

Government Watch: From Perception to Performance
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While governance institutions in the Philippines predate the earliest colonization of the islands, there is no doubt that American rule exerts the greatest influence on present public administration practices. This is evident in the Philippine Constitution, the procedures for lawmaking, the rules of the Judiciary and the Executive Branch. This influence is manifest not only in the administrative processes of government but in its political structures as well. Significant devolution of government powers took place in the Philippine in 1991 although this does not quite approximate Federal–State government relationship in the United States. Still, central government remains a primary force in both Philippine and American national life.

The mechanisms for accountability and transparency in government operations are similarly influenced. In the Philippines, public financial and personnel transactions are monitored by constitutional bodies. It may also fall under the jurisdiction of the appropriate courts and other bodies given quasi-judicial powers. It is periodically exercised by Congress through investigations in aid of legislation. But government itself or the political administration rarely does an objective self-appraisal. Performance evaluation has remained largely a partisan sport. People in power see their achievements through rose-colored glasses; oppositionists color it in dismal hues. In the end, elections become the final arbiter of whether a political administration has done as well as it promised. There are indications however that government performance is moving from partisan activity to the area of political accountability. In 1994, the US Congress passed the Results and Performance Act of 1994 which effectively establishes legislative oversight over the performance of agencies funded by the Federal budget. A similar clamor has begun in both houses of the Philippine Congress.

Civil society has been active in monitoring government performance as well. It does so however on a selective, issue-specific basis. Media assists through advocacy and exposé of official wrongdoings. Non-government institutions and private volunteer organizations have made their presence felt but are rarely allied across sectors on issues that go beyond their respective advocacies.

Those who wish to get a sensing of the collective sentiments of the citizenry or the electorate often resort to surveys. While surveys have evolved into virtual science, the fact remains that they monitor perceptions of performance rather than actual performance. Thus, surveys can be reflective of trends but they may also influence its directions through a bandwagon effect.

Taking all of these into consideration, this paper seeks to:

1. Propose a framework for performance appraisal and performance management of government;
2. Identify agencies on which the framework can be tested and refined; and
3. Recommend guidelines for making operational a system for monitoring government performance.

Why do a G-Watch?

It has been said that we need to move the evaluation of government from perception to performance. Beyond the scientific argument of finding the truth, performance measurement can also be constructivist (for the purpose of improving) or for ensuring consequences (recognizing the good, isolating the bad).

In addition to these, performance measurement and evaluation serve a number of ends as well.

1. It has a motivational impact, particularly on agencies or offices that perform well;
2. It helps build discipline in the budgeting and planning process as these become the basis for measurement and evaluation. Presently, these are done by the budget and planning officers mainly, isolated from the office's top management. The matter of priorities also becomes of real importance and not simply an exercise for compliance with DBM requirements;
3. If performance measurement and evaluation were done regularly and consistently, external interventions would likely be minimized as any deviation from the existing work program would have to be justified and explained.

Why Should Civil Society Do a G-Watch?

If government is not doing its own objective appraisal of its performance, why should civil society attempt to do it? *Why not?*

The emerging concept of governance indicates that government alone does not govern. It is simply a steward for the people who elected the officers who appoint subordinate officers into public office. Civil Society therefore has a right, in fact, a civic duty to check or those it has asked to serve in its behalf. This means, among others monitoring its performance or, when government monitors performance on its own, validating this with the affected sectors.

In addition, under conditions of scarce resources and increasing competing interests, civil society must be able to influence government priorities by examining how well or how badly government has performed. Again, this is a right civil society acquires by virtue of the tax money that government collects from the people to subsidize its operations.

Finally, monitoring and evaluating government performance allows civil society to make informed decisions when the time comes for choosing its leaders and stewards comes.

Benchmarking vs Baselining

Benchmarking has gained currency as a good thing to do insofar as measuring performance of organizations is concerned. This paper began as an exercise in conceptualizing how government performance can be benchmarked. It became increasingly clear however that benchmarking government operations was far more complicated than originally conceived. To begin with, many government activities are virtual monopolies. Only the Department of Foreign Affairs, for instance, can issue passports. Only local government units can issue business permits. It has been suggested by a British expert that, as is practiced in Great Britain, the standards for processing insurance claims be used for the issuance of passports. Informal inquiry with local insurance

companies indicated that no industry standard has as yet been set for processing insurance claims.

This concept paper therefore looks at baselining rather than benchmarking, i.e. establishing performance norms as of a particular point in time and measuring subsequent performance against this baseline. In this sense, the race that government runs is with itself. Performance measurement therefore becomes the precursor of a process of continuing improvement.

G-Watch: A Conceptual Framework

A performance appraisal system proceeds from the availability of the following components:

1. a clear mission statement covering the legal mandate and mission of the agency;
2. its general goals and objectives, covering long-term (beyond five years) outcomes which the agency hopes to bring about;
3. a description of the strategies by which the goals will be met, including programs, personnel and capital resources.
4. Specific targets , also known as short-term (one fiscal year) outputs and a clear statement of how they will contribute to the long-term outcome;
5. Expression of outputs in objective, quantifiable and measurable form;
6. Where outputs cannot be expressed in objective, quantifiable terms, the identification of indicators that indicate forward movement or progress;
7. A system of transforming indicators into ratings with corresponding weights;
8. The aggregation of output ratings into an overall rating for the agency.

On the other hand, a performance management program incorporates the following:

1. a description of a successful program, using the standards set by the performance appraisal system;
2. the institutional structure for doing performance monitoring.
3. a system of rewards and incentives for good performance and the statement of consequences for unmet targets.

Schematically, the relationships among the various framework components are illustrated in the following charts.

G-Watch: An Operational Example

Let us use as example a government agency engaged in the regulation and supervision of government personnel transactions.

Performance Appraisal

Mission: To help build a productive, competent and responsive government bureaucracy.

N.B. The mission of the organization is usually found in the legal mandate that created it and may be shortened or lengthened as Necessary.

Objectives:

1. To ensure the recruitment of the best people into the public service.
2. To provide a climate for continuous improvement and development of government personnel that will optimize their potential and ensure citizen satisfaction with government.
3. To train government managers who can administer individual government agencies with efficiency and effectiveness.

N.B. Again, the long term objectives may drawn from the legal mandate Or enabling legislation for the office.

Strategy:

1. To set qualification standards for entry to government.
2. To administer examinations for would-be bureaucrats as well as for those in the service who may need qualifying examinations for upward or lateral mobility;
3. To monitor and approve/disapprove personnel actions of government agencies.
4. To encourage and offer HRD interventions that will help establish continuing improvement and development of government personnel.
5. To encourage upgrading of qualification standards beyond the minimum set by the government personnel agency.

N.B. The strategy of every office is reflected in the major program areas for which it seeks budgetary support every year. This is found in The General Appropriations Act.

Targets:

1. 80% of national government agencies accredited to take final Personnel action; 10% of LGUs and 30% of GOCCs.
2. Computer-assisted tests available at least two times a week in every regional office, in addition to paper and pencil examinations regularly scheduled.
3. Updating of internal data-base within one month of release of decision or policy.
4. 20% of entire bureaucracy would have been involved in an HRD intervention.
5. 20 government agencies would have upgraded hiring and promotion standards.

N.B. These targets are submitted annually to the Department of Budget And Management under the column on Work Performance Measurement with every budget call. What is important is to Ensure that these targets improve annually, either in terms of Cost, quality, time expended for the job, area of coverage, etc. or Changed because they have been rendered irrelevant. Presently, these work performance standards remain static across extended periods of time and despite

differentials in input including budget allocation and personnel.

A system of rating/weighting

Using budgetary allocation to indicate internal priorities, actual performance will be weighted by multiplying these with the percentage of total appropriation allocated for the targeted output.

In the case of the examples cited above, let us assume certain Levels of performance and budgetary inputs to be able to complete the process.

Cost of implementing the program

Target #1 - 10 million pesos
Target #2 - 6 million pesos
Target #3 - 5 million pesos
Target #4 - 15 million pesos
Target #5 - 3 million pesos

Total cost - 39 million pesos

Weight per target

Target #1 - 10/39
Target #2 - 6/39
Target #3 - 5/39
Target #4 - 15/39
Target #5 - 3/39

Outputs as monitored/verified

Target #1 - 60% of national government agencies accredited
10% of LGUs accredited
12.3% of GOCCs accredited
or $82.3\% \text{ of target } \times 10/39 = 21.39$

Target #2 - CAT available 2X a week only in 12 out of 16 regions
Or $75 \times 6/39 = 11.25$

Target #3 - Data base updated only after 3 months or a 75 % completion
Or $75 \times 5/39 = 9.75$

Target #4 - 24% of the entire bureaucracy reached by an HRD intervention
Or $120 \times 15/39 = 45.6$

Target #5 - 16 out of 20 offices upgraded their hiring/mobility standards
Or $80 \times 3/39 = 80 \times .08 = 6.4$

For a total agency rating of 94.38

The ratings may stand the way they are, or they may be translated to adjectival ratings, such as:

0 - 50 = Poor
51 - 75 = Requires improvement
76 - 100 = Meets expectations

101 - above = Exceeds expectations

Performance Management

Assuming that agency performance standards have been set, then the next step is to establish a performance monitoring system. While this is an inherent management function, it is a function that is rarely exercised because of the lack of consequences. Further since performance data is rarely demanded, it is produced only when requested. The progress of performance should not be difficult to monitor since Performance milestones and distribution of costs during the year already are indicated in the Work and Financial Plan submitted to DBM with the annual budgetary request. This may initially be used for the purpose of monitoring performance and budget utilization.

The third component is the Performance Consequences System where rewards and incentives await people who meet or exceed valid targets. Unmet targets, including irregular scheduling and fund utilization should be the subject of planning and program correction, and where necessary sanctions. Presently, performance management systems are not available government-wide although a number of agencies have their own operating systems for determining recognition and sanctions, many of which, unfortunately are not linked to the agency's targets.

It would be an excellent opportunity to influence government policy if G-Watch could be the forerunner for allowing excellent government agencies some measure of managerial and organizational flexibility in return for improved performance.

If these performance management functions were to be exercised by a group external to government, the publication of comparative performance ratings across government departments should spur government agencies to try harder and do better.

At the same time, it should afford the general public a way of making enlightened judgments about how well or how badly, specific government agencies perform.

Identifying Government Agencies for Piloting G-Watch

There are no hard and fast rules as to how choices for piloting a performance-based appraisal system can be made. A number of obvious combinations present themselves.

It would be interesting to monitor the performance of the three branches of government, the Executive, the Legislative and the Judiciary. This presents operational problems however because while the Legislative and the Judiciary are fairly self-contained units, the spread of the Executive is such that to attempt to monitor its performance is to monitor the performance of practically the entire government itself.

Another possibility is to try to monitor agencies representative of specific typologies within government, such as: national government agencies including line and staff offices, local government units, state universities and colleges, government owned and controlled corporations. But this will hardly allow for comparability as the sample would not, in a very real sense, be homogeneous in terms of operations and mandates. Refining the instrument for a government-wide performance appraisal system may therefore take longer than expected.

One approach is to group the departments in the executive branch according to the sector to which they belong. The social services sector would likely include the Health, Education and Social Welfare Departments. The Economic sector may include the Department of Trade, NEDA, Department of Finance, among others. There can be separate groupings for infrastructure, security, defense and political matters. Thereafter, the choice narrows down to which sector or sectors will be tackled first or simultaneously.

It may also be interesting to take a list of the Departments that have generated the best (or worst) ratings in the periodic surveys and to validate these public perceptions with the performance ratings.

Whichever approach may be used, it is important to bear in mind that the agencies concerned must consent to being monitored(although secondary data that partakes of public documents such as DBM submissions, etc. can be accessed under existing laws), that G-Watch must be able to demonstrate some measure of success or at least generate interest during that period and that public support for the project can be mustered and sustained. All these will affect the choice of the government agencies that will be piloted for G-Watch.

Guidelines: Methods and Process

Monitoring government performance belongs to the public domain. That it is being done now in a formal, structured way is largely a function of civil society's growing pressure on governments to show proof that tax money is being wisely used . The clamor for greater transparency and accountability among public officials has also significantly increased in recent years and may in fact be partly responsible for the Results and Performance Act passed by the US Congress in 1994.

The following step-by-step process is being recommended for the activation of G-Watch in the next 12 months:

1. Constitute an oversight or advisory committee that includes representatives from government, private sector and academe.
2. Present G-Watch paper to oversight committee for their inputs.
3. Present G-Watch paper to multi-sectoral group.
4. Make selection of government agencies for piloting.
5. Constitute 3-person G-Watch teams to go over pilot agency documents.
6. Joint G-Watch/agency teams to agree on Terms of Reference (TOR).
7. Apply framework using secondary data for 1999.
8. Small group presentation of results.