



## Outcomes-based contracting and public management reform: Lessons from a decade of experimentation

Clare FitzGerald, Alec Fraser, Jonathan Kimmitt, Lisa Knoll & James Williams

To cite this article: Clare FitzGerald, Alec Fraser, Jonathan Kimmitt, Lisa Knoll & James Williams (2023) Outcomes-based contracting and public management reform: Lessons from a decade of experimentation, International Public Management Journal, 26:3, 329-338, DOI: [10.1080/10967494.2023.2170504](https://doi.org/10.1080/10967494.2023.2170504)

To link to this article: <https://doi.org/10.1080/10967494.2023.2170504>



© 2023 The Author(s). Published with license by Taylor & Francis Group, LLC



Published online: 01 Jun 2023.



Submit your article to this journal [↗](#)



Article views: 450



View related articles [↗](#)







View Crossmark data [↗](#)



Citing articles: 1 View citing articles [↗](#)

# Outcomes-based contracting and public management reform: Lessons from a decade of experimentation

Clare FitzGerald<sup>a</sup> , Alec Fraser<sup>a</sup> , Jonathan Kimmitt<sup>b</sup> , Lisa Knoll<sup>c</sup> , and James Williams<sup>d</sup>

<sup>a</sup>King's College London; <sup>b</sup>Durham University; <sup>c</sup>Paderborn University; <sup>d</sup>York University

## ABSTRACT

A decade after the launch of the world's first social impact bond (SIB) at Her Majesty's Prison Peterborough in England, a further 250 SIBs have been developed in over 30 countries raising over \$750 m (USD) of capital and serving some 1.7 million people. As investment-backed outcomes-based contracts (OBCs), SIBs are one of many outcomes-oriented reforms being taken up globally. In this introduction, we offer a framework for navigating the inchoate landscape of these reforms and a brief review of literature on OBCs and SIBs to frame the articles in this special issue. We then underscore the major contributions of the six included articles before offering summaries of each. In closing, we discuss the article findings and offer avenues for future research.

## Introduction

In 2010, the UK Ministry of Justice (MoJ) announced a new project. Based at Her Majesty's Prison (HMP) Peterborough, the MoJ would be working to reduce reoffending in collaboration with private investors, a network of mostly nonprofit social service providers, and a management intermediary in what has become known as the world's first social impact bond (SIB) program. Initially structured as a six-year pilot, the SIB program sought to prepare about 3,000 short-term prisoners for life after release using a wrap-around service model financed by investors. If reoffending fell by more than 7.5% across the cohort over the life of the project (with some milestone payments in between), the investors' principle would be repaid and they would make a return, with the underlying outcomes-based contract (OBC) capping total cost at £8 m. In 2017, after the project specification was altered due to policy shifts within the criminal justice sector, the 7.5% reduction was achieved, and investors made their money back and then some. Since the launch of HMP Peterborough, a further 250 impact bond projects have been developed worldwide, raising over \$725 m (USD) of capital, and serving over 1.7 million people (INDIGO, 2022).

OBCs, and the SIBs that help structure them, offer a window to explore a set of public policy, partner, management, and service innovations increasingly adopted across Western Europe, North America and in emerging economies (Chen, Walker, and Sawhney 2020). Introduced in their modern forms in 2010, OBCs and SIBs are tools which prioritize (1) focusing on service outcomes rather than service inputs and activities and (2) increased and sometimes novel inter-

**CONTACT** Clare FitzGerald  [clare.fitzgerald@kcl.ac.uk](mailto:clare.fitzgerald@kcl.ac.uk)  King's College London, King's Business School, Public Services Management & Organisation Department, London, WC2R 2LS United Kingdom.

© 2023 The Author(s). Published with license by Taylor & Francis Group, LLC

This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. The terms on which this article has been published allow the posting of the Accepted Manuscript in a repository by the author(s) or with their consent.

sectoral relationships between government, nonprofit and for-profit organizations in the provision of public services (FitzGerald, Fraser, and Kimmitt 2020; FitzGerald et al. 2021). Exploring these reforms offers a view on the continued legitimacy and hegemony of reform ideas seeded in the New Public Management (NPM) paradigm (Hood 1991; Ferlie, et al. 1996) - including a reliance on contracts and a shift toward rigorous measurement of results - within collaborative, networked structures usually more associated with the rise of third-party post-NPM governance as in the New Public Governance (NPG) (Osborne 2010). A decade on from Peterborough, this issue invited contributions that catalogue and investigate what has been learned about OBCs - and associated public management theories - in the interim.

This introduction to the issue first provides a brief review of the literature on OBCs and SIBs to frame the contributions made by the articles included in this special issue. Summaries of included articles are then presented including a discussion of emerging themes followed by areas for future research.

## Literature review

OBC is a catch-all term for interorganizational contractual arrangements which use results-linked monetary incentives to alter individual and organizational behavior in the delivery of public services. Examples include pay-for-performance, payment-by-results, performance contracting, pay-for-success, and social impact bonds. The use of such schemes has been the subject of long-term scrutiny in public administration literature: systematic reviews consistently show that there are “significant costs and capacity demands for developing and implementing accurate and reliable performance measures and performance-based contracts that align diverse public and private interests and reflect the complicated nature and ‘technology’ of public programs” (Heinrich and Kabourek 2019:869 referencing Heinrich and Marschke 2010). These costs and complexities, in turn, have led OBC arrangements to pursue simpler measurement and accountability schemes, including incomplete and shorter-term impact goals. Repeatedly, these shorter-term output and activity measures have been shown to be very loosely or negatively correlated with the long-term goals program outcomes (Barnow 2000; Heinrich and Marschke 2010; Heckman, et al. 2011). Indeed, the rigor of evaluation methodologies employed with SIBs specifically have been found wanting by academics (Carter, et al. 2018; FitzGerald et al. 2019; Lazzarini et al. 2022).

SIBs are at the vanguard of attempts to further an OBC approach to the design and delivery of public services (Edmiston and Nicholls 2018; Nicholls and Teasdale 2021). SIBs are, in effect, pay-for-performance schemes in which private for-profit or social investors (the latter who seek a blend of financial return and social good) provide some up-front finance toward the delivery of a public service and subsequently may receive an outcomes-based return. As such, SIBs bundle three longstanding public management reform tools: public private partnerships, performance or outcomes-based contracting, and performance management (Heinrich and Kabourek 2019). SIBs have been enthusiastically pursued by successive UK administrations since 2010 as a ‘win-win-win’ policy tool in that they promise better outcomes for service users, cost savings to government and a return to investors (Fraser et al. 2018). Warner (2013) has argued that SIBs represent an extension of several NPM logics, in particular their reliance on contracting mechanisms and increased data collection. In SIB-financed projects significant control over service delivery is often ceded to intermediary organizations creating new inter-organizational relationships which, alongside an increased emphasis on performance management (Warner 2013; Cooper, Graham, and Himick 2016; Berndt and Wirth 2018), often lead to inter-organizational turbulence (Lowe et al. 2019).

However, the extent to which SIBs conform to key principles of NPM is contested - for instance, Le Pendeven (Pendeven 2019) and Fox and Albertson (Fox and Albertson 2011, 2012) highlight SIBs’ potential to lessen some of the harsher edges of NPM as they shift the focus from

*process to outcomes* measurement. Whilst this view is disputed, it has been argued that such a shift might be seen as providing service delivery staff with greater discretion and flexibility to meet client needs and better align the goals of all stakeholders, prompting Joy and Shields (Joy and Shields 2013) to suggest that SIBs may more closely resemble Osborne's (2010) NPG model. SIBs, viewed through an NPG lens, may be interpreted as a variant of a public-private partnership, in that they promote long-term collaboration between public, private and nonprofit actors, for example through longer contracts and contractual alliances (Teicher, Alam, and Gramberg 2006; Carter, et al. 2018), and sometimes include anti-market elements such as the suspension of competitive procurement processes (Fraser et al. 2018; Neyland 2018).

Indeed, this collaborative rationale is prevalent in many pro-SIB and OBC narratives which position them as representing a shift to trust-based relationships in the commissioning of public services – suggesting that SIBs encourage collective co-design of complex service user pathways and sustained inter-organizational commitments rather than short-term competitive contracting (Fraser et al. 2018). Thus, by promoting upfront collaboration among key actors SIBs may challenge the competitive logic which has become prevalent in the commissioning of public services as well as challenge traditional responses to policy problems by establishing new coalitions and networks of actors. This is consistent with the notion of viewing SIBs and OBCs as innovative entrepreneurial approaches to complex issues (Dowling 2017) whereby the 'SIB effect' could be about a longer-term view of how embedded intergenerational social problems are tackled (Wilson et al. 2020).

To better frame the contributions made in this special issue, we suggest a level of abstraction is helpful in describing the inchoate landscape of outcomes-oriented reforms like OBCs and SIBs (see Table 1). By using outcomes-oriented reform, we offer a higher-level categorization to highlight consistencies between tools like SIBs and OBCs, underscoring their use of outcomes in the context of post-financial crisis initiatives which are distinguished by a financial logic, representing reforms meant to shape decisions about how to invest public, philanthropic, and financial capital in social programmes in deference to expectations about the kinds of returns that can be expected. Hence, outcomes-oriented reform includes i) outcomes-oriented funding where provider performance is evaluated on outcomes but is not explicitly tied to payments as in the case of the European Social Fund or results-based grant-making more generally; ii) outcomes-based funding a la OBCs, where payment is contingent on outcomes but outside investment is not present or not at the behest of government, as seen in payment-by-results initiatives such as the UK Work Programme or the widespread use of performance contracting amongst US Federal Agencies; and iii) investor-backed outcomes-based funding, where payment is contingent on outcomes and an investor provides upfront capital as in SIBs, social outcomes contracts, some PPPs, and pay-for-success projects. Hence, OBCs and SIBs can be viewed through a broader public administration lens.

**Table 1.** Categorization of Outcomes-Oriented Reform.

		Payment term	Examples	Administrative dynamic
Outcomes-oriented reform	Outcomes-oriented funding	Performance evaluated but not tied to contract payment	Results-based grant-making Results-driven contracting	Purchaser-provider
	Outcomes-based funding	Performance evaluated and tied to contract payment	Payment-by-results Performance contracting Outcomes-based contracting	Purchaser-provider
	Investor-backed outcomes-based funding	Performance evaluated and tied to contract payment; investment covers upfront service costs	Social Impact Bonds Social Outcomes Contracts Pay-for-Success Public Private Partnerships	Networked partnership

## Contributions to the special issue

Exploring diversity in OBC and SIBs offers an opportunity to interrogate both the approaches themselves as well as the ideologies and practical implications behind the public management reforms which illuminate them. This special issue includes six contributions which help to build this knowledge from European, North American, and Latin American contexts. As a group, these articles advance our understanding of OBC and SIBs across three areas: explanations of their emergence; documentation of managerial logics at play; and descriptions of the use of metrics and evaluation.

For Fraser, Knoll and Hevenstone, SIBs need to build compromises between diverse welfare conventions and thus need to be studied in comparative research designs. During feasibility they are positioned as ‘fixes’ to entrenched public management issues particular to national and local contexts. Pellizzari and Muniesa provide a comparative SIB study, as well. They suggest that SIB practitioners actively tailor their justifications around what they call “tactics of feasibility,” crafting arguments promoting the adoption of SIBs that are linked to shared understandings of prevailing social problems in a particular area. Both author groups suggest that this tailoring is also observed in SIB design, where SIBs are optimized to address the particularities of local operating environments. In this sense, both these papers underscore the mercurial nature of SIBs: because they bundle so many different reform ideas, particular elements can be emphasized or deemphasized according to context to secure support for launching them and hard code design objectives.

As discussed, SIBs appear to hold in tension the collaborative elements of NPG whilst promulgating preferred NPM tools like contracting and performance management. These articles demonstrate this tension. In their longitudinal case study, French and colleagues find that over time, NPM governance mechanisms retrench, particularly in the promotion of contractual requirements over and above more qualitative and overarching project goals. Meanwhile, Fox and colleagues’ exploration of the inclusion of co-creation principles elements in SIBs suggests that UK projects vary in the degree to which they fold-in such activities. Given the suggestion that co-creation may be an emerging paradigm for public management building on the collaborative themes of NPG (Ferlie 2021), together these articles convey the complexity of reform logics at play in SIBs. Evidence from just these articles shows that improvement may be achieved through the performance pressure of managerialism and measurement from NPM, the governance-based learning and accountability regimes of NPG, and the application of unique insights of involved parties, including service users, found in co-creation.

Both the Economy et al. and De Pieri et al. articles comment on the limited rigor of methods used for validating outcomes in SIBs, suggesting a departure in design from the promises of early SIB proponents but not necessarily a departure in rhetoric. Economy and colleagues also link SIB designs to the various mitigation strategies employed to the benefits of investors, namely in their ability to limit downside risk. De Pieri and coauthors meanwhile highlight the value of broader evaluation efforts and their role in informing subsequent policy decisions. What we glean from these discussions is three-fold. First, that in practice SIBs rarely live up to the promise of producing rigorous evidence. Second, that evaluation designs embedded into payment mechanisms can be compromised by investor risk appetite. And third, that the continued promotion of OBCs, including SIBs, in the UK is largely based on qualitative and mixed methods commissioned evaluations separate from project payment terms.

## Article summaries

### ***Fraser, Knoll, and Hevenstone ‘Contested social impact bonds: Welfare conventions, conflicts and compromises in five European active-labor market programs’***

Fraser, Knoll and Hevenstone use the Welfare Conventions Approach (WCA) to structure a comparative case study exploring diversity in five SIBs across the United Kingdom, the Netherlands,

Switzerland, and Germany. In this article, the authors use the WCA to explore how national-level differences in welfare conventions correspond to local justifications for adopting of SIBs and shape conflict and compromise throughout their institutionalization processes. The authors find that despite international spread, the reality of SIBs is characterized less as a ‘hegemonic project of simple diffusion’ and more as ‘a difficult and contested process of implementation’. In the UK and the Netherlands, SIBs were promoted as a remedy to problems caused by 1990s NPM style market reforms through greater entrepreneurialism, accountability through increased measurement and a focus on outcomes. In the Swiss and German cases – less impacted by the NPM in the 1990s – the rhetorical allure of increased entrepreneurialism and better outcome measures linked to the SIB model was seen as attractive. Across these international case study sites, SIBs are frequently found to soften the hard edges of competitive tendering, endemic in the market welfare convention, by encouraging relational networks with entrepreneurial ways of working. Nevertheless, the article shows that where SIBs prioritize methodological rigor and ‘real’ risk transfer this can create tension between local governments and investors due to differences in valuation. To overcome this, some projects opted to keep financial gains low through minimal risk transfer (Switzerland and Germany). In others, separate organizations – different units of government or philanthropies – subsidized the risk transfer (UK and one of the Dutch cases). Across all cases, service providers were able to derive some benefit from their SIB involvement, principally through securing new and longer-term funding, but this was counterbalanced by increased bureaucratic burdens linked to greater data reporting requirements.

### ***Pellizzari and Muniesa ‘Social impact bonds and the tactics of feasibility: Experience from Chile, Colombia and France’***

In this article, Pellizzari and Muniesa analyze the implementation of social impact bonds through the lens of pragmatist sociology. Here, they build on critical approaches to the emergence of SIBs, underscoring the neoliberal and financialized logics that maintain problematic political order. The focus of the analysis is what the authors term the ‘problem’ or ‘culture’ of feasibility surrounding SIBs – the preoccupation amongst SIB practitioners to demonstrate the viability of their project rather than ‘wider implications in terms of social service, budgetary efficiency or public policy’ and by doing so, narrowly framing how social problems are understood and solved (Pellizzari and Muniesa 2022:2). Supported by fieldwork in Chile, Colombia and France, Pellizzari and Muniesa document how SIB practitioner tactics – or the development, design, and rhetoric of SIB projects – morphed in response to trials – situations that require setting frames, standards, or principals to determine right and wrong. In Chile, tense social contestation created a frame for SIBs as technocratic interventions with strict government supervision. In Columbia, the SIB promised budgetary efficiency and the growth of the social investment market. In France, SIBs were presented in a non-market guise to preserve a welfare state justification.

### ***French, Kimmitt, Wilson, Jamieson, and Lowe ‘Social impact bonds and public service reform: Back to the future of new public management?’***

Supported by a longitudinal qualitative study, French and colleagues explore how the governance logics of NPM and NPG manifest and interact throughout the life course of a SIB tackling social determinants of health in the North of England. They find that while NPM and NPG elements were simultaneously present at the outset of the project, over time NPM strengthened and NPG weakened. This was clearly seen in mid-stage tensions arising within the SIB partnership driven by a focus on contract management and process compliance rather than ‘generative conversations about collaboration’ (French et al. 2022:10). By the latter-stages of the project, this emphasis on control had deepened, with investors frustrated by a perceived lack of hands-on performance

management and providers diminishing the frequency of collaborative forum with some choosing to exit the project. Overall, the authors found two major contributors to the eventual dominance of NPM over NPG. First, the ‘relative power of NPM-aligned investors’ which allowed them to ‘dictate terms of engagement and ensure that their views help precedence’ meant that NPG elements were merely tolerated if performance metrics remained positive. Second, because data was critical in triggering payments as laid out in the contract the provider and the management entity – the special purpose vehicle – shouldered significant administrative burden to satisfy contract requirements, set payment rates, and enable data production at the expense of using that data to improve ongoing service delivery.

***Fox, Olson, Armitage, Baines, and Painter ‘Can a focus on co-created, strengths-based services facilitate early stage innovation within social impact bonds?’***

The central argument of this article is that to realize their potential as vehicles for social innovation, SIBs should incorporate stronger co-production, co-creation, and strengths-based ways of working. Supported by a comparative case study of four SIBs in the UK, Fox and colleagues find that elements of co-production and strengths-based ways of working were present across cases, with some evidence of less mature forms of co-creation. These practices, in turn, also helped to catalyze early stage social innovation, largely characterized as personalized support requiring novel approaches to service delivery including personal budgets, customized action plans, new referral pathways and pilot testing. Findings also suggest that certain SIB design choices were instrumental in supporting co-production and strengths-based practices, notably a high degree of service provider discretion through the use of rate cards and longer-term flexible funding.

***Economy, Carter, and Airoidi ‘Have we ‘stretched’ social impact bonds too far? an empirical analysis of SIB design in practice’***

Economy and colleagues explore variation in the design of SIBs as compared to two original intentions of the model: ‘shifting the focus of public service delivery to achieving impact’ and ‘transferring risk from the government to external investors’ (Economy, Carter, and Airoidi 2022:1). Through qualitative content analysis of SIBs launched in the United Kingdom and United States from 2010–2020, the article shows that SIB designs have compromised on these two initial intentions. Payable outcomes are less frequently subjected to the rigorous validation methods which would certify improved impact, and risk mitigation strategies common to SIBs – things like risk sharing with providers or philanthropic grant-based investment – often minimize the actual implementation risk borne by external investors. Combined, these findings suggests that there are unanswered questions about the value that SIB arrangements bring to government partners.

***De Pieri, Chiodo, and Gerli ‘Based on outcomes? challenges and (missed) opportunities of measuring social outcomes in outcome-based contracting’***

Outcome measurement is an integral element of outcomes-based contracting, but it remains under-investigated in terms of the design of measurement processes, variation in the definition of outcomes, metrics, and targets, and practical ramifications for decisions on both fronts. In this article, De Pieri and colleagues combine documentary review and key informant interviews to understand outcomes measurement in four UK cases, Drug and Alcohol Recovery Pilots, Troubled Families, and Transforming Rehabilitation, all payment-by-results schemes; and Mental Health and Employment Partnership (MHEP), a SIB. In each case, the authors documented the presence of multiple evaluations, most frequently using non-experimental methods, including

efforts to measure outcomes not related to payment. In so doing, project success can be evidenced two ways, both by the achievement of contractual targets usually documented by involved entities as well as indications of broader results often through independent evaluation. Importantly, as in the case of MHEP, it was results of the broader nonpayment outcomes evaluation that informed the decision to subsequently replicate the programme. Overall, the article underscores evidence that the outcomes measurement in outcomes-based contracting often fails to live up to the promise of rigorous evaluation, but that the ‘mix of different approaches used in the other evaluations and the measurement of outcomes and impacts not contractually linked to payment mechanisms provide a more comprehensive understanding of the intervention, more compete evidence for decision-makers, and greater encouragement for the development of measurement practices in the involved organizations’ (De Pieri, Chiodo, and Gerli 2022:18).

## Implications and conclusion

From the literature and the articles included in this issue, OBCs and SIBs have proven to be versatile and heterogenous arrangements (Fraser et al. 2018, De Pieri, Chiodo, and Gerli 2022; Economy, Carter, and Airoidi 2022) that do not exist in a social and institutional vacuum. Instead, they are deeply influenced by national and localized debates about the structure and role of social welfare provision (Fraser, Knoll, and Hevenstone 2022; Pellizzari and Muniesa 2022) and the managerial approaches used to guide public service delivery on the ground (Fox et al. 2022; French et al. 2022).

This suggests that institutional complexity and diverse social and institutional logics – or welfare conventions (Chiapello & Knoll 2020a) - provide explanations for these heterogeneous arrangements. Studied extensively, logics refer to “the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality” (Thornton & Ocasio 1999:804). They represent how a particular organizational field is organized, including the formal and informal rules that govern behavior of actors (Scott 2001). Therefore, they represent a relevant theoretical lens for exploring the emergence of outcomes-oriented reform.

Whilst some OBC arrangements may stem from different regulative, normative, and cultural institutions, contributions in the issue underscore that key actors also actively “work” to influence institutional arrangements: they are not passive. These may often be relatively powerful actors – investors, key industry players, government officials, advisory firms, and intermediaries – that use their influence to propose new ways of investing in certain social outcomes. It necessitates a perspective of constant “institutional work” (Chiapello & Knoll 2020b), placing an emphasis upon the constant struggles of diverse actors building new institutional worlds in a plural context.

The findings from these articles suggest four key areas for future research on outcomes-oriented reform: (1) institutional logics and arrangements, including who gets pulled into outcomes-oriented projects with a particular focus on philanthropy, investors, and advisory firms as powerful actors whose ability to get involved is context driven; (2) understanding the co-occurrence of an agency-based route to institutional change, driven instead by the actions of key outcomes-oriented reform stakeholders; (3) use of evidence and data, in terms of what information gets used to authenticate outcomes, and whether those outcomes trigger payment or inform wider evaluation efforts, and the meaningfulness of outcomes over the longer-term and relative to the lives and life chances of marginalized populations; and (4) the role of the state, including state capacity, capturing how states emerged from the financial crises ideologically and the level of third-party involvement in core government functions, especially public service delivery. There is also the question of whether financial logics of investment and return, as distinct from the logics of competition and cost efficiency, need to be separated from a logic or convention of an entrepreneurial, creativity and innovation and business culture, and how they are combined, especially outcomes and outcomes-based projects independently of outside investors and



circulations of financial capital. This is consistent with those who have suggested that one of the lasting legacies of SIBs is not financial investment per se, but rather the greater (albeit more subtle) circulation of financial logics and sensibilities within the social and public sector (Chiapello & Knoll 2020a).

With this collection contributing to a greater recognition of the diversity, nuance, and contextual understanding of SIBs and OBCs, it will be the task of future research to trace these various manifestations of outcomes-oriented reforms using a variety of different methodological tools and approaches. The hope is that this will provide a greater grasp of the significance and implications of shifts in the logics of public management and social sector financing post-crisis and beyond.

## Notes on contributors

*Clare FitzGerald* is a Lecturer in Management & Organisation at King's Business School, King's College London, UK. Her research explores how public and private organisations independently and collectively deliver public services with a particular interest in the constraining and enabling powers of administrative practices, relationships, contracts, and rules.

*Alec Fraser* is a Lecturer in Government and Business at King's Business School, King's College London, UK. His research centers on the use of evidence in policy making and practice across the public sector, including the development of outcomes-oriented reforms in public service delivery in the UK and internationally.

*Jonathan Kimmitt* is a Professor in Entrepreneurship in the Department of Management and Marketing at Durham University Business School, UK. His research focuses on entrepreneurship, social investment, and poverty, as well as social entrepreneurship and microfinance.

*Lisa Knoll* is a Lecturer in Sociology at the University of Paderborn, Germany. Her research focusses on sustainable transformations of the economy, finance and society. She is an expert in French pragmatist social sciences such as the French Convention School of Economics.

*James Williams* is an Associate Professor in the Department of Social Science at York University in Toronto, Canada. His research focuses on financial regulation as well as the financialization of social and public policy, including the growing influence of finance in the social and charitable sector.

## ORCID

Clare FitzGerald  <http://orcid.org/0000-0002-1021-8041>

Alec Fraser  <http://orcid.org/0000-0003-1121-1551>

Jonathan Kimmitt  <http://orcid.org/0000-0003-1121-5181>

Lisa Knoll  <http://orcid.org/0000-0002-8212-5493>

## References

- Barnow, B. S. 2000. "Exploring the Relationship between Performance Management and Program Impact: A Case Study of the Job Training Partnership Act." *Journal of Policy Analysis and Management* 19(1):118–41. doi: 10.1002/(SICI)1520-6688(200024)19:1 < 118::AID-PAM7 > 3.0.CO;2-4..
- Berndt, C., and M. Wirth. 2018. "Market, Metrics, Morals: The Social Impact Bond as an Emerging Social Policy Instrument." *Geoforum* 90:27–35. doi: 10.1016/j.geoforum.2018.01.019.
- Carter, E., C. FitzGerald, R. Dixon, C. Economy, T. Hameed, and M. Airoldi. 2018. *Building the Tools for Public Services to Secure*. Oxford, UK: University of Oxford, 21. <https://waystowellness.org.uk/site/assets/files/1317/2018-bsg-golab-evidencereport.pdf>.
- Chen, J., R. M. Walker, and M. Sawhney. 2020. "Public Service Innovation: A Typology." *Public Management Review* 22(11):1674–95. doi: 10.1080/14719037.2019.1645874.
- Chiapello, E., and L. Knoll. 2020a. "The Welfare Conventions Approach: A Comparative Perspective on Social Impact Bonds." *Journal of Comparative Policy Analysis: Research and Practice* 2020(2):100–15. doi: 10.1080/13876988.2019.1695965
- Chiapello, E., and L. Knoll. 2020b. "Social Finance and Impact Investing. Governing Welfare in the Era of Financialization." *Historical Social Research* 45(3):7–30. <https://www.jstor.org/stable/26918402>

- Cooper, C., C. Graham, and D. Himick. 2016. "Social Impact Bonds: The Securitization of the Homeless." *Accounting, Organizations and Society* 55:63–82. doi: [10.1016/j.aos.2016.10.003](https://doi.org/10.1016/j.aos.2016.10.003).
- De Pieri, B., V. Chiodo, and F. Gerli. 2022. "Based on Outcomes? Challenges and (Missed) Opportunities of Measuring Social Outcomes in Outcome-Based Contracting." *International Public Management Journal*. Advance online publication. doi: [10.1080/10967494.2022.2077490](https://doi.org/10.1080/10967494.2022.2077490).
- Dowling, E. 2017. "In the Wake of Austerity: Social Impact Bonds and the Financialisation of the Welfare State in Britain." *New Political Economy* 22(3):294–310. doi: [10.1080/13563467.2017.1232709](https://doi.org/10.1080/13563467.2017.1232709).
- Economy, C., E. Carter, and M. Airoidi. 2022. "Have We "Stretched" Social Impact Bonds Too Far? An Empirical Analysis of SIB Design in Practice." *International Public Management Journal*. Advance online publication. doi: [10.1080/10967494.2022.2077867](https://doi.org/10.1080/10967494.2022.2077867).
- Edmiston, D., and A. Nicholls. 2018. "Social Impact Bonds: The Role of Private Capital in Outcome-Based Commissioning." *Journal of Social Policy* 47(1):57–76. doi: [10.1017/S0047279417000125](https://doi.org/10.1017/S0047279417000125).
- Ferlie, E., L. Ashburner, L. Fitzgerald, and A. Pettigrew. 1996. *The New Public Management in Action*. Oxford: Oxford University Press. doi: [10.1093/acprof:oso/9780198289029.001.0001](https://doi.org/10.1093/acprof:oso/9780198289029.001.0001).
- Ferlie, E. 2021. "Concluding Discussion: Key Themes in the (Possible) Move to co-Production and co-Creation in Public Management." *Policy & Politics* 49(2):305–17. Available at: doi: [10.1332/030557321X16129852287751](https://doi.org/10.1332/030557321X16129852287751).
- FitzGerald, C., E. Carter, R. Dixon, and M. Airoidi. 2019. "Walking the Contractual Tightrope: A Transaction Cost Economics Perspective on Social Impact Bonds." *Public Money & Management* 39(7):458–67. doi: [10.1080/09540962.2019.1583889](https://doi.org/10.1080/09540962.2019.1583889).
- FitzGerald, C., T. Hameed, F. Rosenbach, J. R. Macdonald, and R. Dixon. 2021. "Resilience in Public Service Partnerships: Evidence from the UK Life Chances Fund." *Public Management Review*. Advance online publication. doi: [10.1080/14719037.2021.2015186](https://doi.org/10.1080/14719037.2021.2015186).
- FitzGerald, C., A. Fraser, and J. Kimmitt. 2020. "Tackling the Big Questions in Social Impact Bond Research through Comparative Approaches." *Journal of Comparative Policy Analysis: Research and Practice* 22(2):85–99. doi: [10.1080/13876988.2020.1726177](https://doi.org/10.1080/13876988.2020.1726177).
- Fox, C., H. Olson, H. Armitage, S. Baines, and G. Painter. 2022. "Can a Focus on co-Created, Strengths-Based Services Facilitate Early-Stage Innovation within Social Impact Bonds?" *International Public Management Journal*. Advance online publication. doi: [10.1080/10967494.2022.2078914](https://doi.org/10.1080/10967494.2022.2078914).
- Fox, C., and K. Albertson. 2011. "Payment by Results and Social Impact Bonds in the Criminal Justice Sector: New Challenges for the Concept of Evidence-Based Policy?" *Criminology & Criminal Justice* 11 (5):395–413. Retrieved September 29, 2022 (<https://journals.sagepub.com/doi/abs/10.1177/1748895811415580>).
- Fox, C., and K. Albertson. 2012. "Is payment by Results the Most Efficient Way to Address the Challenges Faced by the Criminal Justice Sector?" *Probation Journal* 59 (4):355–73. Retrieved September 29, 2022 (<https://journals.sagepub.com/doi/abs/10.1177/0264550512458473>).
- Fraser, A., S. Tan, M. Lagarde, and N. Mays. 2018. "Narratives of Promise, Narratives of Caution: A Review of the Literature on Social Impact Bonds." *Social Policy & Administration* 52(1):4–28. doi: [10.1111/spol.12260](https://doi.org/10.1111/spol.12260).
- Fraser, A., L. Knoll, and D. Hevenstone. 2022. "Contested Social Impact Bonds: welfare Conventions, Conflicts and Compromises in Five European Active-Labor Market Programs." *International Public Management Journal*:1–18. doi: [10.1080/10967494.2022.2089792](https://doi.org/10.1080/10967494.2022.2089792).
- French, M., J. Kimmitt, R. Wilson, D. Jamieson, and T. Lowe. 2022. "Social impact Bonds and Public Service Reform: back to the Future of New Public Management?" *International Public Management Journal*:1–20. doi: [10.1080/10967494.2022.2050859](https://doi.org/10.1080/10967494.2022.2050859).
- Heckman, J. J., C. Heinrich, P. Courty, G. Marschke, and J. Smith. 2011. (eds). *The Performance of Performance Standards*. Kalamazoo, Mich: W E Upjohn Inst for.
- Heinrich, C. J., and S. E. Kabourek. 2019. "Pay-for-Success Development in the United States: Feasible or Failing to Launch?" *Public Administration Review* 79(6):867–79. doi: [10.1111/puar.13099](https://doi.org/10.1111/puar.13099).
- Heinrich, C. J., and G. Marschke. 2010. "Incentives and Their Dynamics in Public Sector Performance Management Systems." *Journal of Policy Analysis and Management* 29(1):183–208. doi: [10.1002/pam.20484](https://doi.org/10.1002/pam.20484).
- Hood, C. 1991. "A Public Management for All Seasons?" *Public Administration* 69(1):3–19. doi: [10.1111/j.1467-9299.1991.tb00779.x](https://doi.org/10.1111/j.1467-9299.1991.tb00779.x).
- Joy, M., and J. Shields. 2013. "Social Impact Bonds: The Next Phase of Third Sector Marketization?" *Canadian Journal of Nonprofit and Social Economy Research* 4(2):39–55. doi: [10.22230/cjnser.2013v4n2a148](https://doi.org/10.22230/cjnser.2013v4n2a148).
- Lazzarini, S. G., S. Cabral, S. Firpo, and T. Teodorovicz. 2022. "Why Are Counterfactual Assessment Methods Not Widespread in Outcome-Based Contracts? A Formal Model Approach." *Journal of Public Administration Research and Theory* 32(3):509–23. doi: [10.1093/jopart/nuab052](https://doi.org/10.1093/jopart/nuab052).
- Lowe, L., J. Kimmitt, R. Wilson, M. Martin, and J. Gibbon. 2019. "The institutional Work of Creating and Implementing Social Impact Bonds." *Policy & Politics* 47(2):353–69. doi: [10.1332/030557318X15333032765154](https://doi.org/10.1332/030557318X15333032765154).
- Neyland, D. 2018. "On the Transformation of Children at-Risk into an Investment Proposition: A Study of Social Impact Bonds as an anti-Market Device." *The Sociological Review* 66(3):492–510. doi: [10.1177/0038026117744415](https://doi.org/10.1177/0038026117744415).

- Nicholls, A., and S. Teasdale. 2021. "Dynamic persistence in UK Policy Making: The Evolution of Social Investment Ideas and Policy Instruments." *Public Management Review* 23(6):802–17. doi: [10.1080/14719037.2019.1699948](https://doi.org/10.1080/14719037.2019.1699948).
- Osborne, S. P. 2010. "Delivering Public Services: Time for a New Theory?" *Public Management Review* 12(1):1–10. doi: [10.1080/14719030903495232](https://doi.org/10.1080/14719030903495232).
- Pellizzari, M., and F. Muniesa. 2022. "Social impact Bonds and the Tactics of Feasibility: experience from Chile, Colombia and France." *International Public Management Journal*:1–19. doi: [10.1080/10967494.2022.2096733](https://doi.org/10.1080/10967494.2022.2096733).
- Pendeven, B. L. 2019. "Social Impact Bonds: A New Public Management Perspective." *Finance Contrôle Stratégie* 22:85–115. doi: [10.4000/fcs.3119](https://doi.org/10.4000/fcs.3119).
- Scott, W. R. 2001. *Institutions and Organizations*, 2nd ed. Thousand Oaks, CA: Sage.
- Teicher, J., Q. Alam, and B. V. Gramberg. 2006. "Managing Trust and Relationships in PPPs: Some Australian Experiences." *International Review of Administrative Sciences* 72(1):85–100. doi: [10.1177/0020852306061624](https://doi.org/10.1177/0020852306061624).
- Thornton, P., and W. Ocasio. 1999. "Institutional Logics and the Historical Contingency of Power in Organizations: Executive Succession in the Higher Education Publishing Industry, 1958–1990." *American Journal of Sociology* 105(3):801–43. doi: [10.1086/210361](https://doi.org/10.1086/210361)
- Warner, M. E. 2013. "Private Finance for Public Goods: social Impact Bonds." *Journal of Economic Policy Reform* 16(4):303–19. doi: [10.1080/17487870.2013.835727](https://doi.org/10.1080/17487870.2013.835727).
- Wilson, R., A. Fraser, J. Kimmitt, S. Tan, N. McHugh, T. Lowe, M. Warner, S. Baines, and E. Carter. 2020. "Theme: Futures in Social Investment? Learning from the Emerging Policy and Practice of Social Impact Bonds (SIBs)." *Public Money & Management* 40(3):179–82. doi: [10.1080/09540962.2020.1714287](https://doi.org/10.1080/09540962.2020.1714287).