

On his website, [Stephen Goldsmith](#) reviews current academic research that is most relevant to practitioners, policy advisors and policy makers.

This document summarizes: Moynihan, Donald P. "Managing for Results in State Government: Evaluating a Decade of Reform." *Public Administration Review* Jan/Feb 2006, Vol. 66 No.1:77-89.

*Public managers at the state level need to improve public value by evaluating performance. The difficult question is how.*

In this article, Donald P. Moynihan discusses New Public Management and how this performance measurement strategy has been translated and incorporated in the U.S. among state-level officials. The author finds that officials have implemented "managing for results," the first component of New Public Management. But, to succeed, these same officials must implement the strategy's second major component: increased authority/flexibility for managers.

New Public Management (NPM) is a set of policy recommendations intended to improve government effectiveness. Advocated by governments in New Zealand, Australia, and the United Kingdom, NPM has gained significant recognition and popularity over the years. Managing for results (MFR) is a subset of NPM commonly applied to evaluating performance in the private sector. MFR "sets explicit standards, holds managers more accountable" in order to improve the performance of public departments or agencies. The corollary to MFR calls for eliminating the "red tape" faced by managers, in effect loosening the hold that outside political forces have on public managers. Without flexibility, managers may focus on results, but they're unable to make the changes necessary to achieve their goals.

In this study, the authors utilize the 2001 Government Performance Project (GPP), which measures the capacity and performance (using a number of indicators) of all 50 state governments. In order to determine the level of implementation of both components of MFR—the focus on results and managerial authority/flexibility—the authors identify indicators such as the use of performance information in state documents and the discretion over financial and human resources tools given to managers.

Results show that performance information systems have been implemented to define strategic goals and performance data in 48 of 50 states. The study also found, however, that little authority or flexibility has been extended to managers. Only 8% of states showed agency discretion over formal contracting, while reclassifying staff positions or determining compensation levels remain heavily concentrated in statewide central agencies. While the idea of establishing performance standards (whether one calls it NPM or MFR) to strengthen local and state government appeals to state officials, its partial implementation has naturally disappointed their high expectations. As an explanation, Moynihan suggests that states do not consider personnel or financial authority in terms of improving performance or effecting positive change. He also concedes that increasing the flexibility and authority of managers is a more difficult task

than adopting performance information systems. Another issue to consider is the potential negative effects that could result if managers are given more authority—for example could it endanger democratic values?