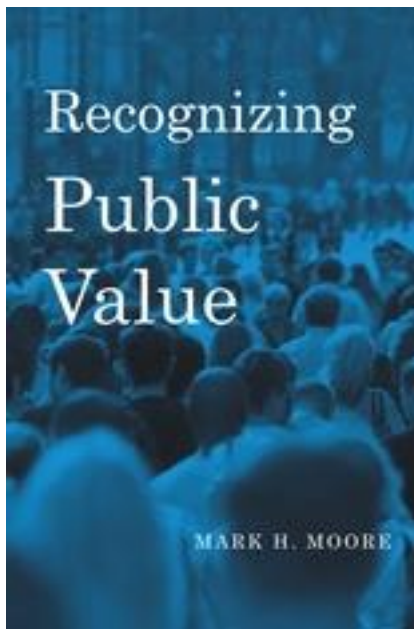


Book Review: Recognizing Public Value

Bora Ly 

School of Public Policy and Management, Tsinghua University, China.

Corresponding author: lyb23@mails.tsinghua.edu.cn



Recognizing Public Value by Mark H. Moore (2013), Harvard University Press. 496 pp. ISBN 9780674066953.

In public administration, values are not a new concept. Public administration is centered around responsibility, which hinges on society's purposes, ends, and values (Dahl, 2001). Although public values have become a prominent theme in recent years, this is an exceptional development. As a result of the publication of Mark Moore's *Creating Public Value* (1995), public management thought has been refocused on the normative characteristics specific to the public sector. Public value concepts should be utilized similarly to private value concepts to drive strategic management in public organizations (Benington & Moore, 2011). Also, Moore (1995) argues that management encompasses technical ideas and moral concepts at the center of the project.

Moreover, Moore (1995) emphasizes the importance of thinking beyond the boundaries of public administration to support this assertion. It is derived from the realm of strategic management in the private sector. His ideas have been developed in numerous articles and chapters published since 1995. It is advantageous to consult *Public Value: Theory & Practice* (2011) for a comprehensive overview of the topic. Moore has also attracted a substantial audience, which demonstrates his popularity.

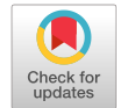
Recognizing Public Value

In the present argument, managers are premised on the assumption that goal-driven organizations are more effective in creating value than input-driven organizations by converting inputs into outputs and generating an overall value greater than the cost of production. According to the private metaphor, producers and clients interact freely. At the same time, monetized prices determine the value of individuals. In contrast, the public sector adds additional complexity by requiring obligatory transactions, utilizing public finances, and providing public goods that demand justice and fairness. As a result, public benefit and cost have incomparable values.

Additionally, there is a wide variety of sources of value that monetary metrics cannot fully describe. For example, some sources utilize a utilitarian approach to evaluate public actions regarding their costs and benefits. There are also deontological duties, rights, and obligations involved. Thus, public agency value propositions are derived from various sources, and evaluation arenas should be used. The political arena has replaced markets as the appropriate mechanism for measuring their value propositions. A governing authority generally creates and delivers public services and imposes obligations on those who receive these services.

The Trichotomy Puzzle

Moore proposes a strategic triangle to provide managers with tools for developing and implementing policies with the support of governmental authorities, the public, and their capabilities. Concepts of strategic triangles rely on several key assumptions, including the belief that managers will participate in the formulation and



implementation of policies, the assumption that managers will exercise discretion in designing and implementing procedures, and the assumption that public program support will remain constant over time. The strategic triangle is an effective heuristic for managers to choose policy options that stakeholders will accept as appropriate uses of government authority and resources. Thus, managing public goods may present three challenges: the policy issue of producing public value, the governance issue of determining whether citizens desire, deserve, or are willing to pay for public goods, and the operational issue of carrying out public functions. The triangle comprises three corners: strategic fuzziness to garner support and legitimacy and operational accuracy and clarity to ensure success.

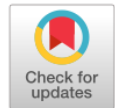
The Scorecard Problem

A vital benefit of this book is that it contains basic templates for complicated measurement systems, which can identify core operational capabilities within an organization, establish and sustain a successful coalition, and establish public value. Public value ledgers include costs associated with using collectively owned assets and unanticipated negative impacts. The challenge of governance is the creation of winning coalitions with critical political actors, such as legislators, judges, interest groups, and the media. Many variables are related to the tools used in producing public goods, but only one requires monetary resources.

What if the strategic triangle simplifies the incomprehensible information requirements required to recognize and develop public value? As Moore points out, public value accounting needs to be tied to specific problems. The author illustrates his points using examples from various governmental contexts. In Chapter 1, the author uses a case study of the New York City Police Department's Compstat initiative to demonstrate that individual managers can implement performance management systems that effectively affect organizational performance. Chapter 2 of the book describes how Washington, D.C., implemented a performance management process after leaving the congressionally mandated Control Board. This chapter introduces William's short- and long-term program goals and the public value account and scorecard. Chapter 3 illustrates how John James and the Minnesota Department of Revenue demonstrate the necessity of obtaining consensus on long-term plans to rationalize otherwise inconsistent accountability requirements. Chapter 4 presents government collaboration with contractors to provide valuable services based on Jeannette Tamayo's experience at the Illinois Department of Public Aid. According to Moore, performance assessments for third-party governments need to include intermediate results, process, and justice indicators. Chapter 5 provides an example of a successful public relations campaign for a new trash collection program. Chapter 6 utilizes the well-documented Oregon Benchmarks case to illustrate how the public might assist in establishing policy-informing performance targets. In addition, chapter 7 presents the case of Harry Spence, aimed to simplify the reporting process for caseworkers as commissioner in 2001. Although Spence advocated a performance management system as the most effective way to motivate and drive the Massachusetts Department of Social Services (DSS) toward greater public value generation, the external authorizing environment paid little attention to accountability.

Lessons Learned and Conclusions

These seven case studies examine challenges and managerial innovations, including successful and unsuccessful applications of public value. There are many lessons to be learned from these cases. The Bratton case provided a powerful top-down accountability lever, but Compstat was most valuable for its ability to transform an industrially organized police organization into a creative and innovative one. Spence illustrates the reality of severe mistakes in the child and family protection system and bureaucratic responses that often dumb down complex issues. Spence proposed a DSS accountability revamp and a continual performance review to handle conscientious blunders without penalizing employees. Developing a sustainable system of sorting waste into containers, placing garbage bins at curbside locations, and paying for individual services would require grassroots marketing and public relations efforts. It is a valuable study for those interested in how the theory works, operationalizing public value scorecards and strategically using scorecard information.



Public value scores should be based on employee suggestions, implementation results, and alignment between individual and departmental goals. The public value scorecard does not have a learning perspective because it integrates learning throughout the strategic triangle. It is imperative that public managers first consider the nature of their public value before seeking political backing. As a result, operational capacity is improved to achieve social outcomes. This book presents the idea of creating a public value account, a more complex accounting scheme capable of capturing the complete set of values that public agencies seek to achieve along with the economic and social costs they entail. It is challenging for performance metrics to capture the value of public management. This study is not intended to record what has been done in the past against what we believe constitutes public value but to discover what can be accomplished. Failures are a necessary part of learning for all public agencies. Thus, it is vital to design management systems that facilitate and support the learning process. As a result of revising some traditional public sector methods and proposing new ideas, this book presents the best of the private sector's significant expertise in performance management to establish organizational accountability and performance improvement within the public sector. The issue of accountability in the public sector is an important one, but accountability demands have been inconsistent. It is important to note that agency performance impacts several aspects of public value. In addition to the top value, there will still be expectations from the authorizers. The internal accountability system requires managers to reconcile their professional calling with their ability to provide a publicly viable strategic value proposition. Employees must also be held accountable by their peers and employers.

Throughout the book, the authors have striven to preserve the best practices from the private sector's extensive experience in using performance management to enhance organizational accountability in the public sector. Several old public-sector practices have been modified, and some novel ideas have been introduced. For example, citizens are encouraged to exert more pressure on public agencies that are not performing well to improve their performance. Accordingly, public managers need to recognize that their performance will be evaluated based on statistical performance measures and isolated incidents that capture the public's attention. Therefore, the public authority needs to be justified in the common good and incorporate justice and fairness.

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