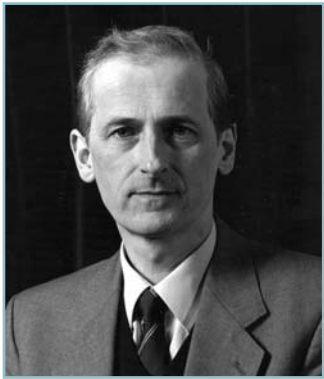


This research programme faces huge and increasing demands and expectations. So every year is a make-or-break year. 2006 is no exception. If you think of the Programme as a theatre production, much of the time up to now has been spent busily preparing for opening night. Since the last newsletter we have held three workshops with other organizations and held two projects meetings, which allowed us to pool the expertise of the project researchers to refine our script. Much effort has been spent forging closer links with policy makers in the civil service, and in this newsletter Gus O'Donnell, Cabinet Secretary, underlines the importance of effective communication between policy-makers and researchers.

This effort is building up to a 'premiere'; a high level seminar at the Treasury in September, which will report results from our first 14 projects – results which we expect to make a big impact on the international literature on public service performance – to senior policy-makers. We will also be presenting the plans of the 15 new projects that we have commissioned to start work this year – for which we also have very high hopes and expectations.

In September we'll also publish our first book – a critical examination of transparency – and hold a conference jointly with CMPO on the much-debated subject of productivity in public services. Later in the year, we hope to issue a third call, as well as a call for fellowships within the next six months or so. This short

newsletter can only give a taste of our activities and plans, so please check our website or get in touch with me if you want to know more or can offer help or constructive advice.



*Christopher C. Hood*

Christopher Hood  
Gladstone Professor of Government  
and Fellow of All Souls College,  
Oxford Programme Director

## The Programme at-a-glance

### 2004

ESRC Public Services Programme established; Professor Christopher Hood appointed as Programme Director; 1st Projects Call; first 14 Projects commissioned

### 2005

Programme launches; first 14 Projects begin research; two further Projects commissioned in May to begin research in October; 2nd Projects Call

### 2006

First 14 Projects report results; 2nd Call Projects commissioned in spring to start 2006; Call for Fellowships

### 2007

Some 2nd Call Projects report results; fellowships start

### 2008

First 2nd Call Projects complete

### 2009

Remaining Projects complete; fellowships complete; Programme Publication; Programme ends November



Since becoming UK Cabinet Secretary and Head of the Home Civil Service, I have presented my ideas for transformation of the Civil Service and have also been heavily involved in cross-government work on reform of public services more widely. It is clear to me, however, that if we are to bring about these changes successfully, we must have the best available knowledge of our society, including people's behaviour, economic performance and the impact of global changes around us.

The ESRC provides a significant contribution to the science and knowledge base of the United Kingdom. In government, it is crucial that we use this valuable research evidence to inform our decisions and help ensure that the policies we develop and implement make a positive difference to people's lives. But there are many factors that influence political decision-making and it can be difficult, in that context, to gauge whether the latest research has been identified and effectively fed into the process. For this reason, I very much welcome the fact that the ESRC is putting substantial effort into ensuring that its knowledge base has an impact on all sectors of our society.

The more accessible we can make new knowledge, the more chance we will have that this knowledge will be applied to the benefit of us all. Under the Professional Skills for Government initiative civil servants are now required to identify and use evidence, thereby ensuring a strong demand for research to match improvements in supply and accessibility. So a programme like the ESRC's Public Services Programme, comprising 30 projects all devoted to the analysis of performance in public services, ought to provide some of the research material needed for those concerned with effective public service provision.

*Gus O'Donnell*

Sir Gus O'Donnell  
UK Cabinet Secretary and  
Head of the Home Civil Service



The  
Public Services  
Programme

Quality, Performance & Delivery

[www.publicservices.ac.uk](http://www.publicservices.ac.uk)

## New research projects

These are only the projects newly commissioned in April. For a full list of all our projects visit [http://www.publicservices.ac.uk/our\\_research.asp](http://www.publicservices.ac.uk/our_research.asp).

### Exploring the Impact of Public Services on Quality of Life Indicators

Dr Rowena Jacobs (University of York),  
rj3@york.ac.uk

### Responding to Evidence of Poor Performance: Explaining Public Organisations' Capacity to Deal with Failure

Professor Kieran Walshe (University of Manchester),  
kieran.walshe@mbs.ac.uk

### Targets and Waiting Times: Exploring a Quasi-experiment to Evaluate the use of Targets in the Provision of Health Care in the UK

Professor Frank Windmeijer (University of Bristol),  
f.windmeijer@bristol.ac.uk

### Leadership Change and Public Services: Reinvigorating Performance or Reinforcing Decline?

Professor George Boyne (Cardiff University),  
Boyne@cardiff.ac.uk

### International Comparison of Responsiveness using Anchoring Vignettes

Dr Nigel Rice (University of York),  
nr5@york.ac.uk

### Error, Blame and Responsibility in Child Welfare: Problematics of Governance in an Invisible Trade

Professor Susan White (University of Huddersfield),  
s.white@hud.ac.uk

### Performance Indicators in Health Care: A Comparative Anglo-Dutch Study

Professor Stephen Harrison (University of Manchester),  
s.r.harrison@man.ac.uk

### The Design and Use of Local Metrics to Evaluate Performance: A Comparative Analysis of Social Care Organisations

Professor David Challis (University of Manchester),  
d.j.challis@man.ac.uk

### Exit and Voice as a Means of Enhancing Service Delivery (Stage 2)

Professor Keith Dowding (London School of Economics),  
k.m.dowding@lse.ac.uk

### The Effect of Ownership and Regulation on British Railway Performance, 1850-2006

Dr Timothy Leunig (London School of Economics),  
t.leunig@lse.ac.uk

### Comparing for Improvement: The Development and Impact of Public Services Audit and Inspection in UK Local Government

Professor Stephen Martin (Cardiff University),  
martinsj@cardiff.ac.uk

### Historical and Longitudinal Small Area Analysis of the Effects of Market-Orientated Reform on Equity of Access to NHS Care from 1991-2001

Dr Richard Cookson (University of East Anglia),  
rc503@york.ac.uk

### The Police under Public Scrutiny: Experiences, Perceptions and Reactions to a Public Service Institution 1982-2003

Mr Andreas Cebulla (National Centre for Social Research),  
a.cebulla@natcen.ac.uk

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Photography by: Sally and Richard Greenhill (motorway, teacher and doctors in the background); and Freefoto.com (train and windfarm).

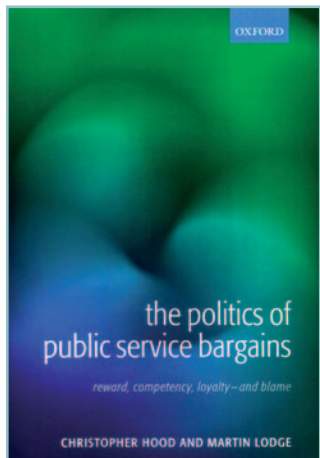
Design: Harriet Eagle

Print: Oxuniprint

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## Publications



The Politics of Public Service Bargains  
*Reward, Competency, Loyalty – and Blame*  
Christopher Hood and Martin Lodge  
(Oxford University Press, June 2006)  
ISBN: 019926967X      £45.00

The traditional understandings that structure the relationships between public servants and the wider political system are said to have undergone considerable change. But what are these formalized and implicit understandings? What are the key dimensions of such bargains? In what conditions do bargains rise and fall? And has there been a universal and uniform change in these bargains?

*The Politics of Public Service Bargains* develops a distinct perspective to answer these questions. It develops a unique analytical perspective to account for diverse bargains within systems of executive government. Drawing on comparative experiences from different state traditions, this study examines ideas and contemporary developments along three key dimensions of any Public Service Bargain – reward, competency and loyalty and responsibility.

*The Politics of Public Service Bargains* points to diverse and differentiated developments across national systems of executive government and suggests how different 'bargains' are prone to cheating by their constituent parties. This study explores the context in which managerial bargains – widely seen to be at the heart of contemporary administrative reform movements – are likely to catch on and considers how cheating is likely to destabilize such bargains.

This book is now out to buy and has already begun to generate interest, resulting in an article in *The Guardian's* 'Public' magazine, as well as an article in the forthcoming issue of *Political Quarterly* and a contribution to the 20 July 'Analysis' programme on *BBC Radio 4*.

## News and events round-up

### Principal Investigator appointed to Monetary Policy Committee

Professor Tim Besley, one of our project leaders in the first phase of the Programme, has just been appointed to the Monetary Policy Committee, which sets national interest rates. What better way to bridge research and practice? You can find out more about the role of the Monetary Policy Committee and its members at <http://www.bankofengland.co.uk/monetarypolicy/overview.htm>



### First Round Results and Second Stage Plans

Lunchtime Treasury Seminar – *invitation only*

In mid-September we will hold a meeting for senior policy makers in government to present the provisional results for the Programme's first 14 projects and the plans of the 15 projects starting in 2006. The meeting will take the form of a poster session in the Treasury, followed by a seminar at which Nick Macpherson, the Treasury's Permanent Secretary, will be the lead speaker, followed by Christopher Hood. This meeting is part of the Programme's effort to engage effectively with policy makers, along the lines urged by Sir Gus O'Donnell in this newsletter. The aim is to put some of our findings across, gain useful feedback that will help us to sharpen our research and dissemination, and make contacts that will strengthen the Programme.

### Transparency Under the Magnifying Glass – or Through the Looking Glass?

18th September 2006, British Academy, London

On 18th September we will be launching the Programme's first joint publication, a book in the British Academy's 'Proceedings' series on the vexed question of transparency.

The book has three aims. One is to trace out the history of 'transparency' and cognate doctrines in government and public policy. Where did this now pervasive idea come from? Is transparency an exclusive preoccupation of modern times and democratic government, or does it have an earlier life or lives? A second is to collect and compare ideas about transparency across some different disciplines and fields. Who means what by this term? Do the meanings add up to a single idea, or are they multiple or even contradictory? A third is to take discussions of transparency beyond exchanges or statements of first principles. What does the introduction of transparency in one or other of its forms do to decision-making processes? How do institutions respond to measures intended to increase transparency and with what consequences, for instance in memory, candour, or cost of service?

*Transparency: The Key to Better Governance?*, edited by Christopher Hood and David Heald, originated in a workshop, co-hosted by the ESRC Public Services Programme and the British Academy, that brought together thinkers from various disciplines to explain their questions. The resulting volume explores many of the inherent tensions in the move towards greater transparency. Does greater formal transparency lead to greater openness in practice or do institutions make compensating adjustments to nullify the efficacy of such policies? Does transparency jeopardise other important goals such as institutional efficiency? And, if transparency leads to negative unintended consequences, should we still want more of it; is there something intrinsically valuable about transparency?

If you would like a place at this event e-mail [public-services@politics.ox.ac.uk](mailto:public-services@politics.ox.ac.uk).

### Do You Get What You Pay For? Getting to Grips with Public Service Productivity

One-day conference, 29th September 2006, Local Government House, Westminster.

Any government's credibility is based largely on its ability to deliver efficient public services. One measure of the efficacy of government policy and the impact of reform is the productivity of public services. Whilst this Government places great importance on its performance indicators, with managers who fail to meet them given short shrift, the methods we employ for measuring public service productivity are a matter of debate. This conference provides an opportunity to debate these problems. The day offers two high-level overview papers, followed by more detailed examinations of the problems in particular services. Finally, the conference offers an analysis of the links between public service productivity and one major arena for reform – public sector pay setting.

If you would like a place at this event, please e-mail Alison Taylor ([alison.taylor@bristol.ac.uk](mailto:alison.taylor@bristol.ac.uk)), and for more information you can visit our website [www.publicservices.ac.uk](http://www.publicservices.ac.uk).

### EPOP Annual Conference

8th – 10th September 2006, University of Nottingham.

The Programme is sponsoring a panel, Reactions to Government Services, at this year's Elections, Public Opinion and Parties (EPOP) Annual Conference and two of its projects work will be discussed there. Oliver James will discuss the unhappy paradox that despite improving local government performance on official indicators, public satisfaction with their services is dwindling. He will be accompanied by Keith Dowding and Peter John, whose project is profiled below and Christopher Wlezien of Temple University, Pennsylvania will act as discussant.

For more information visit [www.epop06.com](http://www.epop06.com).

## Project spotlight

Full details of all our projects are available at [www.publicservices.ac.uk](http://www.publicservices.ac.uk).

To learn more about the project and how to contact the researchers, please visit [http://www.publicservices.ac.uk/our\\_research/Exit\\_and\\_Voice.asp](http://www.publicservices.ac.uk/our_research/Exit_and_Voice.asp)

DECISIONS, DECISIONS  
Move my child to another school  
OR  
Join the board of governors  
and the PTA?



### Project: Exit and Voice as a Means of Enhancing Service Delivery

**Research team:** Keith Dowding (London School of Economics) and Peter John (University of Manchester)

'Choice and voice' has become the current British Government's mantra in its attempts at public service reform. In such a vision – at least in England (Scotland and Wales have different policies) – patients would be able to choose service providers and parents their child's school in the same way that consumers can choose who supplies them with gas, electricity, or a new personal computer. It is reasoned that this move towards market oriented public service provision will improve efficiency by forcing public service providers to compete against one another for 'customers'. The public also drives efficiency through 'voice', namely private complaints, participation in public forums and voting. So, if the Government delivers on its promises of more choice and voice in public service delivery, this should theoretically lead to greater efficiency. But what if there is a trade-off between choice and voice? If more choice results in less voice, will greater choice still improve public service performance?

Back in 1970, the famous economist Albert Hirschman was the first to suggest that choice may negatively impact upon voice in, claiming that choice provides people with exits and so, if dissatisfied, people will simply exit instead of voicing their dissatisfaction. In this project Keith Dowding and Peter John extend his theory and subject it to systematic testing, using a panel survey of more than 4000 households conducted through internet polling. As Keith explains, the project is beginning to produce some interesting findings. "Last year we surveyed households on their attitudes to service provision, the likelihood they would switch from one provider to another or buy private provision if they can afford to. We've also been asking whether people complain when they get poor service and if they feel their problems have been properly assessed."

The provisional results tentatively suggest that Hirschman was right to pose a trade-off between choice and voice. "We have been trying to see whether opening up the possibilities of choice – to switch providers – will have any impact on public forms of addressing problems. Will people think that they do not need to complain if they can switch to a better provider, as they often do in the private sector? If you are disappointed with a product you may not complain to the manufacturer, simply buy from another firm next time. We will see this happening more as choice opens up in the public sector." In line with this thinking, Keith and Peter found that those people who are unable to afford to move from public sector education into the private sector are more likely to complain about the schooling their child receives than those who are able to switch.

They are also unconvinced by claims that choice will empower the service user, thus resulting in greater service user satisfaction. "Governments hope that by improving quality and giving choice people may become more satisfied. However, better quality need not lead to greater satisfaction overall. Even if all services become better there is bound to be variability in quality, and it is the variation in quality that might lead to dissatisfaction, not the absolute quality. What matters is not 'how good is this service'; but, 'am I getting as good a service as my cousin in another town'. Early results show that indeed people do complain more when the service is bad. But it also shows that political activity does not seem strongly related to satisfaction, and to the extent that there are any effects those more satisfied are more likely to vote – perhaps to defend services."

This project has recently received extended funding to continue investigating the consequences of greater choice for a further three years and, on completion, will have much to contribute to the debate about how far 'choice and voice' can be a successful formula for public service reform.