Innovation and Digital Government for Public Service Delivery

Day 3

Mapping the Institutional Environment
Module 3.3
Public Value Framework
A Framework for Project Planning and Analysis
What is Public Value?

Public Value is defined as “The value created by government through services, laws, regulation and other actions.”

Mark Moore, Harvard Kennedy School, 1995
Public Value

• Focuses attention on the collective and societal interests that are served by particular institutional arrangements and actions of government

• A public value framework can help to determine the value of government activities and do so from multiple stakeholder perspectives, not just a generalized, and thus ambiguous, citizen viewpoint
Government: Many Things to Many People
Value Based on Interests

• **Personal**
  • What’s good for me?

• **Group**
  • What’s good for those who share my interests?

• **Organizational/institutional**

• **Societal**
  • What’s good for all of us?
Problem of Value Based on Interests

- Multiple value propositions
  - Personal, social group, organizational/institutional, societal

- No or limited consensus on measures or measurability

- How to combine into a public value proposition—the public return on investment?
Need for a New Framework

• For a way to recognize many, often competing notions of value
• For links to an expanded investment rationale for government
• To incorporate understanding about stakeholder interests with value creating mechanisms
• Provide a more comprehensive model and results, beyond financial and economic models
Core Public Value Concepts

Two kinds of public value

• Value that results from delivering specific benefits directly to persons or groups.

• Value to the public that results from improving the government as a public asset.
The Public Point of View

Assessing public returns should reveal value in terms of **stakeholder interests**
How is Public Value Expressed and Tracked?

**Economic Value**
- Income, asset values, liabilities, entitlements, risks to these

**Social Value**
- Family or community relationships, social mobility, status, identity

**Political Value**
- Personal or corporate influence on government & politics

**Strategic Value**
- Economic or political advantage or opportunities, goals, resources for innovation or planning

**Stewardship Value**
- Public’s view of government officials as faithful stewards

**Quality of Life**
- Security, health, recreation, personal liberty

**Ideological Value**
- Alignment of beliefs, moral or ethical values with government actions or outcomes
What are social & political returns?

• Political returns
  • impacts in the system of governing and policy decision making.

• Social returns
  • impacts in the quality of life in households and communities.

The two are related but need different analysis and assessment methods.
What are the Value Generators?

- Increases in efficiency
- Increases in effectiveness
- Enablement
- Intrinsic enhancements
Connecting Public Value to Government Action

Good things happen

Safer Streets

Public Safety IT Initiative to improve parolee monitoring
Traditional ROI vs Public Value

- Traditional Government ROI measures:
  - Cost savings
  - Budget increases
  - Productivity gains
  - Service quality
  - Cost-effectiveness
  - Strategic position

- Public Value Measures
  - Value
    - Financial Value
    - Political Value
    - Strategic Value
    - Social Value
    - Quality of Life Value
    - Ideological Value
    - Stewardship Value
  - Impact
    - Efficiency, Effectiveness, Intrinsic Enhancement, …
Components of Public Value Analysis

• Expanded value proposition
• Analysis of value types
• Analysis of value generators
• Application framework and methods
• Apply results to planning and decision making
CTG’s Public Value Logic Model

**Government Action**
- Investment in:
  - Programs
  - Services
  - Infrastructure
  - Projects

**What changes for each stakeholder**
- Efficiency
- Effectiveness
- Intrinsic Enhancements
- Transparency
- Participation
- Collaboration

**Impact or Value**
- Social
- Economic
- Stewardship
- Quality of Life
- Strategic Value
- Political Value
- Ideological

**Access**
- What value was realized and how is it distributed across the stakeholders?
- What are the examples of value?
- What stakeholders are served?
Performing a Public Value Analysis

• Describe the proposed initiatives and goals
• Identify, discuss and prioritize stakeholder groups
• Identify and discuss public value for each stakeholder
• Identify and discuss the generated value
• Summary of assessments
Identify the Government Initiative

What changes?

= Value Created

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Step 1. Describe an Initiative

This step asks you to produce a description of the initiative in terms of these three elements.

1. Goals and Intent
3. Tactics/methods
Step 2. Identify Stakeholder Groups

This step asks you to produce a prioritized list of internal and external stakeholders who are primarily impacted by the proposed government initiative.

Table 1

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<th>Stakeholders</th>
<th>Interests</th>
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Step 3. Identify the Public Value by Stakeholder

This step asks you to identify the public value you perceive the government initiative will have for each stakeholder.

<table>
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<tr>
<th>Stakeholder</th>
<th>Interests</th>
<th>Priority</th>
<th>Public value type (Financial, political, social, strategic, quality of life, ideological, stewardship)</th>
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Stewardship Value
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How is Public Value Expressed and Tracked?
This step asks you to describe how this government initiative will generate value for stakeholders through impacts on efficiency and effectiveness, creating intrinsic enhancement, and enhancing transparency, participation, and collaboration.
• **Efficiency** are shown in the increase or decrease of outputs or goal attainment with the same resources, or obtaining the same outputs or goals with lower resource consumption.

• **Effectiveness** are shown in the quality and/or quantity of program results or other outputs of government performance.

• **Intrinsic enhancements** are shown by changes in the environment or circumstances of a stakeholder that are valued for their own sake.

• **Transparency** are shown by access to information about the actions of government officials or operation of government programs that enhances accountability or citizen influence on government.

• **Participation** are shown by frequency and intensity of direct citizens involvement in decision making about or operation of government programs or in selection of or actions of officials.

• **Collaboration** are shown by frequency or duration of activities in which more than one set of stakeholders share responsibility or authority for decisions about operation, policies, or actions of government.
A Portfolio View: Questions of Interest

• *By stakeholder group*
  • Who is impacted by these initiatives? How are impacts distributed?
  • Are we serving our most important constituencies? The right mix of stakeholders?

• *By public value type*
  • Does our portfolio include all public value types desired? At the right levels?
  • Are we satisfied with the balance of value in the portfolio? What’s missing?

• *By agency mission, goals, and capabilities*
  • Does our portfolio meet our agency’s strategic interests and mission?
  • Are we maximizing our current capabilities and tactics?
  • Is the value created aligned with our agency’s mission?
  • Does the portfolio balance attention across stakeholders and interests?
  • Is there a balance in types and number of initiatives within programs across the agency?
STEP 1

Initiative Description:
- Title
- Purpose
- Supporting strategic goals
- Program or policy area
- Tactics

STEP 2

Identify and Prioritize Stakeholders
- Identify a full list of initiative stakeholders
- Prioritize by rating each stakeholder as A, B, or C

STEP 3

Identify and Rate the Public Value
- Identify the type and level of Public Value the initiative is expected to create for each of the primary stakeholders
- Public Value is expressed in terms of:
  - Economic value
  - Social Value
  - Political Value
  - Strategic Value
  - Quality of Life Value
  - Ideological Value
  - Stewardship Value

STEP 4

Identify Stakeholder Interests
- For each stakeholder and each change mechanism, describe how the expected value will be produced
- Change mechanisms include impacts on:
  - Efficiency
  - Effectiveness
  - Intrinsic Enhancement
  - Transparency
  - Collaboration
  - Participation

STEP 5

Summarize the Public Value Assessments
- Establish a summary assessment for the initiative for each public value type across all the primary stakeholders
- All summary assessments are populated into the Portfolio Review Workbook (Step 6)

STEP 6

Review Open Government Public Value Portfolio
- Review public value assessments across all initiatives to inform decision making.
- Does our open government portfolio, taken as a whole, optimize our resources and capabilities while meeting our mission and delivering maximum public value to all stakeholders?

PART 1

PART 2

Initiative One-Five Workbooks

Portfolio Review Workbook
Innovation and Digital Government for Public Service Delivery

Lunch Break
3.3.1. Public Value Framework

• Group Formation
  • Same Groups and two Dimensions as the morning session

• Group Assignment
  • Use the results from the Day 2 Stakeholder Analysis Exercise (Exercise 2.4.1.b.)
  • Refer to the Exercise Instruction Sheets for next steps

• Group Process
  • Refer to the Exercise Instruction Sheets for next steps
Plenary Discussion

Public Value Framework
Innovation and Digital Government for Public Service Delivery

Thank You!