Public Value:
A Quick Overview of a Complex Idea

Mark H. Moore
What Kind of an Idea is “Public Value”? 

• A normative and practical guide for those who occupy positions of executive authority in government

• A philosophical idea about the proper ends of government

• A technical idea that can be used to measure and guide government performance
A Guide to Strategic Action: The Strategic Triangle

- Legitimacy & Support
- Operational Capabilities
- Public Value
Strategic Triangle: The Public Value Circle

Legitimacy & Support

Operational Capabilities

Task Environment
(Individual Wants, Needs, Rights
(Social conditions to be Ameliorated)
Key Points (I): Public Value

• The Claim: Government action should be focused on “creating public value”
• Public Value is defined in terms of
  – the achievement of “collectively desired results,” and
  – “client satisfaction”
• Public managers use:
  – tax dollars, and
  – public authority to create public value
• Because public authority is used, value has to be judged in terms of
  – principles of justice, fairness, and equity, as well as
  – efficiency and effectiveness
Criteria for Evaluating the Performance of Government Managers and Agencies

<table>
<thead>
<tr>
<th></th>
<th>The Good (Utilitarian)</th>
<th>The Just (Deontological)</th>
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<tbody>
<tr>
<td>Tax Dollars</td>
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A Guide to Strategic Action: The Strategic Triangle

- Legitimacy & Support
- Operational Capabilities
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Strategic Triangle:
The Political Authorizing Environment

Authorizing Environment

Public Value
Key Points (II): Legitimacy and Support

• The Claim: The arbiter of public value is a collective “we” assembled through messy processes of democratic governance; the “political authorizing environment”

• For any given manager or agency, the “authorizing environment” includes all those who can call them to account: elected representatives, courts, audit agencies, interest groups, the media.

• Behind these representatives of “we, the people” are the “I’s, the people”: individual citizens, individual taxpayers, and individual clients of government agencies.

• As a theoretical matter, the construction of the “we” will always be imperfect, but as a practical matter we have to act as though there had been, or was now, or could be developed a “we” that could be articulate about its collective aspirations

• Ideally, public managers would seek to strengthen these processes to increase the legitimacy and support for any given action
The Democratic “Authorizing Environment”
A Simplified Picture (!)
Sources of Legitimacy and Support

• Law (Constitutional, Legislative, Common)

• Political Consent/Agreement Among Affected Parties/Results of Public Deliberation

• Knowledge and Technical Expertise

• Moral Ideas (More or Less Personal and Idiosyncratic)
A Guide to Strategic Action: The Strategic Triangle

- Legitimacy & Support
- Operational Capabilities
- Public Value
Strategic Triangle: Operational Capacity and the Value Chain

- Legitimacy & Support
- Value Chain
Key Points (III):
Operational Capacity and the Value Chain

• The Claim: The aim of public management is to achieve collectively defined values.

• Some of those values are values to be *achieved by* productive activity; some are to be *reflected in* the productive activity.

• Achieving social outcomes is conceptually different from satisfying clients of government agencies.

• Clients of government agencies include both *client/beneficiaries*, and *client/obligatees*.

• Productive activity includes not only actions taken by single organization acting alone, but also actions of co-producers and partnership networks.

• The challenge is to produce productive organizations and systems that can perform efficiently, effectively, and fairly now, and learn how to do better in the future through innovation.
The “Value Chain:” From Operational Capacity to Public Value

Inputs
Organization
  Activities
  Processes
  Procedures
  Programs

Outputs
Partners and Co-Producers

Outputs

C L I E N T S A T I S F A C T I O N

Outcomes

C O M E S
Public Value as a Philosophical Concept (I)

- A Blend of the Good and the Just
  - Experienced at Individual Levels
  - Observed (and Valued by Citizens) at Aggregate Levels
## Normative Frameworks

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<tr>
<td><strong>Effects at the Individual Level</strong></td>
<td>Client Satisfaction and Individual Welfare</td>
<td>Protect Individual Rights</td>
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<td></td>
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<td>Impose Duties Justly and Fairly</td>
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<tr>
<td><strong>Effects at the Social Level</strong></td>
<td>The Achievement of Social Outcomes</td>
<td>Fair Treatment of Individuals</td>
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<td>Establishment of Just Social Order</td>
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Public Value as a Philosophical Concept (II)

• Arbiters of Social or Public Value
  – Individuals
  – Voluntary Associations of Individuals
  – Democratic Polities (Different Levels)

• What They Value
  – Economic Welfare/Prosperity
  – Welfare of Others
  – Living Up to Just Duties to Others
  – Ideas of the Social Good and Social Justice
## Valuations of Social Conditions

<table>
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<tr>
<th>Arbiter of Value</th>
<th>Objects of Valuation</th>
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<tr>
<td><strong>Individual Arbiters of Value</strong></td>
<td>Own Material Well Being</td>
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<td>Well-being of Others</td>
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<td>Moral and Legal Duties to Others</td>
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<td>Ideas of a Good and Just Society</td>
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<td><strong>Private Collective Arbiters of Value</strong></td>
<td>Material Well-Being of Group</td>
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<tr>
<td><strong>Public Arbiters of Value</strong></td>
<td>Economic Development</td>
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<tr>
<td></td>
<td>Satisfy Needs of Others</td>
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<tr>
<td></td>
<td>Vindicate Rights Impose Duties</td>
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<tr>
<td></td>
<td>Achieve a Good and Just Society</td>
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Criteria for Evaluating the Performance of Government Managers and Agencies

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<td><strong>Public Authority</strong></td>
<td>Justly Fairly Equitably</td>
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<td>Authorizations</td>
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Public Value as a Set of Measures

• The Claim: A “bottom line” for government agencies can be constructed as a “public value account”
• The “public value account” will be specific to agencies in particular contexts at particular times (though some industry standards might well emerge)
• The “public value account” will change over time, and that change will reflect both changes in the environment, and social learning about what is desired and feasible
• At the outset, the “public value account” will be closely aligned with the “mission” of the organization, but that might well change over time as new problems or opportunities arise, and unintended consequences appear.
• The public value account has to recognize the use of authority as a cost, and the fairness and justice of the activities as important dimensions of value
Four Different Kinds of Work

• Philosophical Work

• Political Work

• Technical Work

• Managerial Work
Towards a Public Value Account

Cost Side of Ledger

• Dollar Costs to Government
• Unintended Costs
• Authority Used by Government

Value Side of Ledger

• Mission Accomplishment
• Client Satisfaction (?)
• Unintended Benefits
• Fair/Just Use of Public Money and Authority
# A Modest Proposal: 7 Dimensions of Value for Policing

<table>
<thead>
<tr>
<th>Dimension</th>
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<tbody>
<tr>
<td>Reduce Crime and Victimization</td>
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<tr>
<td>Call Offenders to Account</td>
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<tr>
<td>Reduce Fear and Enhance Personal Security</td>
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<tr>
<td>Ensure Civility in Public Spaces (Ordered Liberty)</td>
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<tr>
<td>Use Force and Authority Fairly, Efficiently, and Effectively</td>
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<tr>
<td>Use Financial Resources Fairly, Efficiently, and Effectively</td>
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<tr>
<td>Quality Services / Customer Satisfaction</td>
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# Intensity and Continuity of Authorizer Focus by Dimension of Value

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<tr>
<th>Formal Oversight: Continuous</th>
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<tbody>
<tr>
<td>Federal Government</td>
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<tr>
<td>Governor</td>
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<tr>
<td>State Legislature</td>
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<tr>
<td>MAYOR</td>
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<tr>
<td>Office of Operations</td>
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<tr>
<td>Office of Management and Budget</td>
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<tr>
<td>Criminal Justice Co-ordinator</td>
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<tr>
<td>Law Department/Carpenter Council</td>
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<tr>
<td>Office of Investigation</td>
</tr>
<tr>
<td>CITY COUNCIL</td>
</tr>
<tr>
<td>Community Boards</td>
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<tr>
<td>CIVILIAN COMPLAINT REVIEW BOARD</td>
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<tr>
<td>Police Commission</td>
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<tr>
<th>Dimension of Value</th>
<th>Governor</th>
<th>Mayors Office of Operations</th>
<th>Mayor's Office of Management and Budget</th>
<th>City Council Community Boards</th>
<th>City Council CIVILIAN COMPLAINT REVIEW BOARD</th>
<th>City Council Police Commission</th>
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Beyond a Public Value Account

• Public Value Account Seeks to Create a Framework for Measuring a Conceptually Sound Bottom Line for Government Agencies

• But: Public Value Account May not Be Only Measurement System We Need

• Kaplan/Norton and the Balanced Scorecard
Balanced Scorecard v. Public Value Scorecard

Balanced Scorecard
- Financial Perspective
- Customer Perspective
- Operational Perspective
- Learning Perspective

Public Value Scorecard
- Public Value Account
- Legitimacy and Support Perspective
- Operational Capacity Perspective
Legitimacy and Support Perspective

• Standing with Key Formal Authorizers:
  • Elected Executives
  • Statutory Overseers in Executive Branch
  • Elected Legislators:
    • Committees

• Statutory Legislative Branch Overseers ( 

• Standing with Key Interest Groups:

• Standing with Individuals in Polity:
  • General Citizenry
  • Taxpayers
  • Clients
    — Service recipients
    — Obligees

• Position of Enterprise in Democratic Political Discourse:
  • Standing in Political Campaigns
  • Standing in Political Agendas of Current Elected Regime
  • Standing in Relevant “Policy Community”

• Status of Key Legislative and Public Policy Proposals:
  • Authorizations
  • Appropriations

• State of Mobilization/Engagement of Individuals in Community as Co-Producers — Link to Operational Capacity Perspective

• Dimensions of Public Value Considered Important by Authorizers — Link to Public Value Perspective

• Engagement of Constituents Potentially Interested in Neglected Values — Link to Public Value Perspective
Operational Capacity Perspective

- **Flow of Resources to Enterprise (Link to Legitimacy and Support Perspective):**
  - Financial Revenues Flowing to Public Agencies:
    - Appropriations
    - Fees
    - Intergovernmental grants
  - Enhanced Public Authority to Accomplish Tasks
  - Enhanced Public Support: Enthusiasm

- **Human Resources Available to Agency:**
  - Current Status of Workforce
    - Size
    - Quality
    - Morale
  - Improved recruitment and selection
  - Training/development of existing staff
  - Compensation levels and career tracks
  - Accountability and Individual Performance Measurement Systems
  - Enhanced Public Support: Volunteer Effort

- **Operational Policies and Programs:**
  - **Ensuring Good Performance:**
    - Documenting existing policies and procedures
    - Monitoring compliance with tested policies
  - **Learning to Improve Performance:**
    - Evaluation of existing policies that have not been tested
    - Innovation and experiments with new procedures
    - Institutionalizing successful innovations
  - **Allocating Towards Value**
    - Investing in Performance Measurement and Management Systems
  - **Organizational Outputs**
    - Monitoring Quantity of Outputs
    - Monitoring Quality of Outputs Along Desired Attributes of Service
Conclusion

• The idea of public value does not specifically answer important philosophical and managerial questions about managing public agencies in democratic societies.

• It does provide a framework that can broaden and deepen efforts by strategic individuals and teams to diagnose the position of particular managers in particular situations, and help guide them forward to more effective democratic governance and value creating performance.

• All the real work remains to be done in the thousands of particular circumstances in which public leaders confront public problems and seek to solve them.