Managing Public Sector Performance
PAD 671 – Spring 2011
Rockefeller College of Public Affairs and Policy, SUNY Albany
Department of Public Administration and Policy

Professor Ellen V. Rubin

Class Information: Contact Information:
Wednesdays 2:00-5:00   Milne Hall 314B
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Course Description

A key dilemma in public administration is to ensure bureaucrats are accountable to the voting public and the legislature. Ensuring accountability is even more challenging in a decentralized, networked, outsourced, federal system. Explicitly managing performance of bureaucrats and governmental agencies, and making the performance information publically available, is one key accountability tool. Furthermore, as fiscal constraints deepen, performance information can provide a more sophisticated context to the difficult decisions confronting our public officials.

This course provides a survey of major theoretical perspectives on managing performance at the organizational and individual level in the public sector. Topics to be reviewed include motivation theory, measurement methods and challenges, individual performance appraisal, and models of organizational performance. Readings reflect the multidisciplinary nature of the topic and draw from psychology, sociology, economics, and political science, in addition to public administration. By the end of the semester, students should be able to:

1. integrate theories of motivation with the political drivers and the social context of performance management activities,
2. critically evaluate the arguments in favor and against the deliberate managing of performance at the individual and organizational level,
3. appraise and critique the social context of performance management activities, and
4. discriminate between and strengths and weakness of various performance models and their appropriate application.

Text Books

- Required books are identified in the course schedule, later in the syllabus. Additional readings will be made available through the course web page on Blackboard, which can be accessed at http://bls.its.albany.edu/webct/entryPageIns.dowebct. Use the same login and password as that required for MyUAlbany.
- Recommended book on APA citations:
    o *Publication Manual of the American Psychological Association* (6th ed., 2009). New York: American Psychological Association.

Communication

Students are invited to ask questions in class and during office hours. Communication outside of scheduled class meetings and office hours will occur primarily over email. Students are expected to check their email every day. The best way to contact me outside of class is by email. Emails and assignments should be written in business standard English.

Grading

Student performance in the course will be determined by two components:
- Three Essays, 60% (see appendix I),
- Seminar Leadership and Participation, 40% (see appendix II).

Attendance. Attendance is required and necessary for your success in the course. Any student with 3 unexcused absences will lose 5% from their final grade. A student with more than 3 unexcused absences will have a notation placed on the transcript indicating you stopped attending class. The instructor reserves the right to drop you from the class if you have more than three absences. Absences will only be excused under certain circumstances, such as an unplanned health or family emergency, in case of religious observance, or for an authorized intercollegiate event. Documentation is required to have an absence excused.

Grading Scale. Each student's final grade will be determined by a weighted average of the points earned. For example, assume a student earned the following grades: 90 for seminar leadership and participation, and an average of 88 on the essays. She also missed 3 classes. The student's grade would be calculated as follows:
$(90 \times .4) + (88 \times .6) = 89 - 5 = 84$ (B). Note that she would have earned a B+ if she attended class more frequently.

A: 93 percent and above	C: 73-76 percent
A-: 90 to 92 percent	C-: 70-72 percent
B+: 87-89 percent	D+: 67-69 percent
B: 83-86 percent	D: 63-66 percent
B-: 80-82 percent	D-: 62-60 percent
C+: 77-79 percent	E: below 60 percent

Grade Appeals. Students may appeal a grade on a specific assignment within two weeks of the assignment being returned. Appeals must be submitted on paper, typed-written. In the appeal, students must identify 1) the specific issue you believe should be reconsidered and 2) evidence from the assigned readings and/or lectures that would indicate your original answer is worthy of a higher grade. Be aware that your grade may go up, down, or remain the same as a result of your appeal.

Academic Honesty. Academic honesty is something your professor takes very seriously. Cheating in any form will not be tolerated. Students are required to be familiar with the university's academic honesty policies; ignorance is not an excuse for dishonest behavior. In all cases of cheating, a Violation of Academic Integrity Report will be submitted to the Dean of Graduate Studies to be placed in your university file, with copies provided to you, the department head, and the Dean of Rockefeller College. Additional penalties may include some combination of the following: revision and re-submission of the assignment, reduction of the grade or failure of the assignment, reduction of the course grade or failure of the course, filing of a case with the Office of Conflict Resolution and Civic Responsibility, or expulsion.

Other Course Policies
- It is your instructor's goal to conduct class in an environment that is welcoming to all perspectives. Please treat your fellow students with the respect you would want to receive.
- Students with needs consistent with the Americans with Disability Act should inform the instructor during the first week of class so that reasonable accommodations can be made.
- This syllabus serves as a general outline. The instructor reserves the right to deviate from the plan if necessary. Students will be notified promptly of any modifications.
- Arrive to class on time. Arriving late is disruptive to both the instructor and your classmates.
- Turn off all electronic devices during class. If there is an emergency which requires you to leave the electronic device on during class, notify your instructor before class begins.

Course Schedule

1/19   Course Introduction
- Gormley, W. and Balla, S. (2007, 2nd ed.). *Bureaucracy and Democracy: Accountability and Performance*. CQ Press.

1/26   Motivation from the Perspective of Social Psychology
- Latham, G. (2006). *Work Motivation: History, Theory, Research, and Practice*. Sage.

2/2   Motivation from the Perspective of Economics
        Please read in this order:
- Niskanen, W. (1968). The Peculiar Economics of Bureaucracy. *The American Economic Review*, 58(2), 293-305.
- Miller, G. (2005). The Political Evolution of Principal Agent Models. *Annual Review of Political Science*, 8: 203-25.
- Waterman, R., and Meier, K. (1998). Principal-Agent Models: A Expansion. *Journal of Public Administration Research and Theory*, 8(2), 173-202.
- Miller, Gary J., and Andrew B. Whitford. 2007. The Principal's Moral Hazard: Constraints on the Use of Incentives in Hierarchy. *Journal of Public Administration Research and Theory* 17(2): 213-33.

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- Lazear, E. and Oyer, P. (2007). Personnel Economics. National Bureau of Economic Research Working Paper Series, working paper 13480. National Bureau of Economic Research. Read only sections 1, 2, and 4.
- Sappington, D. (1991). Incentives in Principal Agent Relationships. *Journal of Economic Perspectives*, 5(2), 45-66.
- Gibbons, R. (1998). Incentives in Organizations. *Journal of Economic Perspectives*, 12(4), 115-132.
- Deci, E.L., Koestner, R., & Ryan, R.M. 1999. Meta-Analytic Review of Experiments: Examining the Effects of Extrinsic Rewards on Intrinsic Motivation. *Psychological Bulletin*, 125: 627-668.

2/9   Motivation from the Perspective of Public Management
- Perry, J and Hondeghem (2008). *Motivation in Public Management: The Call of Public Service*. Oxford University Press.

2/16   Central Concepts in Individual Performance Appraisal
- Smither, J. and London, M. (2009). *Performance Management: Putting Research into Action*. Josey Bass. Read only chapters 1-6 (inclusive), 12, and 15.

2/23   No class!

3/2   The Social Context of Individual Performance Appraisal
- Murphy, K. and Cleveland, J. (1995). *Understanding Performance Appraisal*. Sage.

Essay #1 Due

3/9   Measuring Performance
- Hatry, H. (2007, 2nd ed). *Performance Measurement: Getting Results*. Urban Institute Press.

3/16   Performance Management within a Social Context
- Moynihan, D. (2008). *The Dynamics of Performance Management: Constructing Information and Reform*. Georgetown University Press.

3/23   Evaluating the Costs and Benefits of Performance Management
- Radin, B. (2006). *Challenging the Performance Movement: Accountability, Complexity, and Democratic Values*. Georgetown University Press.

3/30   Overview of Assessing Organizational Performance
- Boyne, G. Meier, K., O'Toole, L., and Walker, R. (2006*). Public Service Performance: Perspectives on Measurement and Management.* Cambridge University Press. Read only chapters 1-8 (inclusive), 13, 14, and 16.

Essay #2 Due

4/6   Getting Performance out of the 'Black Box' of Management
        Please read their first two articles before you read the others.
        - O'Toole, L. and Meier, K. (1999). Modeling the Impact of Public Management: Implications of Structural Context. *Journal of Public Administration Research and Theory*, 9, 505-26.
        - Meier, K. and O'Toole, L. (2005). Modeling Public Management: Empirical Analysis of the Management Performance Nexus. Paper presented at the annual meeting of the International Research Symposium on Public Management.
        - O'Toole, L. and Meier, K. (2003). Plus ça Change: Public Management, Personnel Stability, and Organizational Performance. *Journal of Public Administration Research and Theory,* 13, 43-64.
        - O'Toole, L., Meier, K. and Nicholson-Crotty, S. (2005). Managing Upward, Downward, and Outward: Networks, Hierarchical Relationships and Performance. *Public Management Review* 7, 1: 45-68.
        - Meier, K., O'Toole, L., Boyne, G., and Walker, R. (2007). Strategic Management and the Performance of Public Organizations: Testing Venerable Ideas against Recent Theories. *Journal of Public Administration Research and Theory,* 17(3), 357-377.
        - Meier, K. and O'Toole, L. (2006). Political Control Over the Bureaucratic Values: Reframing the Debate. *Public Administration Review*, 66(2), 177-192.
        - Meier, K. and O'Toole, L. (2008). Management Theory and Occam's Razor: How Public Organizations Buffer the Environment. *Administration and Society*, 39(8), 931-958.
        - Hicklin, A., O'Toole, L., and Meier (2008). Serpents in the Sand: Managerial Networking and Nonlinear Influences n Organizational Performance. *Journal of Public Administration Research and Theory*, 18(2), 253-273.
        - O'Toole, L. and Meier, K. (2009). The Human Side of Public Organizations: Contributions to Organizational Performance. *The American Review of Public Administration*, 39(5), 499-518.
        - Wenger, J., O'Toole, L., Meier, K. (2008). Trading Speed for Accuracy? Managing Goal Conflict and Accommodation in the U.S. Unemployment Insurance Program. *Policy Studies Journal*, 36(2), 175-198.

4/13   Achieving Performance through Multi-Level Governance
        - Lynn, L., Hienrich, C., and Hill, C. (2001). *Improving Governance: A New Logic for Empirical Research*. Georgetown University Press.

4/20   No class!

4/27   Modeling Management Capacity for Performance
        - Ingraham, P., Joyce, P., and Donahue, A. (2003). *Government Performance: Why Management Matters*. Johns Hopkins University Press.

5/4   Essay #3 due, to be submitted electronically only. No class scheduled.

Appendix I: Essays

<u>Due Dates</u>
Essay 1: March 2
Essay 2: March 30
Essay 3: May 4

Overview. To assess your understanding of the course material and your ability to synthesize it, students will write three essays during the semester. Additional details about the exact questions and formatting will be distributed separately.

Grading. In general, submissions will be assessed according to 1) the degree to which the student answered the question in a sophisticated manner, 2) the degree to which the student illustrates a complete understanding of the course material, 3) overall organization and professionalism of the paper, and 4) the degree to which formatting and citation guidelines are followed. Each individual essay will be weighted equally in calculating the grade at the end of the semester.

Submission of papers. Each part of the assignment is due at the beginning of class on the designated date. Electronic versions of the paper are to be submitted via the SafeAssign function in Blackboard before class. Paper copies are to be submitted at the beginning of class. It is the student's responsibility to ensure the electronic file is readable and not corrupted. Please note: once you hit the submit button in SafeAssign, you cannot go back and submit a different version. Late assignments will not be accepted, except in the case of an unforeseen health or family emergency.

Citations. Include a bibliography when necessary. In-text citations and the bibliography should be formatted in APA style. See the recommended *APA Handbook* for assistance in using APA style or other on-line help sheets such as:
http://library.albany.edu/usered/cite/apaw-header.pdf
http://owl.english.purdue.edu/owl/resource/560/01/
http://www.library.cornell.edu/resrch/citmanage/apa
http://www.libs.uga.edu/ref/apastyle.pdf

Formatting. The length of each assignment will be specified when the details are distributed separately. Papers are to be formatted with one-inch margins, Times New Roman 12 point font and pages are to be numbered. Each paper should begin with a 200-word informational abstract summarizing the major points of your argument and your conclusion.
Pages are to be stapled together. Please do not use plastic report covers. Neither cover pages nor the bibliography counts towards page length. Tables and figures can be provided if necessary to support your arguments; they should be placed at the end of the paper and do not count towards the page length.

Appendix II: Seminar Leadership and Participation

Students are expected to both participate in and lead discussion of the assigned course material. To enable this, weekly seminars will be structured in two parts. First, the instructor will briefly introduce the topic, discuss its significance and contributions to the study of performance management and public administration. At various points throughout the seminar discussion, the instructor may also interject to clarify definitions, pose as devil's advocate to help the group identify issues, focus points of dispute, etc.

Second, the majority of discussions will be led by individual students, assigned in advance. The responsibilities of seminar leaders include identifying central concepts and arguments of the readings, offering thoughts and asking questions to stimulate discussions, and helping to integrate ideas across readings and courses. Leaders should not spend the entire session lecturing; instead the discussion should be structured to allow for discussion, exchange, debate, brainstorming, etc. Before each seminar, leaders are required to do two things.

A) The leader of each seminar is to *prepare an overview of the readings* assigned for that session. The overview is to be *no longer than 5 pages* in length. Leaders can decide how they want to structure the overview: as a well-organized essay, an outline, unique abstracts of each chapter or journal article, etc. Importantly, *the overview is to include both summary and analysis. The overview is to be emailed to your classmates and your instructor before class.*

B) The leader of each seminar must *send a discussion outline to the instructor no later than 2pm on the Tuesday before the scheduled class session.* This will allow the instructor to provide feedback on the structure of the session, and ensure you are well-prepared and well-organized so we have a productive discussion.

A successful seminar requires wide participation. Each member of the seminar has a responsibility to contribute to the scholarly exchange during class sessions. As a result, it is expected that all participants will complete readings on schedule and be prepared to regularly comment on and assist in the analysis of the literature and the issues being discussed.

To facilitate discussion, students are required to *post one comment each week* on the weeks they are not leading discussion. Comments are to be *posted in the Discussion area on Blackboard, no later than 2pm on the Tuesday before the scheduled class session*, so that the entire class can see your ideas and be prepared for the discussion. Importantly, the *commentaries should not be summaries* of the reading. Comments can focus on something you find interesting, surprising, disagree with, etc. Additionally, comments may "connect the dots" between assigned readings. Questions can indicate a topic you find confusing and why you are unclear on the matter. Generally, comments should be written in complete sentences and should be a minimum of 4 sentences in length.

Your grade for leadership and participation will be determined by:
1. the degree to which student-led discussions are well-prepared, address the central issues of the readings, and are structured to facilitate lively discussions (30%),
2. the quality of the written overviews provided by seminar leaders (20%),
3. the degree to which a student's in-class participation demonstrates good preparation and contributes to the scholarly exchange of ideas (40%), and
4. the thoughtfulness of weekly commentaries (10%).

Appendix III: Additional Readings

Students wishing to read more on performance management and related issues may find the following books, web pages, and topics useful in their research.

Books (in alphabetical order)

Ammons, D. (2008). *Leading Performance Management in Local Government*. ICMA Press.
Brehem, J. and Gates, S. (1997). *Working, Shirking, and Sabotage: Bureaucratic Response to a Democratic Public*. University of Michigan Press.
Buchanan, J. and Tullock, G. (1962). *The Calculus of Consent.* University of Michigan Press.
Daley, D. (1992). *Performance Appraisal in the Public Sector: Techniques and Applications*. Greenwood Publishing Group.
Drucker, P. (1974). *Management: Tasks, Responsibilities, Practices*. Harper and Row.
Forsythe, D. (2002). *Quicker, Better, Cheaper: Managing Performance in American Government*. University at Albany Press.
Fredrickson, D. and Fredrickson, H. (2006). *Measuring the Performance of the Hollow State*. Georgetown University Press.
Hirschman, A. (1970). *Exit, Voice, and Loyalty*. Harvard University Press.
Kellogg, M. (1975). *What to do about Performance Appraisal*. AMACOM.
Landy, F. Zedneck, S., and Cleveland, J. (1983). *Performance Measurement and Theory*. Lawrence Erlbaum Associates.
Lijphart, A. (1999). *Patterns of Democracy: Government Forms and Performance in 31 Countries*. Yale University Press.
McGregor, D. (1960). *The Human Side of Enterprise*. McGraw Hill Book Co.
Mulgan, R. (2004). *Holding Power to Account: Accountability in Modern Democracies*. Palgrave McMillan.
Pierre, J. and Peters, B. (2005). *Governing Complex Societies: Trajectories and Scenarios*. Palgrave McMillan.
Pinder, C. (1998). *Work Motivation in Organizational Behavior*. Prentice Hall.
Poister, T. (2003). *Measuring Performance in Public and Nonprofit Organizations*. San Francisco: Jossey-Bass.
Taylor, F. (1911). *The Principles of Scientific Management*. Harper and Brothers.
Thorpe, R. and Holloway, J. (2008). *Performance Management: Multidisciplinary Perspectives*. Palgrave McMillan.
van Dooren, W., Bouckaert, G., and Halligan, J. (2010). *Performance Management in the Public Sector*. Routledge.

Topics
- Pay-for-performance in the public sector
- Performance-based budgeting
- Evidence-based management, especially in health care
- Government Performance and Results Act and the Program Assessment Rating Tool

<u>Web Pages</u>
- Robert Behn's "Public Management Report", a free monthly newsletter by the author of *Rethinking Democratic Accountability* (Brookings), who is a lecturer at Harvard University's John F. Kennedy School of Government.   http://www.ksg.harvard.edu/TheBehnReport/
- Results and Performance Accountability, the Home Page of The Fiscal Policy Studies Institute. Includes papers on results-based decision making and budgeting, performance measurement, http://www.resultsaccountability.com/ and http://www.raguide.org/
- The Performance Management, Measurement and Information project (PMMI) in the United Kingdom seeks to provide assistance to local government councils. http://www.idea-knowledge.gov.uk/idk/core/page.do?pageId=76209
- "Outcome Management for Nonprofit Organizations" is a series of free guidebooks prepared by the Urban Institute in Washington, D.C. http://www.urban.org/template.cfm?navmenuid=554&Template=/TaggedContent/Nonprofit Mana gement.cfm
- Performance Management for Government is a website sponsored by the Government Accounting Standards Board. It offers free research report and case studies. http://www.seagov.org/index.shtml
- The Citizens Budget Commission conducts and publishes research on the finances and performance of New York State and New York City. http://www.cbcny.org/
- The Straphangers Campaign is a program of the New York Public Interest Research Group that collects and publishes rider evaluations of the New York City subways. http://www.straphangers.org/
- The United Way's Outcome Measurement Resource Network provides outcome measurement knowledge and resources. They have developed accountability measures and procedures for use in agencies providing health, youth and family services. http://national.unitedway.org/outcomes/
- United Nations Joint Inspection Unit, Overview of a series of reports on managing for results in the UN System   http://www.unjiu.org/data/reports/2004/en2004_5.pdf   See also, http://www.unjiu.org/data/reports/2004/en2004_8.pdf and a GAO critique, at http://www.gao.gov/htext/d05392t.html