

the public sector, albeit again to do so through less intrusive mechanisms. Many of the older instruments—notably the budget—will be utilized, but will be used in ways that permit substantial autonomy for devolved organizations and actors.

To make this dual pattern of development within the public sector effective will require some means of knitting together the two strands of change into a more or less coherent frame for governing. It is clear, for example, that both overly centralized steering of traditional forms of governing and the fragmentation associated with NPM reforms have had major dysfunctions. Further, if each strand of change is simply allowed to develop autonomously then conflict rather than effective governing will likely be the outcome. Therefore, the ‘knitting’ function—bringing together the two strands—becomes crucial in providing some mixture of central steering and decentred service provision.

The appropriate balance of these types of governing activities may differ across political systems, and across policy areas. States with federalist traditions, or with corporatist traditions, may find coping with autonomous service providers and fragmentation easier than those with more integrated histories of service provision. Likewise, social services and labour market policies appear more amenable to the decentred provision than do programmes such as taxation or even many aspects of industrial policy.

The public bureaucracy service will be central to this process of knitting together the different strands of contemporary governance. As the decentred processes of governing emerged the public bureaucracy was in many instances significantly empowered and given greater discretion in making decisions. On the other hand, many of its traditional functions were allocated to market actors or to the civil society, although the responsibility for steering those programmes ‘at a distance’ remained with public servants.

Thus, the boundary-spanning role has become a more significant component of the work of public servants, enabling them to press for central objectives even in the contest of decentred governance solutions. Playing this dual role is not easy, and may involve somewhat divided loyalties and competing demands. Those potential role conflicts may, in turn, some return to a more traditional career civil service which is more confident of its first loyalty and the need for creating public value. ■

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## Debate: In the Know or Out of the Loop?

**Steven Van de Walle and Tony Bovaird**

The Audit Commission’s discussion paper *In the Know: Using Information to Make Better Decisions* (Audit Commission, 2008) fits closely with one of the Audit Commission’s strategic objectives:

*To stimulate significant improvement in the quality of data and the use of information by decision-makers.*

The Audit Commission commissioned two preparatory literature reviews from the Institute of Local Government Studies (INLOGOV) and Cranfield University to look at *how* information is used in local government (Van de Walle and Bovaird, 2007; Kennerly and Mason, 2007). The final product, however, adds very little to what the Audit Commission has said before, and does little to address the question of *why* poor performing authorities don’t sufficiently use information. The paper is a very traditional product, signalling well-known problems (use of information is poor/

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information is incomplete or of poor quality/ skills are often insufficient to understand information), and recommending traditional solutions. These recommendations include the need to develop better skills for using and analysing information in local government (pp. 36–38), and to improve data quality (including accuracy, timeliness, validity, reliability, relevance, and completeness).

### **A Traditional View on Information—Indicators, Again**

The Audit Commission's discussion paper recognizes that information is about more than performance indicators (p. 21), and it concedes some difficulties with indicators, including that indicators do not tell the whole story, and that local decision-makers have to look for information elsewhere. It does, valuably, mention that 'useful information isn't always numerical', and highlights the need for using pictures and narratives to convey information.

So the paper does include hints that lead the discussion away from a traditional performance indicator approach. Yet, in the recommendations, the paper does very little with these observations. As such, it reflects a very instrumental and rational view on information, in line with the evidence-based management dogmas: that what is broken can be fixed using traditional means: better quality data, more relevant information, better analysis, better availability of information, better presentation of information, better timeliness, more sharing of information etc.

### **An Instrumental-Rational View on Information**

Despite the Audit Commission's original intention to engage in blue-skies thinking about information use, the discussion paper reflects a very traditional view on information. The paper is based on the firm assumption that better use of information will improve services, and that good information reduces uncertainty, and thus leads to better decisions. This is a very instrumental view. While the paper recognizes the imperfections of the traditional information-use model, it continues to recommend a number of fixes to make this model work. The paper ends by stressing the need to develop better information-use and analytical skills in local government (pp. 36–38), suggesting a causal chain of thought where a lack of skills is the key explanation for poor information use, which in turn results in poor performance. Other than suggesting a lack of awareness and training, the paper does little to address *why* some councils

don't use information, and *how* well-performing councils use information.

### **What Does the Discussion Paper Add and What Should it Have Added?**

The discussion paper concludes that information is currently not fully exploited and not used effectively in UK local government; that public bodies do not always have the right information to hand; and that some of the available information is not fit for purpose. This conclusion reflects a firm belief that better information will help decision-makers and improve decisions. The paper entirely ignores the dilemmas inherent in public sector decision-making that cannot be solved by just adding more and better information. Overall, the conclusion is somewhat generic and disappointing.

The paper focuses on the information itself, and not on the organization of information; processes within an organization to deal with information; and the nature of decision-makers. As a result, little attention is given to the sociology and psychology of information use. The mere availability of information does not guarantee its use.

Information is power. Attributing the non-use of certain information to a lack of information quality ignores this dimension. Actors have reasons to use or not to use certain information. Certain information is privileged information and will trump any set of alternative information. Information cannot be distinguished from its sources, and the credibility of its sources determines the credibility of the information. Organizations have established routines, good and bad, for dealing with information. Actors have habits when compiling and analysing information.

The discussion paper does not discuss how data-use routines work. How they should work. How they can be changed. It is disappointing that the Audit Commission continues to focus on the information itself, thereby suggesting that the problem lies with the information. Stimulating local authorities to improve the way they use information has little to do with the quality or availability of information. Merely improving the usability of the data will probably do little to improve information use.

Improving the use of information—and not just of indicators—has to be approached as a project of organizational change. This means that more attention should go to organizational structures, organizational routines, actors' perceptions of information and of the value of

information use, and psychological factors affecting the use of information in decision-making processes. It means looking at information cultures in organizations, and the interpersonal relations affecting information use.

Improving information use also means moving beyond performance indicators. The emphasis on performance indicators has started to discredit alternative sources of valuable information. A review of how organizations use information should not just emphasize the information that is currently not used and should perhaps be used. It should also look at the information that is used in decisions and that perhaps shouldn't be used. And it should certainly look at how actors in a decision-making process define certain information as valuable information.

This knowledge about the organizations and people using information is the key to improving information use by local authorities. In its discussion paper, however, the Audit Commission continues to privilege the

information itself—the quality of indicators, the visualization of indicators, the timeliness of information. Ignoring the organizational and interpersonal dynamics of information use and the organizational and personal beliefs about information will continue to lead to same old solutions of developing better information-use and analytical skills and of improving data quality. ■

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### An Introduction to Local Government Finance (3 October 2008)

An exciting course covering the role of partnerships and local area agreements; regulation and the new Comprehensive Area Assessment; and key current issues such as progress on the Lyons Inquiry recommendations; the supplementary business rate; and the funding of social care.

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This is CIPFA's Central Government Panel's annual conference. Expert speakers will look at the key financial arrangements for central government and will cover the particular topical concerns of mid to senior finance staff in the central government sector.

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Sessions will include financial regulation and lessons learned from Northern Rock; action points for local authorities in the post-credit crunch world; a view on issues from the Association of Corporate Treasurers; credit ratings for local authorities; and extending treasury management powers for local authorities.