

Editorial

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Performance management in public institutions after the Covid-19 pandemic. New paradigms between reforms and change processes

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Reflecting on models and techniques of strategic management of organizations and human resources is the priority objective of the Special Focus “Performance management in public institutions after the Covid-19 pandemic. New paradigms between reforms and change processes.”

It is intended to bring to the attention of scholars and experts a topic that has been, on and off, very successful, but which we do not believe enjoys proper relevance among scholars.

The extraordinary events of the past three years that have occurred internationally have certainly resulted in a state of fragility, at least potential fragility, of administrations and individuals. There have been exceptional events and equally exceptional responses to events by public institutions and human resources. Consider remote telework during the expansion and continuation of the Covid-19 pandemic. Undoubtedly, three years ago we would never have imagined that such large-scale “experimentation” and over such a wide time frame of remote work would be realistic. And it can be said that this trend is not reversible. There is a before and an after Covid-19 for people and, therefore, for systems to support the work organization, even when no new rules in labor relations have been introduced after the pandemic or, worse, when there has been a return - in terms of regulation - to the previous status quo.

Reforms and change processes are in the spotlight now more than ever, and performance management (Pm) can be a key pivotal element in changing the situation for the better.

A critical variable determines a fundamental substrate underlying the reflection on how one can innovate in paradigms on performance management, and it is related to the great impetus that is being given to technological and digital changes of work processes, dematerialization, reengineering of activities, and reorganization of relations between actors inside and outside institutions.

Remote work and the use of technology in the production of public services and the activities required for service delivery represent a point of no return and a non-neutral advance in redefining the technical substrate of an organization and the work division in institutions (for instance, think of the application of Ai to the Public Administration (Pa) and the role it is already playing). However, we would like to focus on performance management as a tool that can reshape, in a structured and rigorous way, the public institutions-human relationship (but also Pa-human-society if one wonders about a participatory evaluation open to external stakeholders) even after states of crisis or as they persist. Certainly, the issue of coherence among different instruments creating virtuous working conditions and measuring an individual or group contribution is highly topical. Human capital in public institutions deserves scholars and organizations to reflect on what has happened in recent years and propose mechanisms for a systematic remodulation of the experiments that have taken place, and perhaps not consciously fully intended, and the enhancement of experiences.

Reversals of trends that have been too long established, new paradigms, a new proacti-

ve tension to make an innovation leap, so badly needed today, is what we want to highlight with the Special Focus. We should also recall general phenomena in the world of labor that are ever-growing; they increased exponentially during the height of the pandemic, and are certainly alarming worldwide, such as staff resignations even before they have found a new job, the so-called *Great Resignation* phenomenon¹, or *Quiet quitting* (also referred to as phase two of the Great Resignations) i.e., “going out quietly” in which a motivational and performance “impasse” position develops, leading the person to “step back” while still not leaving the job.

Today, people, especially young people, i.e., the target audience most invested in, seek a work-life balance, opportunities for career advancement, transparent and real evaluation of acquired skills and investment in new skills, gender balance, and linear career paths as antidotes to the structural problems that affect many public administrations: continuous stress, burnout, and corporate turnover.

Reforms of public institutions, and consistent processes of change, do not seem to capture what is happening and what is fueling and as just evoked, what is changing the needs of public employees. More likely, the existing rules are consistent with the needs of public employees and state-owned companies but are not interpreted in the most congruent way. Performance and performance management can really be the levers to change public administration.

Performance measurement and evaluation systems in the public sphere, as tools to support organizational change and individual development, are raising an increasing interest for various target audiences, both internal and external to public administrations, but also to for society that is increasingly “equipped” to know and evaluate their actions.

Although scientific interest has historically emerged for a very long time, it is during the emergence of the New Public Management models first and Public Governance models later (in the last 30 years), that increasingly rigorous and systematic models began being adopted by public institutions for the production, use, reporting and management of performance information. This trend has accelerated by virtue of the introduction of Ict because it has become less costly -economically speaking; it is easier to collect and process data and information that are critical variables in building the performance management type approach. Overcoming the traditional model of bureaucratic control over the use of resources with a consistent use of the careful approach to increase the degree of autonomy in decision-making has been equally important. All this hastened the change from the traditional administrative model toward the managerial model focused on structuring mechanisms of accountability for the results achieved. Today, with the emergence of multilevel governance models and the enhancement of the role of stakeholders, attention to forms of participatory evaluation and self-assessment takes on a fundamental importance

1. Great resignations, in the United States, and around the world, in 2021; a mass phenomenon of 47 million people actually leaving their jobs.

in performance management and becomes a specific evolutionary trajectory.

Stakeholder involvement in the performance evaluation process is instrumental in pursuing the intrinsic purposes of performance evaluation systems (performance management)². Through such involvement it is possible to capture the various meanings that different stakeholders attach to the results achieved by the administration and citizens's trust in public administration.

It can be argued that the ability of public institutions to create value will depend on the rigorous structuring of Pm models that include, necessarily, a participatory evaluation; this will be the lever to operate by finally creating conditions of transparency and accountability among policy makers and public managers.

It is crucial that scholars actualize the concept of performance (organizational and individual) and performance management by defining the boundaries of innovative tools capitalizing on the experiments conducted by public institutions, especially during the Covid-19 pandemic.

In Pm, and during the stages of the performance cycle, including evaluation, it is important to govern time. The National Recovery and Resilience Plan³ can be a formidable driver to grow awareness among policy makers and management about the criticality inherent in governing time.

But it will be interesting to reason about the failures that empirical evidence has revealed or that emerge from applied research, including in Europe and elsewhere, as

well as the proposition of new paradigms consistent with new models of governance and management in public administrations in relation to institutional reforms.

In Italy, Pm is now at the center of a profound institutional reform process that involves public institutions at all levels of government with the Piao, Piano Integrato di Attività e Organizzazione (Integrated Activity and Organization Plan). This latter defines a two-way relationship between governance and planning, between policies and time governance. The question arises as to how Piao and, more generally, Pm can create real and lasting processes of change, what models of governance are most consistent with the enhancement of performance management, how processes of planning public action and consistent performance objectives can be created.

For decades, there has been a proliferation of administrative tasks required of public institutions, which slow down the execution of procedures and affect the quality of services to citizens. The Piao promotes actions aimed at simplifying the requirements placed on institutions and adopting an integrated logic to maximize effectiveness and renew procedures. The Piao could be a kind of "single text" of personnel policy planning, where the objectives of strategic positioning and development of activities, planning and management of the workforce, adjustment of organizational models, work and simplification of processes and improvement of transparency converge.

2. See Guidelines No. 4/2019 of the Department of Civil Service of the Presidency of the Council of Ministers (on participatory evaluation in public administration).

3. <https://www.mef.gov.it/en/focus/The-National-Recovery-and-Resilience-Plan-NRRP/>

The Piao may be an opportunity to rigorously rethink how goals, organizational models and systems of labor division are set. The purpose seems to be bringing together the various planning tools currently provided for by the legislation: Performance Plan, Operational Plan for Agile Work (Pola), Three-Year Plan of Personnel Requirements (Ptfp), Three-Year Plan for Prevention of Corruption and Transparency (Ptpct), etc., and “absorb” them into a single planning and control document.

The Piao can also be seen as a Pm tool built around a “simplified” logic; it brings together all the planning that has so far been included in the plurality of instruments that, in some ways, have represented “isolated areas” of planning that never meet and do not integrate with the individual institution. Although future-oriented, given the three-year time horizon defined by the legislation, the Piao cannot disregard the present and past of each individual institution. It shall, therefore, be accompanied by the analysis of the tools, first and foremost, of performance management already in place, necessary to understand also the compatibility and potential contextualization of what is in place. Although the Piao is considered a simplification tool, it should

be specified that this management and organizational tool, requires the contribution of top political and administrative structures in building coherence between public policies and management actions: a model of reorientation towards a logic of planning and governance.

The Special Focus is an initial response to areas of investigation needed if leadership is to be considered as a distinctive trait in relation to the goals and tools of performance management. In Italy, performance evaluation has been considered, for too long, an activity to be objectified, mitigating accountability in the interpretation of results by managers as well as their ability to manage people to lead them to achieve results⁴. The rules of leadership, and the direct connection between soft skills and rigorous performance management architectures, will in the future be an important guideline for contextualizing the Pm approach in public institutions and developing coherent models of corporate welfare.

It is absolutely necessary to create a synallagmatic relationship between performance measurement and evaluation, and leadership interpretation can be the missing link in this respect.

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4. The Civil Service Department, in promoting Pm with the Piao, pointed out the critical issues existing in the country -poor quality of objectives and indicators, limited integration with the economic-financial planning cycle, limited involvement of key decision makers, limited ability to select relevant content, management control systems not well developed, limited attention to periodic monitoring, limited use of external or participatory forms of evaluation, involvement of the Internal Evaluation Body- that should be overcome both on the level of so-called organizational performance as well as on the level of individual performance -high system cost in case of assigning goals to everyone, poor quality of goal communication processes and inadequate management styles, low ability to differentiate between performance and tendency to fully achieve goals, delays in the conclusion of evaluation activities, weak link between evaluation and other personnel management processes, criticality of the direct link between performance evaluation and economic rewards.

Hopefully, scholars will design and enhance rigorous management rules aimed at combining: the complexity of administrative and management processes; results of public employees and organizational performance; strategic planning and organizational performance; and the relationship between input, output and outcome to “put the stakeholders of final public services at the center”.

In accordance with the multidisciplinary approach and the critical and purposeful outlook that characterizes RIPM’s vision, this issue deepens the examination, already conducted in previous issues, of performance measurement and evaluation systems in the public sector as tools to support organizational change and individual development.

The two contributions in the “Special Focus” section explore the notion of performance (organizational and individual) and performance management starting from experiments conducted within the public institutions to which the authors belong.

The first contribution is entitled “Expectation-based performance evaluation: behavioral investigation for the identification of existing biases and the drafting of possible interventions”. It presents the empirical evidence from a statistical-behavioral analysis of the performance measurement and evaluation system of the Istituto Superiore per la Protezione e la Ricerca Ambientale (Ispra). Taking this latter as a case study, the authors (Marzo, Cafaggi and Colasanti) point to some lines of reflection in “understanding the incidence of systematic errors of judgment and ways in

which such cognitive errors influence individual performance evaluations in public sector organizations.” They started from the basic idea that “our decisions are largely affected by errors in reasoning, and thus in judgment”; the methodological premise of the proposed research trajectory is that “the presence of bias distorts the evaluation process.” The behavioral analysis carried out, and the examination of the relationship between the organization, the evaluators and the evaluated and their expectations, show “some weaknesses in the evaluation process”. It is suggested, with an eye to the future, to adopt “an experimental implementation (...) making some changes to both the tools used and the entire evaluation process and monitoring the effectiveness of such behavioral interventions carried out in parallel with a training course on performance evaluation.”

The second article in the Special Focus is entitled “Organizational change and acceptance of the performance measurement and evaluation system by technical-administrative staff at an Italian public university” and uses the case study method. Specifically, the paper aims at “detecting the degree of acceptance of performance measurement and evaluation systems by the technical-administrative staff of a university,” specifically the university of which the Authors (Nisio, Pallini and Romanazzi) are members. In the methodological introduction, it is pointed out that at this institution, the University of Bari Aldo Moro, processes of introduction and evolution of performance measurement and evaluation and a new organizational model were “contextually developed.” The research

hypotheses are based on a questionnaire administered, over several years, to the target audience. The survey results confirm the relationship between the perception of the performance management system and the organizational model. In addition, they show how “the effective functioning of a performance measurement and evaluation system cannot be separated from sharing the institution’s strategic objectives with the staff who, through the individual objectives assigned to them, contribute to their realization.”

In the dialogues section of the Journal, the essay “The Smart Contract Hypothesis in Public Administration. Governance Arrangements of Digital Innovation,” focuses on two preconditions or contextual factors that can positively contribute to an extension in the public sphere: “the national governmental programmatic model and the gradual incorporation by our legal system of the blockchain technology model.” After reviewing the digitization of the Pa in Italy and the “technological revolution” of the blockchain network, and an analysis of the technical and regulatory structure of this “smart” contract, the Author (Spina) highlights the “operational advantages” that could arise within the framework of the national system of public contracts. While “the path of implementation of smart contract in the Pa is still in the making,” critical profiles of security, identity of the parties and protection of computer data are highlighted in the conclusion, suggesting possible and future in-depth analyses.

The same section features another article, “National Strategy of Inland Areas and Optimal Civil Protection Spheres: a pos-

sible synergy for increasing territorial resilience”, following up a theme already covered in the Special Focus of Vol. 3 No. 2 | 2020 of the Journal. The contribution relates -identifying points of contact (existing or implementable) between them - two governance models: the national strategy of inland areas (Snai) and the ideal territorial and organizational spheres of civil protection. The proposed method is based on the “performance-based approach, that is, it identifies a set of territorial resilience indicators that allow to verify (...) the effectiveness of the measures adopted.” The author (Berni) focuses on “some concrete and real case studies related to the Umbria Region, a territory that has gone through different tests in recent years” in the macro-themes of reference (Snai, optimal areas, resilience indices).

The Close-up section of the Journal features an article entitled “A Model of Cultural Intelligence and Social Participation to Improve the Effectiveness of Public Policies in Italy”. It presents a model of “Cultural Intelligence - CI, Governmental Intelligence - GI, and Social Participation - SP (Cigisp)” to improve the effectiveness of public policies. According to the Author (Trindade De Angelis), this model allows to identify “how learning by comparison with other values, beliefs, and assumptions (CI), and the use of KM-GI Practices, leads to a better quality of social participation.” It provides “a strategy for improving the quality of social participation by opening the process of creation of knowledge and decision-making. The internal actors should also go through a process of learning with other cultures, which is fundamental in an increasingly globalized and complex wor-

ld.” This model shows that “the exchange of knowledge between state and society, fueled by learning from other countries, can shift the focus of government action toward the supremacy of the public interest and effectiveness of public policies, which automatically reduces corruption.”

The contributions in this volume, with dif-

ferent points of view and an extensive use of the case study research method, renew RIPM’s attitude to build an open discussion, providing new proposals, and opening up avenues for research and action, even with respect to issues, such as precisely the one covered in the Special Focus, that do not enjoy their proper significance among scholars.