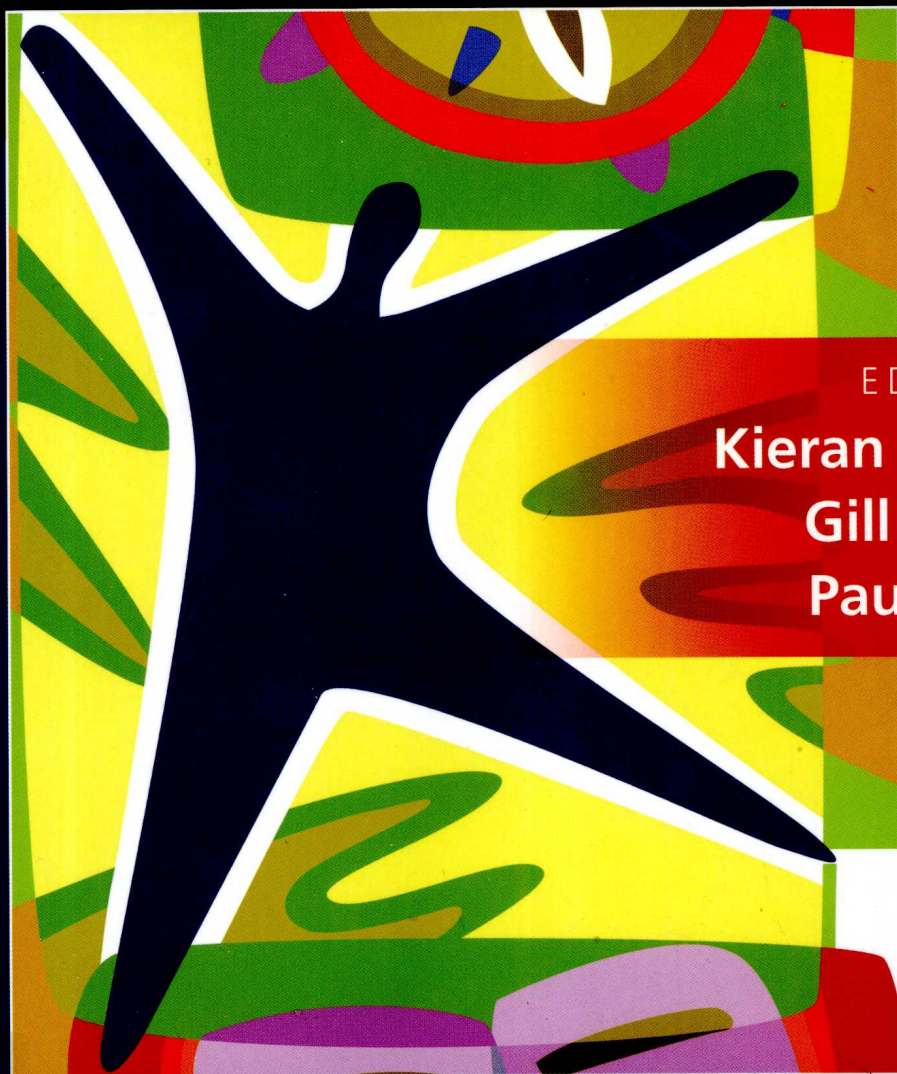


Connecting Knowledge and Performance in Public Services

FROM KNOWING TO DOING



EDITED BY

Kieran Walshe

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Foreword

Christopher Hood

When the builder of the world's first steamship, Henry Bell, sent the British Admiralty details about his ideas for this epoch-making maritime development, their naval Lordships treated the information with 'cold neglect', seeing steam propulsion as irrelevant to the future of naval warfare (Mitchell 1971: 131). When information emerged about a near-meltdown at the US Three Mile Island nuclear power plant in 1978, engineers and managers at the Soviet Chernobyl nuclear plant dismissed it as a product of capitalism's inherent tendency to sacrifice safety for profit (as compared to in the Soviet Union, where no nuclear accidents were ever reported), and declared that their own installation could have nothing to learn from the US failure (Hawkes *et al.* 1986: 110). When, only a few years after the collapse of the Soviet Union, Tony Blair's New Labour Government in Britain adopted a system of targets to apply to every part of the public services, well-known problems of performance target systems – ratchet effects, threshold effects, output distortion – that had been carefully documented by Soviet historians and economists since the 1950s were wholly ignored, only to be rediscovered the hard way as all of those problems emerged in the British target system (Hood 2006).

So can knowledge and action be effectively brought together in government and public services? It's easy to slip into earnest clichés about the importance of evidence-based policy or better statistics for good governance and to gloss over the formidable social and cultural gulf that so often yawns between 'knowers' and 'doers'. Though a few intellectuals find their way into high public office, most make their money out of criticising organisations rather than captaining them. And the 'doers' for their part are all too often programmed to deride and ignore scholars, researchers and other fact-gatherers, particularly when the latter's conclusions inconveniently fail to underpin the political or managerial pieties of the day: 'Nietzsche said understanding stops action, and men of action seem to have an intuition of the fact in their shunning the dangers of comprehension' (McLuhan 1967: 102).

This book shows us at least three important things. One is to remind us how naive it is to assume that more information – research, statistics, gatherings of experts – will automatically lead to better policy or practice. Investing in new state-of-the-art super-sensitive digital scales and flashy monitors of heart rate or blood pressure will not necessarily help me to deal with my fitness problems unless I am prepared to make difficult and probably unpalatable long-term changes to my diet and exercise regime. Indeed, buying all that information apparatus – the easy bit – may well be a form of displacement activity that creates the illusion of tackling a problem without the actuality, like the common political impulse to commission more inquiries into a tricky issue to put off the need for immediate action. The last thirty years or so have seen immense investment going into an ever-growing performance measurement industry that spans parts of government, academia and the private sector, and which makes very strong claims about the power of better data to transform organisational performance, whether through ‘naming and shaming’, ‘naming and faming’ or do-or-die targets. But whether and how all that expensive information about performance is put to use depends on culture – shared world-views, attitudes and beliefs. And culture can be as hard (sometimes much harder) to re-engineer as IT software or statistical data, culture-change rhetoric notwithstanding.

Second, the book shows that the cultures that shape the way knowledge relates to action are multiple, not uniform. Many of the chapters offer us typologies of different organisational or institutional cultures, sometimes represented as different models of action. Examples include Steve Martin’s account of different models of information use from official inspection regimes, the three types of local authority chief executives (pragmatists, altruists and egoists) identified by George Boyne and his colleagues, and the formidable array of variables that Colin Talbot refers to in his discussion of performance regimes in the final chapter. Culture in some form seems to be the crucial variable that determines how information links to action, what sort of information is absorbed and what is rejected.

Thus hierarchical cultures are programmed to reject information coming from sources that are not scientifically or officially accredited, as with Cumbrian hill farmers’ informal but (as it turned out) crucial observations about the effects of the fallout from the 1986 Chernobyl nuclear meltdown, as documented by Brian Wynne (1995). Individualist cultures, as vividly demonstrated by the recent global financial crisis but often also observable in the higher reaches of government bureaucracies, are programmed to reject any information that is not helpful for the pursuit of short-term career or

political advantage, leaving aside information about systemic risk while poring over information (even of doubtful quality) about relativities such as price-earnings multiples or ranking scores. Sectarian cultures or enclaves are programmed to reject or at least radically refashion information coming from outside the group, as shown by the famous study by Leon Festinger and his colleagues (1956) of how a UFO doomsday cult came to terms with the failure of its prediction of the world's destruction and actually grew in numbers after its prophecy failed (by coming to see the world as having been spared only as a result of the faith shown by the group). And isolated or fatalist cultures are programmed to reject most forms of information or to latch upon it in a random or capricious way.

Given that the ramified world of government and public services – the various 'regimes' that Colin Talbot refers to in the closing chapter – embraces all of these ways of life, often in complex combinations, we cannot expect to find a single link between information and action. So the ability to understand and recognise different forms of information culture is just as important in organisational analysis as the ability to understand and recognise different blood types became to the practice of medicine after the discovery of those types by the Nobel laureate Karl Landsteiner at the beginning of the last century.

Third and relatedly, while this book does not aim to offer a single master key to unlock the door to better performance through better use of information in government, it advances our knowledge not just by the two major conclusions noted above, but also by allowing us to specify more precisely what we know we don't know – the 'known unknowns' in the famous words of former US Defense Secretary Donald Rumsfeld (in a 2002 speech at NATO headquarters: see www.nato.int/docu/speech/2002/s020606g.htm). How can we better understand how 'absorptive capacity' works in complex organisations? (Absorptive capacity is the term used by Kieran Walshe and his colleagues to denote the way organisations process information, which is traceable back to March and Simon's (1958: 165) famous concept of uncertainty absorption in organisations.) What we need is a workable theory of information rejection and how it relates to cultural variety. How can we reconcile and integrate the various typologies and multiple models about information and performance that are offered in the various chapters of this book? What we need is an overall theory of information cultures that combines parsimony with predictive power. How can we understand the perverse effects that can occur when performance information produces unexpected or dysfunctional results – for instance when it produces 'the wrong sort of performance', as is

so often said to apply to target and ranking systems when bureaucratic boxes get ticked at the expense of balanced or substantive performance (noted by Carol Propper and Deborah Wilson in this volume)? What we need are theories that reach far into the interior life of organisations and groups. Those are the intellectual and practical challenges for the future, and by helping to pinpoint more sharply what we know we don't know – moving us from systemic to parametric uncertainty, in the jargon of philosophy – this book provides very valuable pointers and raw materials for future discoveries.

At least half of the chapters in this book arise in some way from work done for the UK Economic and Social Research Council's Public Services research programme in the latter half of the 2000s, which I had the privilege of directing. That programme sought to focus research attention across the social sciences on 'performance' in public services: who defines what as performance, what shapes performance and what the consequences are of different types of performance. In exploring the links between information and action and the various shapers of performance, the chapters in this book relate to all of those themes, collectively drawing on and masterfully summarising a massive range of research evidence in a way that will be of great value to scholars, students and practitioners. So we are grateful to the ESRC both for sponsoring the individual research projects and for helping to create and support a linked community of scholars with enough of a shared interest in the themes discussed here to contribute to this important volume.

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Introduction: knowledge and performance – theory and practice

Kieran Walshe, Gill Harvey and Pauline Jas

The performance of public services is now more closely scrutinised than ever before. In the current age of hyper-accountability – what Michael Power (1999) memorably termed the ‘audit society’ – every teacher, doctor, social worker or probation officer knows that behind them stands a restless army of overseers, equipped with a panoply of league tables, star ratings, user opinion surveys, performance indicators and the like with which to judge them. It can seem to these public servants as if regulators, inspectors, government, politicians, the media, pressure groups and assertive service users line up to berate them for their shortcomings, criticise their failings and make ever more challenging demands on their services. Those who lead public organisations – chief executives, head teachers, directors and others – may with reason feel acutely vulnerable and personally exposed to the risks of any failure, whatever its cause, within their organisation.

The era of passive, compliant, respectful and grateful public service users; authoritative, distant and unchallengeable professionals; and comfortable, complacent, conservative and unchanging public bureaucracies is long gone. Those who feel a tinge of nostalgic warmth for times past should remind themselves that, rather than this being a halcyon age for public services, it was a time when mediocrity and incompetence were tolerated or ignored in public services, when poor standards or inadequate performance often persisted for years, and when a ‘club culture’ evolved in which public services often seemed to be organised to benefit their staff, not their users or the public (Kennedy 2001). The costs and consequences of public service failures for the life chances of some of society’s most vulnerable members were huge (Walshe and Higgins 2002; Stanley and Manthorpe 2004), and the impact of poor schooling, social housing, healthcare, social care and other public services fell disproportionately on the less well off.

So, have things got better? After almost three decades of ‘new public management’ (Ferlie *et al.* 1996), and a rolling, ever-changing programme of public services reform under both Conservative and Labour governments,