Chapter 1

Performance Measurement and the Production of Political Trust

The use of performance measurement as a tool of governance is now ubiquitous across economically developed countries. Governments, public service agencies and international organizations have employed an array of such tools to monitor and evaluate performance. Indicators, targets and balanced scorecards have been used to guide and measure performance in organizations; rankings and league tables have been deployed to compare outcomes among groups of organizations or countries; while benchmarking and quality standards have been used to evaluate performance against specified standards. What these techniques have in common is a reliance on quantitative measures to monitor and assess the ‘outcomes’ or ‘delivery’ of organizations or services. Originally developed in the private sector, these techniques for monitoring and evaluating performance have been steadily rolled out across different public sector organizations since the early 1980s.

Advocates of performance measurement see such tools as bringing clarity and precision to public service goals. They enable citizens and consumers to monitor performance, thereby increasing transparency and informing choice. By monitoring the conduct and performance of public services, such tools create new mechanisms for holding governments and public sector organizations to account. And they provide incentives for those making and implementing policy to improve their performance, thus producing better governance (Boyne and Chen 2006).

Yet after more than three decades of performance measurement in public policy, most commentators agree that they have yielded few benefits, and many adverse effects. The use of such techniques is criticised from a range of perspectives. Tools of performance measurement are seen as focusing on a limited range of quantitative targets or indicators, thereby narrowing down the focus of policy-making and political debate to a small and often unrepresentative aspect of policy (Bevan and Hood 2006; Boyne and Law 2015; Diefenbach 2009; Pidd 2005). The information they produce is not effectively used or applied in decision-making (Talbot 2010; Walshe, Harvey and Jas 2010; Taylor 2009). They can create perverse incentives and encourage ‘gaming’ on the part of those setting and implementing them (Smith 1995; Hood and Peters 2004; James 2004; Hood 2006). The imposition of top-down and often simplistic
quantitative targets and indicators can sap morale in organizations, and erode trust (Diefenbach 2009; Hoggett 1996; Micheli and Neely 2010). Not least, such tools frequently fail as a means of demonstrating improvements in public services (Hood and Dixon 2010; James and John 2007; Pollitt 2006b). So they are not even trusted by the publics they are designed to persuade.

Not surprisingly, these acknowledged problems have produced some scepticism about performance measurement in policy circles. In the UK, for example, the Labour administration of 1997-2010 had been enamoured of performance measurement in its first few years of government, developing an elaborate system of targets across departments and at different levels of governance. But No. 10 appeared to cool off the use of targets towards the late 2000s, influenced by a growing perception that they were too clunky and centralised, and a realisation that the information they provided was not widely trusted as authoritative. The Conservative/Liberal Democrat administration that came to power in 2010 vowed to eschew targets as a technique for steering public administration. But analysis of departments in British government suggests that targets are far from dead or moribund. They may have been rebranded as ‘strategic objectives’, but as a recent study concluded, ‘an informal culture of targets across Whitehall is thriving’ (Richards, Talbot and Munro 2015). A similar tendency has been apparent in Australian government, where a commitment to simplifying performance measurement has produced little change in practice (Woelert 2015). The use of quantified, output oriented tools for measuring performance appears to be as widespread as ever. Indeed, in some organisations, such as the Home Office, the Department of Education or the Department of Health, they have taken root to an unprecedented degree.

So what explains the appeal and tenacity of performance measurement? Existing accounts tend to see such tools as a technique of control. They are valued by ‘principals’ – whether elected politicians, or senior managers of organizations – as a means of steering the performance of agents. This form of control, it is argued, is particularly important given the ‘hollowing out’ of the state (Rhodes 1994). Since the 1980s, many government functions have been outsourced to private and third sector organizations, or to quasi-autonomous agencies, or ‘quangos’. The outsourcing of many areas of government activity has deprived the state of direct hierarchical oversight and control over the elaboration and implementation of policy. Governments have therefore turned to techniques of performance measurement to replace more traditional modes of command and control (Pollitt 1990; Hood 1991). As we shall see later in the Chapter, this account is plausible as far as it goes. But it fails to explain why such techniques prove so tenacious, given their persistent and acknowledged short-comings.
The first aim of this book is to provide an alternative account of the appeal of performance measurement. I want to understand the conditions that lead political actors to deploy such tools, both as a means of political communication, and to steer the performance of public administration. I explore how political and organizational dynamics create a recurrent demand for tools that can vouchsafe performance and reduce uncertainty. My account builds on the work of Michael Power and others, who have understood such techniques as playing a symbolic role: they are valued as a means of signalling order and control. In his work on audits, Power argues that audits operate as ‘rituals of verification’, providing assurances where there are low levels of trust (Power 1997; 2003).

The book further develops this account in two ways. First, it elaborates the concept of trust as a basis for theorising the role of performance measurement. Performance measurement can be understood as a response to a wider problem of political trust: a reluctance to invest authority or resources in others to act on our behalf. The problem of trust manifests itself in two sets of relationships. The first concerns the relationship between politicians and their publics. Traditional resources for establishing relations of trust between politicians and voters – in the form of familiarity, or symbolic sources of authority – have been eroded. Instead, political leaders need to fall back on alternative modes of producing trust. One important device is to create new mechanisms of accountability, by establishing forms of performance measurement. Targets – which will be the focus of the book – have emerged as a particularly appealing tool for producing trust. Politicians frequently deploy targets to signal their commitment to values and goals, and to establish credibility with sceptical and disillusioned voters.

The problem of trust is also evident in a second relationship: that between political leaders and their civil servants and public services providers. The relationship between political leaders and the organizations implementing policy have become more fragmented and indirect, as policy-making and implementation have become more specialised, and the arrangements for delivering services more complex (Rhodes 1997). These developments have heightened the problem of trust between politics and public administration. Performance measurement becomes a means of reassuring political leaders that they are able to monitor and steer the behaviour of organizations delivering on targets. Such tools create an aura of clarity and control, establishing precise goals, producing detailed information about organizational practices, and ostensibly providing senior managers and politicians with levers for influencing behaviour. Performance measurement offers a form of comfort for those grappling with complexity and uncertainty; a ritual that assuages anxiety where there are deficits of trust. Such
techniques of monitoring can also send a signal to observers and critics that political leaders are effectively in control, that they are applying credible and robust tools of public management.

Indeed, tools of performance measurement possess a singular appeal and authority as a mode of producing trust. Their focus on outputs or outcomes promises an especially robust mode of verifying performance, one that claims to measure how policies impact people’s lives. Thus they appear to offer an unrivalled tool of accountability. At the same time, their use of quantitative techniques invokes deep-seated notions of rationality, objectivity and precision. Once performance or goals have been translated into these standardised measurements, it becomes difficult to revert to the vague formulations that preceded them. Moreover, once adopted, performance measures can be appropriated to mop up a range of other political and organizational problems (Orlikowski, 1992). Different actors in politics, the administration and the media can become invested in them for varying reasons. Targets, performance indicators, rankings and league tables can be taken up by those critiquing or scrutinising government in order to expose their transgressions. And they can be deployed within organizations to justify particular courses of action, or solve a range of internal problems.

This book focuses on one particularly favoured tool of performance measurement: the use of targets. Targets are especially adept at addressing the dual problems of trust described above. They appear to offer a robust tool for steering public administration, through codifying clear and specific goals, and providing a tool for monitoring performance towards these goals. At the same time, they can be deployed as a tool of political communication, signalling a firm commitment to goals, and establishing a mechanism for publics to hold their governments to account. The use of targets therefore offers an excellent case for exploring the appeal of performance measurement, both as a technique of control and a signalling device.

But do targets and other tools of performance measurement succeed in this task of producing trust? The second aim of the book is to explore some of the tensions and paradoxes created by performance measurement, and targets in particular. One of these is what I term the chain of dependence. The adoption of ambitious, public-facing targets can be highly risky for politicians, placing them under heightened political scrutiny and pressure. Since targets tend to codify outputs or outcomes, this pressure is passed on to the public administration involved in delivering the promised outcomes. This can trigger intrusive forms of political intervention, or engender persistent decoupling of formal compliance and informal practice in organizations.
So targets can disrupt the already fragile settlement between political leaders and their civil servants. This in turn exacerbates problems of trust, creating a need for more tools for monitoring performance.

A further tension concerns the way in which targets are interpreted and applied in public administration. Despite their acknowledged defects, a variety of actors appropriate targets for different ends, and such tools become normalised, an expected part of bureaucratic management. But their deployment coexists with cynicism about their utility, and constant attempts to evade, reinterpret or subvert them. Targets are communicated and deployed by different actors, even as they hold them in disdain. This irony will be familiar to anyone working in a large organization (universities are a prime example). The governance of organizations is heavily influenced by key performance indicators, rankings and league tables; employees with different roles become committed to targets and indicators, often perceiving themselves as ‘playing the game’. And yet these indicators and rankings become highly influential, establishing a new plane of reality (Rose 1991), which influences reputation and resource allocation.

We can identify a similar anomaly is the way publics and other audiences perceive targets. While these quantitative tools carry authority in certain settings, they are also frequently treated with scepticism or seen as irrelevant. Publics and the media may expect and demand clear signals of intent, but they are also profoundly wary of such promises. Some targets are ignored; others attract huge attention, but much of it negative. And yet political aspirants feel the need to lock themselves in to such pledges, and their opponents have strong incentives to invoke them in order to expose government failings. Thus targets can create a dysfunctional dynamic. They are marshalled to address a problem of trust. Yet they engender forms of scepticism that create the need to mobilise yet more resources to shore up trust (Shapiro 1987). So despite scepticism about the premises behind targets or the methods involved in calculating them, targets frequently become normalised as a way of describing policy problems and assessing outcomes. Indeed, we can characterise this as a form of irony: the widespread acceptance and use of modes of appraisal that are known to be deeply flawed.

This book will explore these tensions and paradoxes in the use of performance measurement. It will examine how targets emerge as an attempt to produce trust; what sorts of responses and adjustments they evoke from politicians, civil servants, the media and voters; and the range of effects they have on policy-making and political debate. The analysis shows clearly that targets
have not succeeded in producing political trust, either on the part of voters, or between political leaders and their bureaucracies. But the real interest of the analysis lies in investigating why targets should retain their appeal, despite these evident failings; and exploring the range of often inadvertent effects that targets have on politics, administration and political trust.

In the pages that follows, I will set the scene for this analysis. I start by exploring the use of performance measurement in public policy, and review theories seeking to explain the trend. I sketch the contours of a different approach, building on theories of trust, as well as borrowing insights from organizational studies. I then introduce the focus of the study, the use of targets in UK government since 1998.

**Performance Measurement in Public Administration**

The last three decades has seen a huge expansion in performance monitoring across the globe (Talbot 1999: 15; Torres 2004). To be sure, the application of such tools has varied across countries, with Anglo-Saxon and Scandinavian countries, as well as the Netherlands, among the most enthusiastic (Torres 2004). But many other countries, including in continental Europe, Africa, Asia and Latin America, have introduced some form of performance measurement, whether at central or local government level (Pollitt and Bouckaert 2011; Heinrich 2012; Van Dooren, Bouckaert and Halligan 2015). Government departments and public service providers are expected to gather data on multiple aspects of their activities, and to make this information publicly available for scrutiny. International organizations and NGOs have been keen to get in on the act. The OECD, European Commission, UN agencies and various third sector organizations have been avidly promoting targets, performance indicators, rankings and league tables for comparing and evaluating the performance of governments.

Much of this attention has been focused on monitoring *processes*. Since the 1980s, many governments have rolled out systems for monitoring efficiency and value for money in public sector management (Talbot 1999). Indeed, scholars such as Power (1997, 2000, 2003) and Strathern (2000) have explored how public management is subject to increasingly wide-ranging and complex systems of verification, revolving around the scrutiny of organizational processes and procedures. Many of these practices involve monitoring financial and administrative conduct and procedures through forms of audit.
Arguably even more striking, however, is the rise in tools for measuring outputs and especially outcomes, or ‘delivery’. Outputs are typically understood as the ‘immediate results’ produced by governments and their agencies (Treasury 2000); while outcomes are understood as their ‘ultimate results’ (Treasury 2000): the ‘consequences, results, effects of impact of service provision’ (Boyne and Law 2005: 254). In practice, they are often difficult to distinguish. Indeed, the demarcation between outputs and outcomes is largely contingent on how one defines policy goals. For this reason, in this book I refer to both types of performance measure as ‘outcome’ measures. Governments have made increasing use of instruments measuring outcomes, whether through quality standards, league tables, benchmarking, targets or performance indicators (Heinrich 2002). This focus is valued as a way of correcting some of the biases of procedural monitoring, notably the potential for treating processes as an end in themselves, decoupled from their results. The measurement of outcomes hones in on how far particular approaches or actions contribute to achieving the desired policy or organizational goals. The focus on outcomes also has an important political dimension: the monitoring of outcomes is more likely to form the basis for how a government’s record or achievements are appraised by voters. The relationship between policy outcomes and desired goals such as equality, fairness, prosperity or security is more direct. In this sense, the measurement of ‘delivery’ can be a tool for mobilising public support for government.

There has been extensive literature in the field of public administration seeking to explain the growth of such tools of monitoring. Performance measurement is typically understood as being part of the ‘New Public Management’ (NPM) (Hood 1991) or ‘managerialism’ (Pollitt 1990) that emerged in the 1980s. Christopher Hood suggests that NPM is characterised by seven doctrines, two of which are directly relevant to performance measurement. The first is NPM’s penchant for ‘explicit standards and measures of performance’, in the form of quantified goals, targets and indicators. The second is its emphasis on performance ‘outcomes’, a preference for measuring ‘results’ rather than procedures (Hood 1991: 4-5). The use of performance measurement is thus seen as a central feature of NPM.

So what explains the emergence of NPM? One dominant account sees NPM a means of asserting control over otherwise difficult to steer actors or processes. As we saw, in the 1980s many traditional state functions were outsourced to the private and third sectors, as well as to government agencies (Rhodes 1994; Moran 2001). The creation of a large number of quangos created new challenges for central government steering of many areas of public service delivery. Faced with a loss of control over these entities, governments developed new tools to
retain indirect control (Hoggett 1996; Christensen and Lægreid 2006). Techniques such as performance review, staff appraisal systems, performance-related pay, quality audits, customer feedback mechanisms, league tables, chartermarks, quality standards and targets were developed to enable control at a distance (Hoggett 1996). Hoggett sees such tools as part of a new ‘evaluative state’, which was concerned to extend central government control over decentralised operations (1996: 23). Rose and Miller (1992: 187) similarly understand such techniques as a means of ‘governing at a distance’: governments ‘enrol’ the compliance of difficult to control organizations through inscribing certain technologies of data collection and evaluation.

These accounts share the thesis that performance measurement is a technique for retaining government control. Yet as I suggested earlier, there is extensive research suggesting that such techniques are failing to produce the desired effects. Targets have engendered various forms of distortions and gaming (Smith 1995; Hood and Peters 2004; James 2004; Hood 2006); led to a narrowing down of priorities and resources to the exclusion of other (less measurable) areas of policy (Bevan and Hood 2006; Pidd 2005; Diefenbach 2009; Boyne and Law 2013); produced confusion and inconsistency within and between organizations (Micheli and Neely 2010). These problems have also been widely acknowledged among policy-makers. Indeed, in the UK they generated increasing disillusionment with formal monitoring tools from the mid-2000s onwards. Given these obvious problems, what explains their persistent appeal?

One way of understanding the tenacity of targets is to explore their symbolic functions. Targets can have at least two types of symbolic use. The first relates to their potential to provide a form of psychosocial certainty for those setting them. Governments and core executives are clearly anxious about their capacity to control the individuals and organizations involved in public service delivery. They face serious impediments in their attempts to steer these processes, as has been long identified in literature on principle-agent relations (Shapiro 2005). ‘Principles’, understood in this case as political leaders, and their ‘agents’, the civil servants they are trying to steer, often have divergent preferences. And civil servants tend to have access to privileged information about the intricacies of organizational practices and policy implementation. Information asymmetries and divergent preferences mean that those elaborating and implementing policy often have substantial scope to re-interpret or even subvert political goals. This anxiety can be usefully re-specified as a problem of trust: a reluctance on the part of political leaders or the core executive to endow civil servants with responsibility for acting on
their behalf. Bestowing trust would imply making a leap of faith, under conditions of uncertainty.

Niklas Luhmann suggests that politicians attempt to address this asymmetry through creating ‘symbols of trustworthiness’: indicators or thresholds, the transgression of which may result in the withdrawal of trust (Luhmann 1979). While political leaders cannot directly control public administration, they can control the extent to which they are prepared to trust these bodies. Establishing such conditions or thresholds helps reassure the truster or that ‘he is not trusting unconditionally, but rather within the limits and in proportion to specific, rational expectations. It is himself he must curb and control when he puts his trust in someone or something’ (Luhmann 1979: 129). Understood in this sense, targets are a symbolic tool, established to provide psychological reassurance to those taking the risky step of endowing others with responsibility to act on their behalf. Targets and performance indicators give the ‘principle’ a sense of control, even if this control relates more to her decision about when and why to bestow trust, than to her actual control over the ‘agent’. Of course, this is a very pessimistic account of steering, suggesting that the capacity of political leaders to steer public administration is highly circumscribed. But whether or not we accept Luhmann’s scepticism about the possibility of steering (Luhmann 1997), it is a useful perspective for understanding the symbolic appeal of performance measurement. It suggests that targets retain their lure, even in cases where such tools prove inadequate or ineffective.

A second symbolic function of targets concerns their capacity to bestow credibility on political leaders and organizations. New, hyper-rationalist techniques imported from the private sector are seen as more legitimate governance techniques, especially in the face of uncertainty and risk (Power 1997, 2000). As with techniques of audit, such tools provide ‘signals of order’ (2000: 118) or ‘rituals of verification’ (1997), designed to restore faith in public administration. This implies that tools of new public management are not valued and appraised based on any objective or rational analysis of their effects. Rather, their appeal lies in their symbolic value, their usefulness as a means of signalling rationality and order (Power 1996: 92). They perform a cultural function, meeting expectations about appropriate and credible modes of steering.

This idea of ritual finds support in neo-institutionalist theories of organizations (Meyer and Rowan 1991; March and Olsen 1976, 1983; DiMaggio and Powell 1983). Rationalist techniques of control are adopted not so much as a means of controlling organizations, but to
signal the soundness of procedures and practices (Feldman and March 1981). Organizations are under pressure to conform to expectations about legitimate structures, and they adopt what they consider to be modish and credible management principles and techniques. The appeal of such approaches as a way of legitimising the organisation can often trump considerations of performance. Such techniques may produce ‘an image of tidiness and clarity’, but this is ‘unrelated to the work unit’s actual performance’ (Gupta, Dirsmith and Fogarty 1994: 269). Indeed, the use of such techniques is often at the expense of efficient or rational decision-making (Strang and Meyer 1993).

**Performance Measurement and Political Trust**

The notion of targets as ritual or signalling device is helpful in understanding their cultural traction, and also their psychosocial appeal as a way of allaying anxiety under conditions of uncertainty. Yet this book suggests that in order to fully account for the allure of targets, we need to understand the political importance of these tools. Literature on public administration and organizational sociology tends to analyse performance measurement as a tool deployed by political leaders and core executives to steer public administration. But as we saw, performance measurement – and targets in particular – also have an important outward-facing function. They are adopted to demonstrate to the public that the government is introducing improvements to public services, and delivering on its pledges. Targets create a tool of public accountability.

This outward-facing function of targets needs to be understood in the context of problems of public trust in politics and politicians. As many scholars have shown, citizens across democratic countries are experiencing declining confidence in government and in the system of politics. This is typically manifested in the form of political disenchantment, resulting in a disengagement from politics (Hay 2007; Stoker 2006; Flinders 2009). Voters appear to be profoundly disappointed with the performance of government; feel frustrated at the perceived lack of possibilities to influence politics; and are increasingly cynical about the motivations and conduct of politicians. One way in which politicians have attempted to respond to public scepticism is to signal their commitment to certain goals. They employ monitoring techniques to bind themselves to specific objectives and to vouchsafe these are being achieved. Improving public service performance and a focus on ‘delivery’ are common mantras deployed to establish political trust. They represent an attempt to produce public trust through locking governments in to clear pledges that resonate with voters’ concerns.
Yet the emphasis on delivery creates a number of risks. By staking their credibility on tangible outcomes, political leaders are effectively creating a new mechanism through which they can be held to account. And it is one that focuses on outcomes rather than rhetoric and symbolic measures. Targets are designed to encourage voters to judge political leaders on what they do, not what they say. We would expect such a shift to make it harder for politicians then to fall back on rhetoric or cosmetic adjustments. Politicians will need to demonstrate that they are redeeming their pledges, and the performance measurement regime will typically provide tools to monitor such ‘delivery’ on a regular basis.

This emphasis on delivery raises important questions about the relationship between politics and the administration, and it is worth saying a few words about these two levels of policy-making. The distinction between politics and the administration has a long tradition in political science, and there are many ways of characterising the relationship between the two – in terms of actors, institutions, roles or tasks. The approach taken in this book is to draw the distinction in functional terms. In other words, the systems of politics and administration are identified with distinct tasks and logics of action, rather than with sets of actors or institutions. Following the work of Gianfranco Poggi, we can understand the political system as preoccupied with the competitive mobilisation of electoral support. Political parties mobilise support by framing rival demands for state action (Poggi 1990: 138). These demands are communicated through speeches, parliamentary debate, party manifestos and mass media coverage. Such communication tends to take the form of largely symbolic, declaratory politics, designed to resonate with public beliefs and values (Edelman 1999). These rituals of declaratory politics provide the broad – and often very approximate – framework for more detailed policy. It is at this level of symbolic politics that we can understand the use of targets as a tool of political communication. Targets are deployed to signal the commitment of political leaders to particular goals, as a means of shoring up public trust. They are thus largely symbolic interventions, aimed at mobilising support for particular policies, and bolstering the credibility of political leaders.

However, by framing such commitments in terms of quantitative targets, politicians commit themselves to delivering a number of policy outcomes. And these need to be implemented by actors in the public administration. Public administration refers to the government departments involved in translating broad political programmes into more detailed collectively binding decisions, and overseeing the implementation of such decisions. Actors in the public administration are motivated by a rather different set of concerns to those driving the political
system. While organizations in the public administration are tasked with elaborating the broad policies emanating from the political system, they are also preoccupied with responding to a range of other pressures. As large organisations with complex tasks to achieve, they need to generate loyalty and motivate their members (DiMaggio and Powell 1991; Scott 1995). They also need to meet expectations from key constituents in their environment about legitimate norms, goals and structures. For example, they often need to conform to prevailing ideas in their environment about appropriate management structures or styles, or decision-making procedures (March and Olsen 1976), or the use of expertise and evidence (Boswell 2009).

As Nils Brunsson and other organisational sociologists have argued, these pressures often pull administrative departments in different directions (Brunsson 2002; Brunsson and Olsen 1993). And it is by no means certain that organizations will passively conform to the wishes of their political leadership. Organizations are adept at bypassing, diluting or subverting attempts at political steering (Brunsson and Olsen 1993). This is clearly the case with the implementation of tools of performance measurement. Targets and indicators may conflict with a range of organizational values, beliefs and practices, creating conflicts and tensions for the organization. And this may engender forms of resistance or ‘gaming’ as a response to externally imposed performance measurement.

One way organizations deal with these tensions is to detach their formal rhetoric and structures from their informal structures. Formal rhetoric and structures refer to the outward-facing image and communications of the organization, or what Luhmann calls the organization’s ‘semantic’ (Luhmann 1964). Informal structures, meanwhile, refer to the norms, beliefs and practices that guide the day-to-day actions of their members (Meyer and Rowan 1991). Meyer and Rowan term this divergence ‘institutional decoupling’, a strategy for helping organizations reconcile conflicting demands from their environments. As Brunsson and Olsen point out (1993), such decoupling may also be a means of resisting attempts at top-down reform of an organization. Where politically driven reforms do not accord with the organization’s informal structures, they are likely to prove extremely difficult to implement. Resistance may not be simply due to organizational inefficiency, or inertia. Rather, the attempts at change conflict with prevalent values, roles and routines within the organization; and the maintenance of these informal structures and procedures may be critical to retaining the loyalty and motivation of members, and to enabling effective action. Thus rather than blithely implement targets or other forms of performance measurement, the organization may combine a rhetorical commitment to change with merely cosmetic changes to its informal structures.
But the intriguing aspect of performance measurement is that it threatens to constrain this form of decoupling. Targets and indicators measure performance through precise criteria and robust monitoring techniques. And this may impede the organization’s attempts to decouple formal adjustments from informal practice. The imposition of specific, measurable performance indicators based on organizational outputs or outcomes can delimit the potential for deviant behaviour. Thus strict performance measurement tools may lead to a ‘tight coupling’ or ‘recoupling’ of formal and informal practices (Espeland 1998; Hallett 2010). By exploring how organizations have responded to targets, we can therefore contribute to a more nuanced understanding of decoupling as an organizational response to top-down reform.

A second interesting aspect of performance measurement and organizational change concerns the often unanticipated effects of such tools. Even where targets are adopted in a cosmetic way – where organizations merely adjust formal structures without reforming their informal practices – such tools can still have a range of impacts on organizational behaviour. They can alter incentive structures and behaviour in unexpected ways; create tensions between different parts of the organization; damage organizational morale; threaten or enhance the organization’s reputation or resources; and disrupt relations with its political leadership. Targets may not succeed in their goal of steering public administration, but they can still have major effects. By conceptualising politicians and the administration as distinct but inter-related spheres, we can help elucidate these effects. We can examine how targets emerge as a tool of symbolic politics; and how they go on to affect both relations of political trust between politicians and voters, and the relationship between politics and public administration.

In summary, the use of targets can engender important shifts in the relationship between politics and the administration. It creates a chain of dependency. Political leaders become more reliant on their civil service and other public service providers to deliver on their promises. Politics and the administration become even more tightly bound together by expectations about performance. And this in turn heightens the pressure on the administration to ‘deliver’ or ‘perform’, and exacerbates the frustrations of politicians at their inability to steer government departments in the way they would like. The shift towards monitoring outcomes or delivery implies a greater dependence on public administration to implement policy successfully.

**Targets and Indicators in UK Policy**
We can find an exemplary case of a shift towards performance measurement in UK policy from the 1980s onwards. UK governments have been particularly energetic in using performance indicators to steer the performance of public administration (Pollitt 2006a). This partly reflects a culture of government that is more ‘managerial’ than many of its European counterparts (Richardson 1982). It is also linked to party political ideologies: pro-business governments since 1979 – of both Conservative and Labour persuasion – have been keen to borrow lessons from the private sector. The influence of performance measurement can also be attributed to the strength of UK governments in rolling out radically new approaches. UK governments typically enjoy strong parliamentary majorities, and very few veto points in introducing administrative reform. Executive power is highly centralised in the ‘core executive’ (Dunleavy and Rhodes 1990: 3): the institutions, networks and practices surrounding the Prime Minister and his or her cabinet. This means that once new management philosophies and practices have been adopted by the core executive, they ‘can be spread quickly and forcefully throughout the public sector’ (Pollitt 2006a: 38).

The first significant use of performance measurement in UK government can be traced to the establishment of performance indicators in the early 1980s. In 1982, Margaret Thatcher’s Conservative administration established a code of practice for the publication of local authority annual reports. These reports were designed to enhance accountability through providing information on ‘performance and efficiency’, including ‘comparative statistics’ (Smith 1990: 57). The publication of the data would place local authorities under pressure to improve their performance, by enabling a comparison of their performance and efficiency with those of other authorities. The use of indicators was further developed in relation to the National Health Service, with a series of 123 performance indicators for local health authorities published in 1983, most of these covering financial information. In this case, the value of indicators lay in their potential to improve the efficiency of health services and central government oversight (Smith 1990: 59). At the same time, the government was keen to instil general principles of performance measurement across the civil service. The Financial Management Initiative of 1983 suggested that it was essential for managers at all levels of government to develop ‘performance indicators and output measures which can be used to assess success in achieving objectives’ (cited in Carter 1991: 86). Neil Carter notes that the number of performance indicators in the Public Expenditure White Paper multiplied from 500 in 1985 to over 2,000 by 1988 (Carter 1988).
In the early 1990s, performance indicators were given renewed emphasis as a tool for overseeing newly created executive agencies. Each new agency was required to publish performance targets in a Framework Agreement, and the Treasury was active in helping departments and agencies to ‘develop a suitable “portfolio” of output and performance measures’ (cited in Carter 1991: 87). As Carter wrote at the time of the initiative, performance measurement was seen as a way of delivering ‘hands-off managerial control and democratic accountability: central departments, particularly the Treasury, need PIs to exercise control without breathing down the necks of the new chief executives; Parliament and the public need PIs to ensure that agencies are delivering the desired services efficiently and effectively.’ (Carter 1991: 87). Already, we can see a dual rationale emerging: targets were being valued as a means of enhancing performance, and as a tool for citizens to hold public authorities to account. The considerations underlying the use of performance indicators over this period was nicely distilled by Carter and his colleagues, writing at the end of Margaret Thatcher’s period in office:

If there is to be value of money, then the activities and outputs of government have to be measured; if there is to be more accountability, then there has to be an accepted currency of evaluation; if there is to be decentralisation, and blocks of work are to be hived off without loss of control, then there has to be a way of assessing performance (Carter, Day and Klein 1992: 1-2).

The project started under the Conservatives was taken to new heights under the leadership of Tony Blair and his Chancellor Gordon Brown. Blair presided over three consecutive Labour administrations from 1997-2007, and was succeeded by his Labour Party colleague Gordon Brown in 2007-2010. This period saw huge growth in the prominence and use of targets and performance indicators as tools of public administration. In 1998 the government conducted a Comprehensive Spending Review, which introduced performance requirements for government departments. Each department was instructed to introduce a series of improvements and reforms to the way they delivered their services, in order to justify more generous funding allocations. These targets were updated in 2000 with a comprehensive set of Public Service Agreements (PSAs), which were more outcome oriented. The new PSAs set out for each major government department ‘its aim, objectives and the targets against which success will be measured’ (Treasury 2000).

A key component was the measurement and monitoring of delivery of these targets, through annual departmental reports. Each objective should have at least one target, which was
‘SMART’: specific, measurable, achievable, relevant and timed. PSAs were accompanied by Service Delivery Agreements, concluded between the Treasury (the UK’s ministry of finance) and each department, which set out more specific, lower level targets and milestones to support delivery of the PSA performance targets. In contrast to the previous Conservative government’s more cautious approach to targets (Flinders 2003), these new PSA targets were intended to drive tangible improvements in the delivery of public services. Many of the targets were therefore set as ‘stretch’ targets, designed to engender a radical improvement in government. The ambition of these targets reflected the hubris of the Blair administration. As Michael Barber put it, ‘given the political risks of not meeting targets…, this was a bold and risk-laden innovation’ (Barber 2007: 50). But the government – at least in this initial phase – was confident it could deliver. Again, in Barber’s words, ‘nothing is inevitable: “rising tides” can be turned’ (2007: 193).

Most commentators agree that the PSA targets represented an attempt by the core executive to steer organizations involved in public service delivery (James 2004: 387). The Labour government was keen to use targets to incentivise improved performance in government, and the Treasury in particular wanted to see a return on increased investment in public services. This ambition became more pronounced towards the end of the Labour Party’s first term in government. From early 2001, the talk became all about ‘delivery’. Blair was famously frustrated at what he saw as the civil service’s inertia and resistance to reform (Blair 2010). He was determined to step up his agenda for improving public services in his second term. A former senior official in the Department of Health describes the palpable shift in government focus.

There was a really strong narrative around that election of the story now is delivery. Delivery as a word became a thing…. It was all about, so we’ve come in, we’ve had our reviews and we’ve started talking about the money. So now it’s about delivery. How are we going to make stuff happen…We are now going to have to show that we are genuinely making a difference on these areas and that we know what we’re doing and that we can, we can do it. And as always, that we can do it quickly (Interview, August 2014).

The focus on delivery prompted Blair to set up a new Delivery Unit in No. 10, led by Michael Barber. Established in 2001, the Prime Minister’s Delivery Unit, as it came to be known, would ‘design a system to ensure that departments really did turn the money into outcomes’ (Barber 2007: 57). The commitment to targets was also clearly linked to political considerations. The government was keen to demonstrate to the public that it had brought about tangible
improvements to public services. By setting publicly monitored targets, the public would be able to track the quality of their public services, and – it was hoped – reward the government for generating these improvements. As a former Cabinet minister put it, the assumption was that if you could show to the British public through meeting targets that you were managing the issue effectively, ‘then the public would say, “that’s fine the system is now managed and we’re happy with that”’ (Interview, June 2014).

UK government, and especially the Labour administration from 2000–2010, therefore offers an excellent case for examining the emergence and persistence of targets, as well as exploring their effects on policy-making and political debate. Labour’s targets can be seen as an attempt at addressing problems of trust at two levels. They had an outward-facing function of reassuring the public of government commitment to improve performance; and they offered a means of monitoring the performance and thus steering the behaviour of public administration. They therefore provide an ideal site for exploring the relationship between performance measurement and political trust, and for examining the effects of targets on public administration and political trust.

Most of the empirical analysis (Chapters 3 to 7) focuses on the Labour administration targets on immigration and asylum over this period. Chapter 6 also analyses the Conservative Party’s use of targets on immigration after 2010. Immigration and asylum constitutes a broad area of policy, covering legislation and programmes to manage the asylum system, regulate the entry and stay of different categories of immigrants, and control irregular migration. It has been a highly politicised area of policy since the late 1990s. Under the Labour government, considerable political and media attention was devoted to rising numbers of asylum applications, as well as problems of controlling irregular flows of migrants into the UK. These concerns generated a number of PSA targets, designed to improve the efficiency of asylum procedures in the Home Office. The Government also used targets as a tool of political communication, the most notable examples being Blair’s high profile 2003 target to halve the number of asylum applications; and Home Secretary John Reid’s 2005 targets on eliminating the ‘backlog’ of asylum applications.

By the late 2000s, asylum numbers had declined, and political attention had shifted to focus on the scale and impacts of labour migration to the UK. In a context of growing concern about rising levels of economic immigration, it was now the turn of the Conservative Party to set a target. In January 2010, Conservative Party leader David Cameron introduced a controversial
pledge to reduce net migration, a target which was to become Home Office policy later that year under a Conservative-led coalition government. Targets on immigration and asylum have therefore been used as a means of signalling government commitment to manage migration flows, thereby creating public trust. And they have been employed to steer the executive organizations involved in elaborating and implementing policy, the Home Office and its UK Border Agency. The policy area therefore offers a clear case of the use of such techniques to both signal commitment to voters, and steer what is seen as a dysfunctional civil service.

There are two other features that make immigration and asylum policy especially interesting. One is the fact that many important immigration and asylum goals were not codified as targets. Most notably, goals on irregular migration were never specified as targets. I will explore this omission later on in the book (Chapter 5). A second interesting aspect is the controversial nature of the targets adopted. Blair’s asylum target and Cameron’s net migration target were both widely criticised for simplifying policy goals and distorting priorities. Meanwhile, targets on the removal of failed asylum seekers and the net migration target both proved impossible to meet. This raises interesting questions about the effects of unfeasible and unsuccessful targets on political trust. It also offers an excellent case for exploring how targets influence political debate. As we shall see, even unpopular and unsuccessful targets can have a significant effect on the way policy problems are framed and debated.

While the analysis focuses on targets on immigration and asylum in UK government, the discussion has wider ramifications beyond this case. The arguments I develop about performance measurement and political trust apply to many other policy areas. And the book’s discussion of the appeal and effects of targets is also pertinent to other tools of performance measurement. The book therefore hopes to contribute to wider debates about the use of performance measurement as a tool of governance. I hope to make the case for why we need to understand this impulse towards performance measurement – this hyper-rationalist approach to policy making – as an attempt to produce political trust.

**Methods**

The analysis in the book draws on three main sources. The first and most important source of data was a series of semi-structured interview with officials, special advisors, ministers and politicians. These interviews were designed to provide detailed information about the
objectives and rationales motivating the use of targets, from the perspective of both political leaders and politicians, and officials and advisers working in government. They also provided insights into the procedures and practices involved in the elaboration, implementation and monitoring of targets. And they helped understand the effects of targets on both policy-making, and especially on different parts of the organizations involved in implementing them.

We conducted sixty-two interviews between 2013-15, as part of the Politics of Monitoring project. These were supplemented with a further three interviews conducted as part of an earlier project on the use of knowledge in the Home Office. All of the respondents had previously been, or were currently, engaged in developing, implementing or scrutinising targets. Twenty-six of the interviews were with policy actors working on immigration and asylum policy, including many who were involved in setting and implementing Labour government targets. A number of interviews were conducted with politicians engaged in key House of Commons select committees (Public Administration, Public Accounts, Treasury and Home Affairs). Other interviews were with officials and advisors working on climate change targets in the Department for Energy and Climate Change and the Department for Farming and Rural Affairs; the Ministry of Defence; the Department for Work and Pensions; and the Department of Health. These interviews were important for understanding and illustrating more general points about the use of targets in UK government. They also underpin the analysis of defence acquisition targets in Chapter 4.

The second main source was document analysis. We consulted an extensive range of documents, including core executive and departmental reports (Treasury documents on targets, comprehensive spending reviews and PSAs; Home Office and UKBA annual reports, and annual reporting on targets); reports of the Prime Minister’s Delivery Unit; select committee evidence and reports (notably Select Committees on Public Administration, Public Accounts, Home Affairs); National Audit Office documents; and reports of the Independent Chief Inspector of Borders and Immigration. I also consulted political biographies and autobiographies of politicians and advisers most closely involved in targets over the period (Michael Barber, Tony Blair, David Blunkett, Alistair Campbell, Jack Straw).

Thirdly, we conducted quantitative and qualitative analysis of newspaper coverage, House of Commons debates, and transcripts of select committee evidence. We conducted quantitative content analysis of media reporting and parliamentary debate on targets on immigration, climate change and defence, as well as analysing IPSOS-Mori opinion polls on the three areas.
This provided us with an initial sense of the scale of public interest in the three policy areas over time. I then proceeded to conduct a more fine-grained analysis of select committee hearings on foreign national prisoners and removals, to inform the analysis for Chapter 5 on information and trust. For Chapters 6 on targets and public trust, I analysed media coverage of targets on immigration and asylum. I analysed reporting in 11 widely read daily and Sunday newspapers, including both tabloids and broadsheets, and across the ideological spectrum. For Chapter 7 on the net migration target, I also analysed discussion of targets in Home Office questions between 2010-2015. The data sources and analysis are described in more detail in relevant chapters.

I am uncomfortable with the concept of ‘triangulation’, with its connotation that different data allow us to view the same phenomena from different perspectives. I prefer the less ambitious notion of ‘complementary articulation’: different sources of data allow us to develop plausible narratives about distinct aspects of the processes or practices we are seeking to understand. Interviews may provide us with an understanding of how those involved in policy-making interpreted the pressures and constraints they were under, and helps make sense of their motivations and actions. Of course, interviews often encourage a retrospective ‘sense-making’ or rationalisation of previous actions or decisions. Content analysis can help overcome this problem of retrospective reconstruction. Qualitative analysis of media coverage over time offers a valuable resource for tracing evolving understandings of policy and politics, provided we are aware of the particular selection criteria and reporting style of different media outlets. Analysing parliamentary debate offers an excellent source for reconstructing the political strategies of politicians, and enables us to explore how the establishment of targets can affect the framing of issues. Select committee evidence allows us to understand accountability relations between parliament and public administration, through analysing more sustained and focused dialogue between MPs and civil servants. Each of these sources of data thus has its own strengths and weaknesses, and their combined use can help elucidate different aspects of the appeal, deployment, and effects of targets in public policy.

Outline of the Book

The next chapter of the book (Chapter 2) begins by developing a theory of targets as a response to the problem of political trust. It does this in three main steps. First, the chapter introduces the problem of political alienation and disenchantment, and argues that this can be best re-
specified as a problem of political trust: a reluctance to endow people or institutions with responsibility for acting on one’s behalf. Second, following the work of Luhmann and Giddens it examines how trust deficits have arisen in contemporary societies, characterised by increasing functional differentiation, and a corresponding erosion of traditional bases for grounding trust. It explores how this problem of trust has manifested itself in politics, and some of the responses adopted by politicians to attempt to rectify the problem. The chapter goes on to examine how trust deficits arise in relations between politicians and their public administrations.

The third part of the chapter explores the particular appeal of targets as a means of producing trust. Certain features of targets make them well qualified to address problems of public and administrative trust: namely their focus on measuring outputs and outcomes, and the authority derived from their quantitative methods. However, the chapter concludes by suggesting some of the problems that might arise from deploying performance measurement to solve problems of trust. Following Luhmann, we would expect targets to produce trust through providing descriptions that approximate to truth, or through stabilising expectations about the motivations of political actors. In fact, both modes of producing trust are highly precarious, and indeed may have counter-productive effects on trust relations.

Chapter 3 is the first of six empirical chapters which explore and develop the ideas set out in chapter two, through looking at the use and effects of particular targets. This chapter focuses on the dual function of targets. Under the Labour administration of 1997-2010, targets were adopted to simultaneously address two problems of trust: they were designed to shore up public confidence in public services, by setting clear targets; and they were intended to rectify problems of trust between politicians and the civil service, by motivating improved performance. This dual role corresponds to the two modes through which targets might produce trust, outlined in Chapter 2: targets as authoritative truth claims establishing trust in government; and targets as ways of disciplining behaviour. However, this dual role of targets can create a number of organizational and political challenges. The establishment of ambitious performance targets makes politicians far more reliant on their civil servants to delivery on their public-facing pledges. Moreover, targets adopted as a tool of political communication may not translate smoothly into operative goals that can be feasibly implemented within an organization. Both problems can further antagonise the already difficult relationship between politics and the administration.
The chapter illustrates these problems through analysing the dual role of targets on asylum in the Home Office, between 2000-2010. It finds evidence of both sets of problems. The adoption of high-profile ‘stretch’ targets exposed the government to political risk, and in turn created immense pressure on the Home Office to deliver on what were seen as unfeasible goals. This heightened existing tensions between government ministers and No.10, and officials in the Home Office. The chapter goes on to consider what these findings imply for the capacity of targets to produce trust. It suggests that the targets were unable to produce authoritative descriptions of government performance, so failed in their signalling function (I explore this further in Chapter 5). Nor were they able to align political and administrative preferences: to the contrary, they exposed and even sharpened existing divergences (as discussed further in Chapter 4).

Chapter 4 explores how organizations in the public administration respond to targets. Much of the literature on performance measurement examines the various forms of gaming and other distortions produced by targets. Civil servants are depicted as canny tacticians, keen to evade targets through gaming. This chapter aims to situate these responses in a richer account of how organizations respond to top-down political pressure. It draws in particular on the organizational sociology concept of decoupling: the separation of formal compliance with external requirements, with informal deviation (or in Nils Brunsson’s terminology (2002), the separation of ‘talk’ and ‘action’). Studies of organizations suggest that decoupling is a typical way for organizations to evade unwanted top-down reform. Yet we might expect the imposition of specific, monitored targets to constrain the scope for this form of decoupling, especially where such targets are backed by strong political pressure. Under these conditions, we might expect tight coupling or ‘recoupling’ of talk and action.

The chapter explores these expectations by examining organizational responses to targets in defence procurement and asylum. It finds that even where targets are specific, measured, and closely monitored, they do not restrict decoupling. Both the Ministry of Defence and the Home Office were able to sustain widespread decoupling over this period. In the case of the Home Office, however, intrusive political intervention by the core executive from 2006 onwards did achieve some recoupling, but with heavy costs for organizational morale and trust between civil servants and their political leadership. The chapter concludes by considering the implications of the analysis for relations of trust between politics and the administration.
Governments do not always want to draw attention to policy problems, especially where they are aware they can do little to address them. Chapter 5 looks at a case in which government failed to effectively monitor an aspect of immigration enforcement: the scandal over foreign national prisoners who should have been considered for removal. This area was not subject to targets, and in the early 2000s had not been an operational or political priority for the Home Office. However, in late 2005 a scandal erupted, which exposed Home Office deficiencies in monitoring foreign nationals who, it was considered, posed a threat to the British public and should have been monitored and screened for deportation.

The divergent reactions of politics and the administration to the crisis illustrate an awkward tension between a political imperative of signalling clarity and control, and an administrative awareness of complexity and chaos. This divergence in turn partly accounts for the problem of public trust in government: a continual disappointment in the capacity of government to redeem political expectations about regulation and control. The analysis also shows how dependent select committees are on information in order to ground relations of trust with public administration. Where such information is seen as incomplete or inaccurate, this can seriously impede parliamentary confidence in its ability to hold the executive to account.

The next two chapters focus on targets as a tool of political communication. In Chapter 6, I explore how targets are adopted to demonstrate to the public that the government is delivering on promises. Yet existing literature suggests that politicians are rarely rewarded for meeting targets. This chapter explores political responses to targets through analysing public and political debate on two targets: the 2003 asylum target, and the 2010 net migration target. This allows us to compare a target that was achieved, with one that proved to be unfeasible. It also enables us to look at the political and media coverage of targets across two different administrations: the first governed by Labour (until 2010), the second a Conservative/Liberal Democrat coalition (followed by a Conservative administration from 2015). The analysis draws on coverage in 11 popular daily and Sunday newspapers, parliamentary debate in monthly Home Office questions, and monthly IPSOS-Mori opinion polls over the period.

The analysis produces a striking finding. It is not so much the feasibility – or even the achievement – of targets that influences the media’s willingness to trust politicians. Far more important seems to be the perceived authenticity of those setting targets: how far they are seen as being ‘truly’ committed to the target. Where there is a strong belief in the integrity and credibility of those setting targets, then a failure to deliver may be notched up to external
constraints. By contrast, where there is scepticism about the integrity or motives of political leaders, even a successful target may be portrayed as dubious and dishonest. The implication is that targets may have limited traction in securing public trust. Media coverage appears to be more susceptible to symbolic signals of commitment and integrity than to information on outcomes. The chapter considers the implications for the use of targets as a tool of political communication.

While targets may not win trust, they do have a range of other effects. Chapter 7 looks at how targets can influence political attention and issue definition in often unintended ways. Even the most unpopular and controversial targets can have profound effects on how we construct problems and responses. The chapter focuses in particular on two effects associated with quantitative descriptions. First, a classification effect, whereby the target re-categorises entities in order to create equivalent units to be counted. This can affect which entities or groups receive political attention, and of what kind. Second, a measurement effect, which normalises quantification as an authoritative mode of describing target populations and policy goals. This influences the types of techniques, actors and venues considered appropriate in defining and assessing social problems.

The chapter explores these two effects through an analysis of the net migration target. While the target was deemed to have failed on almost all measures, it nonetheless shifted the way immigration policy issues were framed in political debate. Through analysing newspaper coverage and parliamentary debate, the chapter explores the two effects outlined above. First, it finds that the classifications implied by the target served to reframe various aspects of immigration. Notably, it rendered previously unobserved or unproblematic groups the object of political attention, and it forged or consolidated new issues linkages, especially with EU membership. Secondly, the target normalised the use of certain statistics as modes of describing and assessing immigration policy. Even opponents of the target bought into this mode of statistical description as a tool for holding government to account, thereby implicitly reinforcing its legitimacy.

The implication is that even where targets are unsuccessful in producing trust, they can have a profound influence on what we consider to be normal and appropriate ways of describing and evaluating policy. Even controversial and unpopular targets may have a self-perpetuating effect, normalising this mode of political communication.
The final chapter further develops the central argument of the book. It starts by reflecting on the political consequences of deploying performance measurement. The use of such tools involves borrowing templates from other spheres, in an attempt to offer more compelling narratives about policy-making and politics. Politics imports techniques of measurement (from science) and performance (from business). In doing so, politics implicitly endorses simplified models and templates of policy-making and politics, based on scientific validity or maximising customer satisfaction. Such models tap into deeply held notions of scientific validity, and seek to capitalise on respect for business rationality and efficiency. Yet where such models are embraced, they risk reinforcing overly simplistic expectations about policy-making and accountability. These stylised models further exacerbate the problem of unfeasible public expectations, and they impose overly rigid and distorting templates on public administration.

At the same time, the attempt to bolster legitimacy through deploying new tools of accountability risks being exposed as a political ploy. The result is that such tools can easily become politically ‘contaminated’ and lose credibility. In such cases, publics are likely to fall back on more impressionistic cues for grounding trust, such as the perceived authenticity of politicians.

In conclusion, the chapter considers the potential for moving beyond the current reliance on performance measurement. Can we find ways of making targets more nuanced and credible as tools for building political trust? Or should we search for alternative models of procedural legitimacy that can better capture the complexity of policy-making, while creating clear lines of accountability? What might such models look like?