BOTH EFFICIENT AND EFFECTIVE:
THE NEW PUBLIC SECTOR PERFORMANCE AGENDA

We can no longer afford to sustain the old ways when we know there are new and more efficient ways of getting the job done.
Barack Obama

INTRODUCTION

It is fair to say that the collapse of the financial markets in 2007/2008 was an epoch making event. As well as popularizing the then obscure term “credit crunch,” commentators watched in disbelief as long-established and venerable companies such as Lehman Brothers went out of business and other household names such as Citibank in the US and the Royal Bank of Scotland in the UK were saved from extinction only through massive financial interventions from their national Governments.

Few industries and sectors were unscathed by the global economic recession that was triggered by the collapse of the financial markets. From construction to publishing, from property to computing, organizations were forced to hurriedly batten down the hatches and wait while the recessionary hurricane passed by. Although we have avoided the deep “depression” that was widely predicted at the turn of 2009, the recession can still be seen as a massive economic catastrophe and it is safe to claim that the road to full recovery will be long and treacherous and many more well known organizations may well die en route.
THE AMERICAN RECOVERY AND REINVESTMENT ACT

Financing the recovery will place enormous demands on public purses that, due to demographic and other influences, have already been stretched in recent years. Perhaps the most powerful measure of the cost of recovery can be gleaned by considering the price tag on The American Recovery and Reinvestment Act (ARRA) of 2009. Largely based on proposals made by President Barack Obama, the Act introduced measures intended to stimulate the US economy that together will cost about US$787 billion. The range of measures include federal tax cuts, expansion of unemployment benefits and other social welfare provisions as well as domestic spending on education, healthcare and infrastructure projects. And bear in mind that ARRA spending is on top of significant amounts of money that have already been pumped into the US economy by the Government (and that was replicated in other nations such as the UK) to shore up the banking sector as well as the cost of other recession-busting and depression-avoiding interventions.

TRANSPARENCY AND ACCOUNTABILITY

When looked at strictly from a performance management perspective ARRA is nothing short of groundbreaking. For many years, those of us working to improve performance management within the Government and public sectors (which, for ease of reading, together we will refer to as the public sector) have been actively promoting the establishment of mechanisms that substantially improve performance accountability and transparency, which we have long argued must be at least on par with that expected in the commercial sector.

Therefore it is heartwarming to note that an ARRA provision called for “a website on the internet to be named Recovery.gov, to foster greater accountability and transparency (authors’ italics) in the use of funds made available in this Act.”\(^1\) Recovery.gov is operated by the Recovery Transparency and Accountability Board, which was also created by the Act.

Unprecedented in the levels of performance transparency and accountability (indeed the words “Track the Money” are emblazoned across every webpage) the website tracks areas such as:

- Are the public benefits from the use of the Recovery funds being reported clearly, accurately and in a timely manner?
- Are Recovery projects avoiding unnecessary delays and cost overruns?
- Do Recovery programs meet specified goals and targets?