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Public Service

Uncommonwealth Collaborating to create public value

By Greg Parston

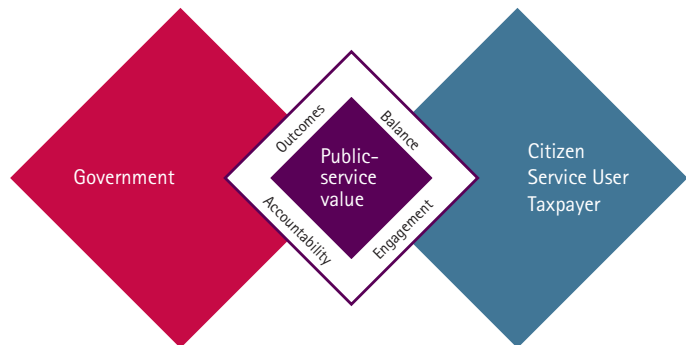
Governments do a lot of things. But when it comes to creating public value—the public-sector equivalent of shareholder value—how much do they really accomplish? Only by fostering stronger, more collaborative relationships with the people they serve can governments increase the level of public value they produce.

Private industry spends billions of dollars each year attempting to capture the “voice of the customer” and use it to give products and services the attributes that consumers want. Governments, on the other hand, often fail to hear the “voice of the citizen” when setting policies and thus miss opportunities to create public value, the public-sector equivalent of shareholder value.¹

When asked, citizens can, in fact, make their views known loud and clear. But because citizens, like consumers, can contradict themselves and exhibit counterintuitive behavior, hearing that voice requires both a good ear and a systematic approach. Complicating things further is the private sector’s history of continuous improvement in products and services, which, over time, has produced

The Accenture Public-Service Value Governance Framework

Participants in eight Accenture Global Cities Forums around the world (see page 3) expressed a number of common concerns, ambitions and principles associated with their relationships with government. These formed the basis for the framework, which is built around four components: outcomes, balance, engagement and accountability.



1. Outcomes—Focusing on improved social and economic outcomes
2. Balance—Balancing choice and flexibility with fairness and common good
3. Engagement—Engaging, educating and enrolling the public as co-producers of public value
4. Accountability—Clarifying accountability and facilitating public recourse

Source: Accenture analysis

new generations of increasingly sophisticated consumer-citizens who wonder why government agencies can't follow suit.

Consequently, in many cases, the perceived performance of public agencies continues to decline in the eyes of the people, even if the actual performance remains the same or has even improved. In essence, public value is a moving target.

Engaging the people

In 2007, Accenture initiated the Global Cities Forum project, a series of formal, in-depth conversations with citizens from a diverse group of eight cities—Berlin, London, Los Angeles, Madrid, New York, Paris, Singapore and Sydney—regarding their expectations of government at all levels. These discussions revealed that citizens want more say in how their governments tackle the often complex issues societies face today. (For more information on the Accenture Global Cities Forum, see page 3.)

This project led us to conclude that when it comes to creating public value, private citizens must lead the

way, because only by engaging with the people can governments find solutions that work and thus generate the public value that has become a hallmark of good governance. The project's findings ultimately formed the foundation for the Accenture Public-Service Value Governance Framework, a new governance model to refine and guide the provision of public services (see above).

Each citizen actually speaks from three distinct points of view—that of service user, citizen and taxpayer. As users of public services, people want the highest-quality service possible, and as members of the wider community, they have a vested interest in services that promote social harmony, safety and well-being—whether or not they actually use those services.

As taxpayers, however, people generally seek clear limits to the levels of public spending they support and the costs they willingly bear. They would also like additional opportunities to participate in setting priorities to make sure the community's most critical needs are met. These

Accenture's Global Cities Forum Project

In 2007, to better understand how governments can best engage the people to create public value (see story), the Accenture Institute for Public Service Value launched the Global Cities Forum project. The project's goal is to elicit the views of citizens regarding the value government should bring to their lives.

The first phase involved a series of daylong "deliberative" events in eight world cities: Berlin, London, Los Angeles, Madrid, New York, Paris, Singapore and Sydney. Each event

brought together 60 to 85 individual residents—representing the broad demographic mix of that city—to discuss and debate their experiences with and expectations of government, as well as some of the most pressing social and economic issues facing their city. The forum also engaged people in a role-play exercise, where they developed and then debated their views from the perspectives of service users, taxpayers and members of the wider community. The Institute believes that Accenture is the first in our industry to receive such direct input from our public-service clients' clients.

three points of view can conflict, with individuals changing their views depending on their needs and concerns at any particular time.

Customer focus

Furthermore, what the public values varies somewhat from country to country. Forum participants in Singapore, for example, prized value for money, while those in London sought greater accessibility to public services. However, two sets of principles rang true to all Global Cities Forum participants: transparency and accountability, and equality and fairness.

Forum contributors in all countries delivered a single, unambiguous call for governments to become clearly and actively accountable to the people they serve. They also emphasized the primacy of fairness—that all people should be respected, valued and treated equally.

Equality, however, had two sides for forum participants: equality of access, which ensures that everyone everywhere gets the same level of service; and equality of opportunity, which ensures that all citizens have access to the same outcomes, regardless of their circumstances.

However it was defined, the attitude toward equality was characterized by an intolerance of inequities between the rich and the poor, and a rejection of policies that participants felt might contribute to greater polarization between social groups and neighborhoods.

Personal responsibility

Although respondents from all but one city (New York) considered customer focus and flexibility to be guiding principles of public value, the exact meaning of the terms varied somewhat among the cities. Most participants agreed that governments must work to understand the individual needs of citizens and tailor services accordingly. But in all cities except Singapore, a majority believed that government failed to do so adequately.

Participants in all the cities wanted government to consult with them more to understand their needs and expectations better, and to design and deliver services to meet these needs.

In every city, at least 80 percent of forum participants agreed that public services should treat users more like customers. Still, those who took

Elections aren't enough. Citizens clearly want more and better ways of engaging with their governments, of interacting and influencing public-service organizations.

part in the forum recognized their own responsibilities as well. As one Londoner noted, “You get what you give—personal responsibility is at the heart of public services.”

These and other insights underpin the Accenture Public Service Value Governance Framework, which represents a more publicly engaged model of governance. The framework involves people in all of their roles—citizens, service users and taxpayers—more comprehensively with their elected officials and government agencies. It thus encourages the creation of public value in a manner that strengthens the relationship between people and their governments.

Four components define the framework and inform its dynamics: outcomes, balance, engagement and accountability.

1. Focus on better social and economic outcomes.

Governments traditionally gauge the success of public services by the number of programs delivered and their relative cost-effectiveness. Today’s governments need to judge public services not by outputs but by *outcomes*—the actual results they produce in people’s lives.

Real-life outcomes are complex and interdependent, and even the best-laid plans can fail to deliver. Making the shift to an outcomes-based performance model requires government managers to take on an implicit mandate to reassess and reconfigure services that do not deliver real public value. They must recognize that their citizen-consumers seek a service-delivery experience that comprehensively meets their needs.

As a result, government agencies, private businesses and nonprofit organizations must work to achieve better integration and higher levels of collaboration.

“Nothing works on its own,” noted a forum participant in London. “Everything has to be made to work together.” A New Yorker pointed to a success in this area, saying, “City government came up with an idea to consolidate and connect our services, which makes sense. They did it right and saw it through to completion. Look at what we have now: It works really well, and I’m sure it’s saving us a fortune.”

2. Balance choice and flexibility with fairness and common good.

Many citizens believe that by narrowly applying “fairness” and “choice” in public-service delivery, governments actually widen the gap between rich and poor. That’s because those who know how to navigate the system are able to take advantage of choice and flexibility, while others may be left behind. Governments must thus make the trade-offs needed to achieve the delicate *balance* of choice and flexibility versus fairness and common good.

One New Yorker observed that, over time, his working-class neighborhood had become gentrified, forcing many longtime residents to move out. “Now everyone wants to be there, and the services are great,” he said. “Those services wouldn’t be there if the new people weren’t there. That’s progress, but you’re forgetting about the people who were there before.”

A Londoner stated that being able to choose is meaningless if all the choices are bad: “The schools, hospitals and all the other services should be of an equally high standard.”

3. Engage, educate and enroll the public as co-producers of public value.

Elections aren’t enough. Forum participants clearly indicated that they want more and better ways of *engaging* with their governments, of interacting with and influencing

public-service organizations. And while governments should provide ways of soliciting public input, true engagement goes even further—with programs that educate people and enroll them as “co-producers” of public value.

One New Yorker noted, “I realize I probably need to do more, and voting is not enough. I need to become more engaged and involved at a community level and take an active interest in things beyond just me.”

In London, too, participants felt the need to do more than simply vote. They argued that people had to engage in debates about priorities and get involved. In doing so, they would become more informed about the issues that affect the economic and social conditions in the city.

4. Emphasize transparency and accountability, and enable public follow-through.

Citizens want much more *clarity* and *accountability* from government. The absence of these two attributes fuels perceptions of waste and inefficiency—and a lot of misunderstanding.

For example, forum participants in one city were quite negative about their country’s public health system, asserting that it was wasteful, inefficient and unfair. Yet when describing their own experiences with individual health care professionals, they were considerably more favorable.

This disconnect between the way people generally view government and how it meets their personal needs appears to be driven, in part, by negative media coverage. This provides a clear opportunity to create greater transparency regarding government’s true public-service performance.

In fact, a new, trust-based relationship between people and government

places greater demands not only on government and public services but also on the people—who must take a more active role in scrutinizing government.

Many governments already use performance management in their organizations. Now they need to make that performance data more accessible and understandable for the public. That way, individuals can engage more actively in decision making and feel empowered to air both good and bad perceptions regarding government performance when necessary.

A number of countries have already begun to apply different aspects of this governance framework.

In 2003, the Road Bureau of the Japanese Ministry of Land, Infrastructure, Transport and Tourism adopted an *outcomes-oriented performance system* focused on delivering effective and efficient road administration.

A main goal is to provide high levels of transparency and accountability from the citizen’s perspective. The system includes 17 quantitative targets that relate to user-oriented indicators such as “time lost due to traffic congestion.” The bureau then uses these to create annual targets with specific objectives that might, for example, include reducing national traffic congestion by 3 percent.

Each year, the bureau publishes a publicly available “Achievement Report” that discloses its actual performance against each target. To make certain the targets accurately reflect public needs and promote improved road administration, the agency identifies priorities and sets objectives in collaboration with the community. Importantly, the system features feedback loops that allow managers to reassess and reconfigure programs and policies as needed. As a result of the changes, the Road

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Bureau has shifted the focus of its analysis, evaluation and planning to a road-user perspective, which enables new approaches to work practices and service delivery.

In Finland, the Finnish Immigration Service has developed a program focused on successfully managing immigration outcomes across a diverse spectrum of ministries and agencies. The government has also outlined a more active immigration policy, one that balances work-related immigration against international protection for asylum seekers.

A series of interagency workshops generated a number of outcomes and associated metrics that Finnish immigration officials could use to evaluate the system's performance. This outcomes-based approach has contributed to transparency, responsiveness to stakeholders and fact-based decision making.

Senior ministers in the Swiss canton of Lucerne also launched an outcomes-oriented performance management framework that spans all levels of government—from elected politicians in parliament to ministers and managers in individual agencies. The system focuses state activities on the things that really serve customers' and citizens' needs while allowing the canton to formulate and execute its strategy based on transparent outcomes, outputs, activities and related costs.

Other examples of outcomes orientation can be found in the United Kingdom and Australia, where national and state governments, respectively, have been employing outcomes—"social inclusion" in the United Kingdom and "fulfilling student potential" in New South Wales—as key factors in service planning and public consultation.

The British government continues to work to achieve *higher levels of*

engagement with taxpayers, citizens and customers. Through the devolution of decision-making authority, the central government is giving its stakeholders and local governments more scope and budget to determine outcomes and strategies locally.

Local governments, in turn, are implementing structures and processes—including "Local Area Agreements"—to enable the co-production of public value. For example, Suffolk's Local Area Agreement focuses on four key themes: children and young people; safer, stronger, sustainable communities; adults and healthier communities; and economic development and enterprise—prosperity for all.

New York City Mayor Michael Bloomberg began taking control of the city's public schools by asking New Yorkers to make him *publicly accountable* for school performance and by streamlining the Department of Education bureaucracy.

Bloomberg established "Empowerment Schools" by asking principals to commit themselves to, and be responsible for, better educational outcomes. The principals signed agreements to meet higher performance standards in a number of key areas, including test scores, attendance and graduation rates.

In return, the principals gained higher levels of autonomy over budgets, hiring, scheduling, teacher development and educational programming, as well as additional funding, which was redirected back to the schools from the Department of Education. As a result, a new culture of creativity and innovation began to take root, supported by a renewed sense of responsibility and accountability.

Another pioneering step in accountability was taken recently when New York launched its online Citywide Performance Reporting system, which

gives the public access to the most recent data regarding the social and economic performance of city agencies in areas such as public safety, education and the economy. The new technology offers users 200 quality-of-life indicators and 300 performance management indicators, and it allows citizens to review comparative trends for up to five years with information updated regularly.

Public engagement, or at least wider public consultation, is growing in all of the cities, sometimes successfully, other times more slowly in the face of cultural traditions that can stand in the way.

Municipal governments in Paris, Singapore and Berlin continue to widen their public-consultation activities; Los Angeles and Madrid are experimenting, with mixed results, with stronger neighborhood government that involves local people more directly. And London and Sydney have enjoyed regular public consultation, largely in the form of polling and focus groups; more recently, in the United Kingdom, they also have citizens' juries.

A comprehensive framework can effectively capture the voice of the citizen and translate it into a cohesive action plan that governments can use to create real public value. Focused on outcomes, balance, engagement and accountability, such a framework provides a blueprint for 21st century public managers as they attempt to engage and reconcile the three points of view of their citizens, service users and taxpayers. In the words of a Global Cities Forum participant in Sydney, "We are saying the government should do more, but we are also saying, 'We should do more too.' "

About the author

Greg Parston is the director of the Accenture Institute for Public Service Value. Dr. Parston has consulted widely with top managers, focusing on governance, strategy and change, and has worked as a manager in the public, private and not-for-profit sectors. In addition, Dr. Parston has served on HM Treasury's Public Sector Productivity Panel since 2000 and has coauthored the panel's reports on motivation and performance and on accountability. Among other appointments, he was a member of the Independent Commission on Good Governance in Public Services, the Association of Chief Executives of Voluntary Organisation's commission on the role of the voluntary sector in public services, and the Cabinet Office's advisory group on Strengthening Leadership in the Public Sector. Dr. Parston is based in London.

greg.parston@accenture.com

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