

Van de Walle, S., & Van Dooren, W. (2010). How is information used to improve performance in the public sector: Exploring the dynamics of performance information. In: Walshe, K., Harvey, G. & Jas, P. (eds). Connecting knowledge and performance in public services: From knowing to doing. Cambridge: Cambridge University Press, pp. 33-54.

HOW IS INFORMATION USED TO IMPROVE PERFORMANCE IN THE PUBLIC
SECTOR? EXPLORING THE DYNAMICS OF PERFORMANCE INFORMATION

Steven Van de Walle

vandewalle@fsw.eur.nl

Department of Public Administration

Faculty of Social Sciences

Erasmus University Rotterdam

The Netherlands

Wouter Van Dooren

wouter.vandooren@ua.ac.be

Department of Political Science

University of Antwerp

Belgium

HOW IS INFORMATION USED TO IMPROVE PERFORMANCE IN THE PUBLIC SECTOR? EXPLORING THE DYNAMICS OF PERFORMANCE INFORMATION

Introduction: Why information is not always used¹

Poorly performing organisations probably do so for a reason. The logic behind many initiatives to improve the performance of public organisations has been to enhance the quality and availability of information about the performance of these organisations, and the data-use skills within these organisations. Knowledge about where performance fails is seen as a key factor for getting organisations back on track. By making the organisation and its environment more transparent, more *known*, it is argued, organisations can find new ways to reinvent themselves.

Such an approach is built on a number of assumptions. One is that this information unambiguously contributes to the identification of trouble spots and to the solution of these problems. Information, in such an approach, is seen as something that reduces uncertainty. This assumption is especially strong in the theory of evidence-based management, where it is assumed that the ‘current best evidence’ or the ‘best available evidence’ will be used in a ‘conscientious, explicit and judicious’ way (Stewart, 2002; Nutley & Webb, 2000), and that the information will lead to answers. Unfortunately, evidence-based management and policy has problems dealing with wicked problems, and often fails to see that more (and better) information does not necessarily reduce uncertainty (Learmonth & Harding, 2006). Indeed, more information may do little to improve our understanding of social problems (Ditton, Farrall, Bannister, & Gilchrist, 2000; Tsoukas, 1997).

¹ This chapter finds its origins in two different pieces of work in which one or both authors have been involved. One was a short project for the Audit Commission’s Policy, Research & Studies Directorate reviewing the literature on how information is used in the public sector, with an aim to support future improvements in the public sector (Van de Walle & Bovaird, 2007). The other is an edited book that resulted from a series of meetings of the EGPA Study Group on Performance in the Public Sector. The chapters in this book looked at how managers, politicians and citizens actually the mounds of public sector performance information that are being produced (van Dooren & Van de Walle, 2008). Research for this article was part funded through Steven van de Walle’s ESRC Public Service Programme Fellowship on “Public attitudes towards services of general interest in comparative perspective” (RES 153-27-0004).

A second assumption is that the mere existence of information will lead to its use by decision makers. This assumption reflects an instrumental approach to information as neutral. It isolates information from organisational context; from the habits, processes and power structures within that organisation; and from the individual characteristics of those who are supposed to use the information.

In this chapter, we want to challenge this assumption of a direct relationship between the existence and availability of information, and its use in decisions. We will do so by integrating three different sets of literature. Other chapters in this book stress organisations' capacities and capabilities to produce a turnaround, or refer to contextual factors that make a turnaround difficult. Our basic argument is that the fact that information exists does not mean it will also be used by those in charge. A first set of arguments comes from a somewhat more recent field of study looking at the actual use of performance information by decision makers in the public sector (Van Dooren & Van de Walle, 2008). The second part will focus on structural and organisational factors that may facilitate or complicate the diffusion of information through an organisation. The third part will briefly introduce psychological factors that make that certain pieces of information are excluded from consideration in decision making. We will subsequently integrate this information and distil the major trends. We end by discussing the implication of our findings on public organisations' ability to connect knowledge to performance.

Beyond traditional views of information

The story in many government or consulting reports about performance information and decision making is a very rationalist one. It treats the non-use of information as something that can easily be fixed through a number of practical and technical changes (Van de Walle & Bovaird, 2008). Such changes include improving databases, improving the quality of information, improving data-processing skills in public organisations, improving information literacy etc. (Audit Commission, 2008). What such approaches forget is that changing the way

how information is used in organisations basically requires a change of that organisation itself. Improving the performance of public organisations is therefore not just something that follows from a better use of information. A deficient use of information is often also an expression of poor performance.

Taking into account an organisation's environment is important when analysing information use. Organisations under pressure, in the spotlight of the national media, will probably react differently to the release of new, highly publicised information than will organisations that are relatively free from such scrutiny. The increased use of league tables may have increased political and media attention for failing organisations because failure – as defined by the indicators composing the league tables - has become more visible. It has also somewhat deflected researchers' attention to these highly formalised sources of information, leading to a neglect of other types of information. Rather than just using formalised performance indicators, organisations also collect and use other information. And much information enters the organisation undefined ways.

Weiss introduced the concept of 'knowledge creep' into our vocabulary (Weiss, 1980) to show how our understanding of things and frames of reference change gradually over time under the influence of new information. 'Knowledge creeps' leave no traces that are concrete or directly visible, but do change how people think about issues. Changes in an organisation's strategy or performance then cannot always be easily attributed to a specific set of information. Instead, decisions are based 'on a gradual accumulation and synthesis of information' (Marra, 2000: 23). Information's impact is not direct and instrumental, but conceptual, which blurs the relationship between a specific piece of information and a discrete decision.

Additionally, much of the information collected by an organisation is not directly relevant to decision making, but it develops a context of knowledge (March, 1987: 163). This information is not needed for an immediate decision, but helps the organisation to stay informed on current issues. It is collected for no direct specific purpose or decision, but for

routinely scanning one's environment. This is a process that does clearly not fit into classical decision making theory where information is sought to choose between alternatives given a set of priorities. Feldman and March spoke about 'information as surveillance' (Feldman & March, 1981: 176). This means an organisation is monitoring its environment for surprises or for reassurance that there are no surprises. This information use has a long lead time, and the relevance of the information cannot be estimated in advance (Feldman & March, 1981: 176).

These approaches entirely open up the research agenda on how information is used to improve performance in the public sector, by moving it away from technical considerations. They expand the agenda by drawing the wider political and social context of the organisation and the psychology of the actors within the organisation into the analysis.

The study of use and non-use of performance information

The use of information is often conceived in a bipolar way; either it is used or not. Use then implies that there is a direct 1:1 relation between performance information and managerial or policy decisions. This conception is fed by a somewhat technocratic hope that performance information will tell univocally how to allocate resources, how to hold organisations and managers to account, and which employees to reward for excellent performance. Table 1 lists a series of instrumental uses found in ten public management texts that are exemplary for the writings of the performance movement². In total, 44 different uses of performance information are identified of which 22 by more than one author (represented in Table 1).

² Mayston (1985) discussed the role of non-profit performance indicators in the public sector. He was predominantly concerned with nationalized industries. Osborne and Gaebler's (1993) New Public Management text on Reinventing Government prescribes several ways of putting performance measures to work (p155). The Government Accounting and Standards Board (GASB 1998) reported about a survey of USA local and state governments on the use of performance information. Wang and Berman (2000) conducted surveys in USA counties. The USA's General Accounting Office (2000) surveyed the USA federal agencies. The OECD (2003) has data on the use of performance measurement in the OECD member states. Hatry (1999) proposes ten uses in a performance measurement text that is mainly conceived as a manual for practitioners. A similar text by Broom et al (1998) of ASPA's Centre for Accountability and Performance also has a list of uses. Poister (2003) describes the uses of performance information. The Governance Performance Project (2002) reviews the management capacity of states and cities in the USA and incorporates the use of performance measures in its assessment.

How is information used?

	No of Occurrences	(Mayston 1985)	(Osborne & Gaebler 1993)	(Government Accounting Standards (Hatry 1999)	(Wang & Berman 2000)& Berman 2000	(Broom 1998)	(U.S. General Accounting Office (1993)	OECD 2003	GPP 2003	Poister 2003
1. allocation of resources	5			X	X	X	X	X	X	
2. changing work processes / more efficiency				X	X	X	X	X	X	
3. formulation and monitoring of licensed or contracted privatized services		X		X		X		X		
4. rewarding staff / monetary incentives / performance pay	4		X			X		X		
5. strategic planning				X		X			X	
6. communication with the public to build trust				X	X	X				
7. reporting and monitoring				X		X			X	
8. accountability to elected officials					X	X		X		
9. accountability to the public					X	X		X		
10. results based budgeting: budget documents			X	X	X					
11. results based budgeting: justify budget requests	3				X	X		X		
12. motivation rewards for groups, organizations			X			X		X		
13. evaluation of outcomes and effectiveness		X		X	X					
14. reducing duplicative services / delivery alternatives (incl. privatization)				X	X	X				
15. adopting new program approaches / changing strategies				X		X		X		
16. setting program priorities						X	X	X		
17. communication with the legislature and the legislative staff				X	X					
18. cost saving		X		X						
19. performance budgeting			X			X				
20. setting individual job expectations/ staff performance plans	2						X	X		
21. cost benefit analysis		X			X					
22. trigger for further investigation and action		X			X					

Table 1: instrumental uses of performance information (Van Dooren 2006)

Some authors have demonstrated that having the performance instruments does not guarantee use. The implementation of performance measurement in the organisation goes beyond the mere adoption of performance instruments (Beyer & Trice 1982; de Lancer Julnes & Holzer 2001; Van Dooren 2005) Notwithstanding the substantial literature on the potential and instrumental uses of performance information, there is little evidence on the actual use of performance information (Pollitt 2006). Researchers are indeed very sceptical about the usefulness of performance indicators and the related management instruments (Askim, 2006). Much of the evidence on whether the information coming from performance measurement is

used in decision making is still rather anecdotal (de Lancer Julnes & Holzer, 2001), and opinion on whether performance measurement matters for decisions is divided (Ho, 2005: 18).

Three groups studying and using performance information seem to stand out. First, there are believers who assume that the mere provision of good performance information will lead to use in decisions. Empirical tests of this assumption are rare. A second group also *assumes* that performance information is used but is critical about the unintended effects of performance information. Yet, the occurrence of unintended effects proves that performance information is at least used in one way or another. Again, *the way in which* performance information is used, is rarely documented. A third group consists of critics who consider performance measurement to be a new bureaucracy. For them, performance information is not used for decision making, but is about shuffling paper without an impact on 'real life'.

All three groups tend to take a black and white approach to information use, often based on assumptions rather than empirical fact. We argue that, in order to fully understand the (both functional and dysfunctional) effects of performance information, we first need to understand the social mechanisms that influence use and non use of performance. In what follows, we take a closer look at these social mechanisms. Institutionalisation of information, power positions and interests related to performance information, and psychological issues with performance information use will be explored as some of the most important dynamics of performance information.

Dynamics of performance information

Institutionalisation of information

The focus of many public sector reforms has been on the collection of more and better information, and on the development of procedures to work with this information. The most

visible exponent of these efforts has been the increased reliance on highly formalised performance indicators. Performance indicators routinise the use of information in decision making, but they may at the same time restrict the scope and type of information used when taking decisions. Much of this information may also appear as having a relatively low decision-relevance. Organisations may collect mounds of information that are of no direct relevance to decisions or policies. At the same time, they may fail to capture information that is crucial to their survival. Much information does not enter an organisation in a pre-packaged way (Jones, 2003: 406), or 'pre-coded in decision-relevant form' (March & Sévon, 1988: 434). It often comes from unexpected or unplanned sources (March & Sévon, 1988). Information can consist of highly formalised reports and indicators, but may equally appear as media reporting, protest meetings, or stories citizens tell (Herzog & Claunch, 1997). Studying the impact of information on decision making becomes especially difficult in the case of latent information, or where information gradually enters an organisation.

For performance information to have an impact on decisions, it needs to do more than just 'exist'. Information use is a process that is 'ambiguous, amorphous, incremental, and meandering' (Webber, 1991), and the processing of information does not always happen within a clearly defined organisational routine (Moynihan, 2005: 205). Dumping a pile of performance reports on a decision-maker's desk is not likely to have a strong impact on the decisions made. Merely having performance information systems does not mean an organisation is also managing performance (2008: 134). Information has to be channelled through information routines. In this way, information is optimally shared, diffused and analysed. Moynihan has stressed the importance of clearly defined organisational routines for dealing with information (Moynihan, 2008). Without these routines, actors in an organisation cannot make sense of the information. Organisations have to make information meaningful. This process of turning information into actionable knowledge explains why the mere availability of e.g. low scores on a performance ranking will not necessarily trigger managerial decisions. Organisations make sense of their place in performance rankings and

develop an explanation for this place. Such explanations may entail the necessary complete overhaul of the organisation. They may also consist of a questioning of the ranking system, or they may define the outside world as hostile, requiring a closing of the ranks and an exclusion of dissenters. This is especially the case when rival sources of information exist. Jas and Skelcher give the example of a public organisation where a centralised approach to information had been developed by longstanding leaders, thereby constraining ‘a wider performance awareness in the organization.’ (Jas & Skelcher, 2005: 205)

Power dynamics: Whose information?

An important critique levelled against the rational model is that it considers the use and presence of information as a given. It leaves very little space for strategic and political considerations in making information available and in promoting the use of certain sources of information. But, then, there are organisations where the information used is relatively neutral and undisputed. This might be the case where the information flows follow an established routine, and are of a technical or operational nature.

Information is not neutral, it has to be produced, analysed and diffused. Information may support certain positions, or undermine them. Information is therefore related to a power structure in the organisation, in two different ways. An information handler’s position in the organisation can be enhanced by creating dependency, and through its location very near the organisational apex. Information is also related to power structures because new information about the performance of organisational departments may have an important impact on future budget or staff allocations, or even on the survival of the department within the wider organisation. It is therefore in organisational actors’ interest to control the flows of information.

In the diffusion of information through an organisation, some people act as opinion leaders who select, interpret and diffuse information (Katz & Lazarsfeld, 1956). They have a more prominent role in the diffusion of information than others. Opinion leaders often are early adaptors of new information sources, and they are regarded as authoritative people who determine which information is useful or can be trusted. They define what information is privileged in the decision making process. Yet little is known about whom these people are in the local government or public management community, what their status is, and what networks they use. Of a different but related nature are gatekeepers. Gate keeping is a term coined by Kurt Lewin (1947), and later extensively used in communication studies, especially in the context of newspaper journalism. It refers to a process where information is being filtered by a 'gatekeeper'. This person decides which information is relevant or desirable, and will get through to other parts of the organisation, or, as in the journalism studies, will get published. These gatekeepers exist in all organisations, and they do not always have a formal role. Not all information gets through to decision makers: information is condensed and summarised, and there are information dead-ends in organisations (Cyert & March, 1963: 109-110). Gate keeping can also be deliberate strategic behaviour: 'Information providers will try to shape outcomes by choosing what information will be collected and highlighted' (Moynihan, 2006: 156). By not collecting, distributing or interpreting information, or, alternatively, by emphasizing certain strategic bits of information, or certain sources of information, these information providers have considerable leverage on the information that will be used in taking decisions. Control of information is a tool for pursuing one's own interests within an organisation (March, 1988: 6). For this reason, information is subject to strategic misrepresentation (Feldman & March, 1981: 175).

Psychological dynamics: Do you only see what you want to see and hear what you want to hear?

Information requires interpretation (March, 1988), and the mere availability of information does not mean it will be used or even be seen as useful. People's perception tends to be selective. Faced with various bits of information every day, people make a selection of this information, and they rely on theories, beliefs, and frames to make sense of this information (Tsoukas, 1997). Optical illusions are a familiar phenomenon, whereby people see certain things that are not there, or see things only after they have been pointed out. Observations are often interpreted in line with what is already known. This has important implications for how decision makers deal with information. They may not see certain information about the performance of their organisation that is obviously there, or they may interpret this information in such a way that it supports their views, rather than challenges it.

Managers' information processing capabilities are distorted by selective perception (Walsh, 1988). Faced with a wealth of information and data, people perceive and interpret information selectively. This means that certain information is not seen as relevant while other information is. Interpretation follows schemas (Augoustinos & Walker, 1996), which are mental structures used to organise information and simplify reality to aid the processing of information. New information is interpreted in line with these schemas. Information that does not fit is likely to be discarded. Once managers have formed their opinion on what is going wrong in their organisation and what needs to be done about it, they are likely to interpret all subsequent information as part of this. In research on performance information use by local politicians in Norway, Askim (2008: 134) suggested that '[P]oliticians affiliated to parties with a highly integrated and structured belief system are typically not in doubt; their ideology resolves most decision dilemmas'. In other words, they probably do not feel the need to use additional information to make decisions.

It will therefore be difficult to convince people to take new and contradictory information into account, no matter how available, qualitative, or well-presented it is. Accepting new information that does not fit an established view is a challenge and requires effort (Davies, Nutley, & Smith, 2000). This is what can make turning around organisational performance so difficult. It sometimes requires an outsider to see what is hidden from insiders. Prior assumptions and opinions influence whether certain information will be perceived and used for interpreting realities. Resisting 'information that conflicts with one's prior assumptions about how the world works is just part of human nature' (Jones & Williams, 2007: 267). Certain bits of information will therefore only be used in decision making by 'policy makers whose policy theories include that information as an important element of their understanding of the world' (Weiss, Gruber, & Carver, 1986: 499).

Once all relevant actors in an organisation have taken their positions, they become unlikely to be influenced by new evidence (Weiss, 1979: 429). Decision makers have certain theories of whether their organisation performs, and why it does or does not. It requires more than an incremental change in the available information to change these theories. Decision makers tend to become less receptive to information once a decision is made. Vigilance for other information declines, especially if this information would suggest another course of action (Janis & Mann, 1977). People tend to seek confirmatory information even when disconfirming information is available and more important (Bazerman, 2002: 34). Ideas, even when bad, tend to persist, because challenging these ideas also means challenging the worldviews and often the position of the person who holds them (Jones & Williams, 2007: 304). Changing an opinion after having expressed it is often frowned upon, and may be undermining someone's status. Related to this last point is the tendency to lump message and messenger together. The credibility of the messenger influences the credibility of the message, which again may reinforce the status quo. If a certain type of information is already used, it is more likely to be judged as trustworthy (Festinger, 1957)

These processes are not the result of a deliberate decision to ignore certain information. Like all people, managers have limited information-processing skills (Walsh, 1988). They therefore need heuristics, or rules of thumb, to ‘reduce the complex tasks of assessing probabilities and predicting values to simpler judgmental operations’ (Tversky & Kahneman, 1982: 3). And these rules of thumb become especially valuable in cases of uncertainty or complexity. At the same time, however, they may, just like the schemas mentioned earlier, also facilitate misperception and error.

Weiss and Bucuvalas (1980) suggested that policy makers are performing a truth test and a utility test when confronted with new knowledge. The truth test is composed of two independent dimensions. Decision makers appraise information in terms of its technical merit, but they also test the conformity of the findings with their prior understanding and experience. Because they are exposed to a variety of evidence such as direct observation, descriptive accounts, program data, routine statistics, colleagues' reports, as well as a body of previous research, they use their stock of knowledge to help them judge the truth of research and studies (1980: 308). The utility test also encompasses two dimensions. Research is assessed on the extent to which a study provides explicit and practical direction on matters decision makers can do something about. The first dimension is related to the conventional definition of utility, which refers to its ‘problem solving’ capacity. In addition, research can be useful by challenging current practices and suggesting new perspectives and orientations. This is the ‘enlightenment’ function of research (Weiss 1979).

	Truth test	Utility test
Conventional wisdom	Technical: the <i>process</i> of research	<i>Problem solving</i> qualities
Alternative explanation	Practical: <i>Outcome</i> of research vis-à-vis other evidence	<i>Enlightenment</i>

Table 2: truth and utility tests of new information (Weiss & Bucuvalas 1980)

The distinction between conventional and alternative explanations of the truth and utility test allow discussing some of the findings on the use and non use of performance information. Let us start with the conventional explanations. The technical truth test implies that performance information is not used because it fails to meet certain technical quality standards. The argument is that measurement needs to be reliable in a technical and statistical sense for decision makers to trust the data. It follows from this technical truth test that use of performance information can be increased by improving technical quality. Usually, this prospect is not realistic. Between provision and use of performance information, many other politico-administrative, sociological and psychological processes are at play. As a result, the technical quality of information is only a marginal precondition of use.

The utility test provides another set of conventional explanations. The main line of reasoning is that information needs to be able to solve policy makers' problems. Kingdon's (1984) conceptualisation of the policy process shows that policy making is not just about solving problems. According to Kingdon, policy making consists of three streams; issues, solutions and political power. The role of the policy entrepreneur is to seek linkages. A window of opportunity opens when the three streams meet in a time segment; i.e. when there are problems with solutions and the political will to do something about it. If there are only problems, only solutions or only political will, nothing will happen and attention will shift to the next issue. If we accept Kingdon's model of the policy process, performance information may be a powerful instrument in the hands of the policy entrepreneur. Policy entrepreneurs will assess the performance information's capability to define a problem in line with the preset solutions, to better define a solution in line with existing problems, or to mobilize political power for problems and/or solutions.

For performance information to meet the utility test it has to be timely and presented adequately. The importance of timeliness follows from the dynamic nature of Kingdon's

model. Performance information needs to be inserted in the public arena when the issue is burning. After the fact information will be less useful because the chances are small that the same issue will be picked up again. Presentation is another important criterion. Performance information only defines problems and solutions and only mobilizes support when it is accessible for knowledgeable laymen. Usually, a simple statistic is combined with a small piece of theory with high face value. The popularity of international rankings for instance is largely built on press coverage of simple, ready-made league tables accompanied by causal explanations that are easy to understand.

Let us now turn to the alternative explanations of the truth and utility tests. First, the truth test of performance information focuses on the findings rather than the technical quality of the measurement process. Three scenarios could be distinguished. First, performance information that strongly contradicts prior knowledge may be refuted because it is deemed unrealistic. Secondly, counterintuitive information may actually be used because it allows challenging the status quo. Unexpected findings at least attract attention and may even be instrumental to 'rock the boat' and change power distribution between actors. Thirdly, even a middle position, with some counterintuitive and some conventional results may lead to use. This is the case when performance information has to support a compromise in policy making or when it has to substantiate incremental steps in policy change. The criterion for use thus is its (non)-alignment with conventional wisdom, but it depends on the context whether performance information needs to align or not.

Finally, the utility of performance information may lie in its capacity to change the language of the debate. This is what Weiss calls enlightenment (1979). In more neutral terms, the concept points to the fact that performance information may slowly and unnoticeably alter the definition of policy problems and solutions. Unlike the other three boxes of the quadrant, enlightenment cannot easily be traced back to an individual decision maker. The metaphor of

a 'test' performed by a user is less applicable here. This is also the reason why the enlightenment use of information often cannot be demonstrated.

Information use and interpretation becomes especially problematic where structural and psychological factors interact. In such cases, public organisations do not only not have proper procedures and working processes to collect, distribute and analyse information, but they are also very likely to misperceive and misinterpret information. As a result, organisations become almost entirely blind. Irving Janis used the concept of groupthink to refer to 'a mode of thinking that people engage in when they are deeply involved in a cohesive in-group, when the members' strivings for unanimity override their motivation to realistically appraise alternative courses of action' (Janis, 1982: 9). The process is potentially very strong in small cohesive groups with strong leadership, where nonconformism is not appreciated or is seen as a sign of disloyal behaviour. It means that, in a situation with little outside intervention (isolation – note the link to the role of gatekeepers), information is interpreted in ways that correspond to already held convictions. As a result of groupthink, certain information is misinterpreted or not used at all, there is a selective bias in information interpretation, a poor search for information, an incomplete survey of alternatives, risks of the preferred choice are not examined, and initially rejected information or alternatives are not re-examined (Parsons, 1995: 347).

Lessons and implications for poor performers: Information can be absent even when it is present

Recent decades have seen an enormous expansion of the use of performance indicators and other performance related information in the public sector. The most recent waves in this expansion of the evidence base have two principal characteristics. One is an increase in the sheer size of the evidence base. Performance information is not new in the public sector, but has a history of at least a century (Van Dooren, 2008). What did change throughout this century was the use. We have witnessed a gradual adaptation of indicators and performance

information in an increasing number of sectors and organisations. The UK is considered to be one of the leaders in this area. Performance indicators, some more relevant and useful than others, have been developed in practically every area of governance. Nowadays, a manager's task in a local authority or a hospital trust consists of monitoring performance information and taking decisions based on this information. In sheer numbers, the information available to decision makers is unparalleled. The other major change is an improved integration of the information, through management information systems and a proliferation of ranking and rating schemes (Van de Walle & Roberts, 2008). The promotion of evidence-based policy has likewise stimulated a more systematic use of information, replacing a somewhat more haphazard way of dealing with data. Yet, there remain major differences between sectors. Using data and evidence is more commonplace in some sector than it is in others. Information is also simply more available in some sectors than it is in others.

Given the better availability and the greater ease of finding, collecting and using information, there appear to be few reasons *not* to use information when taking a decision. Not being informed appears to have become less and less acceptable. In this context, it has been suggested that the absence and the non-use of information lies at the core of why organisations perform poorly. Using more and better information, it is suggested, will help to improve performance. There are plenty of examples where this has indeed been the case. New information does indeed help to put new issues on the agenda. It may indeed help managers and stakeholder to identify areas of poor performance, and to suggest new ways for tackling issues.

Yet, this line of thinking somehow ignores the evidence presented in earlier sections. The mere existence of information does not mean it will be used. Managers may not know the information exists in the first place, the information they receive may have been deliberately distorted, they may consider certain information as irrelevant, they may not trust certain information, etc. Assuming that information an outsider considers as essential and relevant

will also be seen as such by people inside an organisation reflects a very one-sided approach to information. The problem with performance information, and with information more generally, is that it is not as straightforward as we would like to believe.

Facts, generally, do not speak for themselves. Different people interpret facts in different ways, and may evaluate the content of facts as being very low. Information is not necessarily cumulative, but may be used in an iterative way, each time pushing the decision in another direction. More information is therefore not always the solution, because it may prevent closure and postpone decisions indefinitely.

Certain information may trigger action, but does not necessarily do so. Certain information that has been known for a very long time may suddenly come to be seen as relevant. Certain types or sources of information are considered important at a certain time while others are not, and these judgements of importance change over time. Certain sources of information can enter the policy agenda at a certain moment and subsequently be used, even though the information existed before, but was not used. Information can become relevant to a problem where it was not relevant before. Certain sources of information may be considered as very important and retain this label for a long time, while other sources are rejected at a first encounter. Certain information features more prominently in decision makers' attention frame and list of priorities, and new bits and sources of information need to manoeuvre their way into the picture. Managers have to select their information from the mounds of information available, and this selection is therefore bound to be incomplete (Jones & Baumgartner, 2005). Information, again, is not neutral. A tiny, short-lived piece of information may have a disproportional or even decisive impact on decisions, while large, up-to-date, easy-to-access, and well-integrated sets of information may fail to influence decision makers.

Information therefore does not exist in isolation. It exists within existing organisational structures, and just like anything else in the organisation, some information takes a more central place in the organisation than other. This privileged information may not necessarily

be the information outsiders think the organisation needs. Information needs supporters, people who promote, diffuse, and defend it. This information context is crucial to our understanding of why information does inform decision makers, or why it fails to inform them.

Conclusion

Many studies on performance measurement have tended to regard performance information as unproblematic, and have thus focused on instrumental uses of performance information. They assumed that by making more and better information available, organisations would be able to improve. Not using certain performance information in this mindset could only be explained by bad intent and organisational ossification. In this chapter we wanted to challenge the idea that organisations will improve by just providing them with more and better performance information.

Organisations and their employees may be locked into a poor performance mindset. This mindset consists of a series of interpretations and beliefs about the organisation, its performance and its environment; and causal beliefs about the causes of and solutions for the present levels of performance. Such beliefs only offer space for certain information. Presenting a poor-performing organisation with new information will probably do little to challenge these beliefs.

Without pressure such as budgetary deficits or a low place in league tables, informational biases and organisations' understanding of their own performance may remain intact for a long time. Only new environmental pressures or personnel change may then start to challenge such a vicious consensus. Organisations need to overcome organisational and psychological thresholds to perceive, interpret and use information – especially information they do not like to see. Performance information can be a trigger for change, but the implementation of effective performance information systems often requires a great deal of organisational change. Functioning performance information systems cannot just be built upon an existing malfunctioning organisation. The success of performance information systems depends on the

clarity of the processes underlying it. Organisational deadlocks and dead ends will therefore probably also lead to information system deadlocks and dead end.

This makes the study of performance information and how it is used more than a technical study of performance information systems. The focus of research should be less on the performance information as such, on better performance information, or on the technicalities of performance information, but on the people using it and the organisation within which they are using it. Poorly performing organisations do not just do so because they don't know what is going on. Often, members of the organisation know very well where, and even why, the organisation is performing poorly. In some organisations, organisational SWOT and other types of analyses, organisational stories and narratives, and exposure to organisational failures repeatedly have made all too well visible what the problems are. The capacity or willingness to act on that information, and not the information itself, is then the key to change. Merely improving the quality and availability of information will then do little to improve organisational performance.

The value of new external information, such as performance indicators, inspection reports, or rankings is therefore not so much in the content of the information, but in the fact that it attracts the attention of organisational actors. Established routines and interpretations are challenged, and new, or existing, information becomes privileged in the thinking about organisational performance. External information, however, may also fail to attract new attention or to challenge routines. The credibility of the messenger may be low, competing interpretations may be omnipresent, or the information may simply be of low quality and little direct use.

Information audits help organisations to inspect the availability, production, perception, interpretation, and channelling of information in the organisation. Such audits map all existing information processes in an organisation, identify actors and channels, and compare the organisational reality to the desired situation. They help to uncover productive and unproductive routines, information processing structures including blockages, and duplications, and information use skills within the organisation.

Key messages

- More and better information does not guarantee it will be used; other dynamics of a psychological, institutional and political nature (power and interests) are at play.
- Potential users assess the quality of performance information often in a fundamentally different way than providers of performance information
- For users, quality depends on perceived truth and utility.
 - Truth assessments are based on other sources of evidence such as previous experience rather than on technical quality.
 - Utility is mainly determined by the information's problem solving capacity and potential for enlightenment rather than by its technical validity and reliability.
- Information use audits show organisations where, how and whether which information is used within the organisation
- Easily available information is not necessarily the best information
- Standardised information, for instance in performance indicators, is easy to use, but not always what an organisation needs

Reference List

- Askim, J. (2006). Local politicians as decision-makers: How important is performance information? Survey evidence from Norway. mimeo.
- Askim, J. (2008). Determinants of performance information utilization in political decision making. In W. Van Dooren & S. Van de Walle (Eds.), Performance information in the public sector: How it is used (pp. 125-139). Houndmills: Palgrave Macmillan.
- Audit Commission. (2008). In the know: Using information to make better decisions: A discussion paper. London: Audit Commission.

- Augoustinos, M., & Walker, I. (1996). Social cognition: an integrated introduction. London: Sage.
- Bazerman, M. H. (2002). Judgment in managerial decision making (5th ed.). New York: John Wiley & Sons, Inc.
- Beyer, J. M. & Trice, H. M. (1982). The Utilization Process: A Conceptual Framework and Synthesis of Empirical Findings. Administrative Science Quarterly, 27(4), 591-622.
- Broom, C. (1998). Performance Measurement Concepts and Techniques. Washington, DC: American Society for Public Administration.
- Cyert, R. M., & March, J. G. (1963). A behavioral theory of the firm. Englewood Cliffs, NJ: Prentice-Hall, Inc.
- Davies, H., Nutley, S., & Smith, P. (2000). Introducing evidence-based policy and practice in public services. In H. T. O. Davies, S. Nutley & P. Smith (Eds.), What works? Evidence-based policy and practice in public services (pp. 1-11). Bristol: The Policy Press.
- de Lancer Julnes, P., & Holzer, M. (2001). Promoting the utilization of performance measures in public organizations: An empirical study of factors affecting adoption and implementation. Public Administration Review, 61(6), 693-708.
- Ditton, J., Farrall, S., Bannister, J., & Gilchrist, E. (2000). Crime surveys and the measurement problem: Fear of crime. In V. Jupp, P. Davies & P. Francies (Eds.), Doing criminological research (pp. 142-156). London: Sage.
- Feldman, M. S., & March, J. G. (1981). Information in organizations as signal and symbol. Administrative Science Quarterly, 26(2), 171-186.
- Festinger, L. (1957). A theory of cognitive dissonance. Evanston, Ill.: Row, Peterson .
- Government Accounting Standards Board (1997). Performance measurement at the State and local levels: a summary of survey results. Washington, DC: GASB.
- Government Performance Project (2003). Paths to performance in State and local government. A final assessment from the Maxwell School of Public Affairs. Syracuse: Maxwell School of Public

Affairs.

Hatry, H. P. (1999). Performance Measurement: Getting Results. Washington, DC: Urban Institute Press

Herzog, R. J., & Claunch, R. G. (1997). Stories citizens tell and how administrators use types of knowledge. Public Administration Review, 57(5), 374-379.

Ho, A. T.-K. (2005). Accounting for the value of performance measurement from the perspective of Midwestern mayors. Journal of Public Administration Research and Theory, 16, 217-237.

Janis, I. L. (1982). Groupthink: Psychological studies of policy decisions and fiascoes (2nd ed.). Boston: Houghton Mifflin Company.

Janis, I. L., & Mann, L. (1977). Decision making: A psychological analysis of conflict, choice, and commitment. New York: The Free Press.

Jas, P., & Skelcher, C. (2005). Performance decline and turnaround in public organizations: A theoretical and empirical analysis. British Journal of Management, 16(3), 195-210.

Jones, B. D. (2003). Bounded rationality and political science: Lessons from public administration and public policy. Journal of Public Administration Research and Theory, 13(4), 395-412.

Jones, B. D., & Baumgartner, F. R. (2005). The politics of attention: How government prioritizes problems. Chicago: The University of Chicago Press.

Jones, B. D., & Williams, W. (2007). The politics of bad ideas: The great tax cut delusion and the decline of good government in America. Washington: Center for American Politics and Public Policy.

Katz, E., & Lazarsfeld, P. (1956). Personal influence: The part played by people in the flow of mass communications. Glencoe: The Free Press.

Learmonth, M., & Harding, N. (2006). Evidence-based management: the very idea. Public Administration, 84(2), 456-266.

- Lewin, K. (1947). Frontiers in group dynamics. Human Relations, 1(2), 5-41.
- March, J. G. (1987). Ambiguity and accounting: The elusive link between information and decision making. Accounting, Organizations and Society, 12(2), 153-187.
- March, J. G. (1988). Decisions and organizations. Oxford: Basil Blackwell Ltd.
- March, J. G., & Sévon, G. (1988). Gossip, information and decision-making. J. G. March (ed.), Decisions and organizations (pp. 429-442). Oxford: Basil Blackwell Ltd.
- Marra, M. (2000). How much does evaluation matter? Some examples of the utilization of the evaluation of the World Bank's anti-corruption activities. Evaluation, 6(1), 22-36.
- Mayston, D. (1985). Non profit performance indicators in the public sector. Financial Accountability and Management, 1(1), 51-74.
- Moynihan, D. P. (2005). Goal-Based Learning and the Future of Performance Management. Public Administration Review, 65(2), 203-216.
- Moynihan, D. P. (2006). What do we talk about when we talk about performance? Dialogue theory and performance budgeting. Journal of Public Administration Research and Theory, 16, 151-168.
- Moynihan, D. P. (2008). The dynamics of performance management: Constructing information and reform. Washington, D.C.: Georgetown University Press.
- Nutley, S., & Webb, J. (2000). Evidence and the policy process. H. T. O. Davies, S. M. Nutley, & P. C. Smith (eds.), What works? Evidence-based policy and practice in public services (pp. 13-41). Bristol: The Policy Press.
- OECD (2003). OECD/World Bank budget practices and procedures database. Paris: OECD.
- Osborne, D. & Gaebler, T. (1993). Reinventing government: How the entrepreneurial spirit is transforming the public sector from schoolhouse to statehouse, city hall to the Pentagon. Reading, MA.: Addison Wesley.
- Parsons, W. (1995). Public policy: An introduction to the theory and practice of policy analysis.

Cheltenham: Edward Elgar.

Poister, T.H. (2003). Measuring performance in public and nonprofit organizations. San Francisco, CA: Jossey-Bass.

Stewart, R. (2002). Evidence-based management: A practical guide for health professionals. Abingdon: Radcliffe Medical Press.

Tsoukas, H. (1997). The tyranny of light. *Futures*, 29(9), 827-843.

Tversky, A., & Kahneman, D. (1982). Judgment under uncertainty: heuristics and biases. D. Kahneman, P. Slovic, & A. Tversky (eds.), Judgment under uncertainty: Heuristics and biases (pp. 3-20). Cambridge: Cambridge University Press.

U.S. General Accounting Office (2000). Managing for results: Emerging benefits from selected agencies' use of performance agreements. Washington, DC.: General Accounting Office.

Van de Walle, S., & Bovaird, T. (2007). Making better use of information to drive improvement in local public services: A report for the Audit Commission. Birmingham: Institute of Local Government Studies.

Van de Walle, S., & Bovaird, T. (2008). In the know or out of the loop? Public Money and Management, 28(4): 196-8.

Van de Walle, S., & Roberts, A. (2008). Publishing performance information: An illusion of control? W. Van Dooren, & S. Van de Walle (eds), Performance information in the public sector: How it is used (pp. 211-226) . Houndmills: Palgrave.

van Dooren, W. (2005). What makes organisations measure? Hypotheses on the causes and conditions for performance measurement. Financial Accountability & Management, 21(3), 363-383.

Van Dooren, W. (2006). Performance measurement in the Flemish public sector: a supply and demand approach. Leuven: Faculty of Social Sciences, diss. doct.

Van Dooren, W. (2008). Nothing new under the sun? Change and continuity in the 20th century performance movements. W. Van Dooren, & S. Van de Walle (eds), Performance information

in the public sector: How it is used (pp. 11-23). Houndmills: Palgrave.

Van Dooren, W., & Van de Walle, S. (eds) (2008). Performance information in the public sector: How it is used. Houndmills: Palgrave.

Walsh, J. P. (1988). Selectivity and selective perception: An investigation of managers' belief structures and information processing. Academy of Management Journal, 31(4), 873-896.

Wang, X. & Berman, E. (2000). Hypotheses about performance measurement in counties: findings from a survey. Journal of Public Administration Research and Theory, 11(3), 403-428.

Webber, D. J. (1991). The distribution and use of policy knowledge in the policy process. Knowledge and Policy, 4(4), 6-35.

Weiss, C. H. (1979). The many meanings of research utilization. Public Administration Review, 39(5), 426-431.

Weiss, C. H. (1980). Knowledge creep and decision accretion. Knowledge: Creation, Diffusion, Utilization, 1(3), 381-404.

Weiss, C. H. & Bucuvalas, M. J. (1980). Truth tests and utility tests: Decisionmakers' frames of reference for social science research. American Sociological Review, 45(2), 302-313.

Weiss, J. A., Gruber, J. E., & Carver, R. H. (1986). Reflections on value: policy makers evaluate federal information systems. Public Administration Review, 46, 497-505.