In 1998, when Margaret Thatcher’s government began creating Next Steps agencies, a member of Parliament asked her if these new agencies would be exempt from her privatization program. She answered that Next Steps was “primarily about those operations which are to remain within Government.” But, she added, “I cannot rule out that after a period of years Agencies, like other Government activities, may be suitable for privatization. Where there is a firm intention of privatization when an Agency is being set up, this should be made clear.”

As it created executive agencies, the Next Steps Team made it clear that if they were not being actively considered for privatization, they would be given a number of years to “settle down” before the issue was raised again. The policy was sufficiently vague that most agency civil servants breathed a sigh of relief, assuming their organizations had dodged the bullet.

Then, in November 1991, John Major’s government released its “Competing for Quality” white paper. It announced, among other things, that agencies would periodically be put on trial for their lives. Before negotiating a new framework document every three years (later changed to every five years), departments would conduct a prior options review—investigating whether the agency or pieces of it should be abolished, sold, contracted out, or moved to another organization.

This new initiative wreaked havoc with morale in the agencies. Most civil
servants found it “threatening and offensive,” says John Oughton, who ran the Efficiency Unit. Many saw it as a downright betrayal. It undermined employee confidence and slowed the pace of improvement in some agencies for several years.

To transform public institutions, we have argued, leaders must use most or all of the five strategies we have described. Reinventors in the U.K., New Zealand, Phoenix, Hampton, and the Air Combat Command have used all five strategies, while their counterparts in Australia, Sunnyvale, and Indianapolis have used three or four of the five. Along the way, however, these reinventors have also learned that they must be careful to unfold their strategies in ways that create synergy rather than conflict. They must avoid what happened to the British, who undermined the Next Steps initiative by unleashing privatization in the midst of their efforts to create executive agencies.

Knowing how to sequence and coordinate the strategies for optimal results is an important part of the craft of reinvention. The Canadian Auditor General’s Office emphasized this point in 1995, when it compared Canada’s lackluster track record with the successes of New Zealand:

The wider international experience... illustrates that a significant reform program, to be successful, must jell as an integral whole; the pieces must come together. Some governments have succeeded in putting the pieces together reasonably well; others have not. The international experience also makes clear that coherence and consistency in a major reform program are unlikely to be forthcoming without a strong and sustained commitment from political leaders. Perfunctory political commitment will not suffice.

To optimize implementation of the strategies, you must anticipate how they will affect each other, and how they will work together most powerfully. Although in this book we have separated them conceptually, in practice things are not so neat: the strategies sometimes overlap, and some tools use more than one strategy. Some strategies naturally go together, almost like matched sets. Our research identified the following patterns of alignment.

1. When you use the core strategy to uncouple steering and rowing, also use the consequences and control strategies to transform the behavior of rowing organizations.

It is useful to separate steering and rowing functions, because organizations can then focus more clearly on their purposes. But you will have much greater impact if you then give these organizations control over their own resources and incentives for improving their performance. Reinventors in New Zealand and the United Kingdom understood this well. As they uncoupled
functions, they used the flexible performance framework metatool to incorporate the consequences and control strategies into their plan. (See below, pp. 6-7.)

2. Use the consequences and control strategies as a matched pair; don’t use one without the other.

The consequences strategy puts intense pressure on organizations to improve. But they cannot do so if they are bound up in rules and red tape. If employees don’t have the power to change how their organizations work, they can’t improve performance—they can only complain when they face the risks of not performing well.

Similarly, giving employees more power without creating consequences for their performance makes little sense. As we explained in chapter 7, the control strategy should replace centralized, hierarchical controls, which dictate what organizations and employees do with their resources, with clear goals and incentives.

In New Zealand, departments that were not corporatized were given two years to develop acceptable output measures that could be used for performance agreements. Only then were they released from central controls. “This avoided the danger of removing input controls without having the new system for output control in place,” says Graham Scott, who as Treasury secretary helped engineer New Zealand’s organizational empowerment.

The risk was a real one. Some chief executives tried to gain excessive freedoms through vague output definitions. In one case a department sought to have only one output for a huge and complex government agency. The result would have been no control whatsoever.

3. When you make organizations accountable to their customers, also create consequences/or their performance and give them control.

If public organizations want customer service standards to be effective, they should introduce rewards and penalties for employees’ success or failure in meeting those standards. Otherwise, the standards will provide only temporary motivation for improving service.

To get and sustain employees’ attention, you need to give them financial and psychic rewards when they produce high levels of customer satisfaction. The same lesson applies when organizations offer their customers more choices. As we said in chapter 13, choice without consequences—though fairly common—is weak. The best way to put teeth into choice is to add competition for customers’ dollars.

For the reasons discussed under number 2 above, it makes no sense to do
this if you cannot give managers and employees the freedom they need to make dramatic changes in the way they do business.

4. **When you use the core strategy to improve steering, also use performance management (the consequences strategy) to translate the outcomes you want into goals for rowing organizations.**

   To improve your aim you must establish clear goals for government. Once they are set, you must then get public organizations to pay attention to them. The best way to do this is by introducing consequences for achieving the goals. Performance budgeting ties budget allocations to the goals, while performance management rewards or penalizes organizations and employees for their performance in meeting the goals. One without the other is incomplete: to be effective, a performance system should start with outcome goals and move down through output and process goals for every unit and employee, in a way that links the smallest job to the most ambitious long-term goal.

5. **Don’t bother trying to develop an entrepreneurial culture without also shifting control to employees.**

   You can change your organizational culture without empowering your employees. As we noted in chapter 20 (see pp. 18 & 19), Sunnyvale had developed a hardworking, businesslike culture, but not—by the last time we visited—a culture in which employees constantly innovated. One reason was that Sunnyvale had not empowered most of its line employees. Because workers had little power to make decisions, they had little reason to dream up new ways to do their jobs. And the less they innovated, the less they developed the habits, commitments, and mindsets of innovators.

   In Hampton, by way of contrast, City Manager Bob O’Neill understood that empowerment and an entrepreneurial culture went hand in hand, because people’s habits, hearts, and minds are heavily influenced by the bureaucratic controls that affect them. “If your locus of control and culture are in conflict, then whatever is the most powerful system will win,” O’Neill says. Because the most powerful controls are the fiscal ones, “You have to change people’s ability to allocate, get, and commit resources.”

**THE POWER OF METATOOLS**

The simplest method to bring multiple strategies together in a coherent, complimentary way is to use a tool that brings two or three strategies into play at once. We call such instruments *metatools*.

We have identified a dozen metatools, although others undoubtedly exist—and still more will be invented in the years to come. Precisely because they bring multiple strategies into play at once, these metatools pack the greatest
power in the reinventor’s tool kit. They are reinvention’s heavy hitters. If you want to make big changes, use them. Don’t hesitate to use more than one: By our count, British reformers have used them all.

<table>
<thead>
<tr>
<th>Metatool</th>
<th>Strategy Used</th>
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<td>Total Quality Management</td>
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<td>Empowerment Agreements</td>
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While powerful, most metatools also require the expenditure of substantial resources, time, and political will. With the exception of total quality management, their implementation requires the permission and support of elected officials.

**Performance Budgeting**

Policy makers use performance budgeting to specify the outcomes and outputs they intend to buy with each sum they appropriate. For example, cabinet ministers in New Zealand negotiate “purchase agreements” with department executives that detail the quantity, quality, and cost of an agency’s deliverables. As we said in chapter 4, performance budgeting improves steering (core), because it requires policy makers to be very clear about what outputs and outcomes they are buying, and it allows them to see the results they are getting for their money.

This also creates consequences. It allows elected officials to check the performance of past expenditures before making further budget allocations. These officials should not automatically cut funding for organizations that perform poorly and increase funding for organizations that perform well. Indeed, some-

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times they may decide that organizations are performing poorly precisely because they have too little money. In general, organizations should be rewarded or sanctioned for their performance not by increasing or decreasing their funds, but through enterprise management, managed competition, or the performance management tools outlined in Chapter 11: bonuses, gainsharing, shared savings, and the like.

Over time, performance information should lead elected officials to shift money to programs that provide better value for the taxpayers’ dollars. Hence performance budgeting should, in the long run, create consequences. But this is different from automatically raising or cutting budgets each year in response to performance levels.

**Flexible Performance Frameworks**

This metatool embodies the most common deal made by reinventors: a trade of flexibility for accountability. Reinventors in the United Kingdom and New Zealand pioneered it, but we have seen the same basic arrangement so many times that we have given it a name. It grows out of a basic demand for better performance. Reinventors often turn that impulse into performance contracts that spell out exactly what they expect each organization to accomplish and what the consequences will be if they succeed or fail. They quickly realize, however, that this is a bit like tying their managers’ hands and then asking them to work harder. It won’t work unless they liberate their managers, giving them freedom from cumbersome rules, red tape, and central administrative controls. If managers are not given flexibility, they can always blame their failures on lack of control over budgets, personnel, and other resources.

The solution, perhaps most clearly embodied in the British Next Steps initiative, is to hive off rowing functions into discrete organizations; create performance contracts that spell out the organizations’ purposes, expected results, and consequences for performance; and give them management control over their resources.

A flexible performance framework can be applied to any public organization. New Zealand even applied this metatool to its policy advice organizations. (For more on flexible performance frameworks, see chapter 1, p. 5-10, and chapter 4, p. 10-12.

**Competitive Bidding**

Indianapolis and the United Kingdom have used this metatool to great effect, as we described in chapter 8. It forces private vendors and (often) public organizations to compete to perform services. If they can deliver quality services for the lowest price, they win. If not, they suffer the consequences.

Competitive bidding also uses the core strategy. It uncouples rowing func-
tions from steering functions, so that competitors who bid to perform the rowing are not burdened with the costs or problems of steering. Steering functions are usually exempted from competitive bidding, although discrete steering functions can also be competitively bid. For several decades, Arizona has competitively bid out the job of setting local mental health service priorities and contracting with providers to local governments and community organizations. These “administrative entities” then turn around and competitively bid out the actual service provision.

Competitive bidding does not require that governments decentralize control, but it usually creates pressure to do so. When public employees bid for work, they become intensely interested in controlling the factors that will determine their success. Hence competitive bidding creates the perfect opportunity to use the control strategy.

**Corporatization**

Corporatization turns government organizations into publicly owned businesses that are quasi-independent of government and must meet business bottom lines, such as maximizing profits and return on investment. It uses the core strategy to uncouple rowing functions that can be organized as public corporations, such as air traffic control, postal delivery, and forest land management.

Corporatization also forces organizations to get their revenues by making sales to customers, usually (but not always) in a competitive marketplace. Like businesses, they shrink or grow based on their performance. Finally, Corporatization frees organizations from bureaucratic controls such as civil service systems and government budget and finance systems.

Because it brings four strategies into play—core, customer, consequences, and control—corporatization is a very powerful tool. As we discussed in chapter 8, however, it is only appropriate for services that can be charged to paying customers.

**Enterprise Funds**

A weaker form of enterprise management, enterprise funds are public organizations financed by customer revenues rather than tax dollars, but not organized as quasi-independent corporations. Like public corporations, they are accountable to their customers, but unlike public corporations, they do not have independent governance. They also bring the core, consequences, customer, and control strategies into play, but few enterprise funds are given as much freedom from central control as most public corporations. They normally operate within government personnel, procurement, and auditing systems.
Internal Enterprise Management
This is the application of enterprise-management tools to government’s internal service units, such as print shops, computer services, and vehicle fleets. Internal enterprise management makes those internal services accountable to their customers, the line agencies they serve. It takes away most of their long-standing monopolies and transforms them into public business enterprises. Since their customers can choose whether and how much to buy from them, they must improve quality and prices in order to keep business. They also gain new freedoms: most internal enterprises are allowed to set their own prices (unless they remain monopolies) and develop new products and services as they see fit. Accordingly, their managers gain some autonomy from traditional centralized control systems. (For more, see chapter 8.)

Competitive Public Choice Systems
When enterprise management is not appropriate, reinventors can often still give customers a choice of service providers and make those providers compete for their income. This is what Minnesota did when it created interdistrict school choice, as we discussed in chapter 13. This forces providers to be responsive to their customers, and it creates consequences for their performance.

Vouchers and Reimbursement Programs
One way to maximize both accountability to the customer and performance consequences is to give customers vouchers (or credit cards that are backed by government reimbursement) to purchase goods or services such as housing, health care, child care, or even groceries. When providers must compete for their customers, this metatool combines the customer and consequences strategies.

Total Quality Management
TQM is one of the best known and most commonly used metatools. It has the power to help public organizations continuously, incrementally increase the quality of their services and compliance functions. It empowers, trains, and equips employees to redesign their work processes. In doing this, TQM combines three strategies:

- **Customer**: TQM is rooted in the belief that only the customer can define the quality an organization must achieve. It relies heavily on listening to the voice of the customer to set quality standards for services and products. As we noted in chapter 13, this is an important new competence for government. When done well, TQM also sets customer service standards, a central tool of customer quality assurance.
• **Control:** TQM empowers teams of employees to analyze, redesign, and monitor their own work processes. In short, they do work once reserved for managers. Indeed, the hallmark of a TQM organization is an abundance of teams working to improve many processes.

• **Culture:** In quality organizations, employees value their customers’ needs; recognize the need to constantly adapt their work so they can satisfy their customers; and get into the habit of collaborating with one another. These habits help build strong, nonbureaucratic cultures.

Although TQM is a powerful metatool, its leverage to force widespread change is limited by the fact that it focuses mainly on work processes. Normally, it produces continuous, incremental improvement at the process and people levels, by changing work processes and cultures. If used systematically throughout an organization TQM can also have powerful effects at the organization level. But it rarely impacts administrative or governing systems.

**Business Process Reengineering**

BPR also focuses on improving work processes, but it does so by redesigning them from scratch, to produce dramatic increases in efficiency, effectiveness, and quality. Usually, reengineering eliminates or alters the work many people do and changes the organizational structure of functional divisions and units.

Developed in the private sector, this metatool was popularized by Michael Hammer and James Champy in the 1993 book *Reengineering the Corporation*. Like TQM, BPR engages the customer, control, and culture strategies. Typically, it also brings new information technologies into the redesign process. While TQM involves many modest improvement projects often occurring at the same time, BPR is a “big bang” tool. Reengineering projects usually focus on organizations’ most important processes, and each one can take a year or more to complete. Hence BPR is a much more challenging tool, which can be used in far fewer situations. It requires significant political will and leadership, because it usually disrupts organizational life for hundreds of people.

Like TQM, reengineering rarely has leverage to bring changes at the governance and administrative system levels.

**Opting Out or Chartering**

This metatool allows an existing or new public organization to operate outside the jurisdiction of most government control systems. The best known examples are charter schools in the U.S. and grant maintained schools in the U.K., which have in effect seceded from their districts. (See chapter 13, pp. 2-5, 12-13, and 17-18.) Opting out combines the core, control, customer, and conse-
quences strategies. A charter school, for example, is uncoupled from its district; it is free of most rules and regulations; it must attract customers to earn its revenue; and it can grow, shrink, or die, depending upon how well it pleases its customers and fulfills the conditions of its charter. Because charter and opt-out policies engage four strategies and bring fundamental change at the governing and administration system levels, they are very powerful metatools.

Community Governance Bodies
A community governance body is a steering organization that is controlled by a community. An old and familiar example in the U.S. is an elected school board. More recent examples are the progress boards sprouting up in Oregon and other states (described in chapter 4), which set long-term goals for their states or communities. More limited examples include Chicago’s local school councils and the U.K.’s school governing bodies. Made up primarily of community members, both elected and appointed, they play the steering role at individual schools.

This metatool can improve steering (core) while empowering communities (control). Because it does not engage the powerful consequences and customer strategies, however, this is one of the weaker metatools.

ALIGNING STRATEGIES AND ADMINISTRATIVE SYSTEMS
Strategies not only need to be aligned with one another to be effective, they need to be aligned with administrative systems. If you try to reinvent a governing system or organization without changing its administrative systems, you will fail. The budget, personnel, procurement, and auditing systems will constantly undermine your strategies, because they will continue to reward—even demand—bureaucratic behavior.

Administrative systems are like the systems that keep an organism alive: the circulatory, nervous, musculoskeletal, respiratory, and organ systems. They are not the DNA; their form is dictated by the DNA. They carry out the work of the DNA, by shaping and maintaining the organism. Government’s administrative systems were grown from bureaucratic DNA, so they shape bureaucratic organizations.

If you want to embed the five C’s in your organizations, you must reinvent these systems. If you don’t, you will have entrepreneurial DNA trying to shape organizations through a bureaucratic nervous system, circulatory system, musculoskeletal system, and organ system. The signals won’t get through.

When Minnesota changed public education by introducing choice and competition, it changed the way state funds moved in the system, but other-
wise left most of the administrative systems intact. As a result, many of the signals have not reached teachers. Some do feel more accountable to their customers. But still tied down by rigid, centralized budget, personnel, and procurement systems, most have not experienced any increase in control over their schools or consequences for their performance. Hence many have not changed the way they teach.

Something similar happened at first with Margaret Thatcher’s Next Steps reforms. When the early executive agencies were created, they negotiated increased flexibility with their departments. But they constantly chafed at the restrictive budget and personnel systems, and the Next Steps Team spent years pushing the Treasury Department to change those systems. Gradually, step by step, Treasury loosened its central controls. But until those reforms reached critical mass, the agencies could not realize the promise of their new flexible performance frameworks. Within the old administrative control systems, the flexibility just wasn’t real.

Administrative systems translate the basic instructions or rules of the governing system into countless mandates for organizations. Their power shapes all three levels below them: the organization, its work processes, and its people. You can change your organization, processes, and people without changing your administrative control systems, but you will find those systems pushing back in the other direction. When employees and managers start reinventing, they will constantly bump up against the constraints built into their administrative systems.

Bureaucratic administrative systems conflict most obviously with the control strategy, which is based on trusting employees and organizations to do things right. But they also frustrate the consequences strategy, because they typically attach few rewards or sanctions to performance. You cannot use performance management or enterprise management if your budget and personnel systems don’t create incentives for performance. Nor can you use enterprise management or public-versus-private competition if you must rely on traditional budget, finance, and accounting systems, since they don’t generate the cost data that allow you to set prices appropriately or compare different providers.

Finally, bureaucratic administrative systems make it harder to change your organizational culture. Unless you change the rules of the game, says Sunnyvale City Manager Tom Lewcock, people won’t believe you’re serious about reinventing. “It’s not what you say you’re going to do, it’s what you’re doing.”

It’s no surprise, then, that we found reinventors worldwide dismantling the four major administrative control systems they inherited. In New Zealand, the United Kingdom, Australia, and Canada, transforming this level of government has been a cornerstone of reinvention. In 1993, the Clinton administration’s
National Performance Review also made administrative system reforms its centerpiece, although by 1997 Congress had passed only procurement reform. Across the nation, many cities, counties, and states have also begun to reinvent their administrative systems.

Because these systems are so firmly fixed in the body of government, however, they are difficult to change. If they are like a body’s organ systems, then transforming them is akin to doing an organ transplant. In New Zealand the change process was swift: reinventors swept away entire systems practically overnight, as we described in chapter 4. More often, however, public leaders work piecemeal, gradually rebuilding their systems element by element. Whatever the breadth and speed of the changes, one pattern is universal: the new systems introduce incentives for performance, put the customer in the driver’s seat, and shift power to organizations and employees. *Reinventing Government* described how to do some of this with the personnel and budget and finance systems (see pp. III/4-16 and V/29-33.)

### Putting the Puzzle Together

By the early 1990s, the British had so many reinvention strategies and metatools in play that it was causing problems. The emergence of three different initiatives, run by three different teams—the Next Steps Team, the Efficiency Unit, and the Citizen’s Charter Unit—confused public managers. Thatcher had created the Efficiency Unit, which had hatched the Next Steps initiative and put together a new team to implement it. John Major, who succeeded Thatcher, did not want to appear to be undoing Thatcher’s initiatives, so he left the Efficiency Unit and Next Steps Team alone. But he launched his own initiative—the Citizen’s Charter—complete with its own unit. All the while, the powerful Treasury Department continued sending out directives.

By 1992, department and agency managers were getting too many directions from too many places. John Oughton, who ran the Efficiency Unit, described the problem:

> There was a large element of confusion in the departments about where the central government’s priorities were. Treasury would come along and say, “What are your targets for privatization?” And then my predecessor would come along and say, “How are you doing on market testing and contracting?” And departments would sit there and say, “Well, which is really your top priority? Which do you want us to do first?” The answer was, they should be concentrating on all of this.
Finally, the government brought the three reform units together in a new Office of Public Service and Science, under a cabinet minister. (Responsibility for asset privatization stayed with Treasury and the departments.) But the new office could not speak with one consistent voice to the agencies until it developed an intellectually coherent framework that explained how the strategies and initiatives fit together.

This problem is common. Reinventors usually develop strategies in response to opportunities or urgent necessities, such as economic or fiscal crises. But as the British found, they must at some point learn to paint a coherent picture of their reform strategies, even when those strategies do not have a rational, orderly lineage. Unless you can create and communicate a clear, integrated explanation of your reinvention strategies, other politicians, managers, and the public will have great difficulty sorting out all the signals they are receiving.

British and other reinventors have dealt with this problem by developing decision trees—sequences of questions that not only illustrate how their different strategies fit together, but help them decide which strategy to use in which situation. The British version was developed for its prior options reviews, as we explained in chapter 4. Diana Goldsworthy, a former deputy in the Citizen’s Charter group, describes the logical sequence of questions it poses:

Why do you need to do all this? If you need to do it, does the government have to do it? If the government has to do it, does the government actually have to do it all itself or could it contract for somebody else? If not, can we organize it and structure it better so that we get a better product at a cheaper price?

This set of basic questions, Goldsworthy adds, gave the British initiatives “a sort of intellectual coherence, which has enabled us to present all these things as if we invented them yesterday as part of the same politics. And the truth is that, in a sense, we did ask those rather basic questions in that kind of order.”

In 1995, Vice President Gore’s National Performance Review published a similar decision tree, which we include here.
After examining these and other decision trees, we have developed our own, which reflects the strategies and approaches we have found to be most effective. It begins not with the program or function under scrutiny, but with the outcomes—the policy or program goals—desired by elected officials. (See pp. VII/17-18.)

This decision tree will help you cover all the strategic bases, as you analyze your system or organization and prepare your change strategy. It will help you use and align all five strategies.

Most reinventors, of course, do not have the luxury to proceed this logically. They start not with the first question on the decision tree; they start where they have the most opportunity to make change. When that works, they move on to the next opportunity. In the long run, however, leaders need to think strategically if they are to succeed in making fundamental changes. Someone needs to ask—and answer—these questions. Someone needs to determine how to move from one strategy to the next, how to engage all five strategies, which approaches and tools to use in which situations, and how to
align them so they generate the necessary leverage. This is one of the things that effective leaders do.

Ultimately, you cannot reinvent without this kind of leadership. You can manage an organization without leadership, but you cannot reinvent it. Joel Barker explains the difference in his book *Paradigms*.

You manage within a paradigm. You lead between paradigms. Give a good manager the system and a manager will optimize it. That is a manager’s job. It is called paradigm enhancement...But leaders ... determine that shifting paradigms is the correct thing to do, and, because they are leaders, instill the courage in others to follow them.
A Decision Tree for Reinventors

1. What are the outcomes we desire?

2. Should government play a role in producing those outcomes?
   If not, abandon, sell, or give away the existing asset, or eliminate the existing policy, regulatory, service-delivery, or compliance function.

3. Should government operate the activity?
   If not, what arrangement would be best? Reinventing Government listed 36 alternatives to public service delivery that policy managers sometimes use to achieve their goals. We have boiled these down to 14 options:
   - Contracting out
   - Regulation of private sector activities
   - Tax incentives or disincentives
   - Franchising
   - Subsidies to producers (grants, loans, equity investments, favorable procurement policies, favorable investment policies)
   - Subsidies to consumers (vouchers, tax credits)
   - Policies allowing use of public property
   - Risk sharing (insurance, loan guarantees)
   - Information for customers
   - Technical assistance
   - Demand management through fees or taxes
   - Persuasion
   - Catalyzing voluntary activity
   - Public-private partnerships

4. If so, which level of government should operate the activity?
   - National
   - State/Provincial
   - Regional
   - Local

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5. If government should operate the activity, can the public steering and rowing roles be uncoupled?
   If so, the options include:
   • Flexible performance frameworks
   • Competitive contracting systems

6. How should the organization be given incentives and consequences for performance?
   The options include:
   • Enterprise management
   • Managed competition
   • Performance management

7. Should the organization be accountable to its customers?
   If so, options include:
   • Customer choice
   • Competitive choice
   • Customer quality assurance

8. Where should control of resources and operations lie?
   • With policy makers and central administrative agencies
   • With the organization’s top managers
   • With work teams within the organization
   • With the community
   • With some combination of the above

9. How should we change the organization’s culture?

10. How do we need to reform our administrative systems to accommodate these changes?
    • The budget and finance system
    • The personnel system
    • The procurement system
    • The auditing system
All quotations that are not attributed in the text or in these endnotes are from interviews with the authors or their associates. Only in cases where there might be some confusion about the source of a quotation have we indicated in a note that it came from an interview.

**Chapter Twenty Four**


P. VII/2: “As it created executive agencies, the Next Steps Team made it clear ...”: Interview with Diana Goldsworthy, then deputy director of the Citizen’s Charter Unit, June 1994.


