



EDUCATION

THE ARTS
CHILD POLICY
CIVIL JUSTICE
EDUCATION
ENERGY AND ENVIRONMENT
HEALTH AND HEALTH CARE
INTERNATIONAL AFFAIRS
NATIONAL SECURITY
POPULATION AND AGING
PUBLIC SAFETY
SCIENCE AND TECHNOLOGY
SUBSTANCE ABUSE
TERRORISM AND
HOMELAND SECURITY
TRANSPORTATION AND
INFRASTRUCTURE
WORKFORCE AND WORKPLACE

This PDF document was made available from www.rand.org as a public service of the RAND Corporation.

[Jump down to document](#) ▼

The RAND Corporation is a nonprofit institution that helps improve policy and decisionmaking through research and analysis.

Support RAND

[Purchase this document](#)

[Browse Books & Publications](#)

[Make a charitable contribution](#)

For More Information

Visit RAND at www.rand.org

Explore [RAND Education](#)

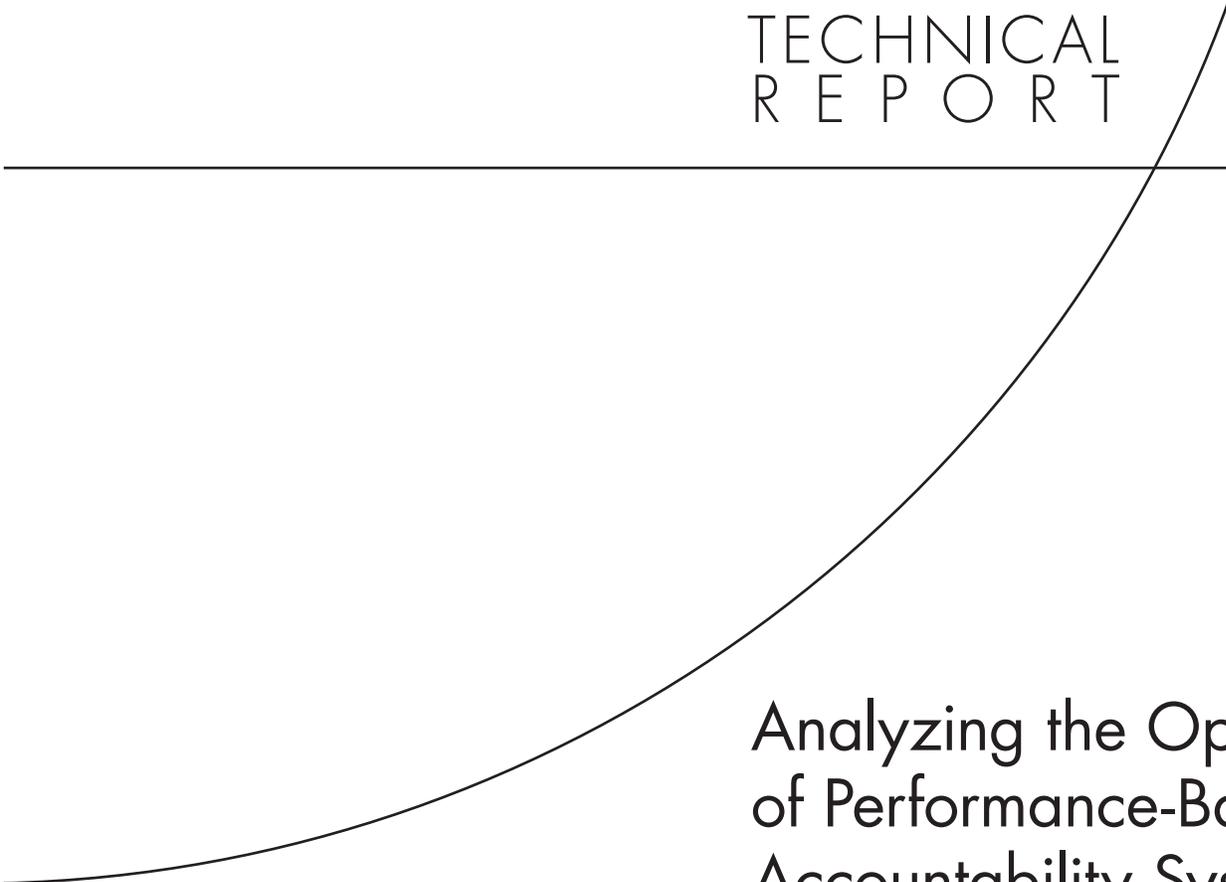
View [document details](#)

Limited Electronic Distribution Rights

This document and trademark(s) contained herein are protected by law as indicated in a notice appearing later in this work. This electronic representation of RAND intellectual property is provided for non-commercial use only. Unauthorized posting of RAND PDFs to a non-RAND Web site is prohibited. RAND PDFs are protected under copyright law. Permission is required from RAND to reproduce, or reuse in another form, any of our research documents for commercial use. For information on reprint and linking permissions, please see [RAND Permissions](#).

This product is part of the RAND Corporation technical report series. Reports may include research findings on a specific topic that is limited in scope; present discussions of the methodology employed in research; provide literature reviews, survey instruments, modeling exercises, guidelines for practitioners and research professionals, and supporting documentation; or deliver preliminary findings. All RAND reports undergo rigorous peer review to ensure that they meet high standards for research quality and objectivity.

TECHNICAL
R E P O R T



Analyzing the Operation of Performance-Based Accountability Systems for Public Services

Frank Camm, Brian M. Stecher



RAND EDUCATION

The research described in this report was conducted within RAND Education, a unit of the RAND Corporation, under a grant from a private philanthropic foundation.

Library of Congress Cataloging-in-Publication Data

Camm, Frank A., 1949-

Analyzing the operation of performance-based accountability systems for public services / Frank Camm, Brian M. Stecher.

p. cm.

Includes bibliographical references.

ISBN 978-0-8330-5004-5 (pbk. : alk. paper)

1. Government accountability. 2. Organizational effectiveness. 3. Performance—Management. I. Stecher, Brian M. II. Title.

JF1351.C345 2010

352.6'6—dc22

2010021609

The RAND Corporation is a nonprofit research organization providing objective analysis and effective solutions that address the challenges facing the public and private sectors around the world. RAND's publications do not necessarily reflect the opinions of its research clients and sponsors.

RAND® is a registered trademark.

© Copyright 2010 RAND Corporation

Permission is given to duplicate this document for personal use only, as long as it is unaltered and complete. Copies may not be duplicated for commercial purposes. Unauthorized posting of RAND documents to a non-RAND website is prohibited. RAND documents are protected under copyright law. For information on reprint and linking permissions, please visit the RAND permissions page (<http://www.rand.org/publications/permissions.html>).

Published 2010 by the RAND Corporation
1776 Main Street, P.O. Box 2138, Santa Monica, CA 90407-2138
1200 South Hayes Street, Arlington, VA 22202-5050
4570 Fifth Avenue, Suite 600, Pittsburgh, PA 15213-2665
RAND URL: <http://www.rand.org>
To order RAND documents or to obtain additional information, contact
Distribution Services: Telephone: (310) 451-7002;
Fax: (310) 451-6915; Email: order@rand.org

Summary

During the past few decades, governments all over the world have shown interest in collecting information on the performance of the activities that they manage directly or oversee in some capacity and using that information to improve the performance of these activities. Despite broad interest in using performance measurement for management and many initiatives to create such systems, empirical evidence on how well such efforts actually work or where they work best remains limited. This report presents a framework for understanding the creation and operation of one type of management system, which we call a performance-based accountability system (PBAS). We introduce a vocabulary for talking about the structure of a PBAS and its relationships to the delivery of some service. Using this framework, the report identifies a set of questions that can structure an empirical inquiry into the use and impact of PBASs and opportunities to improve their performance.

Definition of a Performance-Based Accountability System

We define a PBAS as a mechanism designed to improve performance by inducing individuals or organizations that it oversees to change their behavior in ways that will improve policy outcomes about which the creators of the PBAS care. To do this, the PBAS (1) identifies specifically whose behavior (individuals or groups of individuals in an organization) it wants to change, (2) tailors an incentive structure to encourage these individuals or organizations to change their behavior, and (3) defines a set of performance measures it can use within the incentive structure to determine whether changes in behavior are promoting the PBAS's goals.

How a Performance-Based Accountability System Changes Service Delivery

After studying PBASs in a variety of sectors, we develop a general framework for describing (1) how a PBAS works in the context of an existing service-delivery activity and (2) what factors affect performance of the PBAS. The framework is organized around four basic sets of relationships that are important to a PBAS:

- the production chain that defines the production relationships relevant to the service of interest
- the traditional government-oversight process that monitors the service-delivery activity of interest in the absence of a PBAS

- the process by which a PBAS is created and updated to motivate enhanced performance in the service-delivery activity of interest
- the government PBAS oversight process that monitors the service-delivery activity following the introduction of a PBAS (and supplements the traditional administrative oversight process).

The fully elaborated framework shows all these elements and describes the connections among them.

Empirical Questions to Ask When Studying a Performance-Based Accountability System

The framework also serves as a useful basis for generating analytic questions about the operation and impact of a PBAS in an area of public service. We identify five basic questions (and related subquestions) to ask about the operation and impact of a PBAS. The basic questions are as follows:

- How did the relevant service-delivery activity work before a PBAS existed?
- Why and how did the PBAS come into existence?
- What does the internal design of the PBAS look like?
- How well does the PBAS work?
- What can be done to enhance our understanding of the PBAS and improve its performance?

These five areas of investigation should help structure future analyses of PBASs, expanding our knowledge of what successful PBASs should look like and helping to identify circumstances in which PBASs are most likely to succeed relative to alternative governance structures.