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Can the Government's performance be measured?

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Economy and Communications

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Valsts kanceleja

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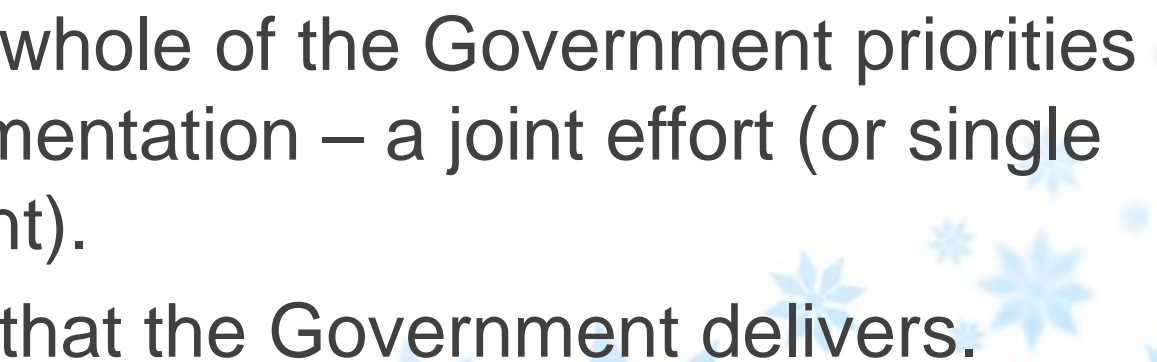


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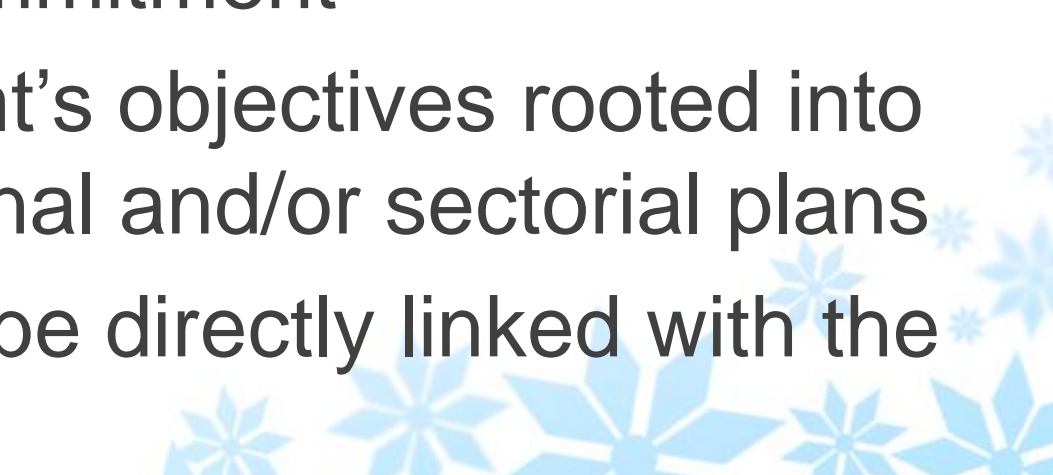
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I E G U L D Ī J U M S T A V Ā N Ā K O T N Ē

Why Government's performance management matters?

- Doing it just for fun or only transparency reasons is a waste of time and resources
 - Two general objectives:
 - To ensure whole of the Government priorities and implementation – a joint effort (or single government).
 - To ensure that the Government delivers.
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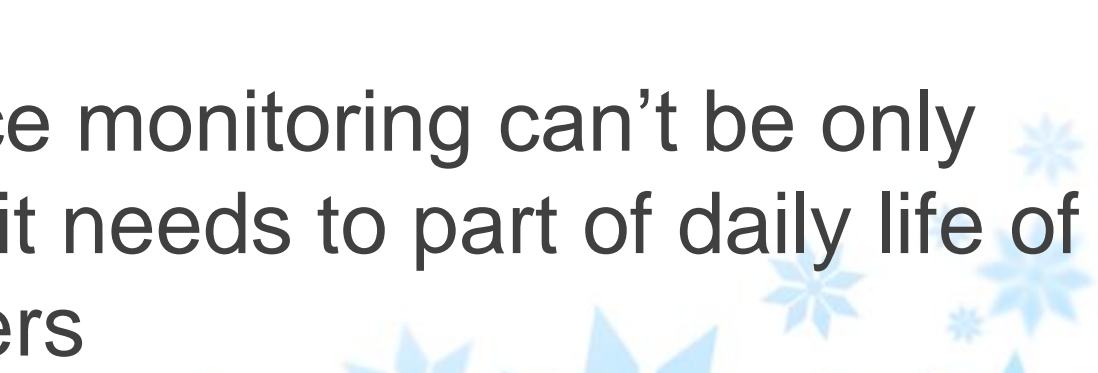
It will only work when there are ...

- The Government's clear objectives
 - Coordination body in the Government Office
 - Operational administrative network and political commitment
 - Government's objectives rooted into organisational and/or sectorial plans
 - It needs to be directly linked with the budget
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Estonian Government priority objectives

Government's priority objectives	
2011-2015 (5 priorities – 7 objectives)	2015-2019 (5 priorities – 12 objectives)
Achieving general government budget surplus	Defence investments are at least 2% of GDP plus the costs hosting NATO troops.
Net population growth – the Estonian people must become a growing people	At least 30 000 members in Estonian Defence League.
Increase in productivity to 73% of the EU average	Productivity higher than 79% of the EU average.
Achieving the pre-crisis employment level - 72% employment rate (20-64 age group)	Employment rate (20-64) higher than 75,7%
Higher healthy life expectancy - men 57, women 62	Effective tax rate lower than 33,1%
Keeping greenhouse gas emissions at the 2010 level (or under 20 million tons a year)	Less than 5,9% of the population live in absolute poverty.
	Absolute poverty among children is lower than 7%.
Reducing to 11% the percentage of young adults not in school and having a basic education	Less than 26% of the population do not have special or vocational education (higher than level 1).
	The fertility rate higher than 1,67
	Share of the employment in public sector does not increase compared with the number of working age population.
	Employment in rural areas higher than 73,2%
	In 2018 at least 95% of the population lives in the local government's that meet sustainability criteria set by the Government.

Delivery

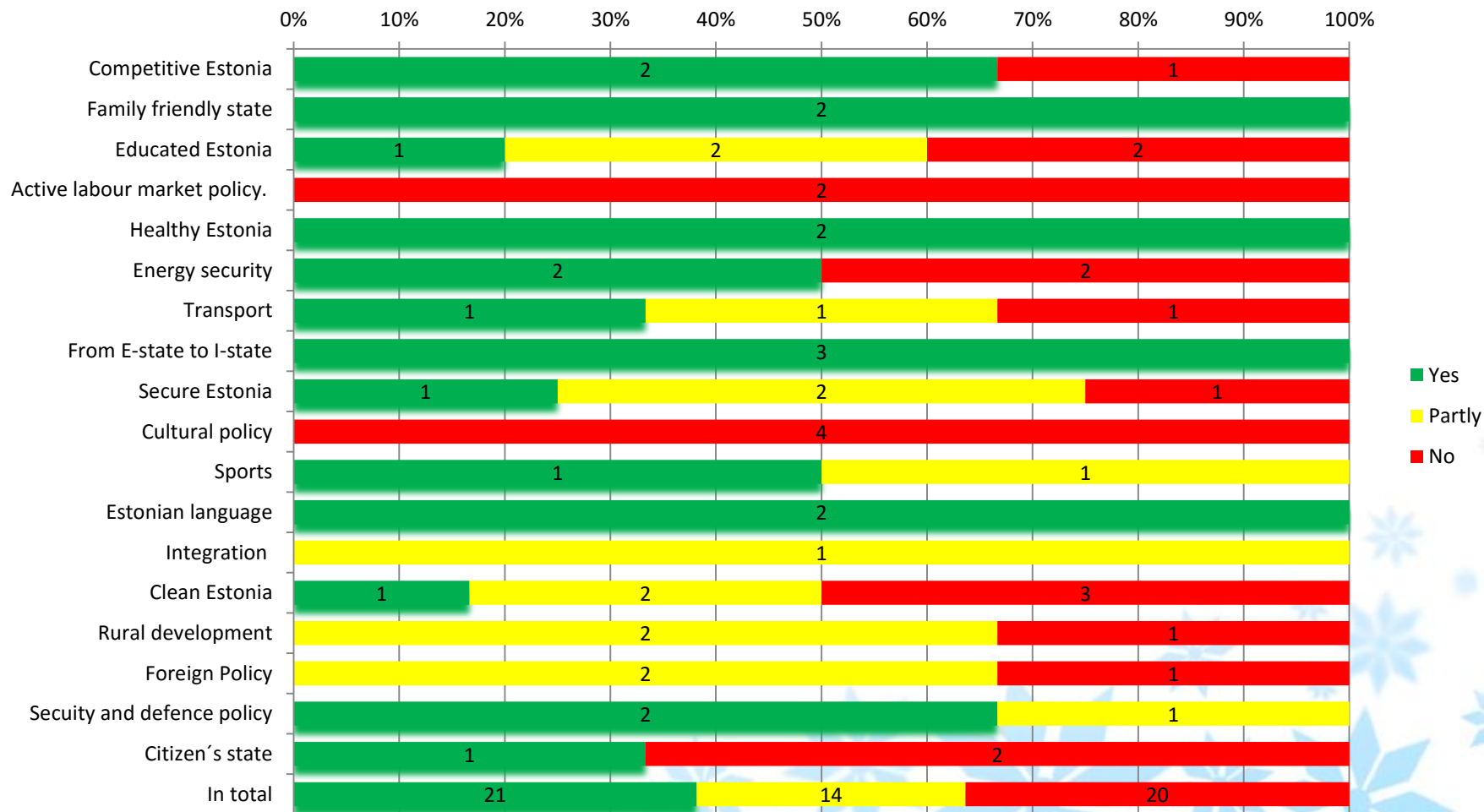
- The administration needs to be capable of translating political will into administrative objectives and actually deliver
 - Performance monitoring can't be only on paper – it needs to part of daily life of top managers
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Operation framework for performance monitoring in Estonia

- Regular meetings between the Prime Minister and ministers to discuss implementation of objectives
- Regular meetings of the Deputy Secretary Generals (policy based)
- Following set objectives in budget negotiations



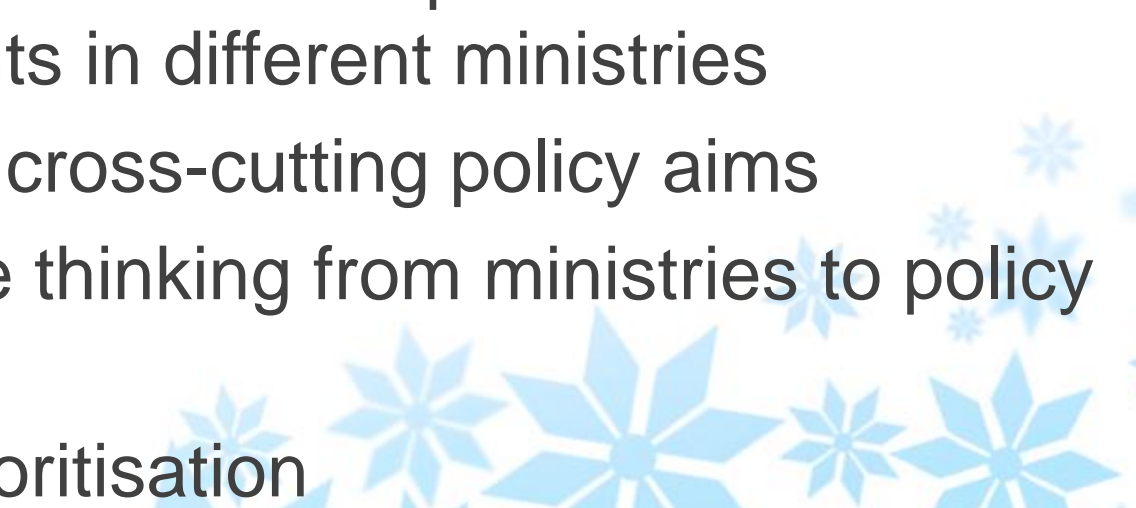
Government objectives in sector strategies (2007 analysis)



Manageable sector policy planning

Valid strategic documents			2010	September 2011
1.1 Approved by the Riigikogu	<p style="text-align: center;">TODAY 49 STRATEGIES</p>		19	19
1.1.1 policy principles or guidelines			9	9
1.1.2 concept papers			1	1
1.1.3 development plans and strategies			9	9
1.1.4 action plans and programmes			0	0
1.2 Approved by the Government	100	79	61	45
1.2.1 policy principles or guidelines	<p style="text-align: center;">AIM FOR 2021 IS 28</p>		4	5
1.2.2 concept papers			7	3
1.2.3 development plans and strategies			34	29
1.2.4 action plans and programmes			16	8
Total documents in force	117	99	80	64

Moving resources together with objectives

- Flexible Government
 - Responsibilities of the ministers are set by the PM, not by law, so posts can change
 - One ministry can have several ministers and one minister can be responsible for departments in different ministries
 - Horizontal cross-cutting policy aims
 - Moving the thinking from ministries to policy areas
 - Budget prioritisation
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Organisation perspective – rooting balance scorecard in the Government Office (since 2008)

Key objective of the Government Office for 2015

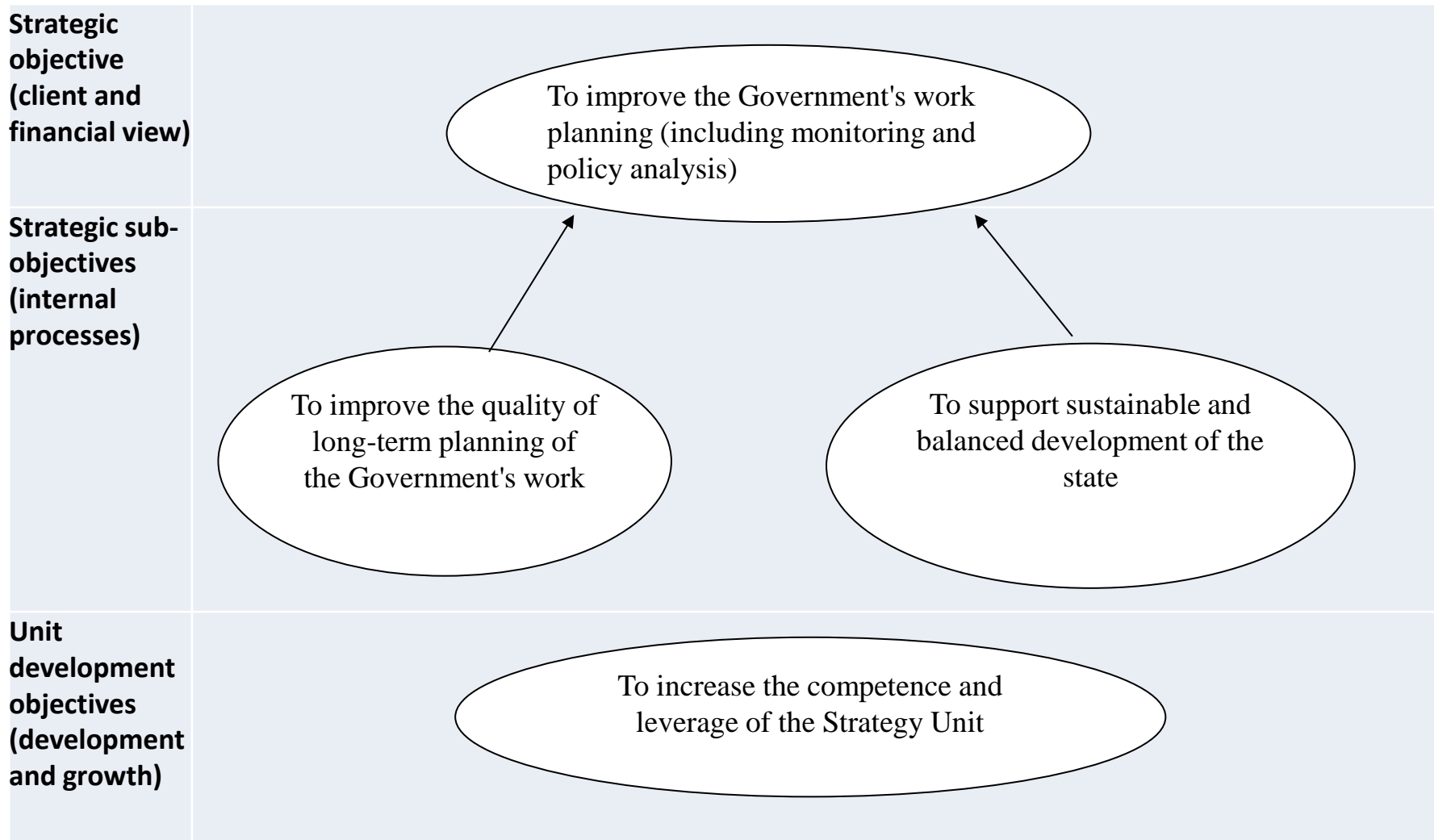
- To support the Prime Minister and the Government in implementing the Government objectives and to improve to governance quality in Estonia

2 indicators

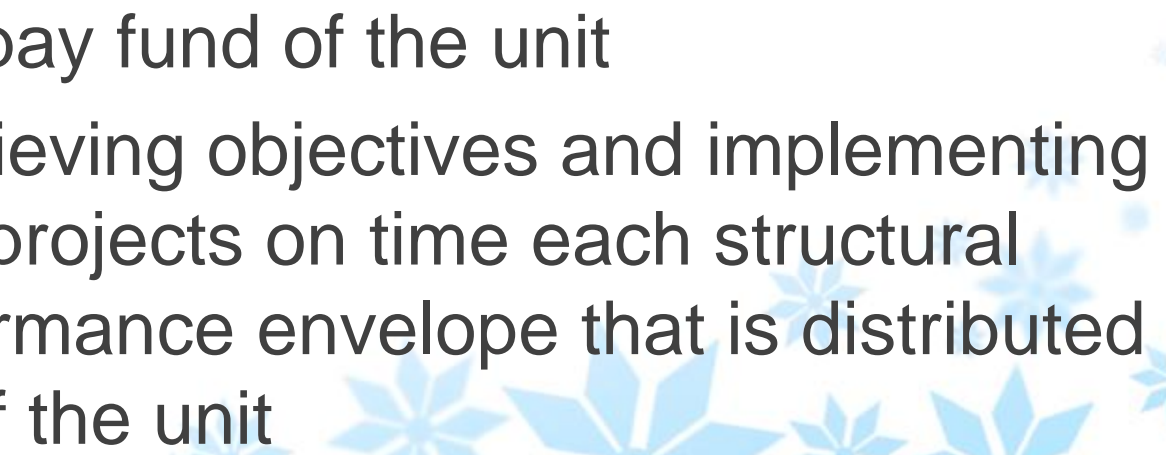
- Implementation rate of the Government key objectives
- At least in EU top5 concerning the Governance quality in the World Bank governance indicators

Until 2009, 15% of the performance salary linked with achieving these general objectives. 85% linked with departmental objectives and development activities.

Balanced scorecard of the Strategy Unit in 2011



Balanced scorecard of the Startegy Unit in 2011

- Each objective has targets and share in the performance pay component
 - Under each objective development activities (bigger projects) are listed (with quarterly deadlines) having also a concrete share in the performance pay fund of the unit
 - Based on achieving objectives and implementing development projects on time each structural unit has performance envelope that is distributed by the head of the unit
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Does it all really work?

Of course not! ... Not fully...





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Thanks!



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