Towards Performance-Based Accountability

Issues for Discussion

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Accountability is an issue that is receiving growing attention in OECD Member countries. A number of Member countries have taken important steps in reforming traditional accountability arrangements. Other Member countries may not have addressed accountability explicitly but public sector reforms (for example giving more authority to managers), have drawn attention to accountability issues and even challenged existing arrangements.

Accountability has different meaning in different countries, reflecting among other factors different administrative traditions. Accountability arrangements within a country may even vary according to the status and form of organisations, nature of activities and level of government.

Despite these differences, there are common themes that make discussion of accountability both relevant and timely. The most important issue appears to be explicit or implicit efforts of Governments to move from traditional compliance-based accountability toward performance-based accountability.
Approaches and the Role of Accountability

- Definition of accountability, approaches and traditions in different countries, e.g. narrow and negative definition (control and punishment) versus positive definition (informing the public, providing information on objectives and results etc.). Role of accountability, e.g. assigning responsibility (or blame), ensuring democratic control, ensuring openness and dialogue, creating trust, affirming basic values and ethical standards, improving performance.
- Roles of different actors, e.g. government organisations, ministers, parliament, the public and independent organisations (Ombudsman, Audit Offices, Courts).*
- Importance of the traditional accountability chain: government organisations ➠ ministers ➠ parliament ➠ the public, versus other approaches e.g. performance based accountability; direct accountability: government organisations ➠ parliament; government organisations ➠ public.*

* See the figure below for examples of different possible paths for accountability and the variety of actors and accountability relations being used in OECD countries.

Democratic and Political Accountability

- Meaning of ministerial accountability (responsibility?): e.g. provide answers and explain personal decisions; give an account of the activities and performance of organisations the minister heads; enquire into and remedy faults; repair systemic deficiencies; resignations by ministers.
- Political accountability versus managerial accountability, e.g. can they be separated or will the minister continue to be accountable and responsible for managerial decisions? Relationship between accountability and responsibility, e.g. can Ministers be accountable for decisions without necessarily being responsible? Relationship between responsibility and blame, e.g. can a minister accept responsibility without being to blame?
- Evolution of political and democratic accountability and implications of managerial autonomy. Direct accountability of government organisations to parliaments. To what degree is democratic accountability and control necessary (and even justifiable) in relation to operational issues?

Accountability and Customer Orientation

- Citizens involvement in the administration, and partnerships as alternative accountability mechanisms, e.g. does responsiveness to customers compliment or conflict with traditional accountability arrangements? Can such arrangements reduce the need to rely on more traditional accountability arrangements (that may either be overloaded or inherently costly and ineffective)?
- Can citizens involvement be seen as a form of direct accountability and partnerships as an attempt to create joint accountability?
Examples of Different Paths for Accountability

- **Public**
- **Parliament**
- **Independent Organisations**
- **Ministers**
- **Government Organisations**
- **Markets**

- Traditional Chain of Accountability (Legally-based)
- Accountability to Parliament (Legally-based)
- Performance-based Accountability
- Accountability to the Public (Especially Customers) (Performance-based)
- Market Orientation (Performance-based)
- Accountability Through Independent Organisations and Processes (Legally-based) (Ombudsman, Audit Offices, Courts, Access to Information)

Accountability and Market Orientation

- How does increased market orientation affect traditional accountability arrangements, does it complement or conflict with traditional accountability?
- What are the key instruments for ensuring accountability of Public Enterprises and how have accountability arrangements of Public Enterprises been evolving? Accountability of boards versus chief executives, accountability to shareholding ministers, versus central agencies versus specialised regulatory bodies.
Accountability Across Levels of Government

- Problems in ensuring accountability in an environment where responsibilities are shared between levels of government, and different interests and accountability requirements of different levels may make accountability especially problematic.
- What is the potential for moving from legally based relations between levels of governments to more performance based relations?

Performance-Based Accountability

- Definition of performance-based accountability, e.g. to demonstrate and account for performance in light of agreed performance targets. Does performance based accountability reduce the need for more traditional accountability? Does a shift from compliance or legally based accountability to performance based accountability conflict with traditional accountability arrangements? How can advantages and benefits of moving to performance-based accountability be demonstrated to interested groups (e.g. politicians, media, the public)?
- Conflicts between compliance accountability and managerial autonomy and effects of compliance accountability on performance. Effects of blame culture on performance, how is it possible to move from a blame oriented and confrontational accountability? The role of risk management in responding to blame culture.
- How to ensure accountability where activities cut across organisational structures of Government (partnerships, shared accountability, horizontal accountability)? Can a contractual approach make it possible to move from a standard approach to accountability to a differentiated approach? Are the same accountability arrangements appropriate for all type of Government services or would a more differentiated approach be appropriate?