Submission to the Finance and Public Administration Committee, 'National Performance Framework Ambitions into Action'

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I am a Lecturer in Systems Leadership at Newcastle Business School, Northumbria University with a research focus on performance management and leadership approaches in complex and multi-actor settings[1]. In this submission I draw on my recent academic research into the implementation of the NPF, and in particular draw upon the two articles described below:

1. An article[2] published in 2021 in the International Journal of Public Sector Management comparing the design and implementation strategies of the NPF, the UN SDGs in Agenda 2030, and Western Australia's Alliance to End Homelessness, drawing on interviews with key Scottish Government officials.
2. A comparative analysis[3] of the implementation of wellbeing outcome frameworks in Scotland, Wales and Northern Ireland between 2016-2022 (with co-author Jennifer Wallace, Director, Carnegie UK Trust). This article draws from 34 interviews with devolved government officials and leaders of relevant external organisations and is the first systematic comparative analysis of the implementation of national wellbeing frameworks. This is available as a pre-print, and is currently undergoing academic peer review.

I am happy to provide further information to the Committee if helpful.

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[1] French, M. (2021). Two experiments in outcome-based governance. Stanford Social Innovation Review, 20(4). https://doi.org/10.48558/bpph-5535
French, M., Lowe, T., Wilson, R., Rhodes, M.-L., & Hawkins, M. (2021). Managing the complexity of outcomes: A new approach to performance measurement and management. In D. Blackman (Ed.), Handbook on Performance Management in the Public Sector (pp. 111–128). Edward Elgar Publishing. https://doi.org/10.4337/9781789901207.00014
[2] French, M., & Mollinger-Sahba, A. (2021). Making performance management relevant in complex and inter-institutional contexts: Using outcomes as performance attractors. International Journal of Public Sector Management, 34(3), 377–391. https://doi.org/10.1108/IJPSM-03-2020-0071
[3] French, M. and Wallace, J. (2022) Working paper. Performance management for systemic problems: the enabling role of soft power. Working paper: Northumbria University.

The NPF has achieved limited (but improving) implementation success.

As decades of performance management scholarship makes clear, what gets measured does not by itself get done[4]. New measurement frameworks need dedicated implementation strategies to encourage the adoption of new measures, the incorporation of new organisational routines (e.g. planning, budgeting or performance reviews), and to motivate staff and organisations to actively use performance information in strategic, learning and decision making processes.

My second article describes how wellbeing frameworks' implementation outcomes should be assessed across two dimensions: their breadth (the range of external autonomous actors associating or adopting the framework) and their depth (their vertical integration into organisational functions). We find Scotland's implementation outcomes lag behind those of Wales in both breadth and depth. Wales's Wellbeing Goals, Indicators and Objectives have been more quickly entrenched in central government functions and better incorporated by external statutory agencies. Scotland also trails Northern Ireland (despite the three-year collapse of the latter's Executive) in certain key areas, for instance, we find a stronger incorporation of Northern Ireland's wellbeing outcomes and indicators within its 11 Community Planning Partnerships and in the reporting procedures of government departments.

The purpose of this research is not to position Scotland as a laggard, and indeed it highlights some key comparative advantages. Scotland features the broadest range of external agencies who have voluntarily adopted and signed up to the NPF, and the most significant usage of National Indicators in parliamentary scrutiny. Instead, the article seeks to draw learning from all three nations into a broader practical basis for achieving better implementation outcomes.

Soft, hard and smart power strategies for implementing national wellbeing frameworks

Drawing from the theory of power developed by American political scientist Joseph Nye, we argue practice has tended to follow one of two strategies: a 'hard power' strategy, relying on coercion, obligation and economic incentives, or a 'soft power' strategy, attracting others' voluntary contributions by shaping their preferences and using influence, persuasion and options framing.

Northern Ireland has pursued the strongest 'hard power' strategy, making use of its civil service organisational hierarchy and some key elements of the Outcomes-Based Accountability methodology. This was effective in creating new organisational routines for planning and reviewing progress based on its (draft) national indicators. It was less effective however in motivating civil servants to use performance

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[4] Moynihan, D. P. (2008). The dynamics of performance management: Constructing information and reform. Georgetown University Press.

Pollitt, C., Harrison, S., Dowswell, G., Jerak-Zuiderent, S., & Bal, R. (2010). Performance Regimes in Health Care: Institutions, Critical Junctures and the Logic of Escalation in England and the Netherlands. Evaluation, 16(1), 13–29. https://doi.org/10.1177/1356389009350026

Radin, B. A. (2006). Challenging the Performance Movement: Accountability, Complexity, and Democratic Values. Georgetown University Press.

information for learning or behaviour change since it was treated as an exercise in compliance rather than improvement. Additionally, it created significant internal opposition since the measures and methodology was imposed rather than co-created, and anxieties around accountability were exacerbated by the technical problems around measurement and attribution endemic to outcome-based working[5]. Interviewees suggested that the 2017 collapse of the Northern Ireland Executive was taken as an opportunity to disengage with the outcome-based approach, and has created enduring internal opposition to re-establishing the approach following the latest draft Programme for Government.

Scotland has most clearly pursued a soft power strategy. Within the Scottish Government, a strategy of distributed leadership and relational working has produced a patchy implementation profile (more so than Wales or Northern Ireland), with Scotland the last for example to meaningfully integrate its wellbeing framework with the Programme for Government and Spending Review. Senior civil servants were appointed 'champions' for outcomes, rather than accountable owners as in Northern Ireland, but departmental responsibility for NPF outcomes and indicators has been slow to emerge. Branding, external communication and awareness raising strategies have produced the most successful national approach in motivating other (public and non-profit) organisations to voluntarily adopt, sign-up or buy-in to the NPF. But there is little evidence the NPF has been meaningfully incorporated into organisational routines within those organisations, or in changing decisions, promoting learning or altering policies.

Our conclusion from this comparative analysis is that implementation outcomes are maximised when both soft and hard power approaches are strategically combined in mutually reinforcing combinations - what Nye called 'Smart Power'. Wales has achieved this in various ways to achieve the strongest (though many would argue, still patchy) implementation outcomes:

- The resonance and moral significance of Wales's Future Generations agenda, coupled with the relational work and alliance building in support of this (soft power), created a willingness to accept and support new statutory duties and accountability relationships in the Well-being of Future Generations (Wales) Act 2015 (hard power) rather than passively resist them.
- Strong statutory duties enforced new routines of wellbeing assessments, objective setting and planning amongst public bodies including Welsh Government departments (hard power). This created a demand for tools, support and methods to help them fulfil those duties, and an openness to the guidance, persuasion and influence provided most clearly by the Office of the Future Generations Commissioner (soft power).
- Independent statutory organisations (Audit Wales and the Future Generations Commissioner) could use either soft power approaches (e.g. support, encouragement, critical engagement) or hard power approaches (e.g. challenge, threats to use statutory review powers, naming and shaming),

[5] French, M., Lowe, T., Wilson, R., Rhodes, M.-L., & Hawkins, M. (2021). Managing the complexity of outcomes: A new approach to performance measurement and management. In D. Blackman (Ed.), Handbook on Performance Management in the Public Sector (pp. 111–128). Edward Elgar Publishing. https://doi.org/10.4337/9781789901207.00014

responding to the receptiveness of any particular public body or government area. In practice hard powers rarely needed to be resorted to.

A smart power approach to translating 'ambitions to action' for the NPF.

The conclusion to draw from this research is not a need to transition the NPF from a soft to a hard power strategy. Rather it is to develop both power strategies in tandem and ensure they work to reinforce rather than undermine one another. The latter outcome is a distinct possibility: using economic incentives can crowd out intrinsic motivation for improvement; relying on payment-by-results or outcomes-based accountability methods risk promoting gaming behaviours; and unsupported acts of coercion can weaken the legitimacy of performance frameworks. A focus on 'smart power' could encompass a vast number of strategic actions, though drawing from indications from my research, a small selection could involve:

Soft power strategies

- Continue to build public support and collective ownership for the NPF as Scotland's (not just the Scottish Government's) wellbeing framework. e.g. resourcing an external governance board with responsibility for custodianship involving varied expertise and lived experience in its membership.
- Rebrand the NPF as the Scotland's National Wellbeing Framework, tapping into public and civil society support for a governance focus on collective and intergenerational wellbeing.
- Resource a dedicated implementation team to develop tailored guidance, 'how to guides' and other shortcuts to help target actors meaningfully embed the NPF in their work
- Create new cross-boundary learning forums and national events to bring together good practice and share learning.
- Make Scotland Performs tell interesting, galvanising stories which capture the public interest and communicate its values, rather than merely list statistics
- Monitor and demonstrate implementation (perhaps using the 'breadth and depth' framework developed in my comparative research) to monitor progress, demonstrate momentum and generate a desire for participation.

Hard power strategies

- Introduce new statutory requirements for public bodies to specify and reflect on their contribution story to the range of National Outcomes and Indicators. With respect to the statutory settlement with local government, work to agree a unified and simplified reporting framework across public bodies
- Appoint and resource an independent scrutiny organisation (Audit Scotland and/or a new Future Generations Commissioner) to deepen accountability and show the Scottish Government 'walks the talk' on the NPF
- Establish new screening processes (perhaps with a statutory basis) based on the NPF for new legislation, procurement and investment decisions, and publish the results of these.
- Work with other public agencies to harmonise NPF indicators with various existing measurement frameworks in the public sector (e.g. NHS Scotland, Improvement Service).

- Work to align career incentives and performance reviews around contribution to the NPF's indicators and values, while avoiding naïve linear accountabilities between indicator movement and performance.

The rest of my research can be found open access at:
https://researchportal.northumbria.ac.uk/en/persons/max-french/publications/