2000, 15 different areas were selected for evaluation, while in 2002 it was seven. In the most recent evaluation from 2004, no similar evaluations were reported on; but in the preparatory work for the 2007 evaluation, it is indicated that once again a number of horizontal evaluations will be implemented. For each such evaluation, a reference group will be created with various stakeholders represented. Just how the respective evaluation will be implemented in other respects is only partly described in the sources we have had access to. The evaluation deemed closest to the present report’s focus can be taken from 2000\textsuperscript{29}. At that time, the combined governmental efforts in farming and rural areas were evaluated. This evaluation resulted in a battery of new outcome targets which in several cases are shared between different actors.

In Norway, an extensive inquiry was set up in 2001 aimed at increasing knowledge of the outcomes of different types of governmental efforts in regional development. Even though this is not a question of a recurring evaluation, this inquiry is also of interest to

\textsuperscript{27} In 1998, a more extensive variant under the name Comprehensive Spending Review was implemented. A similar evaluation will be carried out in 2007 and, at the same time, the interval will be increased to three years.

\textsuperscript{28} In Canada, we have noted the similar term cross cutting evaluation, but concrete examples of these having been made are conspicuous in their absence.

\textsuperscript{29} Chapter 32 of the Spending Review 2000.
the present report. In the Norwegian Government Official Report (2004:2) which summarizes the inquiry, a distinction is made between wide and narrow regional policies (cf. wide and narrow in Sweden). In total, 19 different policy areas of significance to regional development are reported on. One important reason for the inquiry was the fact that, to a great extent, there is a lack of systematic and combined studies of how connections between these different policy areas look and how they work together in the sphere of regional development. It was pointed out that the trend during recent years towards increased micromanagement and clearer demands on the respective sector have impaired the possibilities of conducting a wide regional policy. The report also argues for the need to have a regional actor with the mandate to coordinate governmental efforts in the respective region. Over and above this, the final report contains many interesting lines of reasoning concerning the methodological difficulties of studying the outcomes of governmental efforts.

In New Zealand, a discussion is ongoing with regard to the need to evaluate horizontal initiatives. In 2001, the Social Policy Evaluation and Research Committee (SPEaR) was established which is a cross-sectoral agent whose aim is to work with the analysis and evaluation of different policy areas. In the guide that researchers at SPEaR are currently developing for evaluation, mention is made of the ambition to address cross-agency and cross-disciplinary needs. Unfortunately, no good examples have been found of evaluations of outcomes that are clearly relevant to the Swedish case of regional enlargement. However, the need is further underlined in a report by the State Service Commission (SSC) among other things, there is some emphasis of the need for “improving monitoring and evaluation mechanisms to determine where collaboration is effective”. Note is also made of shortcomings in current evaluations:

… evaluation of collaborative initiatives is often limited, focused on process, and conducted over too short time-scales to pick up changes in outcomes over time. It

31 Review of the Centre Integrated Service Delivery: Regional Co-ordination - Final Workstream Report, 2003, SSC.
also reflects the fact that many of the expected benefits of collaboration, such as improved relationships, are difficult to measure.

In New Zealand, there is also a developed line of thought concerning the accountability issue during horizontal collaboration. Norman (2006) expresses this as a slogan: “Managing for outcomes while accounting for outputs”. The departure point of this line of reasoning is that outcomes and outputs are two different quantities and that it is not either/or (which NZ has already tested) that is the solution to the governance problems of a public administration. The negative experiences of the output-focused governance characterizing recent years are expressed in the texts concerning the developed form. In NZ, a strong bias has been experienced towards short-term and financial key ratios. In order to balance this, a tool has been developed for self-evaluation which will result in a document (Statement of Intent) wherein the organisation’s long-term ambitions are expressed (see also section 3.1). A manager will still be held accountable for funds allotted to the organisational unit being used in a responsible way and in relation to the demands relating to output to be found in the contract with the principal. Additionally, the manager will also be held accountable for establishing strategic work focusing on more long-term outcomes. In cases where these outcomes are jointly created with other actors, there will also be accountability for the forms of this collaboration being developed. Also of interest in the context is the fact that the new budget directives to agencies/ministries contain the express request to assist the minister responsible with advice concerning the formulation of relevant outcome targets for the policy area, as well as whether or not the output targets in question are in line with these long-term ambitions.

Furthermore, there is also an interesting initiative to study within the State Service Commission (SSC). One important task of the SSC is to contribute towards coordinating the government agencies. Among the government’s central advisory agency’s own targets, there is thus a desire to ensure that the overall contribution made by the government agencies is greater than the sum of each agency’s results. Of interest in the context are the indicators used to monitor developments in this area. Together, these are said to illustrate the state of horizontal collaboration in New Zealand’s public
administration and, in the most recent status report\textsuperscript{32}, these two indicators are expressed as follows:

- The extent to which behaviours exhibited by State servants support coordination in pursuit of results
- The extent to which systems support strategy, design and service delivery staff to work together

The report also contains extensive accounts of how these two indicators are monitored as well as information about the present state of the public administration. Among other things, the following may be read (p.45):

Public management systems and clarity of accountabilities have improved substantially over the last two decades. Since 2001, departments have been expected to define clearly the outcomes they are pursuing on behalf of the government and how their activities contribute to the results required. Agencies have also increased their cooperation as they have worked together to achieve results, particularly with shared services, but there are still gaps. The accountability challenge is to establish cross-entity, cross-sector or all-of-government accountabilities in a manner that makes a meaningful connection with shared results. Also, organisational structures generally do not facilitate a focus on shared outcomes. In order to achieve the Coordinated State Agencies goal, changes to systems, behaviours and the interaction between these two will need to continue to evolve.

This type of quote is significant with regard to both interviews and written sources. There is an obvious awareness of the shortcomings of the present systems. The accountability issue, monitoring, and evaluations are all examples of under-developed areas in relation to horizontal collaboration. Unfortunately, there are few well tried and tested approaches which have made a contribution towards curing the identified problems. This also means that several of the clearest and most highly relevant issues formulated in the government commission continue to lack answers. It could be the case that the issues have been formulated based on the hope that a number of minor adjustments within the current governance paradigm might facilitate horizontal collaboration. The risk is clear that the challenges are greater than this. Nevertheless, in the concluding chapter which now follows, we will harvest the international experiences accounted for in the present chapter and, among other things, set them in relation to the

\textsuperscript{32} State of the Development Goals Report 2006, SSC.
Swedish case concerning regional enlargement. In what way can we be inspired by these international experiences?
4. Challenges for Sweden’s public administration

In the introductory chapter, the governance problems that exist in the policy area of regional development were presented. A desire for greater labour market regions was used to illustrate a complex form of horizontal collaboration lacking both a clear target group and a joined-up process. We then became acquainted with the limited international experiences that exist in relation to the intersection between horizontal collaboration and Performance Management. In this chapter, we return to the Swedish situation and reflect upon what lessons may be learnt. The chapter starts off with a discussion concerning a number of more general challenges for Sweden’s public administration. There then follows a concluding section wherein a more specific challenge is discussed concerning regional enlargement.

4.1 General challenges

When looking at Swedish PM in the light of international experiences concerning horizontal collaboration, which the report has described, a number of general challenges emerge. It is not the case in the studied countries that solutions exist to each respective challenge, but these have been adopted specifically as challenges to a greater degree and, in several cases, a clearer dialogue is being conducted around them than in Sweden. The five challenges problematized in this section are:

1. Unclarity regarding tasks and roles
2. Unclear target structure
3. Difficulties dealing with horizontal collaboration in the budget
4. Lack of frameworks for horizontal collaboration
5. Weak focus on results and demands for accountability

When we in Sweden are faced with horizontal issues, unclarity often prevails as regards tasks and roles. We lack, for instance, designated horizontal initiatives like those in Canada. There is no compilation of the issues that are not directly accommodated within
the vertical reporting line or how the distribution of responsibility between different ministries/agencies looks in these cases. In many cases, the relationship between ministry and agency is also unclear and ambiguous. Many times, agencies would seem to possess the greatest strategic ability and thus see the need for collaboration; something which is not, however, supported in the government approval document which in many cases purely relates to the vertical system. In a comparison of several of the studied examples, it is apparent that the Swedish Cabinet Office lacks special coordinating bodies. The preliminary Cabinet meeting which, according to its instructions, is to coordinate work within the Cabinet Office, does not play the same active role as, for instance, its Finnish counterpart, which works with the policy programmes reported on in the previous chapter, among other things. Somewhat contradictorily, but possibly still hopefully, we can read in the report from the Swedish Agency for Public Management (2005:3, p. 37) that work during recent years at the Cabinet Office is to a greater extent being carried out in the form of projects, cross-sectoral networks, and workgroups. This is not, however, something that the author of this report has seen any clear signs of.

The target structure used in Sweden, in comparison with the majority of the studied countries, is unclear. Possibly, the international examples are rather too naïve in their ambitions regarding degradable targets in unbroken chains. However, there is a clarity that is enviable and this clarity also creates the pressure to deal with all issues within the framework of the target structure. In my opinion, this pushes work on horizontal issues forwards. The Swedish unclarity indirectly enables the unfavourable treatment of these issues to continue. Internationally, an important discussion is also ongoing concerning the relationship between outputs and outcomes, which is important for us in Sweden to enter into.

The third challenge concerns the link between horizontal issues and the budgetary process. It is obvious that we in Sweden do not clearly link various budget allocations in the national budget with horizontal issues running across agency boundaries. In the
previous chapter, mention was made of the different matrix solutions which several other countries are working with as regards this very purpose. As far back as 1997, a commission put forward the alternative of providing a combined budget allocation to several agencies in order to achieve a shared overarching goal. The agencies’ accounting would then take place directly in relation to the overarching goal (Swedish Government Official Reports 1997:57). There have also been attempts at financial collaboration within, for instance, Finsam and Socsam.

The report from the Swedish Agency for Public Management (2006:3, p. 58) also emphasises the importance of financing for achieving collaboration and repeats the possibility of a combined budget allocation. Here, mention is also made of the possibility of making budget allocations to one agency for purchasing the services of another. However, this area continues to be underdeveloped, creating obstacles to effective horizontal collaboration. Obviously, the unclarity created by non-compliant areas of spending and policy is also a contributory factor to Sweden’s problems.

In cases where horizontal collaboration, in spite of the above challenges, comes into being in Sweden, a uniform framework is lacking within which collaboration can take place on the administrative level. The trials using the RMAF in Canada, which were discussed in depth in the previous chapter, contain many important aspects that are lacking in Sweden. Not least, there is a need to develop the forms concerning how monitoring and evaluation will be handled within the framework of horizontal collaboration.

Against the backdrop of the above four challenges, it is hardly surprising that those of us in Sweden’s public administration are also weakly focused on results and thus find it difficult to demand accountability in conjunction with horizontal collaboration. Earlier

33 Finsam dealt with the collaboration between the social insurance office and healthcare. Socsam also added social services. According to the Swedish Agency for Public Management 2005:3 (p 72), financial collaboration, specifically, has been a guiding thought in these projects. A number of positive outcomes facilitating horizontal collaboration have been noted in the wake of financial collaboration.
on in the report, note was made of the distorted balance that exists, vis-à-vis media attention, between the budget and the reporting of results. We have also problematized the issue of accountability. Several of the studied countries demonstrate a greater intent to rectify shortcomings in their reporting of results, and to demand accountability to a greater degree. This and several of the above-mentioned challenges do not thus solely apply to horizontal collaboration, instead indicating more extensive problems within the Swedish administration.

4.2 A specific challenge concerning regional enlargement

Besides the above-mentioned, more general challenges for Sweden’s public administration, a more specific challenge arises when we study the case of regional enlargement. Here, a dimension is added which contains actors on different levels. On this playing field, there are agencies with national assignments. In several cases, these have an internal geographic structure not conforming with each another or with agencies that have territorial assignments (the county administrative boards). Additionally, on this playing field, there are other territorial actors (e.g. regional associations) which cannot be directly governed in the same way as agencies. We can assume that some form of joint planning, which in turn affects the individual actors’ planning, is of importance in achieving larger labour market regions. No one single actor has the possibility of solving the problem. A key challenge in this context lies in determining on which level and between which actors this coordinating planning should be done.

An alternative lies in finding new forms of collaboration within the Cabinet Office in order to create better prerequisites for implementation. However, given the nature of the area and the tension between centralisation and decentralisation, there are obstacles. Without doubt, there is much distance between the Cabinet Office and the regional actors. Another alternative would be the national agencies (the National Rail Administration, the National Board of Building, Planning and Housing etc.) working together on the national level, during planning work, to create improved prerequisites
for larger labour market regions. But this will create a problematic relationship with the various territorial actors. This is reinforced by the problem of the national agencies’ different internal geographical structures. The third and perhaps most natural alternative is using the existing regional actors and lodging coordinating tasks with, for instance, the county administrative boards. Here of course, in several cases, developed relationships exist with other regional actors and, in some cases, with the national agencies’ internal geographic structure (cf. Regional Growth Programmes). However, there is an obvious problem here in the nature of the task. The labour market regions do not necessarily need to correspond to the current boundaries\(^{34}\). Expansion would also entail a form of boundary spanning which could be difficult to survey “from inside” a region. Creating larger labour market regions could also be counterproductive in relation to other regional interests and the issue may thus take a lower priority.

The flaw in the above line of reasoning could be that the three different alternatives are depicted as exclusive in relation to each other. The best solution for creating larger labour market regions may not be accommodated within either/or. It could be envisaged that we in Sweden, like several other countries, commence upon this work with more project-like horizontal initiatives that cut straight through the administration’s various boundaries. We would then need to deal with the general challenges discussed in the previous section. Among other things, this would thus require going outside the normal frames of PM and additionally managing the initiatives in another way during the budgetary process. Regional enlargement could be one such horizontal initiative.

---

\(^{34}\) Labour market regions can even cross national boundaries in many cases. During our visit to Canada, we had the opportunity, for instance, of studying how the motor industry in Detroit is important to many of those living in the border area.
References


**Swedish and international reports**


*I medborgarens tjänst. En samlad förvaltningspolitik för staten* (In the service of the citizen. A combined administration policy for the state), SOU 1997:57, Swedish Ministry of Finance.


På tvären- styrning av tvärsektoriella frågor (Crosswise – the governance of cross-sectoral issues), report 2006:13, Swedish Cabinet Office.


Sektorisering inom offentlig förvaltning (Sectorization within public administration), report 2005:3, Swedish Cabinet Office.


VISAM, Mot en modern och sammanhållen förvaltning (VISAM, Towards a modern and cohesive administration), report 2005:125, Swedish Cabinet Office.

Wiring it up – Whitehall’s management of cross-cutting policies and services (2000) Cabinet Office, UK.

Wiring it up – A progress report to the prime minister (2001), Cabinet Office, UK.
Appendix 1 – Interviews

All dates are 2006. Official translations into English.

AUSTRALIA

Sydney, August 2
Tim Farland, Director, Strategic projects division, Premier’s Department, Government of New South Wales
Michael Cullen, Executive Director, Department of State and Regional Development, Government of New South Wales

Adelaide, August 3
Professor Andrew Beer, School of Geography, Population and Environmental Management, Flinders University & Associate Professor Alaric Maude, ibid
Len Piro, Executive director, Manufacturing and business services, Department of trade and economic development, Government of South Australia & Mick O’Neill, Director, Economic analysis and policy, ibid

Canberra, August 4
Tony Moleta, Director, Regional services, (Federal) Department of Transport and Regional Services, Dotars
Dr A J Brown, Law, Griffith University and Australian National University

CANADA

Toronto, September 8
Professor David A Wolfe, Co-Director, Program on Globalization and Regional Innovation Systems, University of Toronto

Victoria, September 11
Professor Evert Lindquist, Director, School of Public Administration, University of Victoria & Professor Herman Bakvis, ibid
Jim Cameron, Director, Regional Economic Development Branch, Ministry of Economic Development, Government of British Columbia

_Ottawa, September 13_

Nola Juraitis, Director, Office of the Auditor General of Canada & Manfred Kühnapfel, Director, International Relations, ibid
Associate Professor Luc Juillet, School of Political Studies, University of Ottawa
Peter Everson, Director General, Audit and Evaluation Branch, Industry Canada, Glyn D Moore, Audit and Evaluation Manager, ibid & Oliver Bayer, Senior Evaluator, ibid.
Roderick Raphael, Executive Director, Expenditure and Management Reviews, Treasury Board of Canada Secretariat, Ryan Dunford, Senior Analyst, Industry, Science, Regional Development and Regulatory Issues, ibid & David Mercier, Analyst, Federal Councils and External Relations, Strategic Communications and Ministerial Affairs, ibid

Professor Donald Savoie, Public Administration and Governance, University of Moncton

**ENGLAND**

_Newcastle, May 22_

Anja McCarthy and Peter J Sweeney, One North East
Ray Mills, PriceWaterhouseCoopers
John Adams, Research director, IPPR North

Professor John Tomaney & Dr Paul Benneworth, CURDS, University of Newcastle-upon-Tyne

_Manchester, May 23_

Professor Colin Talbot & Dr Stephen Brookes, Manchester Business School

_Birmingham, May 23_

Dr John Gibney, University of Birmingham & Graham Pearce, Aston Business School
London, May 24
David Silk, Head of regional economic policy branch, Treasury & Peter Betts, Director of regional policy, Department for Communities and Local Government, DCLG (formerly the Office of the Deputy Prime Minister, ODPM)
Dick Sorabji, Head of policy, New Local Government Network, NLGN

FINLAND
4QC Conference in Tampere, September 28
Sirpa Kekkonen, Prime Minister’s Office

NEW ZEELAND
Wellington, August 7
Professor Richard Norman, Victoria University
Siobhan Routledge, Acting Manager, Regional development, Ministry of Economic Development (MED), & David Bartle, Manager, Research and evaluation, ibid
Professor Bob Gregory, School of Government, Victoria University & Associate Professor Bill Ryan, ibid
Professor Paul Dalziel, Director, Regional economic development, Lincoln University (Canterbury)

Auckland, August 8
Government Economic and Urban Development Office: Jamie Williams, Senior Policy Analyst, MED, Simon North, Senior Policy Analyst, MED, Margaret Crozier, Department of Labour

THE NETHERLANDS
Amsterdam, May 31
Dr Rudie Hulst, Vrije Universiteit
OECD
Paris, May 15
Teresa Curristine and Andrew Davies

SWEDEN
Hedi bel-Habib and Örjan Haag, Ministry of Enterprise, Energy and Communications
Martin Sparr, Ministry of Finance
Maria Lindquist, Swedish Agency for Economic and Regional Growth (Nutek)
Lars Stigendal, Swedish Administrative Development Agency, (Verva)
Jörgen Johansson and Inger Rydén Bergendal, Commission on the public sector
Jan-Eric Furubo and Charlotta Eriksson, Commission on Performance Management

USA
Philadelphia, September 5
Professor Donald F Kettl, Director, Fels Institute of Governance, University of Pennsylvania
David B Thornburgh, President and CEO, Alliance for Regional Stewardship, Steven T Wray, Executive Director, Pennsylvania Economy League, Eric Nelson, Executive Vice President, Philadelphia Workforce Investment Board

Atlanta, September 6
Professor Philip Shapira, School of Public Policy, Georgia Institute of Technology
Associate Professor Gordon Kingsley, School of Public Policy, ibid
Dr Jan Youtie, Manager, Policy Services, Enterprise Innovation Institute, Georgia Institute of Technology

Washington, DC, September 7
Robert Shea, Dustin Brown, David J Copley, OMB
Christopher S Hayter, Program Director, Economic Development, Social, Economic and Workforce Programs, Center for Best Practice, National Governors Association & Madeleine Bayard, Senior Policy Analyst, Office of the Director, NGA Center for Best Practices, National Governors Association
Randall T Kempner, Vice President, Regional Innovation, Council on Competitiveness & Samuel Leiken, Senior Director of Policy Studies, ibid
Dr William P. Kittredge, Economic Development Administration, Department of Commerce

Minneapolis, September 12
Professor Ann Markusen, Professor and Director, Project on Regional and Industrial Economics, Humphrey Institute of Public Affairs, University of Minnesota
The vertical dimension of a Joined-up administration

This report is primarily addressed to leaders and decision-makers within Sweden’s public administration. It has been commissioned by the Swedish Agency for Public Management and forms part of a government commission (N2006/1661/RUT). It focuses on the intersection between horizontal collaboration and performance management. The major activity surrounding horizontal collaboration at the beginning of the 21st century was described as a countermovement to the accentuation of the vertical dimension which an increased level of interest in Performance Management (PM) has entailed for both Swedish and overseas administrations. In Sweden’s fragmented administration, there is an increasing need to reflect upon the relationship between governance and collaboration across organizational boundaries. The contribution made by this report is a platform for discussion based on a review of international research literature and interviews with leading researchers and practitioners in a number of different countries. The countries visited and studied were Australia, the UK, Finland, the Netherlands, Canada, New Zealand, and the USA.