



The quest for effective regulatory enforcement

A goal-displacement perspective

KEES HUIZINGA

**THE QUEST FOR EFFECTIVE REGULATORY ENFORCEMENT
A GOAL-DISPLACEMENT PERSPECTIVE**

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THE QUEST FOR EFFECTIVE REGULATORY ENFORCEMENT

A goal-displacement perspective

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1. INTRODUCTION

What defines optimally effective enforcement? This apparently simple question has given rise to extensive debate over the course of many decades. This study seeks a better understanding of regulatory enforcement effectiveness by taking a negative approach: it focuses on regulatory enforcement *ineffectiveness*. It does so by using the concept of goal displacement, that is, situations in which the agency's alignment with the original goals is severely or completely impaired. More specifically, this study conceptually and empirically investigates in what ways and to what extent regulatory enforcement goals may be displaced. In addition, it sets out to identify immediate precursors and reinforcing circumstances, and, if any, underlying causes of this phenomenon in these agencies.

This opening chapter begins by discussing some of the main, persistent issues of the debate on regulatory enforcement effectiveness (1.1). Considering these issues, it is argued that situations of ineffectiveness might be more prevalent than assumed and that the concept of goal displacement might be a useful tool to investigate such situations (1.2). Subsequently, general methodological aspects of this study are described, specifically the research questions (1.3), the general methodological approach (1.4), and the structure of the study (1.5).

1.1 THE QUEST FOR EFFECTIVE REGULATORY ENFORCEMENT

Public enforcement agencies traditionally contribute to the effectuation of regulations by inspecting and, if necessary, by intervening in the affairs of regulated organizations, thereby contributing to the realization of the social benefits intended by the regulations (Gunningham, 2011; Oded, 2013).¹ They work by exerting "social control," defined by (Clark, 1926, p. 8) as any instance when the "individual is forced or persuaded to act in the interest of any group of which he is a member rather than in his own personal interest."² There is evidence, although often overlooked, that regulated organizations, stimulate innovation in response to this type of social control (Ashford & Hall, 2011a; Porter & Vander Linde, 1995).³

The importance of regulatory enforcement is widely recognized by regulatory scholars and politicians alike. Oded (2013, p. 4) asserts that regulatory enforcement is a "key aspect of every regulatory system." Gunningham (2011, p. 170) states that "[f]or legislation to 'work' it must not only be well designed but also effectively implemented and enforced." The US politician Warren (2018, p. 29) even claims: "Enforcement isn't about big government or small government. It is about whether government works and who it works for."

1.1.1 Areas of debate

In contrast to the widespread and enduring appreciation of the importance of regulatory enforcement, there is an ongoing discussion on what an optimal state of the art would look like in terms of effectiveness and efficiency. At least three main areas of debate can be distinguished.

A first area of debate pertains to the question of where it is best to allocate resources and which sectors and regulated organizations to target for inspection. According to Gunningham (2011, p. 170) “there is now something approaching consensus that the best way to allocate scarce regulatory resources is through risk-based regulation.” However, vulnerabilities have been identified. Calamities or major accidents may lead political actors to completely sweep away risk-based allocations of resources and order far-reaching reallocations (Carrigan & Coglianese, 2012). Moreover, Tombs and Whyte (2012) point out a key contradiction associated with the use of risk analyses. Less frequent inspections of regulated organizations following risk analyses may eventually lead to a deterioration of the quality of those risk analyses, as (p. 73) “data gathered in previous visits or contacts are crucial within risk-based targeting.” Risk-based enforcement thus inherently bears the danger of a “tunnel vision” regarding risks.

A second, much more intensive area of dispute pertains to the issue of how to intervene in the affairs of regulated organizations to ensure compliance and facilitate enforcement. In this area, “there is nothing remotely approaching consensus in terms of how it should be best determined” (Gunningham, 2011, p. 171). This has helped spawn a considerable variety of new enforcement approaches, such as responsive regulation, systems-oriented regulation, meta-regulation, trust-based approaches, and the use of private regulation as part of public regulation (Gunningham, 2011; WRR, 2013). A number of reasons can be given that may help explain the intensity of this second area of debate and the resulting divergence of approaches.

A first reason is the existence of pronounced ideological differences; more specifically, the deeply opposing ideological underpinnings of the two classical schools of enforcement, that is, deterrence-based enforcement and cooperation-based enforcement. The ways in which these opposing enforcement approaches may have disappointing or even counterproductive effects have been described extensively in this literature, such as applying aggressive, uncompromising measures or by “capturing” enforcers by regulated organizations (Oded, 2013; Tyler, 2011).

A second reason to develop new enforcement approaches is the increased desire to integrate organizations' self-regulation efforts into the operations of regulatory enforcement agencies for example by developing business ethics and integrity management. Several scholars have observed positive tendencies in this respect. For example, Nieuwenboer and Kaptein (2008, p. 139) assert that, "In today's business, values-based management rather than compliance-based management is increasingly popular." According to Stucke (2014, p. 81), the main reason behind a values-based approach is that it makes sense from a business point of view: ethics and compliance leaders are "increasingly seeing an ethical culture as key to driving long-term business value" (2014, p. 82). Such changes seem to necessitate a modified approach to enforcement. Rather than curbing social undesirable behavior, it would seek to assess the functioning of these internal countervailing systems and if necessary stimulate them.

A third reason, closely linked to the previous one, is constituted by persistent budget cuts exerted upon public regulatory enforcement agencies in the past few decades. These were often based on the notion of the growing responsibilities of corporations, on deregulation policies, and, closely linked to these, on the perceived efficiency gains related to a risk-based approach, which means allocating resources to those areas associated with the highest risks (Tombs & Whyte, 2012; WRR, 2013). Based on a thorough investigation of the enforcement field in the Netherlands, the Dutch Scientific Council for Government Policies (Wetenschappelijke Raad voor het Regeringsbeleid, WRR) concludes that the surge in innovative enforcement approaches it observes is mainly driven by budget cuts and financial targets (WRR, 2013).

A fourth reason is the phenomenon of the pendulum swinging back. Widespread corporate scandals involving the manipulation of accountancy rules, as illustrated by the fall of Enron in 2001 (Deakon & Konzelmann, 2004) and, more recently, the manipulation of software in diesel-fueled cars by Volkswagen (Mansouri, 2015), have clearly diminished public trust. These and other scandals in the past two decades seem to confirm that traditional public regulatory enforcement must still be considered an indispensable tool for protecting public interests. This is reflected by the growing importance attributed to public regulatory enforcement by societal stakeholders who have increased their expectations of the performance of regulatory enforcement agencies in recent decades in various fields, such as environment, finance, and health care. This is especially clear in the aftermath of scandals, such as those just mentioned, or in the aftermath of major accidents and calamities, which are increasingly characterized by considerable societal confusion and anger, the latter fueled by the perception of the insufficient performance of regulatory enforcement

agencies. Consequently, pressure is exerted on enforcement agencies to adapt their approaches to increase effectiveness (Carrigan & Coglianese, 2012; Trappenburg & Schiffelers, 2012).

Finally, a general trend that can be observed within enforcement agencies is to bring upon social benefits in a more direct way by focusing on problems rather than regulations. This is usually referred to as problem-oriented enforcement (e.g. Schäfer & Houdijk, 2012; Sparrow, 2000). Although it is not clear how dominant this approach will ultimately become, experiences so far indicate that even in agencies strongly promoting this approach, regulations continue to be indispensable instruments in their toolbox (Mertens et al, 2015; but see also Subsection 3.4.3 of this study).

Interestingly, the diversity in enforcement approaches has led to a third, less visible area of dispute which centers around the following question: should one enforcement approach be used or is it better to customize the approaches in different situations and contexts? Despite the diversity of enforcement approaches, a generally strong tendency among enforcement agencies can be observed to apply what they consider “one-size-fits-all” solutions regarding general enforcement strategies (Gunningham, 2011) or techniques (Perez, 2014). Obviously, “one-size-fits-all” approaches, may have the advantage of devising and conducting relatively lean enforcement processes, permitting enforcement agencies to be managed as production facilities. In more general terms, a strong focus on formalization and a uniformity of methods have been associated with New Public Management (Van de Walle, 2014). However, such approaches risk to prove ineffective in substantial numbers of situations encountered by enforcers that demand alternative approaches for better compliance responses (Gunningham, 2011). Moreover, “one-size-fits-all” approaches risk to become autonomous, meaning processes may become decoupled from policy objectives (Perez, 2014).

1.1.2 The lack of effect evaluations

Probably one of the most important factors hindering the effectiveness debate is the lack of scientific guidance, or, if available, the application of such guidance. The Dutch Scientific Council for Government Policies expressed its concern that while new enforcement approaches are developed and introduced at full scale, relatively little is known about their effectiveness (WRR, 2013). According to this Council, enforcement agencies and their political authorities often assume that these new approaches are not only cheaper and have a smaller administrative burden, but that they are also as effective as the old, without providing solid effect evaluations providing evidence of the latter.

Not surprisingly, a main recommendation of this Council is the stimulation of a results-oriented culture and an improved infrastructure for a stronger scientific basis and evaluation of regulatory enforcement (WRR, 2013). The importance of this recommendation is reflected by a range of studies published in the past two and a half decades, showing the severe shortcomings of old and new approaches to regulation and enforcement. Of particular importance are retrospective effect evaluations of enforcement approaches. Such evaluations show that scientific research can provide guidance for the quest for enforcement effectiveness: they contribute to a better understanding of the effectiveness and efficiency of these approaches and provide clues as to how to improve enforcement. For example, Tombs and Whyte (2013) relate the dramatic consequences of deregulation efforts on workers' health and safety in the United Kingdom. Coglianese and Nash (2016), by means of a thorough effects evaluation, show the very limited and even counterproductive effects of voluntary programs in environmental governance in the USA. Short and Toffel (2010) conclude the following from an extensive examination of USA industrial facilities concerning self-regulation aimed at environmental protection: "Taken together these findings suggest that self-regulation may be a useful tool for leveraging the normative motivations of regulated organizations, but that it cannot replace traditional deterrence-based enforcement" (p. 361).

Unfortunately, such retrospective effect evaluations of enforcement strategies and methods are scarce. To date, no substantial base of knowledge of effect evaluations has been established, which can be mainly attributed to the complexity of such studies and consequently considerable costs to conduct them. Moreover, their results are sometimes ambiguous (Welp et al., 2015). Although innovative forms of effect evaluations have been proposed and applied (Bull, 2015; Welp et al., 2015), it remains to be seen if retrospective effect evaluations will ever serve as a robust guidance to increase regulatory enforcement effectiveness.

1.2 A GOAL-DISPLACEMENT PERSPECTIVE

As becomes clear from the previous section, the debate on regulatory enforcement effectiveness is characterized by multiple areas of ongoing dispute and by a lack of guidance from effect evaluations. It may therefore not be surprising that the field of regulatory enforcement is fragmented; rather, it can be characterized as a patchwork of numerous and varying approaches to enforcement, all with specific strengths and weaknesses. Obviously, such a patchwork of approaches may be necessary to match the complicated realities of enforcement situations encountered in practice.

However, due to the substantial lack of effect evaluations, enforcement agencies and their political authorities are left with relatively great discretion in terms of deciding what they consider to be optimal approaches. Consequently, convictions of perceived effectiveness based on factors such as organizational habits and culture, managerial preferences, and popular trends may well be decisive in selecting enforcement approaches and, even more importantly, in clinging on to them.

The menace posed by relying on such factors is that discrepancies may arise between, on the one hand, the effectiveness of enforcement approaches as perceived by regulatory enforcement agencies and their political authorities, and on the other hand, the actual effectiveness of these approaches. Taking into account that effect evaluations, the main instrument to prevent such discrepancies, will very probably remain scarce, the question arises whether any alternative guidance may be found to minimize the risk of such discrepancies. Stated in more ambitious terms: in response to the patchwork-like character of the current field of regulatory enforcement, could something approaching a framework be devised that would provide basic structure and guidance to avoid situations of substantial *ineffectiveness*? The underlying idea is that, in the absence of adequate feedback, acting vaguely right in terms of effectiveness may be considered a substantial achievement. The latter would certainly be preferable to approaches that give an impression of effectiveness by facilitating precise, quantifiable operations and outputs, but that are nevertheless highly ineffective.⁴

This study focuses on a category of discrepancies between perceived and actual effectiveness that may be especially consequential. These are discrepancies between the perceived and actual level of goal alignment. Remarkably, enforcement goals as such have not attracted much attention in the existing literature.⁵ The reason appears to be the widely held perception that these goals are relatively straightforward and simple in nature, as can be extracted from the limited passages in the literature dealing with those goals. It may therefore not be surprising that the subjects of goal alignment and shortcomings in goal alignment are practically absent in this literature. In line with the perceived simplicity of the goals, goal alignment is apparently perceived as unproblematic and therefore irrelevant in relation to the issue of effectiveness.

Consequently, in order to investigate the potential relevance of the discrepancies between the perceived and actual level of goal alignment, a relatively unknown territory had to be explored in this research. For the characterization of enforcement goals this was initially done by extracting a number of general characteristics from the literature (see Chapter 2), and later on in this study, by using the concept of goal ambiguity.

The latter concept appears suitable to “catch” the rather specific characteristics of enforcement goals (see Chapter 5).

In order to investigate potential deviations from goal alignment, the concept of goal displacement is used, which is a concept that was introduced more than a century ago within the field of sociology and specifically in the study of political parties (Michels, 1911/1949). A definition reflecting its current interpretation as emerges from the literature is as follows (see also Chapter 2):

Goal displacement refers to a discrepancy between the legally or otherwise established or agreed goals and the actual goals pursued by an organization. It includes both the process of the displacement of goals and its result, that is, the situation of goals being displaced.

Thus, a negatively charged concept is used in this study to approach effectiveness, as high levels of goal displacement generally imply low, zero, or even negative levels of effectiveness. Thus, goal displacement generally means *ineffectiveness* when using the original goals as a reference. Consequently, by using this concept, effectiveness is approached by seeking to increase insight into what it is not. As will be shown in this study, the concept of goal displacement facilitates gaining insight into the intricate, interwoven, and dynamic relation between effective and ineffective enforcement, which appears to be of crucial importance for a better understanding of enforcement effectiveness.

In order to understand why the concept of goal displacement may offer an interesting new perspective on the quest of effective enforcement, it is worth taking a closer look at the relationship between effectiveness and goal alignment. This can be illustrated using the example of an archer trying to hit a bullseye. An arrow hitting the bullseye is released with both perfect alignment with the bullseye (the goal) and with sufficient force to reach and penetrate the bullseye. The two main components of effectiveness are thus goal alignment and strength. A lack of goal alignment will generally result in a very small chance of hitting the bullseye and is therefore ineffective.⁶ And in the case of a lack of strength, resulting in an insufficient velocity, the arrow will also fail to hit the bullseye. The metaphor of the archer shows that goal alignment is a necessary, but not a sufficient, cause of effectiveness. In an organizational context, this can be translated as follows: if substantial deviations from goal alignment (i.e., if goal displacement can be identified), it is highly probable that the effectiveness of that organization will be negatively affected. Similarly, insufficient organizational power,

such as a lack of adequate capacity or measurement technology, will also negatively influence effectiveness.

In the following sections, a number of general methodological aspects pertaining to this study are discussed. A more detailed description of specific methodologies used, especially those related to the empirical studies, is provided in the subsequent chapters.

1.3 RESEARCH QUESTIONS

This study sets out to develop a goal-displacement perspective on public regulatory enforcement. By investigating if, how, and why any goal displacement in these agencies takes place, it seeks to increase the insight into the complicated issue of the effectiveness of enforcement.⁷ Correspondingly, an overarching research question and three main research questions emerge:

The overarching research question is:

To what extent can a goal-displacement perspective on regulatory enforcement agencies contribute to a better understanding of regulatory enforcement effectiveness?

The main research questions are:

1. *Can regulatory enforcement agencies be affected by goal displacement? And if so:*
2. *What types of goal displacement can affect these agencies?*
3. *Why can goal displacement affect regulatory enforcement agencies?*

In this research, a generalized approach to regulatory enforcement is taken. While it is obvious that there is a very considerable degree of variation between enforcement agencies, the basic similarity in their goals (i.e., promoting compliance and reaching regulations' outcomes) is deemed to provide a sufficient basis for a generalized approach to goal displacement. Thus, this study seeks to develop a generalized goal-displacement perspective on regulatory enforcement agencies. This general perspective can be used to study goal displacement in individual enforcement agen-

cies. Obviously, differences between agencies are expected to exist in terms of their vulnerability to goal displacement and the forms wherein it is expressed. Indications for such differences emerge from the empirical studies described in this study.

In addition, this research focuses on goal displacement affecting the organization as a whole, or major parts of it, such as organizational units or programs, taking the official organizational goals as a reference. It does not consider differences in goals at the level of individuals or groups of individuals within the organization, although the author is aware of the possible relevance of these issues, as described, among others by Downs (1967) or Lipsky (1980). (See also Section 6.4 Boundaries and limitations of this research and suggestions for further research).

1.4 GENERAL METHODOLOGICAL ASPECTS

This section first discusses the general approach followed and the key concepts used. It then considers the study's phasing.

1.4.1 General approach and key concepts

This study is about theory building, specifically regarding the subject of regulatory enforcement effectiveness. According to Langley (1999, p. 708), "theory building involves three processes: (1) induction (data-driven generalization), (2) deduction (theory-driven hypothesis testing), and (3) inspiration (driven by creativity and insight)." This study follows an induction-deduction-induction pattern, spiced by a dose of inspiration.

First, generalizations are formulated based on the literature. Then, these generalizations are tested in empirical studies. Finally, a refined round of induction is started, among others based on the insights emerging from the empirical studies. The reason to follow this specific pattern is that the wealth of data available in the regulatory literature permits to elaborate a first inductive phase. To probe deeper into the concepts and frameworks as developed in this first phase, a deductive phase was deemed a logical next step. Subsequently, the findings of the empirical studies facilitated a deeper understanding of the phenomenon of goal displacement, thereby paving the way for another inductive phase which serves to further elaborate and strengthen the goal-displacement perspective.

The study revolves around two important concepts, goal displacement and goal ambiguity. The concept of goal displacement, which, over the course of more than a

hundred years, has become something of a catch-all term referring to any movement away from an articulated goal under any circumstances. To make it more practicable for research ends, an effort was made in the early phases of this research to more explicitly distinguish basic forms of displacement, resulting in a base typology (see also Subsection 1.4.2). Moreover, for the case of regulatory enforcement goals, the theoretical notion of the modality of displacement is introduced. These notions facilitated the research into this phenomenon in this study.

In comparison to goal displacement, more precise definitions have been formulated for the concept of goal ambiguity. Moreover, multiple research lines can be distinguished. This clarity can be mainly attributed to the work of Rainey and other scholars working on this phenomenon (Chun & Rainey, 2005a; Rainey, 1995). Although the definitions of the various dimensions of goal ambiguity are explicitly used as a starting point, an effort has been made to interpret these dimensions in the case of regulatory enforcement goals.

By elaborating on both concepts to optimally apply them to regulatory enforcement goals, it was possible to meaningfully relate the two concepts in the later parts of this study. This relation turns out to be especially important in answering the third research question why goal displacement occurs and also in answering the overarching research question, which is to increase insight into enforcement effectiveness by means of the concept of goal displacement.

1.4.2 Phases and general approach in each phase

Corresponding to the general pattern of induction-deduction-induction as indicated above, a three-phase approach was followed as specified below:

Phase 1: Preliminary conceptual exploration

Phase 2: Empirical exploration

Phase 3: Extended and deepened conceptual exploration

The preliminary conceptual exploration (phase 1) took into account all three research questions. Starting from a number of general considerations regarding regulatory enforcement goals suggesting a certain vulnerability to goal displacement, an inventory of possible sorts of goal displacement was conducted. Starting from a base typology that was first developed in this phase, a careful analysis of existing literature was conducted. The purpose of this analysis was to identify types of goal displacement of

potential relevance for regulatory agencies and collect indications of their occurrence. As the concept of goal displacement is only scarcely encountered in the regulatory literature, the search was aimed more broadly at identifying situations of suboptimal goal alignment in general and situations of disappointing and counterproductive effectiveness that could be linked to a clear lack of goal alignment in particular. Moreover, major contributing factors (immediate causes) of the types of goal displacement extracted from the literature were identified. The literature consulted included not only specific literature on goal displacement, regulation, and enforcement, but also more general literature regarding bureaucracy, management, and high reliability organizations such as first aid teams, fire brigades, and airlines, among other topics.

The empirical research (phase 2) following this preliminary phase consisted of a two-step qualitative exploration. First, a general exploration covering all major regulatory enforcement agencies in the Netherlands was carried out. Second, one of these agencies was selected for an in-depth study. Detailed methodological information in terms of data collection, data analysis, and reporting is provided in the chapters covering these empirical studies. These empirical studies also take into account all three research questions. Although these studies were set up and conducted using the insights gained in the previous phase, care was taken to avoid any forced retrofitting of the results. It is referred to the methodological subsections of the empirical chapters.

In the third phase, based on the results of phases 1 and 2, an extended and deepened conceptual exploration was conducted. Focusing on the third research question, a better understanding of the underlying causes of goal displacement was sought. Of pivotal importance in this phase is the concept of goal ambiguity and the analysis of enforcement goals using this concept. Based on this analysis, an explanatory framework was developed that covered the various types of goal displacement and their underlying and immediate causes as well as their interaction. Thus, this phase set out to provide a more thorough analysis of enforcement goals using literature on goal ambiguity, a broad spectrum of (regulatory) literature, and the results and insights gained during the empirical studies, followed by a synthetic process of constructing an explanatory framework.

1.5 THE STRUCTURE OF THE STUDY

Table 1.1. shows the structure of this study. The inner logic follows the phases as described in the previous subsection. The foundations of a goal displacement per-

spective on regulatory enforcement agencies are laid out in Chapter 2 by proposing a typology of goal displacement and by conducting an inventory of indications of goals displacement based on this typology, the latter resulting in a variety of types of goal displacement. A refinement of this typology as well as the immediate causes of goal displacement is elaborated in Chapter 3, which is based on an exploration among all major Dutch regulatory enforcement agencies. The results of a case study at one of these agencies, including the indications found for goal-displacement types and the contributing factors as identified for these phenomena, are described in Chapter 4.

Table 1.1: Structure of this study

Chapter	Issue (phase)	Scope of chapter	Publication
1.	Introduction:	Embeds this research in regulatory literature and elaborates methodological aspects	-
2.	Conceptual research (Phase 1)	Develops a goal-displacement perspective on regulatory enforcement agencies	Huizinga, K. & De Bree M. A. (2017). Doelverschuiving in toezichthoudende organisaties: typologie en optreden*. <i>Tijdschrift voor Toezicht</i> 8 (1), 35–46.
3.	Empirical research (Phase 2)	Empirically explores and refines the goal-displacement perspective by means of qualitative research covering all major Dutch regulatory enforcement agencies	Huizinga, K. (2022). Indications of goal displacement in regulatory enforcement agencies: An empirical exploration. <i>Administration & Society</i> , 54(8), 1572-1600.
4.	Empirical research (Phase 2)	Elaborates an in-depth goal-displacement perspective on one enforcement agency (case study)	Huizinga, K. Goal displacement induced by budget cuts and output management: A case study of regulatory enforcement. Accepted for publication in the Summer 2023 issue of <i>Journal of Law and Society</i> .
5.	Conceptual research (Phase 3)	Proposes an explanatory framework using the concept of goal ambiguity	Huizinga, K. & De Bree, M. A. (2021). Exploring the Risk of Goal Displacement in Regulatory Enforcement Agencies: a Goal-Ambiguity Approach. <i>Public Performance and Management Review</i> , 44(4), 868-898.
6.	Discussion	Discusses findings and managerial implications including a strategy to contain goal displacement	-

.*Goal displacement in regulatory enforcement agencies: typology and indications

Whereas Chapters 2 to 4 focus on research questions 1 and 2, as well as 3 as far as immediate causes are concerned, Chapter 5 provides a comprehensive analysis

of the origins of goal displacement within regulatory enforcement agencies, thereby addressing research question 3 (see Section 1.3). This chapter explores the possible underlying determinants of goal displacement in these agencies. Based on this analysis, an explanatory model of goal displacement in public regulatory enforcement agencies based on the specific goal properties of these agencies is proposed. This chapter also addresses the overarching research question. Thus, Chapters 2, 3, and 4 provide the basis for the framework presented in Chapter 5, which must be considered the key chapter of this study.

It should be noted that Chapters 2 and 5 complement each other in terms of the analytical framework developed, but there is some minor overlap. This overlap includes the description of goal characteristics and the description and definitions of the various types of goal displacement as identified in this study. Nevertheless, both chapters have clearly distinct perspectives. In Chapter 2, based on a general typology of goal displacement, indications for the occurrence of each of these types in existing literature are collected, whereas an explanatory framework of goal displacement in regulatory enforcement agencies is proposed in Chapter 5. In this latter chapter, a much more detailed analysis of regulatory enforcement goals using the concept of goal ambiguity is used as a basis for this explanatory framework. Whereas Chapter 2 identifies several immediate causes of goal displacement, Chapter 5 proposes an integrated framework, including both immediate and underlying causes and their interaction.

Chapter 6 discusses the findings of this study. It does so in the first place by answering the research questions. Secondly, it identifies the contributions of this study. Thirdly, it discusses boundaries and limitations, and proposes avenues for further research. Finally, it addresses managerial implications. In addition to a number of general managerial implications, a strategy aimed at the mitigation of goal displacement in regulatory enforcement agencies is presented. A few pages are dedicated to this latter issue, as this study would leave a somewhat one-sided and open-ended impression on the reader if it exclusively focused on the pitfalls of effectiveness without providing at least some clues as how to possibly mitigate them. Moreover, the containment strategy proposed appears to naturally flow from the conceptual and empirical explorations of this study. As such it complements and completes the goal-displacement perspective on regulatory enforcement effectiveness.

NOTES

1. A useful definition encompassing and detailing these activities has been provided by the Organization for Economic Co-operation and Development (OECD). Regulatory enforcement is defined as (OECD, 2014, p. 11): "all activities of state structures (or structures delegated by the state) aimed at promoting compliance and reaching regulations' outcomes." These outcomes include (p. 11) "lowering risks to safety, health and the environment and ensuring the achievement of public goods such as state revenue collection, safeguarding certain legally recognized rights, ensuring transparent functioning of markets, etc. These activities may include: information, guidance and prevention; data collection and analysis; inspections; enforcement actions in the narrower sense, i.e. warnings, improvement notices, fines and prosecutions etc. To distinguish the two meanings of enforcement, "regulatory enforcement" will refer to the broad understanding and 'enforcement actions' to the narrower sense."
2. One of the first scholars to write extensively on the importance of regulating enterprises in a free market was the American economist John Maurice Clark. In his book *Social Control of Business*, Clark describes the necessity of the social control of enterprises (Clark, 1926). In his view, a totally free market does not sufficiently address the negative societal consequences of private enterprise, as free enterprises generally do not take into account the fact that their interests do not coincide with those of society at large. A *countervailing power* is therefore needed to force them to protect those societal interests. Regulation is an important instrument for institutionalizing this power in many realms of society. An adequate enforcement of regulation is generally a pivotal component of that power (Sharfman, 1947).
3. In regard to the effectiveness of various government interventions collectively known as "industrial policy," studies from as early as 1978 have found that the only government policy that positively affected innovation was, in fact, health, safety, and environmental regulation rather than strategies devised by a government as part of its industrial policy (Allen et al., 1978; Ashford & Hall, 2011a, 2011b). Ashford and Hall, who have extensively studied the links between on the one hand environmental and health & safety regulation and on the other hand innovation, assert that "There is ample evidence that the most significant driving force for technological change identified by business managers is environmental regulation and enforcement" (Ashford & Hall, 2011a, p. 274). They continue by arguing that "Well-designed regulation that sets new rules changes the institutional framework of the market. It can thus be an important element in creating favorable conditions for innovation that will enhance environmental sustainability and create incentives for the development of powerful lead-markets, which pull innovation towards that sustainability" (Ashford & Hall, 2011a, p. 279). This view, focusing on increase competitiveness, is also expressed by Porter and his Porter Hypothesis, see for example Porter & Van der Linde (1995).
4. These notions allude to Read's (1920) recommendation that "*It's better to be vaguely right than to be exactly wrong*," See also Chapter 6.
5. Some general definitions of enforcement goals can be found, such as "to achieve that degree of compliance with the rule of prescribed (or proscribed) behavior that the society believes it can afford" (Stigler, 1970, p. 526), and, in the same vein, "the agency's objective is to minimize the frequency of violation, subject to a fixed enforcement budget" (Harrington, 1988, p. 33). Interestingly, neither definition elaborates on where to concentrate efforts to achieve compliance or on alternative ways of interpreting compliance, but instead focus on compliance levels at the lowest cost. Apparently, effectiveness, interpreted straightforwardly by these scholars as compliance, is of secondary importance with respect to efficiency, interpreted as maximum compliance to cost ratios. In addition, a number of papers provide definitions of enforcement goals for specific fields. For example, Gray and Scholz (1991) define the goal of the US Occupational Health and Safety Administration (OHSA) enforcement as a reduction in the number of injuries. According to Wils (2003), the goal of antitrust enforcement is to ensure that antitrust prohibitions are not violated and that the anticompetitive effects which the

- antitrust prohibitions aim to avoid are indeed avoided. Finally, a number of papers refer to enforcement goals, but do not specify what they are (e.g., Jones & Scotchmer, 1990).
6. However, that chance is not zero for at least two reasons. First, effective action may not necessarily be the consequence of an action that was carefully aimed at the goal. A large number of arrows shot by a very inexperienced archer may ultimately result in a successful hit on the bullseye. In an organizational context, this could be translated to a situation in which broad, sweeping actions may have several separable effects, leading to the simultaneous attainment of several goals. In general, however, it may be assumed that organizations significantly lacking in goal alignment will, like the inexperienced archer, be ineffective most of the time. Moreover, these organizations will generally be highly inefficient. Second, goal displacement may not affect the agency as a whole. For example, a situation may be encountered where management, urged by political authorities change their course to what turns out to be displaced goals, but a majority of enforcers more or less continue their well goal-aligned activities as they used to (See also Subsection 6.4.2 Suggestions for further research).
 7. This study focuses both on agencies exclusively entrusted with enforcement and on the enforcement activities of agencies entrusted with several phases of the regulatory process, such as rulemaking, enforcement, and evaluation. Regulatory enforcement as used throughout this study includes criminal enforcement investigations involving police and judicial powers. However, it excludes more general law enforcement activities and order maintenance carried out by the police.



2. Goal displacement in regulatory enforcement agencies: typology and indications

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ABSTRACT

In this conceptual chapter, goal displacement in regulatory enforcement agencies is explored. Three base types of goal displacement are distinguished: goal diversion, goal narrowing and goal widening. Indications of each of these base types in regulatory enforcement agencies are described. It is concluded that goal displacement may substantially decrease the effectiveness of these agencies.

2.1 INTRODUCTION

The goals of regulatory agencies as established by law or official policies may differ from the goals that are actually pursued. This may be a conscious, strategic choice of the goal setters: goals may have predominantly symbolic significance or they may be set unrealistically high or low (Hoogerwerf & Herweijer, 2003). Alternatively, goals may gradually and unconsciously change with respect to the original goal, during agency operations. Realization of the original goal therefore usually diminishes. In this case, the agency is subject to goal displacement (Warner & Havens 1968).

Goal displacement, as originally defined by Michels in 1911, is the phenomenon wherein the original and often idealistic goals of an organization are displaced by goals for the maintenance and enlargement of the organization and its leadership (Michels, 1911/1949; Slattery, 2003). Later studies of goal displacement include not only this type of goal displacement but a broader spectrum of goal changes in organizations (Abramson, 2009). It was commonly found in these studies that the original goals, as legally or otherwise established, were formally preserved, but the actual goals pursued had been changed. In this study, we define goal displacement as follows: goal displacement in an organization is the phenomenon wherein a discrepancy arises between the legally or otherwise established or agreed goals and the actually pursued goal.

One characteristic of goal displacement is its incremental and intangible nature. In most cases described in the literature, the work force and management remain convinced that they are pursuing the original goal, while the actual goal has clearly been displaced (Abramson, 2009; Kerr, 1975). The reasons for goal displacement most commonly described in the literature are the abstraction and complexity of the original goals, and closely related to this, the intangibility of goal realization (Warner & Havens, 1968).

Bohte and Meier (2000, p. 174) observe that "virtually no research has systematically evaluated how goal displacement influences the performance of public agencies", although the risk of goal displacement in these agencies may be high, according to these authors. In general, the performance of government organizations is hard to evaluate, leading to performance evaluations based on output rather than outcomes, which may lead to goal displacement. This observation, made in 2000, still holds, as only a limited number of studies on goal displacement in government organizations have been published since then (e.g. Resh & Marvel, 2012). It should be noted, however, that there is a rich literature on counterproductive working methods and mechanisms

in government agencies. Several of the phenomena observed in these studies may be considered goal displacement, although they are not referred to as such. An example involves the phenomenon of performance management within police organizations, specifically, the use of performance indicators, which may lead to reverse and unintended effects (Terpstra & Trommel, 2004). A second example involves resocialization programs in penitentiaries. Detainees in weak social-economic positions were shown to be disadvantaged in obtaining resocialization treatment compared to those with stronger social-economic positions, although success rates were not significantly lower (Nelissen, 2001). Goals seem to be displaced in these examples. In the first example, performance indicators have become an end in themselves, and in the second example the goal of resocialization was narrowed by systematically excluding a group of detainees.

The value of using the concept of goal displacement may be to provide a more systematic picture of various disappointing or even counterproductive effects of government agency activities. Regulatory enforcement agencies may be especially interesting, as they have to deal with political forces and expectations on the one hand, and the difficult reality of everyday enforcement practice on the other hand.

There are three aspects to the research question underlying this chapter. First, does a closer look at regulatory enforcement agency goals reveal characteristics that indicate goal displacement could affect these agencies? Second, what types of goal displacement can be discerned? Third, what indications of the occurrence of these types of goal displacement can be found in the literature?

2.2 THE REGULATORY ENFORCEMENT GOAL AND BASE TYPES OF GOAL DISPLACEMENT

Before exploring possible sorts of goal displacement within regulatory enforcement agencies, we take a closer look at the goal of regulatory enforcement agencies. Then we propose a general typology of goal displacement and discuss how these base types may negatively affect the effectiveness of these agencies.

2.2.1 Definition and characterization of the regulatory enforcement goal

At first glance, the goal of regulatory enforcement agencies seems to be very clear: accomplishing full compliance with the regulations by the regulated organizations. Goal displacement might therefore seem insignificant, however, the ultimate goal is

not compliance in itself, but the enduring changes in behavior implied in compliance, which, in turn, contribute to the protection of public interests (Welp et al., 2015). Enforcement thus ultimately aims to protect public interests, such as a safe and sustainable environment or the quality of health care.¹ The goal of regulatory enforcement involves two consecutive components. The first component is the assessment of the degree to which enduring changes of behavior have been implemented by the regulated organization. These are changes of behavior as intended by regulatory requirements concerning activities or entities, such as requirements to reduce the emissions of polluting substances at a production facility. The second component of the goal of enforcement becomes relevant depending on how far the organization's implementation of these regulations is considered insufficient by the enforcer, which is to move the regulated organization to full compliance using intervention strategies (Welp et al., 2015; Gunningham, 2011).

A number of important characteristics of the nature of regulatory enforcement goals can be extracted from this description. First, these goals are usually abstract in terms of the public interests to be protected. Second, the targeted enduring behavior changes are usually intangible. Third, the goal has a finite character: it is attained when enduring behavior changes as intended by the regulatory requirements have been implemented by all regulated organizations.

A number of additional characteristics can be observed in terms of goal constellations. In the first place, the goal of enforcement organizations is externally positioned: it is to encourage external organizations, the regulated organizations, to attain a goal. In the second place, the enforcement goal is externally determined, as the regulatory requirements that have to be complied with by the regulated organization were established by an external regulator. The external regulations in turn were prompted by public policy goals. As such, regulatory enforcement is the last link in the chain of the implementation of public policies.

Political authorities may influence the focus and policies of regulatory enforcement organizations. Various interest groups from society with different or even opposing interests regarding regulatory enforcement may indirectly influence the course of enforcement by influencing political authorities. One specific interest group may become more dominant than others, depending on the political winds (Wilson, 1989).² Regulatory enforcement organizations may also have to change their course due to court rulings. Finally, accidents and calamities may have severe consequences in terms of course corrections and capacity allocation.

We conclude from these considerations that regulatory enforcement agencies have abstract goals and have to induce often intangible effects. As they constitute the last link in the chain of implementation of public policies, their task is to make progress in attaining these goals as concrete as possible. They must adequately react to accidents or calamities, and, when these happen, may have to defend themselves against claims that insufficient progress was made. Opposing interest groups may also influence the course of the agencies. Based on this characterization of the regulatory enforcement goal, goal displacement cannot be unexpected. The further exploration of the indications of goal displacement in these agencies seems to be justified.

2.2.2 A typology of goal displacement

As far as we know, no systematization of different sorts of goal displacement has been described in the literature. We therefore developed a base typology in order to relate the various sorts of goal displacement described in the literature to these base types (Figure 2.1).

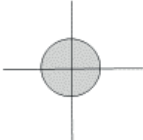
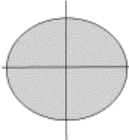
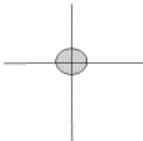
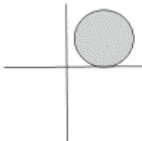
	No extra goal elements	Extra goal elements
Original goal fully comprised	<p>Goal alignment</p> 	<p>Goal widening</p> 
Original goal not fully comprised	<p>Goal narrowing</p> 	<p>Goal diversion</p> 

Figure 2.1: A typology of goal displacement.

The systematization is based on two kinds of displacements, through which the goal that is actually pursued changes with respect to the original goal. The first kind of displacement leads to a situation in which the original goal is no longer fully intact or no longer exists at all. The second leads to a situation in which additional goal elements are added to the original goal. Combining these two kinds of displacement leads to three base types of goal displacement. The first base type is *goal diversion*, in which

the original goal is partly or even fully abandoned in favor of new goal elements. The second is *goal narrowing*, in which the original goal is no longer completely comprised. As no new goal elements are added, the goal has shrunk. The third base type is goal widening, in which new goal elements are added, while the original goal remains completely comprised. It is important to stress that official modifications of organizational goals (e.g. widening) are not considered goal displacement. A situation of perfect goal-orientation with respect to the original goal is referred to as goal alignment.

All three base types of goal displacement result in a decrease in goal alignment, albeit in different ways. In the case of goal diversion, the focus of organizational efforts has partly or completely shifted away from the original goal. In the latter case, the orientation to the original goal has been abandoned completely. Goal narrowing and goal widening can be interpreted as opposite effects on goals, in which the original goal is still central, but where less or more is strived for, respectively. In the case of goal narrowing, the focus of attention is a part of the original goal, which means that the remaining part of the original goal is neglected. In the case of goal widening, the original goal remains completely intact, but the latter is the focus of less effort, in favor of the new goal elements.³

In general terms, the greater the magnitude of goal displacement, the smaller the goal alignment of the efforts, and thus the effectiveness of those efforts. The effectiveness can be reduced to insignificant levels or even become negative. In the latter case, effects are produced that are opposite to the effects required for attaining the goals. The goal is consequently even further away than before the intervention. Sieber (1981) refers to this type of effect as regressive effects. The decreased or even negative effectiveness is due to the fact that the original goal is partly or completely abandoned. Only part or none of the interventions are optimally oriented to the original goal.

The following three sections present indications from the literature of the occurrence of each of these base types of goal displacement in regulatory enforcement organizations.

2.3 GOAL DIVERSION

Of the three base types of goal displacement, goal diversion may involve the most potentially far-reaching changes with respect to the original goal. The exploration be-

low concentrates on a type of diversion most prominently described in the literature, which is the diversion of goals to means.

The concept of goal displacement has long been identical to the diversion of goals to means. For example, Warner and Havens (1968, p. 539) define goal displacement as the “neglect of the claimed goals in favor of the means as ends in themselves.” In the same vein, Merton (1957, p. 253) considers goal displacement as the phenomenon in which “an instrumental value becomes a terminal value,” which, according to this author, is widespread in bureaucracies. According to Selznick (1947), means becoming goals is a tendency within all human activities and especially organizational activities. He therefore warns that (1947, p. 258) “the pursuit of the goals which initiate action demands continuous effort to control the instruments it has generated. This is a general source of tension in all action mediated by human, and especially, organizational tools.”

Goal displacement has been confirmed in several empirical studies, for example in schools (Bohte & Meier, 2000). Student pass rates on standardized exams are used as a means to demonstrate the quality of a school. The authors observed that goal displacement results in organizational cheating in student pass rates. Another study focused on an adult care center for elders with dementia (Abramson, 2009). It was demonstrated that guaranteeing order and safety, which are important conditions for activities aimed at the ultimate goal, became the actually pursued goals. The ultimate goals of intervening in the progression of the disease and providing meaningful and stimulating activities was consequently neglected.

The means of attaining enforcement goals as deployed by the regulatory enforcement agency can be subdivided (Welp et al., 2015) into input (money, personnel, strategies, technology), throughput (enforcement processes and procedures) and output (products, such as number of site visits and number of interventions). Indications for goal diversion to means have been found for each of these components. These are discussed below, after which the interrelationship of these elements is considered.

2.3.1 Goal diversion to enforcement strategies and techniques (input)

We define goal diversion to enforcement strategies and techniques as a situation in which the regulatory enforcement agency focuses so strongly on one enforcement strategy or technique that its exclusive use becomes a goal in itself and alternatives for attaining goals are neglected.

According to Gunningham (2011), there is a general tendency in regulatory enforcement agencies to apply one type of enforcement strategy (called intervention strategies by the author) and to adhere to that strategy. Based on a study of environmental enforcement policies in the USA, Australia, England and the Netherlands, Gunningham concludes that most of the agencies apply a single enforcement strategy. There is a strong conviction within these agencies that a single strategy is optimally suited for all regulated organizations. This is true not only for environmental enforcement but, according to this author, can be extrapolated to the majority of regulatory enforcement agencies. Applying a single, one-size-fits-all strategy, however, fails to recognize the complex reality of regulated organizations. As far as empirical research is available on the major enforcement strategies, important shortcomings in effectiveness have been shown, related to one-size-fits-all approaches. According to Gunningham, all the major strategies are effective, that is, leading to full and enduring compliance, but only within a limited range of regulated organizations. He concludes (2011, p. 201): "Accordingly, best practice may mean applying different strategies in different circumstances." Regulatory agencies, however, do not appear to have paid much attention to these empirical findings, according to this author.

Although a strong preference for a certain enforcement strategy does not imply goal diversion, it may well encourage it. For example, Tyler examined why deterrence-based enforcement remains so persistently dominant in the USA, despite accumulating evidence of counterproductive effects (Tyler, 2011). Important factors are that in the first place this strategy accords well with hierarchical organization structures, and in the second place it allows short-term effects to be attained. Additional factors are a lack of motivation to compare this enforcement strategy with alternatives and a psychological barrier to perceiving counterproductive effects. These latter two factors may be considered characteristic of goal diversion to means.

Comparable tendencies may be associated with the use of techniques in enforcement. As Perez (2014) points out, regulation and enforcement are increasingly reliant on techniques such as analysis tools, models and systems. This may lead to both the locking-in of regulators and to high levels of autonomization for the techniques involved. The former refers to the effect where regulators are locked (2011, p. 206) "into a particular world view causing them to lose sight of opposing world views." The latter, autonomization, refers to the effect where techniques (2014, p. 206) "are driven and controlled by their own necessities and internal rules." Here, Perez uses the definition of Jacques Ellul, the French scholar/philosopher who considered autonomization of techniques as one of the main characteristics of the role of technology in modern society (Ellul, 1964). The combination of locking-in and autonomization can be

considered characteristic of goal diversion to means: means, as techniques, become goals themselves. They are expected to be applicable in all situations, which makes any consideration of alternatives superfluous. The development of techniques is not directed by goals but by the techniques themselves. In the case of regulation, Perez refers to research the use of cost-benefit analyses, the use of risk analyses in assessing environmental effects based on computer models and the use of environmental management systems, all of which contain indications of the aforementioned effects.

2.3.2 Goal diversion to enforcement procedures/processes (throughput)

We define goal diversion to enforcement procedures as a situation in which enforcement procedures, that is, procedures of data collection, professional judgement and intervention, become so formalized that following them strictly becomes a goal in itself. Alternative or supplementary practices which may contribute to goal attainment are consequently suppressed.

It should be acknowledged that a considerable degree of formalization is important in enforcement procedures in order to approach regulated organizations in a consistent, equitable and transparent way. Mertens (2015, p. 70) asserts: "When an enforcement official starts a certain enforcement activity, a roadmap and guidelines should be available." Within regulatory enforcement agencies, the task of preparation and the task of implementation are often separated, and may even be situated in different organizational parts of enforcement agencies.

Wilson classifies regulatory enforcement agencies, such as the USA Occupational Health and Safety Administration (OHSA), as procedural organizations. Managers in this type of organization have no choice but to focus closely on procedures, as the effects of these organizations are invisible (Wilson, 1989). According to this scholar, a strong focus on procedures may lead to autonomization (1989, p. 375): "When results are unknown or unequivocal, bureaus will have no incentive to alter those standard operating procedures, so as better to achieve their goal, only an incentive to modify them to conform to externally imposed constraints." The organizations are thus driven by their (1989, p. 375) "autonomous standard operating procedures." The word "autonomous" implies that the procedures have a life of their own. In other words, they become a goal in themselves. It furthermore implies that formalization may increase in these procedural organizations, unhindered by considerations of effectiveness. Diverging from these procedures to optimize goal attainment will become increasingly rare (locking-in).

It is well known from the literature that a high degree of formalization may negatively affect effectiveness, as it restricts the scope of action and the use of worker skills (Van de Walle, 2014). Van de Walle (2014) introduces the concept of over-formalization to refer to situations in which organizations have formalized extensively, and where there is only limited discretion. In relation to regulatory enforcement, this scholar refers to the “going by the book” or the legalistic approach, as described by Bardach and Kagan (1982/2010). This approach to enforcement is characterized by a high level of formalization.

An important elaboration of the negative effects of highly formalized processes, including autonomization and locking-in phenomena, is provided by Weick and Sutcliffe (2007). They consider high reliability organizations (HROs) such as emergency medical treatment teams and wildland firefighting crews. These authors assert that a highly procedural, planned and systematic way of working decreases the ability to anticipate unexpected events, as well as the ability to respond adequately to such events (Weick and Sutcliffe, 2007). First, plans affect perception and reduce the number of things people notice. Indications and hints of imminent negative events are easily dismissed as irrelevant to the plan. Second, plans usually specify contingent actions, thereby restricting attention to what is expected and precluding improvisation. Finally, plans imply repeating patterns of activity or routine, which limit the ability to handle novel events.

These negative consequences may be relevant for regulatory enforcement agencies, as these agencies are expected to anticipate and prevent unexpected events in order to secure public interests. If unexpected events do occur, these agencies are expected to react in an adequate way. In analogy to the three factors distinguished by Weick and Sutcliffe (2007), decreased enforcement effectiveness may result from a highly procedural and planned way of working. In the first place, the perception of enforcers may be limited by strongly focusing on enforcement procedures. In the second place, the perception of contingent situations not described in these procedures may be limited. Finally, the ability to resolutely and adequately act when unexpected events occur may also be limited.

The Dutch Tax and Customs Administration offers an illustration of these negative consequences. The State Secretary for Finance acknowledged that communication problems between the administration and citizens increase, the cause of which may be found in the high level of formalization of the agency. As every letter is a tax decision, the agency lives in a world of regulatory deadlines and has only very limited discretion to take shortcuts to problems by directly consulting with citizens (Van

Beek, 2016). The procedures may have become goals in themselves. One may also wonder how effective this very formal approach is in attaining the goal of the agency, which is that all Dutch citizens comply with their tax obligations. It seems likely that as problems are not resolved and instead become ever more complicated, that goal may become less attainable as people feel treated unfairly.

2.3.3 Goal diversion to quantitative products (output)

We define goal diversion to quantitative products of enforcement as a situation in which the regulatory enforcement agency focuses so strongly on generating one or a limited number of aggregated performance indicators as proxies of the targeted changes of behavior that these become goals in themselves.

Mintzberg (1994) asserts that, generally, aggregated performance indicators have a limited scope, lack richness, fail to encompass important qualitative information and take time to harden, and may thus reflect a situation that has already changed. These indicators may also become a goal in themselves, as reflected by the organizational emphasis on the generation of desirable figures, which may not, or only marginally, contribute to attaining the original goals (Perrin, 1998). This is illustrated by the study on goal displacement in schools, showing that student pass rates in exams became a goal in itself (Bohte & Meier, 2000).

Dahler-Larsen (2014) points out that strongly focusing on performance indicators doesn't produce unintended effects, which is often asserted, so much as constitutive effects, such as defining interpretative frames and world views, content, time frames, social relations and identities, and changing their meaning as a result of their use as indicators. The use of performance indicators may thus constitute a reality of its own, which will reinforce their use. This phenomenon is very closely related to goal diversion to output as defined above, as the further development of performance indicators is not dictated by the original goals but by the indicators themselves.

Below, we describe, based on the literature, indications for goal diversion to output for two performance indicators widely used by regulatory enforcement organizations. These are the number of regulatory violations and audit scores.

2.3.3.1 Number of violations

Probably the most important performance indicator of regulatory enforcement agencies is the number of violations detected. That number may result from an enforcement action covering a specific set of regulatory requirements at many regulated organizations or from non-project inspections covering a broad range of regulatory

requirements at a single regulated organization. The number of violations is usually considered a proxy of the overall compliance level of these organizations. Although this supposition may be justified in general terms, that is, more violations detected meaning less compliance, this may not hold in specific situations and therefore should be used with caution. Goal diversion to the number of violations detected implies an incautious use of this number, leading to autonomization and locking-in effects.

Autonomization effects may occur when enforcement agencies focus on easily detectable and enforceable violations, such as administrative obligations, at the expense of violations which are more difficult to detect and enforce, such as measures to increase the alertness of workers with regard to external safety (Bardach & Kagan, 1982/2010). Wilson (1989) provides an example of this phenomenon by referring to a period during which the police in the United States strongly emphasized the enforcement of regulations, such as traffic regulations. This led to a steady stream of tickets for traffic violations, but came at the expense of the task of enforcement of order, such as intervening in family or barroom quarrels.⁴ This type of autonomization may decrease the representativeness of the proxy violation number, as the actual level of total compliance may be more favorable or unfavorable than the level of compliance with the subset of requirements inspected for its easily detectable violations. As this example shows, the autonomization of the production of numbers of violations may actually divert from the original goal.

Considering the widespread and usually exclusive use of this proxy, locking-in effects leading to the exclusion of other possibly useful indicators appear probable, however locking-in may restrict the capacity to recognize situations in which this proxy is not a good indicator. This may especially be the case when Responsive Regulation is applied, which, according to Ale and Mertens (2012, p. 55), is the enforcement strategy most widely used in the Netherlands. Responsive Regulation in practice most often follows a "tit-for-tat-strategy:" when a regulated organization continues violating regulatory requirements, the enforcement organization will change its stance, from persuasion to increasing degrees of coercion, following the well-known pyramid of sanctions. A key component of this interaction is the judgement by the enforcer of the attitude of the regulated organization towards compliance. In practice, this judgement is usually based on limited knowledge as a consequence of relatively low frequencies, as well as limited depth, of inspections (Bunt et al., 2007). This implies that the regulated organization's violation record constitutes the most important base of responsiveness in the daily practice of enforcement.

The limited knowledge of enforcers concerning individual regulated organizations may result in suboptimal regulatory responses, a phenomenon Oded (2013) refers to as information asymmetry. While the enforcement agency's judgement of overall compliance is based on only those regulatory requirements that have been inspected, the regulated organization's own judgement is usually based on a much broader set of information. The judgement concerning the development of overall compliance in time made by the enforcer may consequently differ from the actual development. Oded (2013, p. 95) describes two scenarios that illustrate this, exemplifying type-1 and type-2 errors. In the first scenario, the level of total compliance increases in time, but the enforcer judges that the number of violations detected is still too high, and therefore maintains a strategy of deterrence. In this case, a strategy of cooperation might have been more effective. In the second, reverse scenario, the overall level of compliance decreases over time, but the enforcement agency does not detect more violations and, therefore, maintains a cooperative strategy. In this case, a strategy of deterrence might have been more effective.

As Oded (2013) points out, regulated organizations whose violations are harder to detect are wrongly perceived as compliant. The proxy violation record lacks depth (2013, p. 95): "violation records fail to reflect the heterogeneity of regulations in terms of their level of activity; their risk exposure to regulatory violations; the significance of the detected violations to their overall compliance activity; the compliance technology they use; and the difficulties involved in detection." In short, a strong focus on a quantitative violation record may result in a simplified assessment of compliance, leading to suboptimal decisions regarding the most effective intervention strategy.

The risk of goal displacement associated with the use of the proxy violation record may increase as the frequency and intensity of inspections decrease. Inspections are increasingly carried out which cover only a limited number of regulated organizations. This randomized approach is also incorporated into enforcement projects covering only a very selective number of regulatory requirements (Bunt et al., 2007; Nielsen & Parker, 2009). The representativeness of the record of detected violations with respect to the overall level of compliance within a specific population of regulated organizations may thus decrease. It should be added that the representativeness also decreases when the number and level of detail of regulations increase within a specific regulatory domain.

We conclude that the general use of the number of violations as a proxy of enforcement effectiveness, as well as the use of violation records at individual regulated

organizations, may lead to autonomization and locking-in effects, suggesting goal displacement to output.

2.3.3.2 Audit scores

Audit scores are increasingly used as performance indicators of compliance. In addition to the violation record or even in place of the violation record, the quality or just the presence of a management system is used as a proxy for compliance, or in a more general sense, as an indicator of risk management. Management systems used for this purpose include environmental management systems and health and safety management systems. Blewett and O'Keeffe (2011) describe the risk of goal displacement in the case of legal obligations related to health and safety management systems within the framework of health and safety regulations in Australia. The enforcement agencies rely strongly on audit scores: good audit scores translate into less enforcement pressure and lower insurance premiums. According to the authors, this may lead to goal displacement, both at government agencies and the regulated organizations themselves. More specifically, the goal of protecting the health and safety of workers is displaced to good audit scores. This may have lethal consequences, as illustrated by a calamity at a large gas plant in Victoria, Australia, where an explosion took the lives of two workers. The audit results pointed out that the main potential for improvement was found in enhancing system documentation and formalizing systems. A subsequent investigation concluded that the development and maintenance of the occupational health and safety management system had diverted attention from what was actually happening in the practical functioning of the plant. This example, again, shows autonomization and locking-in effects characteristic of goal diversion to means. It further demonstrates that goal diversion to means may result in very serious regressive effects.

2.3.4 Interconnection of types of goal diversion and indicators of occurrence

In the preceding subsections, we have distinguished three types of goal diversion, that is, goal diversion to strategic input, to throughput and to output. As the latter are the basic components of one single process, it must be deemed highly improbable that the different diversion effects occur completely independently of one another. Goal diversion to output, for example, will very probably affect the working procedures and processes to ascertain that this throughput will lead to the required output. The output will enhance the formalization of throughput. As such, this may enhance the tendency of throughput to become a goal in themselves. This effect may also be seen in the reverse direction, that is, the goal diversion of throughput may increase goal diversion to output.⁵

A common denominator of the goal diversion effects described above seems to be a high level of uniformity, that is, one enforcement strategy used (input), one procedure or one or a few quantitative results (output). This implies that the uniformity of the input-throughput-output chain may be a useful indicator of the risk of goal displacement. This leads to the following proposition:

Proposition 1: Higher degrees of uniformity of strategies and techniques, procedures, and output of enforcement will lead to a higher risk of goal diversion to means.

The displacement of the goal of protection of public interests towards the agency itself is characteristic of all goal diversion effects described in this section. As such, goal diversion to means is closely related to the original meaning of goal displacement as stated by Michels, as the displacement of goals to the development and continuity of the organization (see 2.1).

2.4 GOAL NARROWING

Two types of goal narrowing are discussed below. These are goal narrowing in terms of perception of compliance with regulatory requirements and goal narrowing in terms of the scope of the regulatory requirements as included in the laws and regulations of a specific regulatory domain.⁶

2.4.1 Goal narrowing in terms of compliance

We define goal narrowing in terms of compliance as a situation in which the enforcement agency applies such a rigid, "black-letter" interpretation of compliance with regulatory requirements that it hinders the implementation of those regulatory requirements by the regulated organizations. In physical terms, the regulatory requirements have ossified, which impedes their implementation, a process that requires a certain amount of fluidity and flexibility. This is especially clear when deterrence-based enforcement is applied. This school of enforcement focuses strongly on the "letter of the law," and consequently, the actual changes of behavior strived for in the "spirit of the law," as envisioned by lawmakers, may disappear behind the horizon. This style of enforcement is also called a "going-by-the-book" style of enforcement, or legalism (Bardach & Kagan, 1982/2010). It is exercised for example, when an enforcement agency forces a regulated industrial organization to implement a specific flue gas cleaning technology X as prescribed by law, whereas alternative technologies

Y and Z with the same or even better cleaning effects at this specific organization, and therefore complying with the spirit of the law, are not accepted.

The limitations of protective regulations were described in 1982 by Bardach and Kagan (1982/2010). Although rules are indispensable tools by which to attain certain goals, they are imperfect tools. Specific circumstances at each regulated organization must be taken into account in order to maximize goal attainment, that is, to minimize risks or to maximize the quality of products and services. Without this awareness of the inherent limitations of regulations, there is the risk of goal narrowing. In fact, goal narrowing may even have regressive effects. Evidence suggests that deterrence-based enforcement may lead to counterproductive reactions by regulated organizations, thereby further removing the goal of enduring changes of behavior at which the regulations aimed (Bardach & Kagan, 1982/2010; Tyler, 2011; Gunningham, 2011).⁷

Although goal narrowing in terms of compliance due to legalism may be most obvious in cases of deterrence-based enforcement, situations approaching such legalism cannot be excluded when other enforcement strategies are applied. An important reason for this is that the number of violations detected is used as an important indicator of compliance by regulatory enforcement agencies, as discussed in Subsection 2.3.3 for the strategy of Responsive Regulation. Moreover, there may be goal narrowing, when, in cases of relatively abstract and broad regulatory requirements, a relatively narrow interpretation is applied. For example, the elaboration of the concept of customer's interests by the Dutch Authority of Financial Markets (AFM) is methodologically questioned by Mertens (2015). Is it not interpreted too narrowly, at the level of products, client information and how to interact with customers? Obviously, these aspects are relevant, however, the more important overarching problems such as shareholders value and internal remuneration policies of financial businesses are not explicitly addressed. This type of elaboration of a key concept in financial enforcement, resulting in a readily practicable but limited application, may be referred to as goal narrowing.

The previous discussion leads to the following proposition:

Proposition 2a: The more strongly the goal of enforcement is perceived as compliance with the letter of the regulation, the greater the likelihood of goal narrowing in terms of compliance.

2.4.2 Goal narrowing in terms of scope

We define goal narrowing in terms of scope as a situation in which the goal enforcement agency limits its scope of inspections to such a small set of regulatory require-

ments and/or such a small set of regulated organizations, that parts of the working scope of that agency are neglected. Such a neglect may involve distinct regulatory subdomains within the agency's regulatory mandate or parts of a subdomain. It is important to stress that a narrowing of the scope based on explicit policy deliberations, for example by applying the results of high-quality, up-to-date risk analyses, is not considered a goal narrowing effect. It is clear that a risk analysis may contribute to well-informed decisions such as where to reduce and where to intensify enforcement capacity, without resulting in goal narrowing (see also Subsection 2.5.2 on goal widening).

Goal narrowing may either arise gradually and become structurally embedded in the agency or arise very abruptly and ad-hoc after internal or external events. The literature provides examples of organizations with several goals and corresponding operational tasks, which structurally dedicate most of their efforts to one of those goals. Kerr (1975), for example, points out that while universities clearly have two main goals, that is teaching and research, the latter is clearly favored by employees at the expense of the former. Similar phenomena of structural goal narrowing may also be found in regulatory enforcement organizations. For example, Wilson (1989) asserts that, safety was clearly emphasized within the USA OSHA in the first years of its existence at the expense of health goals.⁸

Ad-hoc types of narrowing the scope of the regulations within the mandate of enforcement agencies may take place as a consequence of changes of senior managers leading to personally favored focal areas. Goal narrowing may also result from changes in the national or regional political landscape affecting the priorities of the enforcement agency. Events that may lead to the highest levels of goal narrowing are calamities and major accidents related to the legal framework of the enforcement agency. There have been several calamities and major incidents in the past two decades with a very considerable societal impact.⁹ The public reacts with intensity after calamities and major accidents, driving an intense desire by politicians to take action to ensure the prevention of further such disasters, that is, to reduce the risks to a zero-level. Such actions include fast and symbolic policy changes, and quick legislative action, usually meaning stricter rules and intensified enforcement actions in relation to the event. These actions are meant to contribute to a politician's reputation of determination and resolution, which may be rewarding and sooth the public outcry (Coglianese & Carrigan, 2012).

Although calamities and major accidents may lead to important insights and lessons learned, and thus increase the effectiveness of the agency in a specific area of enforce-

ment, they may simultaneously lead to significant changes in the focus of enforcement agencies, and as a consequence of significant reallocations of enforcement capacities. Preventing the repetition of a calamity or major accident may dominate the agenda of the agency, claiming substantial resources. Such a strong focus may lead to goal narrowing, as major parts of the original scope may start to be neglected. This neglect will negatively affect the previous effects of the enforcement of the broader scope included before the calamity occurred. A strong calamity driven management may thus have opposite effects. On the one hand, effectiveness may increase due to learning effects related to the risks that led to the calamity. On the other hand, effectiveness may decrease due to a neglect of regulations within the scope that are not directly related to the risks involved in that calamity but to other risks. Clearly, the more and the longer attention is given to a calamity or major accident, the greater the risk of goal narrowing. This leads to the following proposition:

Proposition 2b: The stronger the perception of the goal of enforcement as the prevention of a specific unwanted negative event, the greater the risk of goal narrowing in terms of scope.

2.5 GOAL WIDENING

There are two types of goal widening, analogous to goal narrowing. These are goal widening in terms of scope and goal widening in terms of compliance.

2.5.1 Goal widening in terms of compliance

We define goal widening in terms of compliance as a situation in which the enforcement agency applies such an expansive interpretation of compliance with regulatory requirements that the contours of the regulation become less clear, thereby impeding an unequivocal and uniform judgement of compliance. In other words, a high level of flexibility in interpreting regulatory requirements hinders the enforceability of those requirements.

Cooperative enforcement is a strategy that may be prone to this type of goal displacement. Characteristic of this enforcement strategy, in comparison to deterrence-based enforcement, is a more flexible interpretation of regulatory requirements, that is to say "in the spirit of the law." Where the targeted changes of behavior are judged insufficient, full compliance has to be attained by means of advice and persuasion. There is a risk of goal widening as the image of what should be done for full compliance is more open and less clear-cut in comparison to its counterpart, deterrence-based

enforcement. Consequently, the regulated organization may consider the regulatory requirements as guidelines rather than norms that have to be strictly complied with. The goals become fuzzier and more vague. This may lead regulated organizations to minimize expenses and efforts aimed at attaining the original goals of the regulation. Well-known pitfalls of this enforcement strategy are “capture” and the erosion of legitimacy, phenomena that may very negatively affect the effectiveness of enforcement (Oded, 2013). In mixed enforcement regimes, such as responsive regulation, the tit-for-tat exchange usually begins with a cooperative stance. As such, widening effects may occur when the transition to higher levels on the pyramid of sanctions do not take place, as regulated organizations successfully create an image of willingness to comply, while they are actually unwilling.

Goal widening may also result from flexible regulations. As described above, detailed regulatory requirements specifying the means to use may have a limited effectiveness, that is, a suboptimal degree of goal attainment. These limitations reflect the inherent difficulty of encapsulating risk reduction in clear requirements while guaranteeing uniformity and enforceability. The regulated organization may experience a strict enforcement of detailed regulatory requirements specifying the means to use as a clear hindrance to the core activities of these organizations, leading to irritation and even discouragement (Bardach & Kagan, 1982/2010). The formulation of more flexible regulatory requirements therefore seems a logical choice. Such requirements may include performance commands or requirements for specific management systems, such as environmental management systems.

These flexible regulations provide discretion within the regulated organization, allowing them to find the optimum solutions in specific and often unique organizational contexts. The “hindrance factor” of regulatory enforcement is thus reduced. Flexible regulations may also be associated with potentially greater reductions of risks in comparison to detailed regulations. This is most obvious in the case of meta-regulation, where the principle of minimum requirements is abandoned in favor of continuous improvements by means of management systems (Gilad, 2010).

An important drawback of flexible regulatory requirements is that their higher degree of abstraction makes them less enforceable. Gilad (2010, p. 497) asserts: “it is harder to establish the breach of any form of flexible regulation because broad standards are open to multiple interpretations.” This is especially clear in the case of meta-regulation. According to Gilad, empirical research shows that individual enforcers may feel unable to make a judgement based on reviewing risk-management plans, leading to delays, ongoing demands for information and even deadlocks. These tendencies

will be stronger as enforcers (210, p. 489) “face high levels of uncertainty regarding the nature of the risks to regulatory goals and the appropriate means to enhance organizations’ performance and regulatory effectiveness.” Thus, the goals have become more vague as abstract, highly flexible requirements provide less guidance to the enforcer. The decreased guidance may even lead the individual enforcer to surpass their official mandate, thereby possibly creating a legitimacy problem.

In short, a flexible stance of enforcement, either mediated by a flexible interpretation of existing regulatory requirements or by the introduction of flexible requirements, thus offers the regulated organization more discretion, but at the expense of a decrease in enforceability. This leads to the following proposition:

Proposition 3a: The stronger the perception of the goal of enforcement as offering maximum discretion to attain full compliance with regulatory requirements, the greater the risk of goal widening in terms of compliance.

2.5.2 Goal widening in terms of scope

We define goal widening in terms of scope as a situation in which a goal enforcement agency applies such an expansive interpretation of the relevance of all regulatory requirements within its mandate, that (groups of) regulated organizations are confronted with inspections of irrelevant requirements, thereby unnecessarily overexposing a parts of the mandate.

This type of goal displacement is characterized by an over-inclusive selection of tasks within the jurisdiction. It reflects a situation on which the enforcement agency considers all regulatory requirements as equally relevant for inspection at each regulated organization.¹⁰ The enforcer thus risks inspecting irrelevant and superfluous requirements at individual regulated organizations or even groups of regulated organizations. This may especially be the case when generic regulatory requirements only have relevance for a very small number of regulated organizations. Another possibility may be that the actual goals accompanying a set of regulatory requirements are fully internalized by regulated organizations, but much more implicitly than described in the regulatory requirements. Full compliance with these requirements would imply an extra burden for those regulated organizations, such as extra reporting and producing extra documentation. While these specific requirements may be useful for regulated organizations far removed from those goals, these requirements are superfluous for those regulated organizations that have already internalized those goals. In fact, those extra requirements may even be counterproductive, as they

take away resources formerly used for goal attainment, to fulfill purely administrative tasks.

This type of goal displacement may be associated with the number and complexity of regulatory requirements. According to Bardach and Kagan (1982/2010), structural and ad-hoc causes inevitably lead to the growth of regulations. A structural cause of such growth may be the desire to fill the maze of existing regulations by formulating additional requirements. The ad-hoc growth of regulation is caused by calamities and major accidents. The main mechanism of the growth of regulation, is, according to Bardach and Kagan, the fact that undesirable actions on the individual level are being transformed into social problems requiring broad, societal solutions. The task of the regulatory enforcement agency involves an ever growing number of regulations, which may have widely varying relevance for individual regulated organizations.¹¹ Tailoring inspections to the specific relevance of regulations to each regulated organization is a complicated task. Politicians and civilians also expect the enforcer to operate in a consistent and equitable way.

Bardach and Kagan provide an illustration of such an over-inclusive approach (1982/2010, p. 67):

Detailed regulations designed to prevent the worst operators from cutting corners also apply to the good homes. They direct government inspectors 'to cite a first-rate nursing director for being behind on keeping patient charts in the same way as they cite incompetent nursing directors who could not maintain a decent chart if they tried'.

This phenomenon, described at the beginning of the 1980s, remains relevant today. Hundreds of quality indicators have been formulated within the framework of the Dutch Care Institutions Quality Act, the individual relevance of which may vary widely between institutions, generating a broad societal discussion in the Netherlands.¹² The previous discussion leads to the following proposition:

Proposition 3b: The stronger the perception of the goal of regulatory enforcement as compliance with all regulatory requirements belonging to a substantial and complex set of regulations, the greater the risk of goal widening in terms of scope.

2.6 DISCUSSION

In this chapter, we have taken a closer look at regulatory enforcement goals, have proposed a typology of goal displacement, and have described the results of an exploration of indications of the occurrence of goal displacement within regulatory enforcement agencies. Moreover, propositions have been formulated. Below, the most important findings as well as scientific and practical implications are discussed.

2.6.1 Findings

The discussion of the goal of regulatory enforcement (first research question) reveals that this goal is more complex than it seems at a first glance, an observation that is quite relevant to the possible occurrence of goal displacement. Enforcement goals as formulated by enforcement agencies are usually quite abstract in character, often concerning the protection of public interests. At the level of individual regulated organizations, realizing goals means implementing changes of behavior at these organizations, which are usually intangible. The constellation of enforcement goals is also relatively complicated, as the goals of regulation have been formulated by external agencies and the goals themselves have to be realized in external organizations.

Table 2.1: Overview of results of exploration of goal displacement in regulatory enforcement agencies.

Goal displacement base type	Types identified	Characterization of displacement	Reinforcing circumstances*
1. Goal diversion	Diversion of goal to means: * Strategies/techniques: input * Procedures/processes: throughput * Quantitative products: output	Autonomizing methods, excluding alternatives	High level of uniformity of methods
2. Goal narrowing	Goal narrowing in terms of compliance	Rigidity in evaluating compliance	"Going-by-the-book" enforcement style
	Goal narrowing in terms of scope	Neglect of part(s) of mandate	Dominance of calamity management
3. Goal widening	Goal widening in terms of compliance	Laxness in evaluating compliance	Cooperative enforcement style; flexible regulations
	Goal widening in terms of scope	Insufficiently focused approach of mandate	"Going-by-the-book" enforcement style; complex mandate

* Not exhaustive

The exploration of indications of goal displacement in regulatory enforcement agencies (second and third research question) indicates the possible occurrence of all three base types of goal displacement included in the proposed typology. Moreover, goal displacement appears to be a widespread phenomenon, affecting traditional as well as more innovative, modern enforcement approaches. Examples of severely impaired effectivities or even regressive effects have been provided. A summary of the findings is provided in Table 2.1.

Within the proposed base typology of goal displacement (first column of Table 2.1), five types of goal displacement (second column) are distinguished in the case of regulatory enforcement agencies. While other relevant types of goal displacement in this type of agencies in addition to those distinguished in this chapter cannot be excluded, we believe the five types discussed are among the most relevant, considering the potentially far-reaching changes with respect to the original goal, as discussed.

2.6.2 Scientific and practical implications

Empirical research focused on the phenomenon of goal displacement may shed more light on the occurrence of the types as distinguished in this chapter, as well as the relevance of causes of goal displacement mentioned in the literature such as the intangibility of goals, sanctions and rewards mechanisms and scarcity of resources (Warner & Haven, 1968; Kerr, 1975; Abramson, 2009). Scientific research into goal displacement might contribute to the quest for effective regulatory enforcement, as a solid basis of knowledge concerning the effectiveness of the various enforcement strategies as practiced and developed, is limited and will probably remain limited (Welp et al., 2015). Goal-displacement research may help to identify situations of limited effectiveness caused by a suboptimal goal orientation. The higher the degree of goal displacement, the stronger the agency unconsciously focuses on activities that only marginally contribute, do not contribute or even negatively contribute to the original goals, and, consequently the more severely effectiveness will be impaired.

In a more general sense, the added value of goal-displacement research may be to obtain a more systematic picture of disappointing or even counterproductive effects of regulatory enforcement.

The practical importance of investigating goal displacement in regulatory agencies might be that by diagnosing potential deficiencies in goal alignment with the original goals, rough indications on how to mitigate these deficiencies and thereby improve enforcement effectiveness might be obtained. Assessing and mitigating goal displacement might be considered as a sort of rough calibration. In the same way as

a measuring instrument may gradually become more imprecise, that is, the difference between the value as measured and the actual value slowly increases, goal displacement in regulatory enforcement agencies may increase unnoticed by the work force and management.

As shown in this chapter, a number of signals and indications suggest the risk of goal displacement in regulatory enforcement agencies is real. Where goal displacement can actually be assessed, the underperformance of the agency is highly probable, without anyone taking account of it. On the contrary, the agency may be convinced that further increases in effectiveness should be sought in incremental changes to existing working methods, while in reality more structural changes are needed, depending on the type of goal displacement. The indications assembled in this chapter, suggesting the possibly severe consequences of goal displacement provided above, demonstrate that this illusion may be more widespread than often assumed.

2.7 CONCLUSIONS

Goal displacement in regulatory enforcement agencies may pose a real risk. It may explain a number of disappointing or even counterproductive effects of regulatory enforcement. Research into this phenomenon may provide insight into the scale of proliferation and magnitude as well as its causes. Identifying and mitigating the tendencies of goal diversion, goal narrowing and goal widening may contribute to the quest for effective enforcement.

NOTES:

1. Missions of regulatory enforcement organizations often refer to compliance and the protection of public interests. For example, the mission of the Dutch Human Environment and Transport Inspectorate (ILT) is stated as follows: "The ILT inspects and stimulates regulatory compliance for a safe and sustainable environment and safe transports."
2. This author characterizes the American Occupational Health and Safety Authority (OHSA) as an interest-group agency, based on the often opposing interests of industry and labor organizations.
3. In the case of goal widening, a part of the interventions will, assuming equal capacity, be directed at the new elements and therefore not contribute to the original goal. It is also possible that goals become more vague while widening, which makes it more difficult to determine effective interventions.
4. This author does not explicitly refer to this shift as goal displacement.
5. A high degree of detachment of strategies from operations will, according to Mintzberg, lead not only to systematized behavior but also, inevitably, to the use of aggregated quantitative output. (Mintzberg, 1994).

6. A regulatory domain is defined by a specific legal framework, for example environmental law, surface water quality law, or occupational health and safety law. Several enforcement agencies may be operational within a certain legal framework, as is the case for environmental law in the Netherlands.
7. As a consequence of the development of resistance and opposition at regulated organizations, but also by discouragement at these organizations, the actual goals of regulations may be overshadowed.
8. Wilson does not explicitly refer to goal displacement to describe this type of narrowing of organization goals. The main cause of this pattern of preference and neglect, according to Wilson, is to be found in the higher degree of tangibility in safety tasks compared to health tasks.
9. Among others, these include in the USA the explosion at the drilling rig Deepwater Horizon in the Gulf of Mexico in 2010, killing eleven crew members and spilling nearly five millions barrels of oil into the Gulf, the explosion of a natural gas pipeline in California in 2010, killing eight people and injuring dozens more. In the Netherlands a fireworks storage facility explosion in the city of Enschede killed 23 people in 2000, including 4 members of the fire brigade and 950 wounded. The fire at the Chemiepack company in the city of Moerdijk in 2010 should also be mentioned.
10. Goal widening is also possible when inspections transcend the boundaries of the mandate of the enforcement agency. In that case, the enforcer enforces requirements beyond the law. With respect to the original goal, these extra requirements are strictly speaking superfluous. However, they may complement the goals as perceived by the lawmakers. It is therefore questionable if such cases represent goal widening as discussed here. See Kasdorp (2016). For reasons of limitation, these potential goal widening effects are not discussed in more detail in this chapter.
11. Accidents and calamities may thus contribute to goal narrowing as well as goal widening in terms of scope of enforcement. Goal narrowing may result in the immediate follow-up to these unwanted events (see Subsection 2.4.2). The risk of goal widening will increase over a longer time span, involving a considerable growth in regulations due to accidents and calamities.
12. See, for example, the open letter written by the sports journalist Hugo Borst on the front page of the Dutch journal *Algemeen Dagblad* of 7 July 2016, bemoaning regulators going astray about detailed regulations in the nursing home that provides excellent care for his aging mother with dementia. Complying with all these detailed regulation takes resources away from the good care of patients, and is thereby, according to this author, completely counterproductive.



3. INDICATIONS OF GOAL DISPLACEMENT IN REGULATORY ENFORCEMENT AGENCIES: AN EMPIRICAL EXPLORATION

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3.1 INTRODUCTION

Goal displacement, which was originally defined by Michels (1911/1949), refers to a broad spectrum of changes of goals in organizations, such as general shifts in goals, and shifts in the relative importance of different goals within an organization (Abramson, 2009; Bohte & Meier, 2000). A common characteristic is that the original goals are formally preserved, but the actual goals pursued differ from these original goals. Goal displacement has been demonstrated in widely varying organizational settings, especially in government and semi-government agencies and services (e.g. Abramson, 2009; Bohte & Meier, 2000; Lu, Yang & Blair Thomas, 2020; Resh & Marvel, 2012; Uitermark & Loopmans, 2013; Selznick, 1949).¹ Most of these studies highlight the negative impacts of goal displacement on the effectiveness of the organizations concerned. Only a limited number of these studies encompass quantitative analyses of the phenomenon (e.g. Bohte & Meier, 2000; Resh & Marvel, 2012).

In general, organizations with specific, tangible, and focused goals tend to have a limited vulnerability to goal displacement. In contrast, organizations with vague, intangible and abstract goals have been shown vulnerable to this phenomenon (Abramson, 2009; Bohte & Meier, 2000; Warner & Haven, 1968). The goals of many public organizations exhibit these latter characteristics as these organizations are often charged with complex social problems. Consequently, performance in relation to solving or mitigating these problems may prove difficult to evaluate, thereby increasing the risk of goal displacement.

Despite the elevated risk of goal displacement in public agencies, research into this phenomenon has remained very limited as noted by Bohte & Meier (2000, p. 174). Their observation still seems to hold. While a full-text search for "goal displacement" in the period 2001-2020 yields over 5,400 hits on Google Scholar, few dedicated studies in public agencies have been conducted (e.g., Resh & Marvel, 2012). Apparently, goal displacement has become something of a general covering term for any movement away from an articulated goal under any circumstances, a catch-all term. Moreover, theory building has received relatively little attention and has remained fragmented. These observations may to some extent be explained by the development of a rich literature on specific issues related to ineffectiveness and even counter-productivity of government agencies. For example, the unintended and constitutive effects of performance indicators as used by government agencies have been studied extensively (Dahler-Larsen, 2014; Smith 1995; Terpstra & Trommel, 2004; Van Thiel and Leeuw, 2003). Another example is provided by the phenomenon of decoupling, specifically,

means-end decoupling as described in general terms by Bromley and Powell (2012) and in the case of regulation by De Bree & Stoopendaal (2018).

Considering these and other lines of research describing phenomena negatively influencing effectiveness of public agencies, one might be tempted to ask for the reason to use the concept of goal displacement in the first place. At least two reasons can be given in support of it. Firstly, it could function as an umbrella concept for a variety of phenomena leading to disappointing effectiveness and even counterproductiveness, thus allowing for a more systematic approach to analyze such phenomena. More specifically, by taking an integrated view at these various phenomena impeding effectiveness, insights into common underlying causes might be gained, which may also prove helpful in efforts to increase effectiveness. An illustration of this umbrella-function is provided by both lines of research mentioned in the previous paragraph which point out risks of decreased effectiveness that, at a closer look, can also be considered as goal displacement.²

A second reason pleading for the use of the concept of goal displacement is that it directly relates to the very reason of being of organizations, which is to achieve specified goals. Displacements from these goals will generally seriously impair effectiveness and as such may have grave consequences. For example, Blewett & O'Keeffe (2011) describe how goal displacement led to an explosion at a large gas plant in Victoria, Australia taking the lives of two workers. A subsequent investigation concluded that the development and maintenance of the occupational health and safety management system had to a large extent diverted attention from what was actually happening in the practical functioning of the plant.

Elsewhere, a basic framework of goal displacement in regulatory enforcement agencies has been proposed encompassing multiple goal-displacement types. Using this framework, a variety of indications of goal displacement were extracted from the regulatory literature (Huizinga & De Bree, 2017/Chapter 2 of this study). In addition, the vulnerability to goal displacement of these agencies was related to multiple goal ambiguities that characterize regulatory enforcement goals (Huizinga & De Bree, 2021/Chapter 5 of this study). This relation suggests that the risk of goal displacement is deeply ingrained in these agencies. As such it may be more prevalent than expected since regulatory enforcement goals are generally considered as relatively robust and straightforward and therefore not prone to displacements of any sorts.

In this research, an exploratory approach was taken, probing into widely varying regulatory domains, focusing on agencies exclusively entrusted with enforcement

and on the enforcement activities of agencies entrusted with several phases of the regulatory process, such as rule-making, enforcement, and evaluation. The intention was not to obtain a detailed, exhaustive profile of goal-displacement types influencing each of the agencies included. Rather, it was strived to draw a first, sketchy picture of potential goal-displacement vulnerabilities of regulatory enforcement agencies as perceived by enforcement professionals themselves. The underlying research questions are as follows. First, do regulatory enforcement professionals observe phenomena within their agencies that could be characterized as goal displacement? Second, if so, what sort of displacements do they observe and what major determinants of these displacements do they identify?

3.2 CONCEPTUAL FRAMEWORK

The conceptual framework guiding this research consists of a number of distinct types of goal displacement that are characterized by two components, specifically the modality and the form of goal displacement. The first component specifies *what* constituent or aspect of the goal is actually being displaced. Three modalities of goal displacement are distinguished, corresponding to three processes underlying enforcement processes. The first modality relates to the process of scope selection. It refers to situations in which the scope of enforcement activities actually conducted by the agency deviates significantly from a scope selection based on an adequate risk analysis. The second modality relates to the process of compliance perception. It refers to situations in which compliance perceptions held by the enforcers regarding regulatory requirements deviate significantly from the intentions of the regulator that drafted those requirements. The third modality relates to the process of means determination. It refers to displacements of goals by means, where means can be decomposed into input (personnel, resources, strategies), throughput (enforcement processes and procedures) and output (the direct results of enforcement activities) (Huizinga & De Bree, 2017/Chapter 2 of this study; Huizinga & De Bree, 2021/Chapter 5 of this study).

The second component characterizing goal displacement specifies *how* the goals are being displaced, that is, what form of displacement takes place outwardly. Three base types of how goals can be displaced are distinguished. These are goal narrowing, goal widening and goal diversion (Huizinga & De Bree, 2017/Chapter 2 of this study). Goal narrowing refers to a situation in which the original goal is no longer completely comprised, that is, the goal has shrunk to a part of the original goal. In the case of goal widening, new goal elements are added, while the original goal remains completely

comprised. It also includes situations in which parts of the original goal that have already been attained, continue to be addressed by the agency. Finally, goal diversion refers to a situation in which the original goal is partly or even fully abandoned in favor of new goal elements. It is important to stress that official modifications of organizational goals, such as new regulations to be covered, are not considered goal displacement.

Combining both components of goal displacement as just described, seven types of goal displacement have been identified as potentially the most relevant.³ These will be introduced in Section 3.4, which describes the indications of the occurrence of each of these types and their main determinants. Although this framework may give the impression of a series of clear-cut goal-displacement types, caution must be exercised because of a paradox inherent to goal-displacement research. As noted in Section 3.1, Introduction, organizations charged with intangible, abstract goals may be especially vulnerable to goal displacement. In terms of goal ambiguity, these are goals that are characterized by a considerable degree of evaluative goal ambiguity (Chun & Rainey, 2005; Huizinga & De Bree, 2021/Chapter 5 of this study). However, that very same ambiguity also blurs the notion of goal displacement since in order to be able to recognize the latter, the original goals as well as the displaced goals must somehow be distinguishable and definable. Obviously, this paradox complicates any elaboration, conceptual or empirical, of goal displacement.⁴ A major way to deal with this paradox, in the author's view, is to identify situations that unequivocally reflect displaced goals, that is, situations in which the goals actually strived for clearly transgress the leeway inherent to ambiguous goals. This notion has guided the empirical investigations described below. This issue will be revisited in the discussion section.

3.3 METHODOLOGY

3.3.1 Regulatory enforcement domains considered

In order to cover all major regulatory domains, a rough classification of regulatory domains was first devised. This classification encompasses the following ten domains: Physical Environment and Major Hazards⁵; Food and Consumer Products; Occupational Health and Safety; Transport and (Digital) Infrastructure; Building and Built Environment; Education; Health and Youth Care; Justice and Security; Finance; and Mining. While it is clear that other classifications are possible, this classification is deemed useful for the exploratory aims of this investigation. First, these domains cover a considerable array of public interests and therefore represent a large share of total enforcement capacity available. For the Netherlands, it is estimated that,

together, these domains cover more than 90% of total enforcement capacity. Second, the classification reflects, although in a coarse way, the degree of variation of regulatory enforcement goals, which may be an important determinant in terms of goal-displacement vulnerability.

3.3.2 Interview sample and procedure

A series of face-to face interviews was conducted with enforcement professionals covering the ten regulatory domains mentioned above. Interviewing was deemed the most appropriate qualitative research method. Of specific importance is the potential richness of information uncovered by interviews as compared to questionnaires or observation. Additional benefits are the opportunity to ensure, during interviews, mutual understanding by rephrasing and simplifying by the interviewer, and its flexibility to elaborate issues of specific interest in more detail (Alshenqeety, 2014).

A total number of 25 interviews were held at 20 national, regional and local enforcement agencies. An overview of the agencies selected is provided in the Appendix to this chapter. Four regulatory domains, specifically Physical Environment and Major Hazards, Transports and (Digital) Infrastructure, Building and Built Environment, and Finance cover about two thirds of the interviews, reflecting the number of agencies in these domains and the density of regulations. On a national level, 20 interviews were held at 16 agencies. These include the eight national inspectorates and five market authorities deemed most important by Mertens et al. (2015) in their overview of enforcement agencies in the Netherlands.^{6,7} On a regional and local level, five interviews were held at four agencies. The reason for this limited number is that regional and local enforcement agencies predominantly cover two regulatory domains, specifically Physical Environment and Major Hazards and Building and Built Environment.

The selection of individual participants within each agency conformed to a pattern of convenience and snowball sampling. While a certain bias cannot be ruled out, this risk has been limited by the following measures. First, participants were selected from three main categories of employers, field enforcers, middle managers and internal advisors such as legal advisors, strategic advisors and planning officers. These three categories are approximately equally represented in the sample. Second, as described above, respondents were selected from 25 unique agency/regulatory (sub)domain combinations reflecting 25 different enforcement contexts.

All interviews were semi-structured in character, consisting of four main topics. Firstly, the respondents were asked to shortly describe their professional careers in enforcement, including the agencies they had been employed at, the positions held,

including the current one, and their professional specializations. This served to make the respondents comfortable and open-minded for the rest of the interview and provided information that could be referred to later in the interview to specify and concretize questions. Secondly, respondents were asked to describe the goal of their agency or, in the case where enforcement activities constituted only a part of the agency's activities, the goal of its enforcement activities. This topic served to facilitate the transition to goal displacement and to provide useful information to ask specific questions concerning goal displacement. Thirdly, respondents were asked about goal displacement within their agencies. The backbone of these questions was the conceptual framework, as elaborated in Section 3.2, but in a prudent, inexplicit way (see next subsection). Finally, respondents were asked to identify, if any, organizational developments not discussed up to that point in the interview, which were considered worrisome in terms of the agency's functioning, its effectiveness or specifically as another form of goal displacement.

3.3.3 Validity of the data on goal displacement

Important questions referring to the validity of the data as collected in this study refer to whether the goal displacement reported here actually happened, whether accounts of goal displacement were accurate and whether all goal-displacement types that were actually present were observed. These questions relate to descriptive validity, which refers to the factual accuracy of the account as reported by the researchers (Johnson, 1997, p. 286). Of particular importance in this study is the potential sensitivity of the subject. More specifically, a general willingness of enforcement professionals to freely discuss the topic of goal displacement at an organizational level, as expressed in contacts prior to the interviews, did not guarantee that they would actually freely discuss the potentially sensitive issues as raised during the interview. Therefore, precautions were taken prior to and during the interviews. Prior to the interviews, following the first contact with the candidates, written information explaining the research goal, including general information on the subject of goal displacement, and the guarantee of anonymous handling of the findings, was sent to these potential respondents. In addition, before actually starting the interviews, both previous points were again emphasized.

During the interviews, the interviewer did not explicitly "process" through the typology of goal displacement guiding this research, as it was deemed desirable to prevent any impression of an interrogation intended to identify organizational shortcomings or even stymie these agencies. Instead, the interviewer only sparsely mentioned the word goal displacement or the specific types such as goal narrowing. By stimulating the interviewees to elaborate on examples considered by the interviewer as specific

and concrete cases of goal displacement, it was intended to tap into their professional commitment to high-quality enforcement and the specific barriers as perceived by the respondents to realize that goal. Interestingly, quite a few respondents used the researcher to unsolicitedly raise concerns of organizational goal displacement, which suggests that they did not conceal perceived goal-displacement types from the researcher. Thus, these measures contributed to make respondents comfortable to freely reflect on the issues raised by the interviewer.

In addition to descriptive validity, it was important to ensure that participants interpret phenomena in their agencies as goal displacement and that it is not a researcher-imposed label. This issue relates to interpretative validity which refers to the degree to which the research participants' viewpoints, thoughts, feelings, intentions and interpretations are accurately understood by the researcher and portrayed in the research report (Johnson, 1997). In order to increase interpretative validity, the use of low inference descriptors was applied as the exact words of participants are provided in many, direct quotations. Moreover, versions of the draft report were reviewed by a panel of enforcement experts. The connection between quotes and goal-displacement types was a focal point of the review-panel.

3.3.4 Data analysis

Based on a preparatory reading of the interview transcripts, a basic coding set was developed, based on the goal-displacement types described by Huizinga & De Bree, 2017/Chapter 2 of this study. In the second step of the analysis, codes were assigned throughout the transcripts.⁸ In the third step, additional codes were assigned, specifically codes assigning goal-displacement types and contributing factors not contained in the framework. Finally, all transcripts were re-analyzed to collect all other information deemed relevant to the research questions. This information included specific enforcement challenges and dilemmas, such as optimum strategies to mitigate goal displacement, specifically the task to stay on course despite intense stakeholder pressures, and optimum strategies to adapt the course in response to rapid changes within regulatory enforcement domains without neglecting successful traditional approaches.

3.4 FINDINGS

3.4.1 Overview

An overview of the findings is provided in Table 3.1. For each of the goal-displacement types observed (first column), one or more determinants were identified (second col-

umn). In the following subsections, the indications for the occurrence of these types and their determinants are discussed in detail.

Table 3.1: Overview of findings.

Type of goal displacement	Determinant	Description
Goal narrowing in terms of scope	Major accidents or calamities	Sudden, often massive concentration of attention on limited part of the scope for a considerable period of time (months, years) in the aftermath of major accidents and calamities.
Id.	Inadequate risk-analyses	Gradual concentration on limited part of the scope through incomplete and/or outdated risk-analyses: parts of the scope assigned as low risk are no longer inspected, "intelligence deficits" arise, reinforcing even lower priority setting of these parts.
Goal widening in terms of scope	(Near) absence of risk-analyses	Stringent focus on "by-the-book," complete scope approach thereby including superfluous inspections induced by absence of risk-analyses or by low-quality, rudimentary risk-analyses.
Id.	Silo-like risk-analyses	Preserving enforcement activities in compartments that would be designated as low priority in the case of integral risk-analysis, through subdivision of jurisdiction into autonomously functioning compartments.
Goal narrowing in terms of compliance	Overly rigid compliance stance	"Letter of the law" compliance perception, constraining solutions "in the spirit of the law", especially through command-and control style of enforcement.
Id.	Pseudo-flexible compliance stance (flexible regulations)	Limitation by the enforcement agency of the breadth of compliance solutions allowed by flexible regulation.
Goal widening in terms of compliance	Overpermissiveness (flexible regulations)	"Laissez-faire" enforcement style, thereby insufficiently limiting the set of potential solutions permitted by flexible requirements, especially in the case of flexible regulations.
Id	"Beyond-the-law" enforcement operations	Enforcement style which is relatively disconnected from regulatory requirements, thereby creating a vacuum in terms of enforceability, such as "Problem-oriented enforcement."
Goal diversion to input	Ongoing reform	Preoccupation with optimal, uniform organizational strategy and structure, especially through ongoing reform.
Goal diversion to throughput	Excessive procedural strictness	Preoccupation with strict and uniform adherence to procedures especially through the application of information technology directed procedures.
Goal diversion to output	Production-facility-like output generation	Strict and uniform generation of limited set of enforcement outputs, diverting from original goals, especially induced by output-management and budget cuts reinforced imposed by New Public Management.

3.4.2 Goal narrowing and widening in terms of scope

3.4.2.1 *Goal narrowing in terms of scope*

Goal narrowing in terms of scope refers to an underinclusive coverage of tasks within the jurisdiction of the agency, that is, a neglect of tasks deemed significant in terms of risks. The interview data provided strong indications for the occurrence of this goal-displacement type originating from two distinct determinants. The first is the occurrence of major accidents and calamities related to the jurisdiction of the agency. These events may lead to a sudden, often massive concentration of attention on a limited part of the scope for a considerable period of time, that is, many months or even years. Their relevance in generating a narrowing in the scope was reported by practically all respondents. These negative events, in their view, almost inevitably lead to a sudden contraction of capacity toward enforcement activities related to that specific event and the task to prevent comparable events, a phenomenon described in the literature (Carrigan & Coglianese, 2012). This contraction leads to a risk of the neglect of other relevant parts of the regulatory domain and therefore goal narrowing in terms of scope. In the majority of the interviews, covering all regulatory domains, this risk was recognized as being very relevant. However, the degree of accident sensitivity of agencies appears to be higher for regulatory domains that cover highly salient risks such as food safety, health and youth care, major hazards, and building.

Especially impactful consequences were reported for two major agencies, reflecting two distinct patterns, specifically consecutive contractions and single, long-lasting contractions. First, the Dutch Food and Consumer Products Authority has dealt with various calamities with nationwide repercussions in the past decade, such as a horse-meat scandal and an eggs-contamination calamity. Reflecting on the impact of the latter, a senior enforcer states: “[I]f you then reconsider what we had planned to do this year, well, with this type of big crisis that impacts on all fronts, not much could withstand it.” This quote illustrates that the annual program was largely abandoned in favor of enforcement activities related to the calamity. As this agency was plagued by impactful calamities during a considerable number of consecutive years, the scope of activities appear to have been significantly narrowed each year.

Second, the Health and Youth Care Inspectorate specifically illustrates how one grave accident may narrow the scope of activities for many years. The accident concerned a fatal mistreatment of a young infant by its parents in the year 2004, leading to a nationwide outpouring. This led to an incisive change of the course of the agency as a senior advisor explains:

A part of what you expected to do, you have to put that aside for a while. That's the short-term effect, but in the long run you see another effect That issue of safety in such situations has deeply influenced the way we think, the way we program, you name it So we could change things there. But ever since that time, we almost exclusively focused on that issue You start wondering, what's the situation in terms of the quality of care?

According to this respondent, the issue of safety structurally displaced broader issues of quality. The narrowing effect induced by this accident still endured 15 years after the accident.

Obviously, major accidents and calamities may point at white spots in goal perception, enabling the agency to perform enforcement activities filling in those spots and consequently become better aligned with the organizational goals. However, in these examples this re-alignment was completely overshadowed by an enduring, structural narrowing of the scope.

The second determinant of goal narrowing in terms of scope emerging from the interviews was the use of inadequate risk-analyses. In contrast to the examples just provided reflecting a very sudden narrowing of the scope, inadequate risk-analyses may lead to a gradual shift toward a part of the scope, leading to the neglect of other parts of the regulatory domain. Obviously risk-analysis based enforcement may have the advantage of focusing attention on the potentially most harmful topics. However, when not properly updated and covering the complete mandate, risk-analysis based enforcement may lead to byopia. More specifically, an unjustifiable neglect of other parts of the regulatory domain and therefore goal narrowing in terms of scope may be introduced. This narrowing mechanism was described in general terms by a senior advisor of the Food and Consumer Products Authority as follows:

[S]omething that bothers me, which may be related to [goal] narrowing ... is that you intentionally allocate your capacity where you expect the biggest problems, it's where the benefits in terms of risk reduction are maximal. A consequence may also be that you definitely no longer have a realistic picture of how things really are in terms of overall compliance, because you have ended all random monitoring.

This respondent describes the danger that by a risk analysis based focus on the "biggest problems", other areas within the jurisdiction may become underexposed. As

parts of the scope assigned as low risk are no longer inspected or with a much lower frequency, the agency may gradually lose sight of these parts. This effect was termed “intelligence deficit” by Tombs & Whyte (2013). Because of these “intelligence deficits” significant changes in risk in these areas may be completely missed. More specifically, the input of refreshed risk analyses tend to become dominated by the activities related to the high-risk areas. In contrast, no or few input is available concerning the low-risk areas, reinforcing even lower priority setting of these parts. Thus, risk analyses may lead enforcement agencies to gradually become, in a self-strengthening way, locked-in into a limited part of the jurisdiction, unless, as the enforcer above points out, some “random monitoring” of these low-risk areas is put in place.

Especially likely may be a “locking-in” on short-term risks at the expense of long-term risks. The former are usually more salient, often coinciding with those included in the risk analyses of regulated organizations as these are of vital importance to the continuity of their operations and to their profitability prospects, such as safety issues. In contrast, long-term risks may be largely invisible over many years. However, they may reflect important public risks, such as long-term health effects or earthquakes after many years of mining activities. A senior advisor acknowledged the relevance of this phenomenon, although as something of the past:

What I see is that the way the companies think, that way of thinking was present within [name of the agency]. It's not that you were captured, but the company perspective was really internalized in [name of the agency]. And therefore, the inspectors don't see these [long term] risks, don't see their role therein, don't see what position they should take to change things.

In this example, the inspectors tended to focus on short-term operational risks of activities and neglect the long-term, public risks. They were locked-in into a specific set of risks as they were focused on short-term risks. The inspections focusing on these risks provided input for future risk-analyses, guaranteeing a dominant position in new annual programs, whereas the absence of long-term issues in inspections only reinforced their absence in future inspections. It should be noted that this example can also be considered an example of regulatory “capture” (Gunningham, 2011; Oded, 2013).

3.4.2.2 Goal widening in terms of scope

Goal widening in terms of scope refers to an overinclusive coverage of tasks within jurisdiction, that is, carrying out inspections that, from a perspective of risks, are

superfluous. Although indications pointing at two distinct determinants emerged from the interviews, these were provided only by a limited number of respondents. Moreover, these indications only indirectly related to goal widening. The first determinant, the (near) absence of risk-analyses, leads enforcement agencies to cover, more or less systematically, the whole mandate inspecting all regulated organizations and including all regulations within the mandate. In such an undifferentiated approach, the possibility of overinclusiveness in terms of scope may be considerable, as for example, pointed out by Bardach & Kagan (1982/2010). The danger of superfluous inspections was raised, although only indirectly, by respondents from regional agencies lacking a risk-based approach.

The second determinant, the presence of silo-like risk-analyses, refers to a non-integrated approach to risk analysis. More specifically, priority setting is based on separate risk analyses within limits of specific programs, subdivisions or other types of silos within the agency, but these are not subjected to an overall prioritization of risks. This may lead to goal widening as low-risk areas may be “shielded”, that is, continue to be allocated capacity for the very reason that they are covered by separate entities within the agency. This silo-like approach to risk-analyses was mainly reported by respondents from large national agencies usually covering multiple regulatory (sub) domains or “mini-inspectorates”. They indicate that the lacking integral perspective may have the result of overexposure of some of the public interests covered.

3.4.3 Goal narrowing and widening in terms of compliance

3.4.3.1 Goal narrowing in terms of compliance

Goal narrowing in terms of compliance refers to an underinclusive interpretation of compliance with regulatory requirements, that is, a highly inflexible interpretational stance severely limiting optimal compliance solutions. The interview data provided indications for two determinants of goal narrowing in terms of scope. The first determinant, an overly rigid compliance stance, is characterized by a “letter of the law” approach of regulatory requirements, also called a “by-the-book” approach. When such a compliance stance dominates the agency, as may be the case when a command-and-control style of enforcement is exerted, solutions “in the spirit of the law” are constrained. Although in the Netherlands, flexible regulation is gradually becoming more important, especially on a national scale (see also Subsection 3.4.3.2), this does not mean that a classical, “by-the-book” interpretation of regulatory requirements is something of the past.⁹ The interviews provided clear indications countering this latter assumption. For example, the respondents working at the Human Environment and Transports Inspectorate clearly pointed out that this phenomenon had been dominat-

ing the agency for a number of years. Within a short period of time, a top manager, who was a clear supporter of this enforcement stance, succeeded in adopting this compliance perception throughout the agency. As one former middle manager at this agency reported:

During the time [name of the top manager] was in charge, things were completely reduced to [by-the-book] compliance . . . and you were not allowed to think further than compliance. So, during that time the credo really was: those laws are someone else's responsibility, you must take for granted they are good and that the goal is achieved when they are complied with. Well, that's a complete reduction.

This quote reflects the respondent's conviction that a strict, "by-the-book" approach to compliance implies a reduced, narrowed view of the ultimate goals as aimed for by the regulators, as described in the literature (Bardach & Kagan, 1982/2010; Gunningham, 2011; Oded, 2013; Tyler, 2011).

More structural trends toward a classical "by-the-book" compliance perception were reported by respondents of regional and local enforcement agencies. Interestingly, these are reinforced by the increased use of modern techniques, specifically the use of digital checklists during inspections. As one senior enforcer from a Regional Environmental Service puts it:

It's much easier with a checklist (pause) and this is it, this is our enforcement strategy. From a perspective of enforcement, it is a more comfortable position, it's just black and white. But what do you achieve with it? The underlying goal? I really doubt it.

This respondent explains how these digital checklists on the one hand facilitate enforcement professionals, but on the other hand force them to a strict adherence to the actions and interpretations prescribed by those checklists, inevitably bringing about a rigidity in terms of compliance perception ultimately leading to goal narrowing. Another risk associated with the trend of using checklists, which will be discussed below in more detail, is that the procedures become goals in themselves (see Subsection 3.4.4.2).

A second determinant potentially inducing goal narrowing in terms of compliance as forwarded by several respondents is a pseudo-flexible compliance stance in the case of flexible regulations. It refers to a situation in which the enforcement agency limits

the breadth of compliance solutions allowed by flexible regulations. The general mechanism that can be observed in these cases is that the leeway for the regulated organizations to find optimum solutions for compliance, as provided by these regulations, is severely reduced in the enforcement practice, potentially resulting in goal narrowing in terms of compliance. A first example was reported by a senior advisor of municipalities in relation to housing and facility building regulations, a regulatory subdomain characterized by a relatively flexible framework of regulations:

It's just striking how it is almost an institutionalized form of goal displacement how these building regulations function So the regulator states, the Building Decree states, we have a functional requirement that expresses a goal and we give one example of a solution that is indisputable. That's the intention but the focus is laid on that specific example.

This quote points out the pervasiveness, as perceived by this respondent, of the phenomenon that specific examples as included in these regulations tend to displace the flexible requirements themselves. It is interesting to note that this tendency, according to this respondent, is embraced by both enforcers and regulated organizations in order to save time and costs. As such, it reflects a risk-evasive attitude on both sides.

A second example of goal narrowing in enforcing flexible regulations was provided by a respondent from the Health Care Authority. The Health Care Authority was asked by the Minister of Health Care to develop a more horizontal, collaborative way of supervision as a part of a larger strategy to supervise good governance of health-care providers. This transition appeared to be difficult to realize, as described ironically by the respondent of this agency:

So, if we start a conversation, we don't start that conversation to hear what someone else thinks about the matter, but instead we start the conversation to hear that the other thinks about it just the way we think about it. And of course they do not. But that's no reason for us to reconsider the situation from another perspective. It is a reason for us to say they don't understand.

This quote clearly illustrates that, according to this respondent, the intended horizontal, collaborative supervision approach failed. Instead, a traditional vertical, prescriptive stance, which clearly prevents any open exchange of views as originally intended by the assignment, is taken. Obviously, this may severely limit the set of potential

measures and actions to tackle the problems discussed. In a real collaborative approach, a wider set of options will generally be negotiated.

3.4.3.2 Goal widening in terms of compliance

Goal widening in terms of compliance refers to an overinclusive interpretation of compliance with regulatory requirements, that is, a highly flexible interpretational stance insufficiently limiting optimal compliance solutions. The interview data provided indications for two determinants of goal widening in terms of compliance. The first, overpermissiveness in the case of flexible regulations, refers to a “laissez-faire” enforcement style, thereby insufficiently limiting the set of potential solutions permitted by flexible requirements. This enforcement style therefore leads to a risk of goal widening in terms of compliance. From the interviews it became apparent that in practically all regulatory domains developments of flexible regulation and/or flexible enforcement had been developed or were being developed. Although many respondents recognized the risk of goal widening associated to flexible regulations, they were confident that specific measures would successfully prevent this goal-displacement type from occurring. Such measures include training, inspecting in teams, discussing findings and proposed enforcement procedures within the team and colleagues outside the team, submitting enforcement cases to the (top) management, and separating inspections from enforcement procedures in terms of personnel involved.

However, despite this general confidence to successfully limit this risk associated with flexible regulations, examples of failure were reported, sometimes within other contexts, during the interviews. For example, at the Inspectorate of Human Environment and Transport, flexibility associated with a system of private oversight failed spectacularly and publicly in the case of the admission of a new series of trains. As these trains were plagued by incessant malfunctioning, the admission was retrieved. In the public hearings following this deception, it became clear that the inspectorate had given free rein to private oversight in this case and had neglected the oversight of certification bodies. Consequently, corrective measures had to be taken, as described by a senior advisor:

When you consider what the consequence has been, it is that an enormous pressure was built up concerning the way we deal with certification bodies It led us to invest very much energy, including actual oversight of those certification bodies, *all of them* (emphasis added).

This quote shows that the agency had to recalibrate its goals related to railroad traffic, specifically guaranteeing the admission of safe and well-functioning trains to the railroads in the Netherlands. Due to the near-absence of oversight by the inspectorate of the private oversight system, these goals had gradually been widened as a clear dividing line between compliance and noncompliance had disappeared. Comparable risks associated with private oversight have been described in the literature (Benneer & Coglianese, 2012; May, 2003; Short & Toffel, 2010).

The second determinant of goal widening in terms of compliance emerging from the interviews is the occurrence of “beyond-the-law” enforcement operations. It refers to an enforcement style which is relatively disconnected from regulatory requirements, thereby creating a vacuum in terms of enforceability, such as “problem-oriented enforcement” (Sparrow, 2000). As the latter term suggests, agencies working alongside this policy claim to be primarily focused on problems, that is, to solve problems in their domains, whether backed up by relevant regulations or in the absence of such regulations. An illustration of the risk associated with the latter provides the problem-oriented approach adopted by the Authority of Financial Markets (AFM) to the so-called “Woekerpolis affair,” concerning the sale of insurance policies with excessive charges, affecting about 50,000 consumers in the Netherlands. A problem-solving strategy was agreed on, termed “activating the customer,” that is, by encouraging financial companies and affected consumers to settle their disputes. The shortcomings of this activation approach were described by a former middle manager as follows:

But we lacked the jurisdiction to do that. Yes, we couldn’t force the suppliers to approach the people, couldn’t force the people to do that. Then you can only use soft powers and customer interest, public pressure, and let’s say the whole informal enforcement apparatus of AFM. But that meant things changed only very slowly and very gradually.

What this quote demonstrates is that if no regulatory requirements can be applied to the problems, answering the question of what full compliant behavior looks like tends to become fuzzy. In the absence of enforceable regulations, regulated organizations may embrace the goal as set by the agency, but they may also set their own goals, which may fall short in the eyes of the agency. In this way a variety of goals may be observed among regulated organizations, that is, the goal has widened.

A second example was provided by an enforcement professional from the Authority of Consumers and Markets, relating to a period in which the agency followed a clear problem-oriented approach focusing on “chances and choices for consumers and

markets.” This approach was heavily criticized in a newspaper article in the year 2015 entitled: “Fines? We prefer to have a face-to-face conversation first,” which may have contributed to its demise. A downward trend in terms of the rating in global competitiveness of regions was seen in this period as a junior enforcer from this authority remembers:

I think that in those years, as we were having that mission . . . our score went down in comparison to other countries Thus, in that period we went from a five-star authority to four, three and a half and three or something like that.

This quote illustrates how the agency, through adapting this problem-oriented approach, gradually became less effective. Its efforts to solve problems without the use of regulatory requirements, but by means of dialogue, widened the goals in terms of compliance, as, similarly to the previous example, regulated organizations may stick to their specific goal perception without risking an impactful enforcement procedure by the agency.

3.4.4 Goal diversion to means

3.4.4.1 Goal diversion to input

Goal diversion to input, refers to the phenomenon whereby basic aspects of enforcement activities, such as general strategies and techniques applied by the agency, lose their goal-subordinate position by becoming goals in themselves. Strong indications of this goal-displacement type were observed in relation to ongoing organizational reform within the agencies that was consistently linked to a preoccupation of top management with optimal, uniform organizational strategy and structure. The issue of organizational reform was raised by respondents in almost all interviews, and related to both mergers of enforcement agencies and internal reforms. Both types of reform could be very consequential in terms of working methods, enforcement style, work culture, repositioning all employers and many other aspects, that is, involving complete organizational overhauls.

Although the official motive behind both types of reforms is to optimize the enforcement strategies to create more efficient and effective enforcement agencies, some respondents were highly critical of these reforms. As one senior enforcer from the Food and Consumer Products Authority describes it:

I have worked quite a long time here, I had 5 reforms . . . and every 5 years I have one, and by the time you approach that fifth year, in the fourth or fifth year – that is, by the time that the reform really starts to bear fruit and you are really reconnected to each other and you really get going, then, once more – we had it just the other day – and yes, things change rigorously and yes, another search starts.

A senior enforcer from the Human Environment and Transports Inspectorate concisely puts it as follows: “We never achieve a situation of equilibrium anymore. The dust never settles.”

Both quotes illustrate the high frequency of reforms, their duration and especially the extent to which they structurally divert from the original goals of the agency. The phenomenon of ongoing reform has been described in the literature in relation to the decoupling of means and goals (Bromley & Powell, 2012; De Bree & Stoopendaal, 2018). Additional factors diverting attention away from the restructuring activities themselves, are, as reported by these respondents, feelings of anxiety among personnel and even apathy.

The real reason behind these reforms as perceived by the enforcer just quoted is as follows:

[E]very three years there’s a new goal and we have to.... But actually there is not a new goal or so. You know, our reason for being is still the same, to put it that way We’re in the midst of a reform now; our general manager is 62 years old, well, he will very probably leave within two years. A new general manager comes, a new reform will start. And if not, we’ll get a new administration and we’ll have a reform anyway.

According to this respondent, reforms as such primarily seem to function as actions initiated by managers and politicians to show strength and leadership. This indicates that strategy development and the accompanying organizational reforms have to a significant extent become autonomous, a goal in itself.

3.4.4.2 Goal diversion to throughput

Goal diversion to throughput refers to the phenomenon that guidelines for enforcement operations and practices, such as enforcement procedures and processes, become goals themselves. Emerging from several interviews were indications of the dominance within the agency of a strict and uniform adherence to procedures. Inter-

estingly, the examples provided do not confirm the picture of classical bureaucracies demanding employers to strictly follow procedures (Wilson, 1989), also referred to as over-formalization (Van de Walle, 2014). Instead, the examples provided relate to modernizing tendencies of enforcement agencies, specifically information technology systems. Central to these tendencies are techniques and tools that are supposed to increase the efficiency and effectiveness of enforcement agencies but risk to become autonomous (Perez, 2011). The trend of using digital checklists to prepare, execute and process the results of inspections was predominantly reported by respondents working at regional or local agencies in the domain of Physical Environment. The major benefits mentioned were an increased transparency and equity of inspections, a better accountability and increased precision and completeness of inspection. The respondents showed considerable differences in terms of perceived risks of using these checklists. Whereas two respondents were convinced this was a true improvement, another respondent was critical:

And I think checklists are very useful tools, but you must not visit a general site manager of [name of multinational company], take your iPad and fill out a checklist. That's a bit missing the point, I guess. It's fine to have it at your disposal (pause) and there's where you see a very big displacement. Now it's just, you're on your way, fill out that checklist and you have finished another inspection.

What this quote illustrates is that whereas checklists might be helpful in the case of small, homogeneous sectors of regulated organizations and relatively straightforward regulatory requirements according to this respondents, enforcers should be very reluctant to use them in the case of complex regulated organizations that have to comply with complex regulations. In the eyes of this respondent, the tool has become a goal in itself.

3.4.4.3 Goal diversion to output

Goal diversion to output refers to the phenomenon of products of enforcement, such as the number of inspections or violations detected becoming goals in themselves. The indications collected pointing at this goal-displacement type all relate to a strict and uniform generation of a limited set of enforcement outputs. Strong indications of this phenomenon were reported by enforcement professionals from the subdomain of Physical Environment, among others the Department of Public Works and Water Management and Regional Environmental Services. The main output used in these agencies is the number of inspections, usually specified in advance in annual programs. The resulting goal diversion is described as follows by one respondent:

It becomes very instrumental They play tricks to comply with the performance indicators as set. And nobody cares about the quality of the inspections. And all creativity of enforcement professionals is pushed out – you make a machine of them.

A senior enforcer from an Regional Environmental Service describes this phenomenon this way:

I for myself think that the numbers are becoming the main drivers. And not what actually lies behind these numbers, the ultimate goal you mentioned, I don't know if that's any longer an issue in inspection conversations, no.

Comparable autonomizing tendencies generated by a strong focus on quantitative indicators in organizations have been described in the literature (Dahler-Larsen, 2014; Perrin, 1998; Smith, 1995; Terpstra & Trommel, 2004; Van Thiel & Leeuw, 2003).

On a more fundamental level, most respondents recognized the complex relationship between outputs and outcomes in the case of regulatory enforcement. As a senior advisor from the domain of Education points out in relation to the outcomes the inspectorate focuses on:

Therefore, the moment you can easily calculate it, or something is easily calculable or SMART, well you might say SMART is already a form of goal displacement [T]he less testable in quantitative terms, the greater the risk of displacement.

This quote shows the respondent's perception of the general risk of goal diversion associated with the use of – and especially the overreliance on – simple outputs, detaching outputs from outcomes resulting from a production-like, strict output management approach.

3.5 DISCUSSION

This research has generated indications for the actual occurrence of an array of goal-displacement types within Dutch regulatory enforcement agencies. Moreover, for each of these goal-displacement types one or more determinants have been identified. Among these determinants, a few stand out from the others as they may infer

exceptionally high degrees of goal displacement. For example, large accidents and calamities in the regulatory domain of the agency appear to be powerful generators of enduring goal narrowing in terms of scope in a number of domains. Another example is the widespread phenomenon of ongoing reform at enforcement agencies leading to goal diversion to input. Finally, strict regimes of output management appear to infer high degrees of goal diversion to output. A visual overview of the various types of goal displacement emerging from this study are shown in Figure 3.1.

It is important to note that the dividing lines between situations of goal displacement and goal alignment may not be as clear cut as depicted in Table 3.1 and Figure 3.1. Context matters a lot. For example, in the case of a specific group of regulated organizations persistently resisting compliance, an optimum goal alignment may be a “by-the-book,” command and control approach as the latter may be the only effective option left for the agency to move these resistant organizations toward compliance. Moreover, contexts may significantly change over time, requiring adjustments in terms of optimal goal alignment. For example, if the resistant regulated organizations just mentioned decide to give up their course of resistance and achieve significantly higher levels of compliance, a “by-the-book,” command and control approach will no longer represent an optimal goal alignment. Instead, an approach allowing site-specific options reflecting the spirit of the law will then be more appropriate. Thus, the balancing act to divert from goal displacement is not a uniform, one-off adjustment, but a case-by-case dynamic process. It reflects the ambiguity inherent to regulatory enforcement goals.

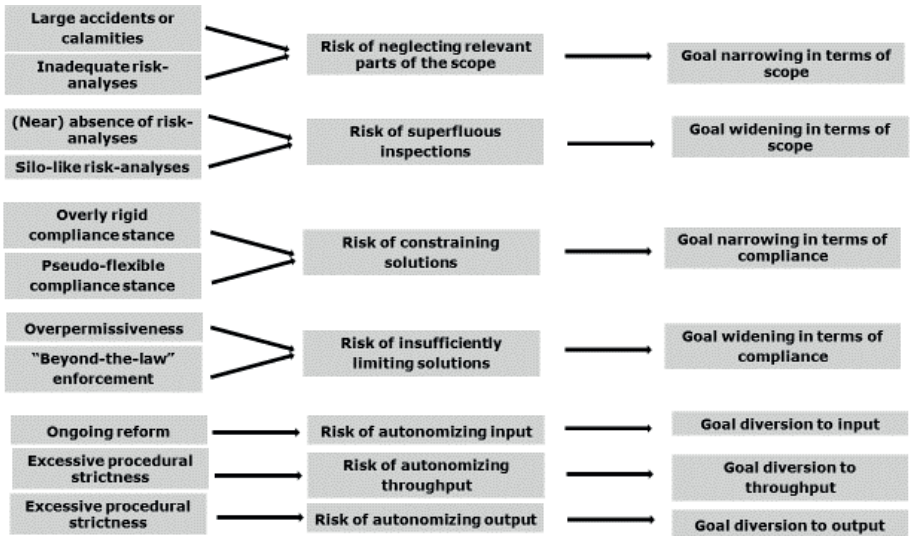


Figure 3.1: Schematic overview of goal-displacement types and their main determinants emerging from this research.

Recently, an explanatory framework for goal displacement in regulatory enforcement agencies based on an analysis of their characteristic ambiguity profile was proposed by Huizinga and De Bree (2021) (Chapter 5 of this study). Taking account of a rich literature on goal ambiguity (e.g. Carrigan, 2012; Chun & Rainey, 2005; Lee, Chun & Rainey, 2010 and Rainey & Jung, 2015), these scholars point out that these agencies' goals are characterized by multiple dimensions of goal ambiguity. The authors assert that in particular evaluative goal ambiguity makes the agencies vulnerable to rely on simple indicators and proxies of goal realization, referred to as grip factors (Goal realization Indicators and Proxies). These include major accidents and calamities, the internal organization of agencies and the generation of simple output. However, they may also have the unwanted and often overlooked effect of simplifying the original goals to such extent that the latter can be said to be displaced. The findings of the current research appear to support this explanatory framework. More specifically, the determinants of goal displacement as identified in this research coincide with or can be easily related to the grip factors listed by Huizinga and De Bree (2021) (Chapter 5 of this study). The results indicate that external events, such as calamities or election cycles or internal events such as executive turnover may lead to far-reaching changes in the scope of activities, the internal organization, or both. Such changes may induce substantial goal displacement, as this research indicates. Apparently, goal alignment in regulatory enforcement agencies is less robust than often assumed. The results confirm that goal displacement and goal ambiguity may be valuable concepts to advance the understanding of regulatory enforcement effectiveness.

3.6 CONCLUSIONS AND IMPLICATIONS

The main conclusion of this research is that goal displacement in regulatory enforcement appears to be a real risk. Its multifaceted forms of expression may substantially and enduringly affect these agencies and thereby impair effectiveness of these agencies. Of special importance is that multiple goal-displacement types may simultaneously befall an agency.

The main implication of this research is that a goal displacement perspective may help to explain the intricate nature of effective regulatory enforcement by shedding light onto the multiple pitfalls that must be taken into account in designing and performing enforcement activities that can be said to be goal aligned. Although finding such a balanced approach may not be easy, avoiding situations of pursuing distorted goals, that is, reducing *ineffectiveness*, may well be a promising avenue to increase effectiveness of regulatory enforcement.

Obviously, as this is one of the first studies to empirically explore goal displacement in regulatory enforcement agencies, a still very incomplete picture of the relevance of this phenomenon in these agencies remains. Important questions pertain to the relevance of the various goal-displacement types within widely varying regulatory domains, the actual degrees and endurance of goal displacement, and the possibility of sorts of displacement not yet included. Moreover, specific characteristics of regulatory enforcement agencies, such as the number of enforcement professionals employed, the background and experience of these professionals, specific organizational characteristics or geographic boundaries, were not taken into account. These factors should be considered in future research in order to obtain a more comprehensive view of goal displacement in these agencies.

NOTES:

1. See Abramson (2009) and Huizinga and De Bree (2021) (Chapter 5 of this study) for a more detailed list of some of the major goal displacement studies in the past 70 years.
2. In the case of performance-indicator research, a common denominator seems to be that these indicators become an end in themselves, implying goal displacement. In the case of means-end decoupling, the phenomenon as described appear to be very closely related to goal displacement as means, especially working processes and procedures decoupled from goals, tend to overshadow the goals and therefore become goals in themselves.
3. As one would expect $3 \times 3 = 9$ types (combining three modalities and three forms of goal displacement), the question may arise why two types were excluded. Actually, things are a little more complicated. The number of seven is reached by first discarding four combinations assumed to be of little relevance and subsequently splitting one of the remaining five combinations into three types, the latter effectively adding two types ($9 - 4 + 2 = 7$). First, goal diversion combined with scope was considered irrelevant as it would mean an exclusive focus on requirements completely outside of the official mandate of the agency, which is deemed highly unrealistic. Second, goal diversion combined with of compliance was also discarded as it would mean that enforcers would require regulated organizations to take compliance measures completely alienated from the regulatory requirements, which, again, in practice would be highly unrealistic. Third, goal narrowing combined with means is not considered as it would be the logical consequence of goal narrowing in terms of either scope or compliance. In other words, it is not an independent type and therefore discarded here. Fourth, in the same vein, goal widening combined with means is discarded. In addition, it was decided to distinguish three types of goal diversion to means. The reason is that distinct indications for goal displacement specifically related to input (personnel, budget), throughput (procedures and processes) and output (the direct results of enforcement activities) were observed in this research.
4. As such, this paradox may constitute another factor explaining why the concept of goal displacement has remained relatively vague and a "catch-all" term (see Section 3.1, Introduction).
5. Major hazard facilities (MHFs) are sites that store, handle and process large quantities of hazardous chemicals and dangerous goods, including explosives that exceed specified threshold quantities. Examples include chemical manufacturing and gas processing plants.
6. As two inspectorates merged in 2018, the number of large inspectorates was 7 in 2019.

7. In addition, three other major national enforcement agencies were selected (see Appendix to this chapter). About two dozen national enforcement agencies with rather specific mandates and limited capacities were not included in the sample.
8. Manual coding using the Word comments function was conducted.
9. Flexible regulation refers to types of regulation that offer a considerable degree of choice to regulated organizations to solve the problem addressed in that regulation. It includes outcome-oriented, systems-oriented and process-oriented regulations (Gilad 2010).

APPENDIX

Table 3.2: Overview of interviews.¹

Regulatory domain	Number of interviews	Specification of agencies
1. Physical Environment and Major Hazards	8	Human Environment and Transport Inspectorate (1); Department of Public Works and Water Management (2) ^{2,3} ; Dutch Emission Authority (1); Regional Environmental Service 1 (2) ⁴ ; Regional Environmental Service 2 (1) ⁵ ; Municipality > 200,000 citizens/Environmental Enforcement Department (1)
2. Food and Consumer Products	2	Netherlands Food and Consumer Product Safety Authority ⁶
3. Occupational Health and Safety	1	Inspectorate of Social Affairs and Employment
4. Transport and (digital) Infrastructure	3	Radio Communications Agency (1); National Information Center Vehicle Crime (1) ^{2,7} ; Human Environment and Transport Inspectorate (1)
5. Building and Built Environment	2	Human Environment and Transport Inspectorate (1); Municipalities (Enforcement Department)
6. Education	1	Dutch Inspectorate of Education
7. Health and Youth Care	2	Health and Youth Care Inspectorate (1); Dutch Healthcare Authority (1)
8. Justice and Security	1	Inspectorate of Justice and Safety
9. Finance	4	Netherlands Authority for the Financial Markets (1); Dutch Central Bank (1); Authority for Consumers and Markets (1) ⁷ ; Dutch Tax and Customs Authority (1) ²
10. Mining	1	National Mines Inspectorate

Notes to the table:

1. The interviews were held in the periods October–December 2018, February–March 2019 and July–October 2019. All interviews were conducted in Dutch, recorded and transcribed in full, resulting in over 300 pages of interview reports. The quotes included in this chapter were translated by the author into English. The interviews took place at the respondents' agencies, with the exception of two interviews, which were conducted by telephone (nos. 3 and 21). The interviews lasted between 36 and 76 minutes, the average being 51 minutes.
2. Agency that is neither a national inspectorate nor a market authority, but that carries out important enforcement activities on a national scale, as part of their activities.
3. Two interviews were held to cover both Physical Environment and Major Hazards related to waste water pollution.
4. Two interviews were held to cover Physical Environment at large industrial facilities and small/medium facilities.
5. Focus on Major Hazards.
6. Two interviews were held to cover both the Food Department and the Consumer Products Department.
7. At the time of the interviews, these professionals had recently left their position at the enforcement agency



5. EXPLORING THE RISK OF GOAL DISPLACEMENT IN REGULATORY ENFORCEMENT AGENCIES: A GOAL- AMBIGUITY APPROACH

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ABSTRACT

It is generally believed that public agencies are especially prone to goal displacement, but research has remained relatively limited. In this conceptual chapter, we explore why and how goal displacement might affect public regulatory enforcement agencies. Central to our approach is an analysis of the ambiguity of enforcement goals, arguing that the ambiguity related to the evaluation of goal achievement makes enforcement agencies vulnerable to goal displacement. The underlying reason is that this type of ambiguity increases the risk of neglecting the complexities of enforcement goals. We specify three types of complexity neglect and describe their potential goal-displacement effects. We provide examples of goal-displacement-reinforcing factors to clarify conceptual notions. We conclude that in the absence of a sound tradition of ex-post effect evaluations, goal displacement might be much more prevalent in enforcement agencies than is often assumed.

Key words: regulatory enforcement agencies, goal displacement, goal alignment, goal ambiguity.

5.1 INTRODUCTION

Goal displacement, as originally defined by Michels in 1911, is the phenomenon by which the original and often radical or idealistic goals of an organization are displaced by the inferior goals required to maintain the organization and keep its leadership in power (Michels, 1911/1949; Slattery, 2003). Whereas most early studies focused on this shift of goals to organizational survival, more recent studies have included a broader spectrum of changes, including general shifts in goals as well as shifts in their relative importance (Abramson, 2009). A common characteristic is that the original goals are formally preserved, but the actual goals pursued are not necessarily the same.

Goal displacement has been demonstrated in widely varying organizational settings, including political organizations (Bongyu, 2003; Kerr, 1975; Lipset, 1950), government agencies and services (Bengtsson, 2003; Elliott & States, 1979; Jentoft et al., 2011; Resh & Marvel, 2012; Selznick, 1949; Uitermark & Loopmans, 2013), health and elderly care organizations (Abramson, 2009; Scheff, 1962; Scott, 1967; Topliss, 1974), schools (Aviram, 1990; Bohte & Meier, 2000), research (Kerr, 1975; Meier & Calderon, 2016), software development (Fitzgerald, 1996), newspapers (Harlow, 2015), and even gangs (Elder, 1999). Goal displacement will generally influence the effectiveness of organizations negatively, as confirmed by empirical research (Abramson, 2009; Bohte & Meier, 2000; Resh & Marvel, 2012).

The risk of goal displacement may be especially high in public agencies. The reason, according to Bohte and Meier (2000), is that these agencies are often charged with complex societal problems. Consequently, performance in relation to solving or mitigating these problems may prove difficult to evaluate. This may lead to performance evaluations based on outputs rather than outcomes, accompanied by a risk of goal displacement. More generally, scholars discussing goal displacement in bureaucratic organizations have related this phenomenon to goal characteristics such as abstraction, intangibility, and ambiguity (e.g., Blau, 1955; Bohte & Meier, 2000; Merton, 1957).

Since the early 1990s, goal ambiguity has been conceptually and empirically explored. Organizational goal ambiguity is defined by Chun and Rainey (2005a, p. 2) as "the extent to which an organizational goal or set of goals allows leeway for interpretation, when the organizational goal represents the desired future state of the organization". Empirical research based on Rainey's (1993) theory of goal ambiguity in public organizations points to negative influences of goal ambiguity on effectiveness at the organizational level (Chun & Rainey, 2005b; Jung, 2011), programmatic

level (Jung, 2014), and the individual level (Stazyk & Goerdel, 2011). The results of this research correspond with research within the framework of goal-setting theory, showing that when goals are specific and reasonably difficult, employee motivation and performance increase (Locke & Latham, 2002). In the goal-ambiguity literature, goal displacement is often mentioned in some way as a natural response to goal ambiguity. For example, Rainey and Jung (2014, p. 74) mention goal displacement as a risk related to the translation of higher goals into objectives and rules. However, goal displacement has largely remained peripheral to the work on goal ambiguity.

In this chapter we seek to increase our understanding of the relation between goal displacement and goal ambiguity in public organizations. More specifically, this chapter explores why and how goal displacement affects the ability of regulatory enforcement agencies to enforce the rules, based on an analysis of goal ambiguities characterizing these agencies' goals.¹ Regulatory enforcement is defined as "all activities of state structures (or structures) delegated by the state aimed at promoting compliance and reaching regulations' outcomes" (OECD, 2014, p. 11). These outcomes include lowering risks to safety, health, and the environment and ensuring the achievement of public goods, such as state revenue collection or transparent functioning of markets. Regulatory enforcement agencies' activities include information, guidance and prevention, data collection and analysis, inspections and enforcement actions in the narrower sense, such as warnings, improvement notices, fines and prosecutions. We focus here on agencies exclusively entrusted with enforcement and on the enforcement activities of agencies entrusted with several phases of the regulatory process, such as rule-making, enforcement, and evaluation.

Regulatory enforcement agencies play a pivotal role in making legislation "work" (Gunningham, 2011). At first sight, their goals may seem to be relatively straightforward: the compliance of regulated organizations with a set of regulatory requirements that constitute the agency's jurisdiction. Therefore, the risk of goal displacement appears to be limited. However, upon a closer look, ambiguities emerge that characterize these goals. Regulatory enforcement agencies must translate often vague and ambiguous policy goals in order to apply them to real-world situations, regularly under the influence of competing stakeholders (Bardach, 1977; Wilson, 1989). As emerges from the literature, such translation processes are particularly interesting from the point of view of goal displacement (Abramson, 2009; Bohte & Meier, 2000; Warner & Havens, 1968).

We focus on goal displacement affecting the organization as a whole, or major parts of it, such as organizational units or programs, taking the official organizational goals

as a reference. We do not consider differences in goals at the level of individuals or groups of individuals within the organization although we are aware of the possible relevance of these issues, as asserted by Downs (1967) for example. Moreover, we take a generalized approach to regulatory enforcement. While we realize the risks of such an approach considering the degree of variation between enforcement agencies, we are confident that the basic similarity in their goals, that is, compliance of regulated organizations with a set of regulatory requirements covered by the agency, provides a sufficient basis for a generalized approach.

Below, we first consider the role of evaluative goal ambiguity in creating a vulnerability to goal displacement (Section 5.2). Subsequently, we analyze how goal-displacement effects can be related to three major constitutive processes underlying enforcement activities (Sections 5.3–5.5).

5.2 EVALUATIVE GOAL AMBIGUITY, GRIP FACTORS AND THE RISK OF GOAL DISPLACEMENT

5.2.1 The relevance of evaluative goal ambiguity

Evaluative goal ambiguity refers to the level of interpretative leeway that an organization mission allows in evaluating progress toward the achievement of the mission (Chun & Rainey, 2005a). Its measure looks at whether the goals and performance measures were stated in terms of results and impacts, as opposed to inputs, processes, and outputs. More specifically, evaluative goal ambiguity can be measured by expressing the number of subjective and workload-oriented performance indicators as a percentage of all performance indicators, including those which are considered objective or results-oriented. If this percentage is high, the evaluative goal ambiguity is high (Chun & Rainey, 2005a).

In the case of regulatory enforcement, evaluative goal ambiguity can be linked to the difficulty of measuring the effects of enforcement activities in an objective and results-oriented way and therefore their contribution to goal achievement. The main reason for the difficulty in observing effects pertains to an important characteristic of the goals of many regulatory domains, which is their intangibility. According to Warner and Havens (1968, p. 540), intangible goals are “expressions of intended states of affairs that do not adequately describe the desired states or the activities that would constitute their achievement.” The intangibility of regulatory enforcement goals is a direct consequence of the fact that protective regulation is often focused on reducing risks that are elusive and volatile in character. This makes it difficult to

draft regulatory requirements that are simple and concrete yet effectively induce a substantial reduction of those risks. As Bardach and Kagan note (1982/2010, p. 70): “Ironically, it is this very elusiveness of bad actions or outcomes that give rise to protective regulation in the first place: if the harmful attributes of a product or a work were easier to detect, consumers or workers would be able to protect themselves.” Thus, the changes sought by enforcement agencies are reductions of risks that are often not directly perceptible and therefore not directly measurable, such as highly intangible occupational health risks due to hazardous substances or the external safety risks of chemical plants.

Although high degrees of intangibility may be typical for many regulatory domains, in others, goals can be relatively tangible. For example, the goal sought by specific requirements to curb noise hindrance can certainly be measured. Similarly, requirements of fall protection for construction workers prescribe clearly visible measures, such as fences and the use of scaffolds and safety lines that contribute to a readily perceptible goal: minimizing the number of casualties of falls. Nevertheless, even in these domains, the changes in desired behavior are difficult to observe. Concluding that enduring changes have been implemented based on infrequent and short inspections is a standard extrapolation that may not be representative of the actual situation. Thus, although some enforcement goals offer greater opportunities for measurement than others, a base level of intangibility seems to be inherent to the enforcement goals of all regulatory domains.

An additional factor contributing to the evaluative ambiguity of enforcement goals is that many influences may be involved in achieving the goals of reducing risks. These may include influences from other government agencies and external interest groups, and internal pressures within regulated organizations themselves. Therefore, it may be hard to extract the exact contribution of enforcement efforts (Coglianese & Snyder Benneer, 2005).

In sum, as enforcement goals are generally intangible, and realization efforts are influenced by a network of actors, evaluative goal ambiguity appears to be a relevant characteristic of these goals.

5.2.2 Relying on grip factors, goal-complexity neglect, and the risk of goal displacement

Despite the lack of direct empirical guidance, an organization striving to achieve intangible goals has the task of steering toward these goals by means of organizational

action, and it is expected to be able to account for the effects of its actions. This means that the organization

must infer organizational activities from these intangible goals in order to get a grip on these intangible goals. We introduce the term grip factors which is an acronym for Goal Realization Indicators and Proxies. Grip factors are indicators and proxies the organization selects to make a vague goal more tangible in order to operationalize it. Examples of grip factors are measurable outputs such as inspection numbers and violation numbers. Large accidents in the domain covered by the agency can also serve as grip factors because of the concreteness of the events themselves and the upheaval they may cause (see also Subsection 5.3.3).

The risk associated with these grip factors is that they may be poorly aligned with the original goals. In that case their use will lead to goal displacement. This is not a marginal risk, as the very reason for relying on grip factors in the first place—that is, the intangibility of goals—also hinders the empirical evaluation of the grip factors applied. Consequently, the greater the intangibility of goals associated with a regulatory domain, the more it will preclude any direct distinction between well and poorly directed grip factors. As no clear warning signals will accompany the use of the latter, goal displacement may take place relatively unnoticed and unhindered, reinforced by overconfidence in the quality of the grip factors used.

Previous literature has identified the intangibility of goals as an important factor contributing to goal displacement. While the number of empirical studies of goal displacement in public agencies remains limited, those available identify the intangibility of organizational goals as a major contributing factor of goal displacement (Abramson, 2009; Bohte & Meier, 2000; Resh & Marvel, 2012).

Obviously, the risk of goal displacement might be substantially mitigated in the case that feedback is available from retrospective effect evaluations of enforcement strategies and methods, that is, indirect evaluative guidance. Such evaluations generally provide insights into how to increase effectiveness. These insights may include optimizations of orientation on the original goals without even explicitly recognizing the phenomenon of goal displacement as such, specifically by designing and using a set of grip factors that is better aligned with the original goals. Unfortunately, retrospective effect evaluations of enforcement strategies and methods are relatively scarce. To date, no substantial base of knowledge of effect evaluations has been established. Several authors have decried this lack of retrospective evaluation of regulations and consequently recommended the establishment of a strong tradition of such evalu-

ations (Greenstone, 2008; Sunstein, 2014). However, establishing such a tradition should take care to avoid specific shortcomings as pointed out by Bull (2015). Evaluations carried out by the agency itself can be inadequate due to tunnel vision, invertedness, and inadequacy of resources. In addition, evaluations carried out by permanent regulatory boards may specifically lack a nuanced understanding. In order to evade these shortcomings, this scholar has proposed a retrospective tradition based on rule-making petitions which seeks to integrate the expertise of nongovernmental entities.

In the absence of a substantial base of retrospective effect evaluations, the risk of goal displacement may be substantially increased by internal and external pressures to select and use relatively simple grip factors to specify goals and means. Such pressures may be exerted by sanctioning and rewarding systems. Regulatory enforcement agencies, like all organizations, use internal sanctions and rewarding mechanisms to “obtain desired behavior from individuals” (Warner & Havens, 1968, p. 550) within the agency. However, sanctions and rewarding mechanisms generally tend to simplify: “What is sanctioned tends to be what can be evaluated, and what can be evaluated tends to be what is visible, tangible, and measurable” (Warner & Havens, 1968, p. 550). Thus, the less these sanctions coincide with the goals, the stronger the goal-displacement-reinforcing effect. Kerr (1975) attributes goal displacement due to rewarding mechanisms to a general fascination with simple, quantifiable criteria, as these characteristics are perceived as objective. According to this scholar (1975, pp. 779–780), such criteria “may be successful in highly predictable areas within an organization, but are likely the cause of goal displacement when applied anywhere else.” An additional factor Kerr mentions is the general tendency to overemphasize highly visible behaviors: rewarding the stimulation of visible parts may lead to other less visible, but nonetheless indispensable, parts being neglected. Among the examples provided is the focus of university teachers on research and publications at the expense of teaching, as the former is much more visible and therefore more suitable for rewarding policies than the latter. Empirical studies of goal displacement in public agencies confirm the goal-displacement-inducing effects of sanctions and rewards (Abramson, 2009; Bohte & Meier, 2000).

Importantly, the simplifying effect of sanctioning and rewarding pressures, which may run counter to the goal ambiguities, tends to be a rewarding strategy in itself. As simplifications enable the agency to operate along production-like, streamlined processes, they may contribute to stakeholder perceptions of a smoothly operating agency. The latter will positively contribute to the organization’s legitimacy (Bromley & Powell, 2012), thereby strengthening simplification tendencies. In contrast, resisting the deduction of a highly production-like and streamlined set of tasks in order

to reflect the ambiguity of goals may lead stakeholders to perceive the resulting enforcement processes as overly complicated (see also Subsection 5.5.2).

Thus, the risk associated to the use of grip factors guiding goal realization efforts is that these factors do not fully take into account the full complexity of enforcement goals and are therefore directed at simplified goals. We further refer to this phenomenon as goal-complexity neglect. Specifically, we assert that higher degrees of goal-complexity neglect, associated to the grip factors used, will generally lead to a higher risk of goal displacement. The preceding discussion can be summarized by the following propositions.

Proposition 1: The greater the evaluative goal ambiguity pertaining to a regulatory domain, the greater the risk of a lack of reliable effects feedback on enforcement activities in that domain.

Proposition 2: The greater the lack of reliable effects feedback on enforcement activities, the greater the risk of neglecting the complexity of enforcement goals.

Proposition 3: The greater the neglect of regulatory enforcement goal complexity, the greater the risk of goal displacement.

5.2.3 Processes potentially affected by goal-complexity neglect

After having elaborated why regulatory enforcement agencies tend to be vulnerable to goal displacement, we now focus on the question concerning how this may translate into actual goal-displacement effects. To this aim, we distinguish three major processes underlying and characterizing the enforcement activities as conducted by a regulatory enforcement agency. These processes are scope selection, compliance perception, and means specification. The first process refers to the capacity allocations made by the agency that determine the scope of activities. It “fits” the general goals of the agency as set by its mandate within the limits of the resources available to the agency. The second process refers to the translation of regulatory requirements to specific situations at regulated organizations. It specifies what should be done to be in compliance with regulatory requirements. Both scope selection and compliance perception result in specifying the goals: they translate the general goal as set by the mandate into working goals of individual enforcement projects or programs. The third process refers to picking the suitable means such as labor, tools and methods to achieve these working goals.

Although these three processes may often be lumped together, the distinction made above may be quite useful for our exploration of goal-displacement effects based on goal ambiguity.² As we will explain, scope selection relates to priority goal ambiguity, whereas compliance perception relates to directive goal ambiguity, both involving leeway in specifying the goal and thus adding to the complexity of goals. In addition, means specification involves the handling of the methodological leeway in terms of input (such as the techniques to be used), in terms of throughput (specifically the enforcement procedures to be applied), and in terms of the output to be generated (such as inspection numbers).

Thus, we distinguish three types of complexity, each corresponding to a major process underlying enforcement activities, which have to be dealt with in designing and conducting enforcement activities. In the following three sections, we seek to make plausible that a substantial neglect of these complexities, mediated by grip factors as discussed above, may lead to specific goal-displacement effects. In the case of both scope selection and compliance perception, either goal-narrowing or goal-widening effects may result, whereas in the case of means specification, goal diversion to means may be generated. Figure 5.1 summarizes the proposed relations between goal ambiguity and goal displacement.

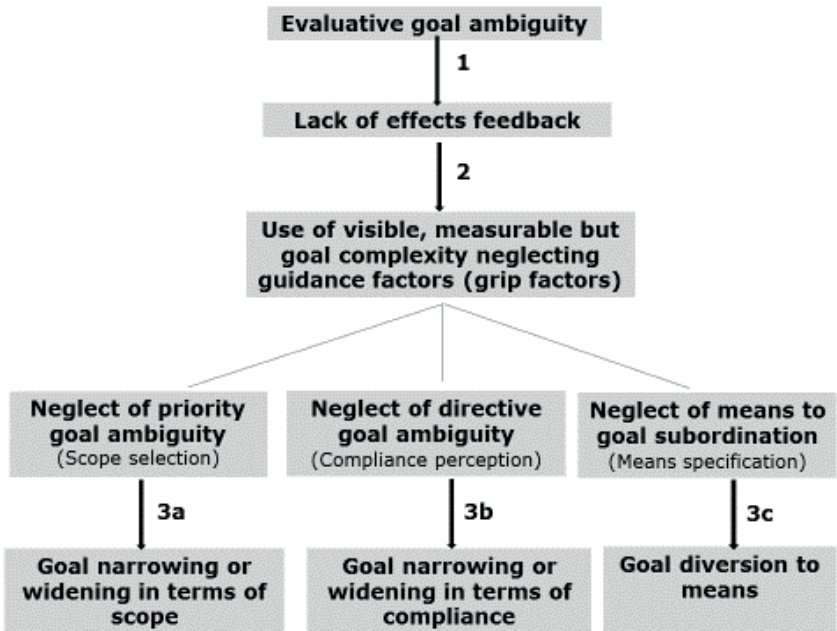


Figure 5.1: Goal ambiguity-based framework for goal displacement in regulatory enforcement agencies. The numbers refer to the propositions throughout this chapter.

5.3 PRIORITY GOAL-AMBIGUITY NEGLECT IN SCOPE SELECTION

5.3.1 The relevance of priority goal ambiguity

Priority goal ambiguity refers to the level of interpretative leeway in deciding on priorities among multiple goals (Chun & Rainey, 2005a). The measure of priority goal ambiguity or the degree of imprecision in indicating priorities among multiple goals includes the number of long-term strategic goals and the number of annual performance targets. In order to interpret the relevance of priority goal ambiguity in the case of regulatory enforcement goals, we first take a closer look at these goals.

The overall goal of an enforcement agency is constituted by the regulatory mandate attributed to these agencies. It may cover one or several subdomains. An example of the latter is the US Occupational Health and Safety Authority (OHSA), which includes the subdomains of occupational health and of safety. Each of these subdomains includes a specific regulatory framework consisting of laws and regulations. Completely unfolded, the goal of each regulatory enforcement agency is a grid of micro goals. One dimension of this grid includes all regulatory requirements within a regulatory domain covered by the enforcement agency. For example, an environmental enforcement agency must conduct compliance inspections not only on permit conditions like waste storage and noise but also on several legal requirements such as soil contamination. The other dimension of the micro-goal grid includes the regulated organizations. A specific regulatory requirement must be adhered to by a population of regulated organizations usually specified in the regulations. Thus, the overall goal of regulatory enforcement is the sum of all micro goals contained within the grid, that is, compliance with each requirement within the agency's mandate by every regulated and relevant organization.

Because of the limited capacities of enforcement agencies and the usually large number of micro goals included in the mandate, the agency must allocate capacities to those micro goals considered most relevant; that is, the agency must engage in scope selection. The grid structure just discussed facilitates numerous ways of allocating enforcement capacity over these micro goals. Thus, a fundamental interpretative leeway is presented to the agency, which has to be translated into strategic goals and annual targets.

To make things even more complicated, the micro-goal grid is generally not static but rather may exhibit considerable inconstancy over time. First, the regulatory framework may formally change due to the addition of new regulations or the withdrawal of regulations from the total set of regulations covered by the agency. The framework

may also formally change, owing to fluctuations within the population of regulated organizations due to start-ups, closures, and removals. These changes affect the overall goal of the agency, interpreted as the sum of all micro goals. Second, even with the absence of official changes over time, internal changes within the framework may take place as compliance levels fluctuate due to autonomous or enforced compliance efforts at the regulated organizations. On the one hand, some of the micro goals within the grid may be attained within a certain period due to compliance efforts. These may therefore no longer be considered as part of the goal, or at least be attributed a much lower priority. On the other hand, some of the micro goals already attained may present diminished compliance levels. These should again be considered as part of the goal or be given greater priority. In more general terms, fluctuations in compliance levels necessitate a frequent recalibration of the goal, in which the perceived risks are usually considered.

In sum, as enforcement goals consist of a dynamic grid of micro goals, priority goal ambiguity, as interpreted above in the case of regulatory enforcement goals, appears to be a relevant characteristic.

5.3.2 Priority goal-ambiguity neglect and the risk of goal displacement in terms of scope

Goal displacement implies a substantial deviation from goal alignment. In the case of regulatory enforcement scope selection, the latter can be considered as a prioritizing of a micro goal which, considered over multiple years and summed over a considerable number of enforcement activities, is perceived as optimally representing the overall goal as set by the mandate. Obviously, the complexity of the task of prioritizing increases as the number and variation of public interests covered by the agency increases. This complexity also increases as heterogeneity of regulated organizations covered increases.

Apart from the size, complexity, and dynamics of the micro-goal grid, interpretations and convictions of what an optimal goal alignment in terms of scope would look like may differ. Several questions arise. Should it primarily be based on risk analyses, or should a judicial perspective, emphasizing the relevance of all regulations, dominate? Should new regulations be given more attention than older ones? In fact, different scope selections may be considered as an optimal goal alignment in terms of scope, depending on the criteria used.

That being said, extreme scope selections can be identified that so clearly and substantially deviate from goal alignment that they can be considered as goal displace-

ment. These are specifically goal narrowing and goal widening in terms of scope. Goal narrowing in terms of scope refers to a situation in which the available enforcement capacity is allocated to a small number of micro goals, involving in-depth inspections, thereby structurally neglecting a substantial part of other micro goals within the micro-goal grid. Thus, an under-inclusive set of tasks within the agency's jurisdiction is acted upon. Goal narrowing in terms of scope can be interpreted as an overstretch of the leeway inherent in priority goal ambiguity, leading to a break-up of the goal in a usually small part usurping all attention and a large fragment being neglected to a great extent. An example is when an environmental inspection agency is putting emphasis on a subset of safety regulations regarding tank storage of flammable bulk liquids after several newspaper articles about flaws in the safety management in one of the companies in that industry.

In contrast, goal widening in terms of scope can be defined as a situation in which the goal enforcement agency insufficiently performs the task of identifying irrelevant micro goals within the scope, and thus conducts superfluous inspections. In other words, an over-inclusive set of tasks within the jurisdiction is acted upon. Goal widening in terms of scope can be interpreted as a freezing of the leeway inherent in priority goal ambiguity in such a way that all micro goals are attributed equal priority.

What both types of goal displacement have in common is that they reflect a gross neglect of priority goal ambiguity. Instead of a dynamic balancing of depth and breadth of scope selections based on the mandate, a highly imbalanced approach is taken. This leads to the following proposition.

Proposition 3a: The greater the neglect of priority goal ambiguity in designing and conducting enforcement activities, the greater the risk of goal narrowing or widening in terms of scope.

Below, we consider indications for the existence of either narrowing or widening effects in multigoal government agencies before considering indications for the occurrence of these effects in regulatory enforcement agencies.

5.3.3 Indications for goal narrowing in terms of scope

The literature provides indications of goal-narrowing effects in multigoal government agencies that can be considered the result of priority goal-ambiguity neglect. Biber (2009, p. 1) asserts that "[a]gencies will systematically underperform on goals that are hard to measure and that conflict with the achievement of other, more measurable goals." Gilad (2015) points out how, in two cases of precrisis financial regulatory agen-

cies, public pressures effectuated a narrowing among the multiple tasks and goals of these agencies. Extensive data on US agencies analyzed by Carrigan (2012, 2018) support the conventional wisdom that agencies forced to balance more programs are less apt to achieve their goals. Conflicting goals are pointed out as a major determinant undermining performance. Finally, Lee (2016) focuses on narrowing effects due to a strong adherence to the core mission of a regulatory agency. This scholar (2016, p. 20) asserts that if an agency is ordered to strictly follow its core mission, and thus “commended for focusing on only a subset of regulatory objectives, then there will be classes of problems that will go unaddressed.” While these studies, with the exception of Gilad (2015), do not specifically include regulatory enforcement, they provide indications for the relation between priority goal ambiguity and goal-narrowing effects in terms of scope. Moreover, all authors relate these narrowing effects, referred to as underaddressing or underperforming, to either the preference of visible, measurable goals over goals that lack these characteristics or the preference of goals for which a salient external pressure is felt. This means that the agencies considered are susceptible to tangibles in directing their course, which seems to confirm our discussion of grip factors.

Indications for goal narrowing in terms of scope in regulatory enforcement agencies reflect two distinct grip factors. The first is the occurrence of large accidents or calamities related to the regulatory domain covered by enforcement agencies. These negative events can lead to incisive course changes at regulatory enforcement agencies. The degree of accident sensitivity of agencies may be higher for regulatory domains that cover highly salient risks such as food safety, major hazards, and construction (Carrigan & Coglianese, 2012).

Despite their undesirability, major accidents and calamities offer opportunities to infer concrete organizational activities because the goal of the agency (or at least part of it) becomes tangible. More specifically, these events offer opportunities to identify neglected areas or problems and thus increase performance. As such they usually serve as powerful grip factors, although in a negative way. The resulting agenda disruption may be especially severe in the case of agencies characterized by centralized authority and informal procedures (May et al., 2008).

The risk inherent in these unwanted events is that the agency strongly focusses on a relatively small subset of regulatory requirements associated with the accident or calamity. Such a strong focus, which may hold on for weeks, months, or even years, leads to the neglect of other parts of the scope. This can be interpreted as goal narrowing in terms of scope. Empirical research on goal displacement in regulatory enforcement

agencies confirms that large accidents and calamities may lead to long-lasting, incisive goal-narrowing effects (Huizinga, 2022/Chapter 3 of this study).

More generally, indications for goal-narrowing effects in the aftermath of such negative events can be found in the literature, although the explicit term goal narrowing is not used. An example is provided by the disaster that took place in 2000 in a fireworks warehouse in the Dutch city of Enschede. This disaster caused the deaths of twenty-two people. In this case, the use of illegal storage containers and trade in illegal fireworks were identified as the main causes of this explosion. This event led to a massive concentration of enforcement efforts directed at fireworks warehouses in the following years (Mascini, 2005).

There is a widespread consensus among scholars that the political and societal expectations of regulation have increased in recent decades. This is expressed very clearly after major accidents and calamities, which have become less accepted and have caused increased public upheaval (Carrigan & Coglianese, 2012). A common denominator in the aftermath of these negative events is the diagnosis by major stakeholders that public enforcement agencies failed to protect public interests. This implies that the goal is increasingly perceived in a negative way as the complete absence of such events within the regulatory domain, which in turn implies that zero risks are expected to be attained by the enforcement agency. Based on this expectation, major accidents or calamities are perceived by stakeholders as indicators of a clearly suboptimal goal alignment of the agency that could have been avoided. Sanctioning measures such as the replacement of top management may follow.³

A second example of a grip factor that may induce goal narrowing in terms of scope is provided by the main instrument used nowadays to guide scope selection: risk analysis. Generally, high-quality risk analyses may help to find a balance in capacity allocation by allocating relatively great capacity to micro goals designated as high risk and relatively limited capacity to micro goals designated as low risk (Gunningham, 2011; Sparrow, 2000). As such, they can be considered as instruments to handle priority goal ambiguity in a rational, goal-oriented way. As convincingly pointed out by Tombs and Whyte (2013), however, they may lead to “intelligence deficits”. By focusing on those parts of the mandate considered high risk, enforcement agencies may gradually lose sight of the remaining parts as the number of inspections in these areas will be substantially reduced or even stop. In this way, a gradual locking-in on a small part of the mandate may be brought about by risk analyses, which has been confirmed by empirical research on goal displacement in enforcement agencies (Huizinga, 2022/Chapter 3 of this study).

5.3.4 Indications for goal widening in terms of scope

No indications for the occurrence of this type of goal displacement in government agencies were encountered in the literature. Its relevance is probably limited to agencies covering large numbers of micro goals as is the case for regulatory enforcement agencies. An example of a grip factor potentially inducing goal widening in terms of scope in regulatory enforcement agencies is a “cover-to-cover” approach in terms of the mandate, pursuing the complete regulatory framework without any significant risk-based prioritization. Such an approach covering the full scope may include micro goals, which from a perspective of risks, are irrelevant and may even lead to counter-productive effects when inspected.

This can be clarified as follows. Although regulatory requirements are designed for complete branches of activities, in practice they usually focus on those regulated organizations that are relatively far removed from effective risk reduction measures (Bardach & Kagan, 1982/2010). In practice, substantial numbers of regulated organizations within a sector may have already completely and structurally integrated the reduction of the risks desired in the regulations, probably even before their entry into force, and therefore they have a low likelihood of relapse. As Bardach and Kagan (1982/2010, 67) assert with respect to nursing homes: “Detailed regulations designed to prevent the worst operators from cutting corners also apply to the good homes.” Consequently, inspections carried out at these so-called front runners will burden those organizations with administrative and organizational tasks that have no added value or even have a counterproductive effect as resources must be redirected to these regulatory tasks. Carrying out irrelevant and therefore superfluous inspections can be considered as goal widening in terms of scope: the scope as perceived is wider than necessary, as it includes regulated organizations that in terms of risk reduction actually comply. The goal based on a qualitatively solid risk assessment would be smaller, as it would at least temporarily leave out these organizations. Empirical research indicates that traditional enforcement agencies without or with underdeveloped risk analyses may be prone to this goal-displacement effect (Huizinga, 2022/Chapter 3 of this study).

5.4 DIRECTIVE GOAL-AMBIGUITY NEGLECT IN COMPLIANCE PERCEPTION

5.4.1 The relevance of directive goal ambiguity

Directive goal ambiguity refers to the amount of interpretative leeway available in translating an organization’s mission or general goals into directives and guidelines

for specific actions to be taken to accomplish the mission (Chun & Rainey, 2003a). The measure of directive goal ambiguity uses a “rules-to-laws” ratio, the ratio of the number of pages of administrative rules written in the Code of Federal Regulations for an agency to the number of pages of legislation that the agency administers (Rainey & Chun, 2014). If the former is large in comparison to the latter, the agency has been given a broad mandate, and the agency has filled in the mandate with many more rules.

As we focus on regulatory enforcement in this study, we propose a specific operationalization of directive goal ambiguity for this activity. We do so by linking the “leeway to translate goals into directives and guidelines for specific action” to the compliance perceptions applied during enforcement activities. Compliance perceptions refer to the enforcement professional’s explicit mental picture in advance of the actual inspections of what full compliance with regulatory requirements should look like. Compliance perceptions guide the translation of regulatory requirements, which usually target large numbers of organizations, to the specific settings of individual regulated organizations. They facilitate the question concerning what should be done by a specific regulated organization to fulfill specific regulatory requirements. Compliance perceptions may comprise strict, black-letter interpretations, more permissive stances allowing compliance solutions “in-the-spirit-of-the law,” as well as intermediate positions.

In an ideal situation, with clear and feasible requirements covering a highly homogeneous set of regulated organizations, this translation will be relatively straightforward for both the regulated organization and the enforcer. Such clear-cut practice is, however, rarely the case. First, regulatory requirements may prove difficult to interpret or are vague in character, such as performance-based regulations (May, 2003). Second, the regulated organizations are often heterogeneous in terms of size, activities, technical characteristics, and location (Bardach & Kagan, 1982/2010; Oded, 2013). This implies that a situation of optimal goal attainment, interpreted as the implementation of a requirement that produces a maximum outcome in terms of effectiveness and efficiency, may vary between regulated organizations.

In enforcement practice, specifications regarding how to interpret regulatory requirements in regulated organizations may be prescribed prior to the enforcement activities. The number of such prescriptions may increase with increasing vagueness of regulations on the one hand and increasing heterogeneity of regulated organizations on the other. For example, in the case of heterogeneity of regulated organizations within an industrial sector, such as the chemical industry, subcategories may be dis-

tinguished for each of which compliance is specified. As such, these prescriptions may be a measure of this dimension of ambiguity, which is consonant with the measure proposed by Rainey and Chun (2014).

In sum, as enforcement goals consist of general requirements that have to be translated to generally highly variable individual situations, directive goal ambiguity, interpreted as compliance specification leeway, appears to be a relevant characteristic of these goals.

5.4.2 Directive goal-ambiguity neglect and the risk of goal displacement in terms of compliance

Goal alignment in terms of compliance can be considered as an interpretation of compliance with regulatory requirements at regulated organizations that is perceived as optimally representing the overall goal set by the mandate. As discussed above, the complexity of this task intensifies with increasing complexity and abstraction of regulatory requirements and with increasing differences among regulated organizations. Apart from these factors, interpretations and convictions of what an optimal goal alignment in terms of compliance would look like may differ (Oded, 2013).

Nevertheless, extreme allocations may be identified that so clearly and substantially deviate from goal alignment that they can be considered as goal displacement. These are specifically goal narrowing and goal widening in terms of compliance. Goal narrowing in terms of compliance refers to situations in which an under-inclusive approach to compliance is taken. It is characterized by a complete inelasticity of interpreting regulatory requirements. Such a compliance approach emphasizing a very strict interpretation of regulatory requirements by enforcers may severely limit alternative options of compliance and therefore hinder the optimal implementation of the regulatory requirements in terms of effectiveness and efficiency.

In contrast, goal widening in terms of compliance refers to situations in which an over-inclusive approach to compliance is taken. It is characterized by a high elasticity of interpreting regulatory requirements. The risk associated with such a situation is that the enforcement agency applies such a stretched-out interpretation of compliance with regulatory requirements that the dividing line between compliance and noncompliance disappears, impeding an unequivocal and uniform judgement of compliance. For example, the Dutch Authority for Consumers and Markets drastically changed its course from a strictly regulation-based to a problems-based approach (Schäfer and Houdijk, 2012). As this approach led to a significant decrease of successful enforce-

ment procedures and performance indicators measuring the degree of competitiveness, it was abandoned just a few years later (Huizinga, 2022/Chapter 3 of this study).

Both goal narrowing and goal widening can be considered as extremely one-sided modes of handling a fundamental tension associated with compliance perception. May (2003, p. 387) points to this tension in a paper describing the pitfalls of performance regulation as follows: "The objectives of flexibility and innovation are at odds with those of consistency, equity, and predictability. [...] Underlying these potential conflicts is a fundamental tension between discretion and control that regulatory authorities must confront when carrying out regulations."

What both types of goal displacement have in common is that they both reflect a gross neglect of directive goal ambiguity. Instead of a case-to-case balancing of strictness and flexibility, both situations of goal displacement reflect a completely imbalanced approach. This leads to the following proposition.

Proposition 3b: The greater the neglect of directive goal ambiguity in designing and conducting enforcement activities, the greater the risk of goal narrowing or widening in terms of compliance.

Below, we consider indications for the occurrence of these effects in government agencies in regulatory enforcement agencies.

5.4.3 Indications for goal narrowing in terms of compliance

An example of a grip factor potentially inducing goal narrowing in terms of compliance is a "letter-of-the-law" interpretation of regulatory requirements (Oded, 2013). The regulatory requirements are tangible: they have been written down in official texts that have a legal status. This may stimulate the conviction that the regulatory requirements, interpreted literally, are the perfect and unmistakable descriptions of the goals of these guidelines and therefore offer grip

Such an approach to compliance, also known as a "going-by-the-book" approach (Bardach & Kagan, 1982/2010), will largely avoid an interpretational stance "in the spirit-of-the-law," which would otherwise imply a certain degree of flexibility of interpretation, introducing uncertainty for the enforcer, as every situation must be judged based on its specific characteristics and context, often requiring dialog with the regulated organization. In contrast, a literal interpretation provides an indisputable reference and is thus deemed better-suited for a "command-and-control" stance

of regulatory enforcement; however, it may severely restrict the options available to regulated organizations.

For example, a regulatory requirement prescribing a specific polluting emissions reduction technique X may prove difficult to integrate at a plant. The plant manager thus proposes technique Y, which is even more effective in terms of emissions reduction, but it is ultimately rejected for not being the prescribed one. Such a strict, narrowing enforcement style may result in several negative effects such as weakening intrinsic motivation to comply, discouragement, and “cat-and-mouse” effects (Bardach & Kagan, 1982/2010; Gunningham, 2011; Oded, 2013).

5.4.4 Indications for goal widening in terms of compliance

An example of a grip factor potentially inducing goal widening in terms of compliance is the regulatory burden as experienced by regulated organizations. As the regulatory burden is far more tangible and measurable in comparison to the outcomes of enforcement, it can make stakeholders rely on the regulatory burden as a main evaluative proxy of the quality of enforcement activities. It can be expressed quantitatively in terms of costs, such as working time spent by personnel of the regulated organization to prepare, conduct, and follow up on inspections, as well as the costs of investments and the costs of legal procedures. Moreover, it can be expressed qualitatively in terms of the quality of enforcement officers as experienced by regulated organizations, such as professional know-how and competences. For example, in the Netherlands in the period 2005–2010, the regulatory burden and specifically the enforcement burden as experienced within all major industrial sectors and other sectors, such as healthcare institutions, was measured. This was done primarily to establish a reference for efforts directed at reducing these burdens (Inspectieraad, 2009).

A strong stakeholder focus on minimizing the regulatory burden can lead to the conviction that only an enforcement style with a minimal burden on the regulated organizations should be considered effective and efficient. It is deemed to be something that can and should be avoided as much as possible rather than as something that is inherently linked to enforcement. This reflects a neoliberal vision of the enforcement as a partnership between the agency and regulated organizations (Mascini, 2013) instead of a “cat-and-mouse” relationship characteristic of deterrence-based enforcement (Oded, 2013). It is strongly based on the normative principle that (at least the vast majority of) regulated organizations have to be classified as law-abiding, meaning that they are motivated to obey regulations based on a sense of social responsibility (Gunningham, 2011; Oded, 2013; Mascini, 2013).

Still, a highly cooperative style may lead to a risk of goal widening in terms of compliance in the sense that the goals have become vaguer: the line between compliance and noncompliance may disappear. Moreover, this style is associated with several negative effects such as a decreased credulousness, regulatory capture, and a “wait-and-see” attitude (Gunningham, 2011; Oded, 2013), factors that may contribute to goal-widening effects.

5.4.5 Alternative regulatory approaches and the risk of goal displacement

Obviously, scholarship has considered various alternative regulatory instruments beyond traditional “command-and-control” and cooperative approaches. Such alternatives include information disclosure (e.g., Coglianese et al., 2004; Karkkainen, 2001), management-based regulation (e.g., Coglianese & Lazer, 2003; Gilad, 2010), market-based instruments (e.g., Stavins, 2003) and voluntary approaches (e.g., Ben-*near* & Coglianese, 2012; Potoski & Prakash, 2005). Related to these developments, regulatory enforcement styles have been diversified (Kagan, 1989; Scholz, 1984). More generally, the insight has grown that a variety of factors determine which instruments and which styles are most appropriate in particular regulatory environments. High-quality knowledge of regulated organizations, such as knowledge pertaining to their motivation to comply and their economic outlooks may help to select an optimal, balanced approach to compliance perception and subsequent enforcement procedures (Saurwijn, 2011).

As it is beyond the scope of this chapter to consider the vulnerabilities to goal displacement of each of these approaches, what can be anticipated is that they will tend to be greater the more that directive goal ambiguity, as defined above, will be neglected. Such a neglect may be associated with implementation-related shortcomings. Consequently, the often-implicit purpose of evading both an overly strict “command-and control” or overly permissive cooperative enforcement stance may fall short. We consider two examples, responsive regulation and flexible approaches, such as management-based regulation. The former aims at a better-informed approach to compliance (Ayres & Braithwaite, 1992; Braithwaite, 2002), following a “tit-for-tat” strategy along the well-known pyramid of sanctions. It will emphasize enforceability in the case of regulated organizations unwilling to comply and flexibility in the case of law-abiding organizations. As such, it may in principle be less vulnerable to the types of goal displacement outlined above; however, as far as there is a lack of responsiveness due to superficial and infrequent inspections, this strategy may lead to suboptimal compliance judgements and therefore suboptimal enforcement styles (Nielsen & Parker, 2009; Oded, 2013). As a result, groups of regulated organizations

may be approached much more strictly than necessary and vice versa, leading to goal narrowing or goal widening respectively.

In the case of flexible approaches such as management-based regulation and voluntary approaches, generally less grip is available to the enforcer compared to approaches based on detailed, prescriptive requirements. Regulatory flexibility inevitably shifts the task of what needs to be done by the regulated organization in order to comply from the regulators, the public servants designing and writing the regulations, to the enforcers. Flexibilization tendencies consequently confront the enforcer with a more vague, abstract, and less enforceable task (Benneer & Coglianese, 2012; Coglianese & Nash, 2016; Gilad, 2010). Therefore, the implementation may require well-trained enforcers, adequate benchmarking, and the will to enforce, if necessary. Otherwise, the risk of goal widening due to overpermissiveness in terms of compliance may be substantial.

5.5 MEANS-TO-GOAL-SUBORDINATION NEGLECT IN MEANS SPECIFICATION

5.5.1 Means-to-goal-subordination neglect and the risk of goal diversion to means

The specification of means refers to the elaboration of methods of compliance inspection and methods of enforcement in the case of detection of noncompliance to be used in an enforcement project or program. It results in a sequence of input, specifying personnel, organization structure and techniques, throughput, specifying enforcement procedures, and output, specifying the direct results of those activities to be generated. Just as there are several roads leading to Rome, several methodological pathways may be well aligned with the specified goal of an enforcement project. Thus, means specification involves navigating the methodological leeway related to specified goal. A variety of factors, such as the availability of resources, the agency's culture, traditions, and workforce composition to name a few, will influence the process of means specification.

In contrast to regulatory enforcement goals which are generally intangible, the means applied to realize those goals, such as a specific technique applied, an enforcement procedure to be followed, or a specific number of inspections to be generated, are visible and measurable. Consequently, they may be used as grip factors. According to Wilson (1989), organizations that have observable outputs, but unobservable outcomes will tend to be "means-oriented". They typically focus on standard op-

erating procedures, accounting for why this author refers to them as “procedural organizations.” The use of such standard operating procedures offers the managers of these organizations better opportunities to address the accountability of their organizations relative to a goal-oriented focus: “How the operators go about their job is more important than whether doing these jobs produce the desired outcomes” (Wilson, 1989, p. 164). Although the development of professionalism in such agencies would appear to be desirable, this is rare. According to Wilson (1989, p. 164), this is because “a government agency cannot afford to allow its operators to exercise discretion when the outcome of that exercise is in doubt or likely to be controversial.” This author classifies the US Occupational Health and Safety Administration (OHSA) as a procedural organization. As many regulatory enforcement agencies are characterized by observable outputs and unobservable outcomes as discussed in Subsection 5.2.1, it is highly likely that they have a centralized, procedural managerial inclination.

The risk inherent in the dominance of such a strong means-orientedness is a gradual weakening of the subordinate position of the means with respect to goals, up to the point where means become independent from them. In such cases, the optimization of means no longer serves the original organizational goals but rather the means themselves. This implies that the means have become a goal in themselves. Many of the phenomena described in the literature as goal displacement represent this reversal of goals and means (Warner & Havens, 1968). It is referred to here as goal diversion to means. This phenomenon has also been described as decoupling (Bromley and Powell, 2012; De Bree & Stoopendaal, 2020).

In the case of regulatory enforcement, a strong focus on means implies that the enforcer is expected to strictly follow a highly uniform sequence of input-throughput-output and consequently can exert only limited professional discretion. In enforcement practice, however, different situations may require different means to optimize inspection and enforcement results. For example, an enforcer may decide to use an alternative measurement technique in cases where the one prescribed cannot be optimally applied. Thus, a certain level of professional discretion must be considered necessary to maximize goal attainment. In contrast, high levels of standardization of inspection and enforcement procedures may lead to suboptimal goal attainment as they imperfectly reflect the complexity and dynamics of the goals. In that case the means can be characterized as overformalized (Van de Walle, 2014). The focus on formalization leads to a neglect of the means-to-goals subordination; consequently, the means are directed at a diverted, yet simplified goal.⁴

The foregoing discussion leads to the following proposition.

Proposition 3c: The greater the neglect of subordination of means to goals in designing and conducting enforcement activities, the greater the risk of goal diversion to means.

As means can be subdivided into input, throughput, and output, three types of goal displacement to means can be distinguished.

5.5.2 Indications for goal diversion to means

In this subsection we elaborate upon how the intrinsic tendency of means-orient- edness and therefore the risk of goal diversion to means has been strengthened by the very influential trend of new public management (NPM) in the past three to four decades. The main objectives of NPM are output management and budget cuts (Van de Walle, 2014; Van Thiel & Leeuw, 2003). Implementing these objectives will, according to its proponents, lead to optimized agencies as they increasingly operate in a “production-like” mode, weeding out any perceived organizational redundancy.

5.5.2.1 Output management

The negative effects of output management applied to public agencies have been extensively discussed in the literature (e.g., Bromley & Powell, 2012; De Bruijn, 2007; Smith, 1995; Wilson, 1989). Specifically in relation to goal displacement, Abramson (2009, p. 68) states that “since there are strong incentives for producing measurable outputs rather than intangible outcomes, organizations focus on goals that facilitate outputs, displacing the original (and often more intangible) goals.” Whereas the performance of private corporations is relatively easy to evaluate given their central goal of profit-making, the performance of public agencies is more difficult because they have multiple (social, political, economic) bottom lines, rendering it almost impossible to develop simple quantitative measures of performance. It is this complexity that makes public agencies vulnerable to goal displacement in case of a strong direction toward output management (Bohte & Meier, 2000).

Like all public agencies in the Western world, regulatory enforcement agencies have had to cope with NPM in recent decades. Considering the evaluative goal ambiguity discussed in Subsection 5.2.1, no simple one-to-one correspondence between outputs and outcomes will generally be available. This means that the more strongly a “one-size-fits-all” type of output management is exercised at regulatory enforcement agencies, the greater the risk will be of the actual goals sought being diverted from the original goals. Moreover, as outputs are streamlined, this will generally have an effect, in the sense of streamlining throughputs, specifically the standardization of procedures as well as inputs including certain techniques.

Interestingly, the regulatory literature highlights negative effects of “one-size-fits-all” approaches by enforcement agencies, whether for inputs such as intervention strategies (Gunningham, 2011) and techniques (Perez, 2014), for throughputs, especially procedures (Bardach & Kagan, 1982/2010; Van de Walle, 2014), and for outputs such as inspection numbers, violation numbers, violation records, and numbers of criminal prosecutions and penalties (Oded, 2013; Terpstra & Trommel, 2004), and audit scores (Blewett & O’Keeffe, 2011). The latter authors explicitly mention goal displacement, while a number of the others use wordings that allude to goal displacement. For example, Perez (2014) refers to autonomization and locking-in effects in relation to the use of techniques by regulatory agencies. From these studies, one tends to conclude that high levels of standardization of means should be a warning signal of goal diversion to means.

Empirical research appears to confirm goal diversion effects related to the use of means as grip factors mentioned in the literature (Huizinga, 2022/Chapter 3 of this study). This study also points to a preoccupation with organizational reform, which can also be considered as a goal diversion to means, specifically inputs, and has been described in more general terms in the literature (Bromley & Powell, 2012; De Bree & Stoopendaal 2018).

5.5.2.2 Budget cuts

The second main characteristic of NPM pertains to budget cuts. Budget cuts are mentioned as goal-displacement-reinforcing influences in the literature. For instance, Sieber (1981) distinguishes two forms of goal displacement through budget cuts. The first occurs via the abandonment of costly procedures that were designed to ensure the accomplishment of goals, that is, “less efficient but more effective means are replaced by more efficient but less effective means” (Sieber, 1981, p. 116). Consequently, goal achievement can be seriously jeopardized. The second form of goal displacement is when the organization, feeling the need to demonstrate its indispensability, takes refuge in “a great flurry of activity in predetermined modes” (Sieber, 1981, p. 116). According to this author, this is especially apparent “when the measurement of ultimate goal achievement is difficult or subject to dispute” (Sieber, 1981, p. 116). Empirical research provides evidence for the goal-displacement-reinforcing effects of organizational budget cuts (Abramson, 2009; Bohte & Meier, 2000).

Regulatory enforcement agencies in the Western world have been subject to budget cuts for several decades under the influence of NPM and more general references to greater responsibilities of free enterprises and self-regulation (Tombs & Whyte, 2013). In the Netherlands, the Scientific Council for Government Policy warns that

while budget cuts can accelerate innovation within regulatory enforcement agencies, the consequences in terms of effectiveness remain underexamined. As the Council writes (WRR, 2013, p. 101), “pressed by budget cuts and financial targets, a hype surrounding innovations seems to have been developed, sometimes assuming without evidence that these are not only cheaper and administratively less burdensome, but just as effective.”

It should be stressed that budget cuts at highly bureaucratic agencies can give the right incentives to reformations, resulting in more effective and efficient agencies. However, a continuous pressure consisting of severe and frequent budget cuts over a series of decades will lead to situations far beyond the optimizations desired. Instead, it will lead to “stripped” agencies producing numbers but poor outcomes (Thombs & Whyte, 2013) and therefore function as a powerful goal-diversion-to-means-reinforcing factor.

It is important to note that the goal-displacement effect of budget cuts may extend beyond goal diversion to means. In addition, it may lead to goal narrowing in terms of scope as white spots within the mandate arise because of lacking capacity, mediated by the grip factor of risk analysis (Subsection 5.3.3). Moreover, goal widening in terms of compliance may result as more flexible regulations and more flexible enforcement styles are introduced. The reason is that the latter are expected to lead to reduced enforcement efforts, mediated by the grip factor of the enforcement burden (Subsection 5.4.4). Empirical research appears to confirm the risk of multiple goal-displacement effects (Huizinga, 2022/Chapter 3 of this study).

5.6 CONCLUSIONS AND IMPLICATIONS

In this chapter we have sought to increase the understanding of why and how goal displacement might affect the effectiveness of regulatory enforcement agencies. The main scientific implication of our exploration is that the risk of goal displacement appears to be deeply ingrained in these agencies as it is intricately linked to the evaluative ambiguity of their goals. This dimension of ambiguity, which is characteristic for many regulatory domains, not only forces the agencies to rely on visible, measurable guiding factors to direct their activities but simultaneously increases the risk that these grip factors grossly neglect the complexities inherent to enforcement goals.

We have analyzed such complexity neglect in three major processes underlying enforcement activities: scope selection, which is related to priority goal ambiguity of

enforcement goals, compliance perception, which is related to directive goal ambiguity of enforcement goals, and finally means specification. In addition, we have shown how each of these processes can induce specific goal-displacement effects due to complexity neglect mediated by grip factors dominating these processes. These grip factors have been summarized in Table 5.1.

Table 5.1: Examples of grip factors potentially inducing goal displacement in regulatory enforcement agencies (Huizinga, 2022/Chapter 3 of this study and references in Sections 5.3–5.5).

Grip factor	Description of potential goal-ambiguity-neglecting influence of grip factor	Goal-displacement effect
Major accidents and calamities	Sudden, often massive concentration of attention on limited part of the scope in the aftermath of these negative events which may endure months or even years	Goal narrowing (scope)
Risk analyses	Locking-in on part of the scope through risk analyses: as parts of the scope assigned as low risk are no longer inspected, “intelligence deficits” arise, reinforcing the even lower priority setting of these parts	Goal narrowing (scope)
Cover to cover	Unfocused approach of the complete regulatory framework mandated in the absence of risk analyses or based on rudimentary risk analyses, thereby including superfluous inspections	Goal widening (scope)
Letter of the law	Black-letter compliance perception, constraining solutions “in-the-spirit-of-the-law”	Goal narrowing (compliance)
Regulatory burden	“Laissez-faire” enforcement style, insufficiently limiting the set of potential solutions permitted by (flexible) requirements resulting from a strong focus on limiting the regulatory burden	Goal widening (compliance)
Agency structure	Ongoing reform aimed at optimal organizational strategy and structure, diverting from original goals	Goal diversion (input)
Enforcement techniques	Strong focus on specific techniques, diverting from the original goals	Goal diversion (input)
Enforcement procedures	Strict and uniform adherence to (information technology directed) procedures, diverting from original goals	Goal diversion (throughput)
Enforcement outputs	Strict and uniform generation of limited set of enforcement outputs, diverting from original goals	Goal diversion (output)
Budget cuts	Reduction of resources, usually accompanied by organizational reform and reduction of enforcement burden often associated with New Public Management and directed at minimizing perceived organizational redundancy	Goal diversion (means), goal narrowing (scope) and goal widening (compliance)

Given the scarcity of retrospective effect evaluations pertaining to regulatory enforcement approaches, our exploration indicates that goal displacement may be much

more prevalent than expected. Whereas regulatory enforcement agencies are often considered as being charged with straightforward tasks and as unequivocal goalkeepers of policies, we argue that the task of regulatory enforcement agencies in keeping up with their goals is an intricate one. Paradoxically, the illusion of straightforwardness in terms of tasks may be strengthened by the very reliance on simple grip factors which neglect this intricacy.

A second scientific implication is that we have connected two still largely independent lines of research concerning organizational goals: goal ambiguity and goal displacement. We have argued that goal displacement might be a contributing factor to goal ambiguity's negative influences on organizational effectiveness. Further research may shed additional light on this relation. A third scientific implication pertains to the possible relevance of the proposed framework for other types of public and private organizational settings and activities involving controlling and improving compliance. These may include activities such as the implementation of internal guidelines or auditing activities. More generally, a comparable vulnerability to goal displacement may be encountered in other (public) organizations characterized by complex, ambiguous goals for which goal achievement is difficult to evaluate.

In addition, two practical implications arise. First, the concept of goal displacement appears to be useful to identify situations of limited or even negative effectiveness caused by a suboptimal goal orientation of regulatory enforcement approaches. Our proposed framework covering fundamental pitfalls due to goal displacement could be helpful in obtaining a more systematic picture of such disappointing or counterproductive effects. As such, a goal-displacement perspective may offer valuable insights into the functioning of these agencies.

Second, as the number of effect evaluations of enforcement strategies and methods will probably remain limited in the years to come, goal-displacement research could provide useful insights into how to increase the effectiveness of regulatory enforcement. Our proposed framework lays a foundation to design and conduct enforcement activities that seek to avoid multiple pitfalls simultaneously, whereas in an isolated approach, avoiding one pitfall may lead to another one.

A goal-displacement approach to effectiveness can be qualified as a negative approach, as it seeks to highlight ways of avoiding or mitigating pitfalls of effectiveness. It is a perspective that reflects a cautious and modest attitude toward efforts to increase the effectiveness of these public agencies. As such, it is based on an awareness of the intricacy of the goals of these agencies and the associated difficulties of evaluating

performance. Consequently, it would lead to a management style characterized by a general reluctance to apply “one-size-fits-all” approaches and would instead favor a style that could be termed ambiguity management. While goal displacement may to some extent prove unavoidable, consciously taking its risk into account when designing and implementing enforcement activities may provide a promising avenue to improve the effectiveness of regulatory enforcement.

Obviously, more empirical research is necessary to test the significance of goal displacement affecting these agencies in more depth as well as the contributing role of goal-complexity neglect mediated by grip factors, as elaborated. In addition to a general testing based on the propositions formulated above, we can think of at least four specific areas of interest. A first area pertains to the potentially strong influences of dominant stakeholders’ expectations, as these may translate into a strong focus on specific grip factors. A second area of interest is the possibility of multiple displacement effects related to grip factors. Thirdly, regulatory enforcement agency characteristics may provide interesting insights. These characteristics include the regulatory domains covered, the degree of flexibility of the regulations covered, and the experience and background of the enforcement personnel within these agencies. Finally, other expectations and influences than the ones discussed in this chapter might be relevant, possibly leading to yet other goal-displacement effects.

Notes

1. We do not consider mission-comprehension ambiguity which refers to the understandability of the organizations’ mission statement as regulatory enforcement agencies usually have relatively straightforward mission statements referring to “promoting compliance and reaching regulations’ outcomes” (OECD, 2014) which are relatively easy to understand, explain, and communicate; however, see note 3.
2. At least two reasons can be given that point to the limitations of the distinction between these three processes. First, while it seems logical that scope selection and compliance perception take place independently, they may in practice be intermingled. For example, a very strict compliance stance resulting in the detection of much noncompliance will influence future scope selections by expanding the part of the scope considered relevant to inspect. Second, both scope selection and compliance perception can be considered as processes involving a means-goal sequence in itself, applying methods such as risk analyses and allocation rules in the case of scope selection.
3. It is interesting to note that this gap between the actual goals of regulations and the interpretation of this goal by stakeholders as total risk elimination could be interpreted as an example of mission-comprehension ambiguity as defined by Chun and Rainey (2005a). See note 1.
4. Interestingly, very low levels of formalization may also be associated with goal displacement: by allowing extensive professional discretion, individual enforcers or groups of enforcers may be enabled to create numerous methodological “bubbles” within the agencies that could also be affected by means-to-goal-subordination neglect.

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SUMMARY

This study seeks a better understanding of regulatory enforcement effectiveness by taking a reverse approach: it focuses on regulatory enforcement *ineffectiveness*. It does so by using the concept of goal displacement, that is, situations in which the agency's alignment with the original goals is severely or completely impaired. More specifically, this study conceptually and empirically investigates if, how, and to what extent regulatory enforcement goals may be displaced. In addition, it seeks to identify immediate precursors and reinforcing circumstances, and the underlying causes, if any, of this phenomenon in these agencies. The study takes a generalized approach: it does not delimit itself to one specific regulatory domain or to a specific enforcement approach, but considers a wide variety of domains and approaches (Chapter 1).

The results of this study indicate that regulatory enforcement agencies can be affected by multiple types of goal displacement. These indications have been built up in the first and second phases of this research. The first phase, the conceptual exploration, makes plausible that a number of well- and lesser-known negative effects of regulatory enforcement can be considered as goal displacement effects. To classify the different sorts of displacements, a basic framework comprising a number of different goal-displacement types is proposed. This framework specifies, on the one hand, *how* goals may be displaced, and three basic modes are distinguished: narrowing, widening and diversion. On the other hand, the framework specifies *what* goal aspect is displaced, and three basic displacement modalities are distinguished: displacements in terms of the scope of enforcement activities, displacements in terms of compliance perceptions held within the agency, and displacements of goals by means. In addition to the inventory of potentially relevant goal-displacement types, the conceptual exploration identifies a number of immediate causes for each of these types (Chapter 2).

The second phase, the empirical research, covers a study exploring goal displacement in all major enforcement agencies in the Netherlands and a case study zooming in on one of these agencies. The studies conducted are qualitative and explorative in character. Consequently, they do not lead to a systematic overview in terms of distribution and degrees of the various types of goal displacement discerned. Nevertheless, the examples of goal displacement that emerge from these studies suggest that a range of goal-displacement types may affect regulatory enforcement agencies. Even more importantly, they may affect them to such a degree that they significantly impair the agencies' effectiveness.

The broader empirical study provides indications for one or more goal-displacement types and their immediate causes in almost all agencies considered. Some of these immediate causes appear to lead to both widespread and potentially high degrees of goal displacement. These include two causal factors that have been identified for goal narrowing in terms of scope, with one leading to a disruptive narrowing and the other inferring a more gradual narrowing. Disruptive goal narrowing may take place in the aftermath of major accidents or calamities relating to the regulatory domain covered by an agency. Regulatory domains covering salient risks, such as food safety, major hazards, construction, and youth care, appear to be especially vulnerable to this type of goal displacement. Sudden, massive concentrations of attention on a limited part of the scope may take place, which may endure for months or even years, leading to the neglect of large swaths of requirements within the scope. A gradual goal narrowing in terms of scope was found to be related to a potential pitfall flowing from risk analyses associated with the inevitable concentration on the highest risks as perceived by the agency. Due to this concentration, intelligence deficits concerning regulated organizations that are no longer, infrequently, or only superficially inspected may arise. In extreme cases, large parts of the scope may be completely lost from sight. In the case of increased risks in those areas, these will likely not be observed and acted upon.

The goal-displacement types referred to as goal diversion to means also appear to be widely distributed and highly intrusive. Indications were obtained for all three types, more specifically goal diversion to input, goal diversion to throughput, and goal diversion to output. First, the empirical research provided examples of agencies subjected to ongoing organizational reform, largely diverting capacities from the original goals to these internal processes. Reform tends to become an autonomous force in these agencies, that is, a goal in itself. Indications of autonomization of means were also obtained for enforcement processes and procedures, leading to goal diversion to throughput: following these processes and procedures appears to become a goal in itself. Exceptionally strong indications for the occurrence of goal diversion to output flowing from a strong managerial focus on a limited number of inspection outputs were obtained, such as the number of inspections or number of fines (Chapter 3).

The case study on goal displacement focusing on one specific agency resulted in a clear profile of goal-displacement types affecting this agency. The three goal-displacement types emerging from this study were goal narrowing in terms of scope, goal widening in terms of compliance, and goal diversion in terms of output. In addition, a fine-grained picture of the origins of these types, in terms of inducing factors and enhancing circumstances, was obtained. Interestingly, the core contributing factors appear to be relatively simple: incisive budget cuts over multiple decades and a strong culture

of output management, both well-known attributes of New Public Management. This case study may be one of the first to provide a multifaceted picture showing how this management style appears to structurally hamper agencies aligning with their original goals. As the New Public Management style has been widely applied in the Netherlands, including in regulatory enforcement agencies, similar findings might emerge from case studies of other enforcement agencies (Chapter 4)

The conceptual and empirical explorations suggest that goal displacement is not a marginal phenomenon but poses a serious threat to regulatory enforcement agencies, potentially affecting large as well as small agencies, and traditional as well as modern approaches to enforcement. It therefore appears worthwhile to probe deeper into the potential underlying causes of this phenomenon, which makes up the third phase of this study. Its result is an explanatory framework providing insight into the causal chain of underlying causes, immediate causes, and the ultimate generation of specific goal-displacement types. Of central importance in elaborating this framework is an analysis of enforcement goals from a goal-ambiguity perspective. This analysis makes clear that these goals exhibit multiple dimensions of goal ambiguity. The first is priority goal ambiguity due to the fact that regulatory enforcement goals usually cover hundreds or even thousands of micro goals that, given scarce capacity, have to be prioritized. The second is directive goal ambiguity, which in this study is related to the contextual character of assessing compliance due to differences between related organizations such as size and technologies used. The third is evaluative goal ambiguity, which is due to the fact that enforcement goals are generally intangible, thereby making goal achievement difficult to evaluate.

This latter dimension of goal ambiguity is thought to play a crucial role in generating the risk of goal displacement, because it impedes any straightforward goal-directed action. Consequently, agencies must translate their goals into concrete operational goals and activities. The risk associated with this translation process is that enforcement processes are devised and conducted that are aimed at simplified, less ambiguous versions of the original goals. The extent of this simplification can be so substantial as to displace the original goals. This risk may be substantial. The reason is that the very intangibility of the goals that necessitates this translation process in the first place also hinders any clear warning signals in the case this process introduces goal displacement. Moreover, the findings from this research suggest that this translation process is strongly guided by specific indicators and proxies that are associated to a risk of goal displacement. These are referred to as grip factors (Goal Realization Indicators and Proxies). Among the major grip factors identified are measurable outputs, such as inspection numbers and violation numbers. Large accidents in the domain

covered by the agency can also serve as grip factors because of the concreteness of the events themselves and the upheaval they may cause. The indicator “enforcement burden” was also found to be used as a grip factor. Finally, the organizational structure is another grip factor. These factors have in common that they can readily and concretely be acted upon. Thus, the explanatory framework as developed suggests that the risk of goal displacement is deeply ingrained in the very goals of these agencies. Enforcement agencies may thus actually be less sovereign in pursuing their official goals and missions than they may appear to be at first glance (Chapter 5).

Although considerably more work must be done to assess the viability of this goal-displacement perspective more thoroughly, the findings of this study may shed new light on the quest for regulatory enforcement effectiveness. As goal displacement appears to be an important potential contributor to substantial regulatory enforcement *ineffectiveness*, both an accurate assessment of its occurrence and its successful containment within agencies may be important steps toward increased effectiveness. The framework of goal-displacement types as developed in this study may serve as a practicable tool for the first task, a rough calibration of goal alignment of regulatory enforcement agencies, especially in view of the scarcity and difficulty of retrospective effect evaluations.

The explanatory framework as developed in this study may direct efforts to increase regulatory enforcement effectiveness. It reveals that, rather than isolated efforts aimed at increasing the effectiveness of individual approaches, a concerted effort aimed at decreasing *ineffectiveness* by containing multiple types of goal displacement deserves much more attention. It also points out two important problems related to such containment efforts. First, efforts to eliminate one type of goal displacement may have the unwanted side effect of stimulating another type. Even more important, completely eliminating goal displacement is unrealistic. The reason is, as discussed above, that goal displacement is somehow functional in translating complex goals into manageable enforcement processes. Therefore, a certain degree of goal displacement seems indispensable to be able to act. The task of reducing the risk of goal displacement is therefore to design smart approaches that optimize goal alignment without leading to impracticable enforcement activities. This study therefore ends by proposing a strategy that may contribute to this task. As this strategy strives to optimally take into account the goal ambiguities of regulatory enforcement goals, it is referred to as an ambiguity-management strategy. It is a strategy that requires a considerable degree of organizational autonomy and therefore independence for its successful implementation (Chapter 6).

The goal-displacement perspective as developed in this study for regulatory enforcement agencies might also prove useful in other types of public and private organizational settings and activities involving inspection-like activities. These may include inspections of the implementation of internal guidelines and more general internal and external auditing activities. This may be especially relevant for (public) organizations characterized by complex, ambiguous goals.

In sum, the study shows that a reverse approach toward regulatory enforcement effectiveness may be rewarding. Positioning *ineffectiveness* at the center of attention helps to elucidate the complexities and pitfalls involved in efforts to increase effectiveness. Consequently, this integrated perspective may serve as a foundation for devising basic principles to guide such efforts. While this perspective may, on the one hand, perhaps be sobering by shedding light on the strength of forces leading to situations of *ineffectiveness*, on the other hand, it may inspire enforcers and scholars by the direction it offers toward stable and reliable levels of performance.

SAMENVATTING

Dit proefschrift omvat onderzoek naar situaties van *ineffectiviteit* van publiek toezicht. De veronderstelling hierbij is dat de verkregen inzichten mogelijk kunnen bijdragen aan een beter begrip van wat effectief toezicht is en wat daar voor nodig is. Centraal in het onderzoek staat het concept doelverschuiving. Hiermee worden situaties bedoeld waarin een organisatie in sterk verminderde mate of zelfs helemaal niet meer op haar oorspronkelijke doelen is gericht. De studie beschrijft in de eerste plaats conceptueel en empirisch onderzoek naar de vraag of doelen van toezichthoudende organisaties kunnen verschuiven en, indien dat het geval is, naar de wijze waarop en de mate waarin dat gebeurt. In de tweede plaats brengt het directe oorzaken, bevorderende omstandigheden en mogelijk onderliggende oorzaken van dit fenomeen in toezichthoudende organisaties in beeld. Het onderzoek is qua toezicht generiek van opzet. Het beperkt zich dus niet tot één specifiek toezichts domein of tot één specifieke toezichtsbenadering, maar neemt uiteenlopende domeinen en benaderingen in beschouwing (Hoofdstuk 1).

De resultaten van deze studie geven aan dat binnen toezichthoudende organisaties meerdere types doelverschuiving kunnen optreden. De aanwijzingen hiervoor zijn in de eerste en tweede fase van het onderzoek verzameld. De eerste fase, de conceptuele verkenning, maakt aannemelijk dat diverse bekende en minder bekende negatieve effecten van toezicht beschouwd kunnen worden als doelverschuivingseffecten. Om de verschillende vormen van verschuiving te classificeren is een eenvoudig kader bestaande uit verschillende types doelverschuiving ontworpen. Dit kader specificeert enerzijds *hoe* doelen verschoven kunnen raken. Hierbij worden drie basisvormen onderscheiden: versmalling, verbreding en verplaatsing. Anderzijds specificeert het raamwerk *welk* doelaspect wordt verschoven. Daarbij worden drie verschuivingsmodaliteiten onderscheiden. Het betreft verschuivingen in relatie tot de reikwijdte van de toezichtsactiviteiten, verschuivingen in relatie tot de nalevingsperceptie binnen de organisaties, en verschuivingen van doelen door middelen (methodieken). Naast de inventarisatie van de mogelijk relevante basistypes doelverschuiving, worden in de conceptuele verkenning ook een aantal directe oorzaken van deze types benoemd (Hoofdstuk 2).

De tweede, empirische fase omvat enerzijds een verkennend onderzoek naar doelverschuiving binnen de belangrijkste Nederlandse toezichthoudende organisaties en anderzijds een case-study waarin op dit fenomeen wordt ingezoomd bij één toezichthoudende organisatie. Beide onderzoeken zijn kwalitatief en verkennend van aard. Ze leiden dus niet tot een systematisch beeld in termen van verdeling en intens-

iteit van de verschillende types doelverschuiving die zijn geobserveerd. Ze leveren echter wel duidelijke voorbeelden van doelverschuiving op die laten zien dat binnen toezichthoudende organisaties uiteenlopende types van doelverschuiving kunnen optreden. Sterker nog, de resultaten laten zien dat deze organisaties in zo vergaande mate kunnen worden getroffen door dit fenomeen dat de effectiviteit van het toezicht ernstig wordt aangetast.

Uit de bredere empirische studie komen voor vrijwel alle onderzochte organisaties indicaties naar voren van het optreden van een of meerdere doelverschuivingstypes en van de directe oorzaken van die types. Indicaties voor breed verspreide en potentieel hoge gradaties van doelverschuiving werden gevonden voor doelversmalling in relatie tot de reikwijdte van het toezichtsgebied. Hierbij kwamen twee belangrijke oorzaken naar voren. Het betreft in de eerste plaats het optreden van grote incidenten of van calamiteiten die nauw gerelateerd zijn aan het toezichtsdomein dat door de toezichthoudende organisatie wordt gedekt. Deze kunnen tot abrupte doelversmalling in relatie tot de reikwijdte van toezichtsactiviteiten leiden. Vooral toezichtsdomeinen die tastbare risico's dekken zoals voedselveiligheid, productie en opslag van brandbare stoffen en chemicaliën, bouw en jeugdzorg lijken gevoelig te zijn voor deze vorm van doelverschuiving. Hier kunnen plotselinge, vergaande concentraties van de capaciteit op een beperkt deel van het toezichtsgebied plaatsvinden die maanden of zelfs jaren kunnen voortduren. Dit kan tot het verwaarlozen van andere, grote delen van het toezichtsgebied leiden. Een tweede oorzaak van doelversmalling vormt het ontstaan van aanzienlijke witte vlekken in risico analyses. Doordat delen van het toezichtsgebied die als weinig risicovol worden beschouwd, niet langer, erg onregelmatig of alleen oppervlakkig worden geïnspecteerd, kan langzaam een onvolledig beeld van de risico's ontstaan. In geval de risico's in die delen van het toezichtsgebied toenemen, blijft dat waarschijnlijk onbemerkt en wordt er geen actie ondernomen. Hierdoor kan eveneens een versmalling van de reikwijdte van de toezichtsactiviteiten plaatsvinden, zij het dat dit veelal sluipend en geleidelijk plaatsvindt.

De doelverschuivingstypes die worden aangeduid als doelverplaatsing naar middelen lijken eveneens wijd verspreid op te treden en de doelgerichtheid van de toezichthoudende organisatie aanzienlijk te kunnen aantasten. Indicaties van het optreden zijn verkregen voor alle drie onderscheiden types. Dit zijn doelverplaatsing naar input, throughput en output. Het onderzoek leverde voorbeelden op van toezichthoudende organisaties die doorlopend onderworpen zijn aan reorganisaties waardoor aandacht en capaciteit wordt verplaatst van de originele doelen naar deze interne processen. Het reorganiseren lijkt in deze gevallen een autonome kracht te worden dat wil zeggen een doel op zichzelf (doelverplaatsing naar input). Indicaties voor autonomiser-

ing werden ook verkregen voor toezichtsprocessen en -procedures, waardoor deze ook een doel op zichzelf lijken te worden (doelverplaatsing naar throughput). Zeer sterke indicaties kwamen naar voren voor de automatisering van output door een sterke management focus op een beperkt aantal inspectie-outputs zoals het aantal uitgevoerde inspecties en het aantal uitgedeelde boetes (Hoofdstuk 3).

De case-study naar doelverschuiving binnen één toezichthoudende organisatie resulteerde in een duidelijk profiel van doelverschuivingstypes die binnen deze organisatie optreden. De drie geobserveerde doelverschuivingstypes zijn doelversmalling in relatie tot de reikwijdte van de toezichtsactiviteiten, doelverbreding in relatie tot de nalevingsperceptie en doelverplaatsing naar output. Daarnaast werd een gedetailleerd beeld verkregen van de directe oorzaken en de bevorderende omstandigheden van de geobserveerde types. Opmerkelijk is dat deze oorzaken en omstandigheden zijn terug te voeren op een tweetal kernfactoren, te weten ingrijpende bezuinigingen gedurende meerdere tientallen jaren en een sterke cultuur van output management, allebei bekende wezenskenmerken van de managementstijl New Public Management. De case-study is wellicht een van de eerste die op gedetailleerde wijze laat zien hoe deze managementstijl een organisatie structureel kan belemmeren in het goed afstemmen op de originele doelen. Aangezien New Public Management wijdverspreid is toegepast in Nederland, waaronder met name bij veel overheidsorganisaties, zouden vergelijkbare resultaten bij andere toezichthoudende organisaties kunnen worden aangetroffen (Hoofdstuk 4).

De conceptuele en empirische verkenningen suggereren dat doelverschuiving geen marginaal fenomeen is, maar een serieuze bedreiging voor toezichthoudende organisaties kan vormen. Niet alleen kan het zowel grote als kleinere toezichthoudende organisaties treffen, ook lijkt er geen verschil in gevoeligheid te bestaan tussen meer traditionele en modernere toezichtsbenaderingen. Het lijkt daarom de moeite waard om het onderzoek te verdiepen naar de mogelijk onderliggende oorzaken van dit fenomeen. Dit vormt de derde fase van het onderzoek. Het resultaat van deze onderzoeksfase is een verklarend raamwerk dat inzicht geeft in de oorzakelijke keten van onderliggende oorzaken, directe oorzaken en de uiteindelijke vorming van specifieke doelverschuivingstypes.

Van centraal belang bij het ontwikkelen van dit raamwerk is een analyse van de doelen van toezicht met behulp van het concept doelambigüiteit. De analyse maakt duidelijk dat toezichtsdoelen worden gekenmerkt door meerdere dimensies van doelambigüiteit. De eerste is prioriteits-doelambigüiteit: toezichtsdoelen omvatten doorgaans honderden of zelfs duizenden microdoelen die, gegeven de beperkte ca-

paciteit, moeten worden geprioriteerd. De tweede is sturings-doelambiguïteit. Deze dimensie van doelambiguïteit betreft het contextuele karakter van het vaststellen van de mate van naleving van regels. Hiermee wordt bedoeld dat optimale naleving bij verschillende onder toezicht staande organisaties van geval tot geval kan verschillen als gevolg van variaties in gereguleerde organisaties in bijvoorbeeld grootte en gebruikte technologieën. De derde dimensie is evaluatieve doelambiguïteit: toezichtsdoelen zijn veelal beperkt zichtbaar, wat het evalueren van de mate van doelbereiking bemoeilijkt.

Aannemelijk wordt gemaakt dat deze laatste dimensie van doelambiguïteit een cruciale rol speelt in het ontstaan van doelverschuiving. De onderliggende reden is dat evaluatieve doelambiguïteit een directe doelgerichte manier van opereren belemmert. Het dwingt de organisaties hun doelen eerst te vertalen in concrete, zichtbare operationele doelen. Het risico verbonden aan dit vertalingsproces is dat de resulterende en vervolgens uitgevoerde toezichtsprocessen gericht zijn op versimpelde, minder ambigue versies van de oorspronkelijke doelen. De mate van simplificering kan daarbij zodanig zijn dat de originele doelen feitelijk worden verschoven.

Het verklarend raamwerk maakt inzichtelijk dat het risico op een dergelijke vergaande simplificering substantieel is. De reden daarvoor is dat de beperkte zichtbaarheid van toezichtsdoelen die juist een vertalingsproces in concrete operationele doelen noodzakelijk maakt, ook het zichtbaar worden van een eventuele doelverschuiving voortkomend uit dat vertaalproces belemmert. Er ontstaan in dat geval geen concrete waarschuwingssignalen.

De resultaten van het onderzoek wijzen er bovendien op dat het genoemde vertalingsproces sterk wordt geleid door specifieke indicatoren en graadmeters, in het onderzoek grip-factoren genoemd (Goal Realization Indicators and Proxies). Zulke grip-factoren zijn bijvoorbeeld meetbare output zoals aantallen inspectiebezoeken en geconstateerde overtredingen. Grote incidenten of calamiteiten functioneren ook als grip-factor door de concreetheid van de gebeurtenissen en de opschudding die ze veroorzaken. Ook de indicator toezichtslast komt als grip-factor naar voren. Tenslotte is de organisatorische structuur een grip-factor. Al deze factoren hebben gemeenschappelijk dat ze concrete aanknopingspunten bieden voor actie.

Het verklarende raamwerk voor doelverschuiving bij toezicht laat zien dat het risico van doelverschuiving op diepgaande wijze inherent is aan de karakteristieken van toezichtsdoelen. Dit impliceert dat toezichtsorganisaties onder de oppervlakte

minder standvastig zijn in het nastreven van hun originele doelen dan op het eerste gezicht lijkt (Hoofdstuk 5).

Hoewel nog aanzienlijk meer onderzoek moet worden verricht naar het optreden en de oorzaken van doelverschuiving, lijken de resultaten een nieuw licht te kunnen werpen op de zoektocht naar effectief toezicht. Wanneer doelverschuiving een potentieel belangrijke factor blijkt in het genereren van *ineffectiviteit* van toezicht, dan vormen zowel een accurate vaststelling van het optreden als een succesvolle mitigatie belangrijke elementen voor een grotere effectiviteit. De systematiek van doelverschuivingstypes kan als praktisch instrument voor een ruwe kalibratie van de doelgerichtheid van de toezichthoudende organisatie dienen. Gezien de (blijvende) schaarste van retrospectieve effectevaluaties van toezichtsbenaderingen, kan dit perspectieven bieden.

Het verklarend raamwerk voor doelverschuiving biedt een belangrijk uitgangspunt voor inspanningen gericht op het vergroten van de effectiviteit van toezicht. In plaats van het geïsoleerd optimaliseren van individuele toezichtsbenaderingen dient een samenhangende aanpak gericht op het in toom houden van een scala aan doelverschuivingstypes te worden ontwikkeld. Het belang van een dergelijke samenhangende aanpak vloeit voort uit twee belangrijke problemen die inspanningen gericht op een grotere toezichtseffectiviteit kunnen belemmeren. In de eerste plaats kunnen inspanningen die gericht zijn op het elimineren van het ene type doelverschuiving het ongewenste neveneffect hebben dat een ander type wordt gestimuleerd. Zo mogelijk nog belangrijker is in de tweede plaats dat het compleet elimineren van doelverschuiving als onrealistisch moet worden beschouwd. De reden is dat doelverschuiving tot op zekere hoogte functioneel is: ambigue toezichtsdoelen kunnen niet in stuurbare en beheersbare toezichtsprocessen worden vertaald zonder dat dit met een zekere mate van doelverschuiving gepaard gaat. De opgave van het verminderen van het risico van doelverschuiving is daarom om slimme benaderingen te ontwerpen die de doelgerichtheid op de originele doelen structureel verbeteren zonder te leiden tot overmatig en onnodig gecompliceerde toezichtsactiviteiten. Dit proefschrift eindigt daarom met een voorstel voor een strategie die bijdraagt aan het vervullen van die opgave. Aangezien deze strategie de verschillende dimensies van doelambigüiteit van toezichtsdoelen optimaal probeert te weerspiegelen wordt deze ambigüiteitsmanagement genoemd. Deze strategie vereist een hoge graad van organisatorische autonomie en dus onafhankelijkheid voor een succesvolle implementatie (Hoofdstuk 6).

Het doelverschuivingsperspectief zoals in dit onderzoek ontwikkeld voor publiek toezicht is wellicht ook bruikbaar in andere publieke en bedrijfsmatige organisato-

rische situaties waarbij sprake is van toezichtmatige activiteiten. Dat kan bijvoorbeeld het toezien op de implementatie van interne richtlijnen zijn of in meer algemene zin interne en externe auditingsactiviteiten. Het kan vooral relevant blijken voor (publieke) organisaties die gekarakteriseerd worden door complexe, ambigue doelen.

Afsluitend kan worden geconcludeerd dat een omgekeerde benadering van effectiviteit van toezicht lonend kan zijn. Het doelverschuivingsperspectief laat de diversiteit en de omvang van de krachten leidend tot *ineffectiviteit* van toezicht zien. Het wijst op het belang om op integrale wijze rekening te houden met die krachten als basis voor stabiele en betrouwbare toezichtsprestaties.

CURRICULUM VITAE

Kees Huizinga behaalde in 1987 het doctoraal fysische chemie aan de Rijksuniversiteit Groningen. Na militaire dienst en een postdoctorale opleiding milieukunde aan de Universiteit van Amsterdam was hij werkzaam in nationale en internationale projecten bij Haskoning Ingenieurs- en architectenbureau in Nijmegen op het vlak van duurzame industriële processen en producten.



In 1998 trad Kees in dienst bij de toenmalige Inspectie Milieuhygiëne (later VROM-Inspectie). Hier was hij nauw betrokken bij de versterking en verdieping van risicoanalysemethodieken en bij de ontwikkeling en uitvoering van nieuwe toezichtsvormen zoals ketengericht toezicht en systeemgericht toezicht. In 2012 maakte hij de overstap naar Rijkswaterstaat waar hij zich toelegde op strategische advisering op het vlak van risicomanagement, circulaire economie en duurzame gebiedsontwikkeling. Eind 2021 is hij in dienst getreden als coördinerend/specialistisch inspecteur bij de Inspectie Leefomgeving en Transport. Het zwaartepunt in deze functie ligt op het voeren van onderzoek voor inspectie- programma's met als oogmerk het versterken van de kennispositie en het vergroten van de effectiviteit van het uitgevoerde toezicht.

In 2013 is Kees gestart als promovendus in het kader van het onderzoeksprogramma Modern Toezicht aan de Erasmus Universiteit Rotterdam. Het onderzoek vindt plaats binnen de vakgroep Business & Society Management van de Rotterdam School of Management.

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The background of the page is a vibrant red color. It is decorated with a pattern of concentric circles and squares in a lighter orange or yellow hue. These shapes are arranged in a grid-like fashion, with some shapes being larger than others, creating a dynamic and modern aesthetic. The text is centered on the page, providing a clear focal point against the busy background.

What defines optimally effective enforcement? This apparently simple question has given rise to extensive debate over the course of many decades. This study seeks a better understanding of the effectiveness of public regulatory enforcement agencies by taking a reverse approach: it focuses on regulatory enforcement *ineffectiveness*. It does so by using the concept of goal displacement, that is, situations in which an agency's alignment with the original goals is severely or completely impaired. Both the conceptual and empirical explorations conducted suggest that goal displacement can gravely affect enforcement agencies, thereby significantly impairing their effectiveness. The explorations also provide indications of a number of distinct goal-displacement types. In addition, the study elaborates on the question why regulatory enforcement agencies may be especially vulnerable to goal displacement. The insights obtained shed a new light on efforts to increase regulatory enforcement effectiveness. Rather than isolated efforts aimed at increasing the effectiveness of individual approaches, a concerted effort aimed at decreasing *ineffectiveness* by containing multiple types of goal displacement appears to be more promising.