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FROM MECHANIC TO RESPONSIVE PERFORMANCE-DRIVEN STEERING: A CHANGING BALANCE BETWEEN CENTRAL GOVERNMENT AND INSTITUTIONS

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Abstract

The government intends to steer through performances. While this was first predominantly organised through output financing and accountability, in more recent approaches performance-driven steering is based on mutually approved expectations. This forms the basis of the policy trajectory ‘Steering by ambitions in secondary VET’. Unfortunately, very little has actually changed because this policy trajectory did not take earlier experiences into account.

Whether institutions possessed sufficient ability of performance steering to transform ambitions into performances has not been considered seriously. Analysis of the intended policy trajectory on the basis of five dimensions clarifies the strengths and weaknesses of policy trajectories based on performance-driven steering.

1 Introduction: Shifts in government steering

A shift in steering by the government can be seen in many countries. Pollitt & Bouckaert (2004) distinguish four basic strategies concerning this shift:

- To maintain: this refers to the tightening up of traditional controls: restrict expenditures, freeze new hiring, run campaigns against waste and corruption, generally squeeze the system of administration and law,
- To modernize the administrative system: bringing in faster, more flexible ways of budgeting, managing, accounting and delivering services to their users,
- To marketize the system: the introduction of more competition in order to increase efficiency and user-responsiveness. For this purpose the culture, values and practices of the market sector are being used. These features are closely connected to new public management (NPM),
- To minimize the administrative system.

All these four strategies are apparent in the Netherlands¹. For the purpose of this paper we intend to take a closer look at the policy trajectory ‘Steering on ambitions’, initiated by the ministry of education. This trajectory particularly uses the marketize and minimize strategies.

¹ We refer to Pollitt & Bouckaert (2004, pp. 271-284) for an overview.

If educational institutes in the Netherlands fulfil certain conditions, they can obtain government funding. The government is roughly responsible for the accessibility, quality, efficiency and effectiveness of the national educational system while educational institutes should try to realise these goals in their own manner at local or regional level. The various lines of responsibility are constantly under pressure. For some time we see that the relationship between government and institutes financed by the government (such as schools) a development characterised as ‘government is being replaced by governance’. The government is reducing its activities to the major tasks, which allow the societal activities more freedom. The influence through control for input, regulations and (financial) conditions has changed into the facilitating and creation of frameworks and settings by the government through performance driven steering. This means in short, a shift from control by regulations towards performance-driven steering. This shift is clearly visible in the policy trajectory ‘Steering by ambitions’.

2 Steering by ambitions

Currently, the general directions of the current policy approach of the governing towards education involve the following. In order to operate and innovate schools need a maximum space. Through their larger scope of autonomy schools can operate on the basis of demands of parents and students, and are more able to anticipate at economical and societal developments. Schools can position themselves as societal enterprises. The backlog of larger autonomy is that it coincides with increased accountability. Accountability should be provided vertically, e.g. towards government and education inspectorate, but also horizontally, towards the environment of the school. Parents and students are the first targets for horizontal accountability. In the VET-sector² should subsequently be considered local or regional companies. The government plays a role in the definition of policy ambitions, which should be translated into performances, as should be delivered by the institutions. Institutions should be accountable for their performances.

The VET-sector has been featured by a system of output financing since many years, on the basis on the number of passed exams. In the last period, we see attempts of the government to achieve performance-oriented agreements with a sector as a whole.

The focus shifts from financial indicators into societal indicators, such as reduction of drop-outs, strengthening of social cohesion and the intensification of life-long learning. Control by the percentage of graduates is strongly directed by efficiency-considerations, while steering through societal indicators is influenced by the accomplishment of the Lisbon-intentions, with the strengthening of the European knowledge economy and social cohesion as key objectives. These activities attempt to make vocational education more attractive (accessibility and quality). Intention is to provide a more elaborate view of the performances of the vocational sector as a whole, towards the central government as well as the environment. Agreements about these performances should be considered the foundation for accountability. The idea is that an adequate accountability of performances should lead to a decrease of other – specifically vertical- activities for accountability. An example of such a policy trajectory is ‘Steering by ambitions in secondary VET’.

The VET-sector should be considered a test case for the design of social indicators. The Dutch government chooses the activation of regional partners as a major starting point. In

² VET stands for vocational and adult education

order to get going a limited number of social indicators have been chosen: ‘the attack on drop-outs’ and ‘lifelong learning’. The central government as responsible body for the system of (vocational) education formulates national ambitions which provide a direction for VET institutions and their regional partners (mostly companies) to draw up regional performances. VET institutions should guide these intentions. The central government suggested that outcomes could vary per region, depending on the regional context.

The government sets an essential framework and is consequently involved with the outlines of the VET-sector. For that purpose, the government defines national ambitions concerning political and societal priorities which provides direction for the performance of individual institutions. This enables the government to effectuate performance-driven steering. The minister is responsible for the system as a whole and is accountable for the creation of scope, frameworks, conditions and sufficient *checks and balances*.

These starting points have been explained in the ‘VET Course’ (Ministerie van OCW, 2004). This document contains an invitation for the VET institutions to formulate their own ambitions and those of their regional networks, in relationship to the national ambitions. The national ambitions are based on the Lissabon agreement and involve e.g. a limitation of dropout percentages and lifelong learning.

The implementation of the policy trajectory

In order to become acquainted with the new way of working, regional conferences have been organised for the VET institutions. The VET institutions used these conferences to express their objections to this new way of working. Their major objections involved: insufficient understanding concerning the desirability of the process, lack of consultation between the Ministry and institutions, difficulties with consultations at regional level, inaccurate benchmarking, doubtful indicators and fear for increased accountability.

Considering the implementation of performance-driven steering through the government VET-institutions play a crucial role (Ministerie van OCW, 2004). The institutions are ultimately responsible for the ...actualisation of the local ambitions. For a long time, educational institutions simply carried out government policy. Currently, VET-institutions are developing into enterprises with increasing scope to make their own decisions in order to shape public educational goals. Particularly in the VET-sector should educational institutions be more open for an entrepreneurial approach, which involves performance-driven steering. Performance-driven steering could evidently be easier implemented if educational institutions are featured by performance-driven practices. If the government intends to succeed in its purposes to realize performance-driven steering as a policy philosophy, educational institutions should take that into account, emphasizing the mutual relationships between government and institutions. This also accounts for performances. The question is whether educational institutions actually work on a performance-driven basis is therefore crucial. Consequently, it is important whether the government considers this issue as important and is aware that steering through ambitions by the government benefits from educational institutions, who steer on the basis of ambitions and performances.

3 Research questions and methodology

Central questions of this paper are:

- whether the trajectory 'Steering by ambitions' fulfilled the agreed intentions and how its implementation fits with the two opposite approaches of performance-driven steering distinguished: mechanic versus responsive steering?
- whether educational institutions in the VET-sector practice performance-driven steering, and if so, whether we can speak of mechanic or responsive steering?
- did the government during the implementation of the policy trajectory 'Steering by ambitions' take into account the possibilities of the VET-sector to transform ambitions into performances?

The two ideal typical approaches have been developed on the basis of an analysis of dimensions which are important for the organisation and implementation of performance-driven steering. International experiences in the public and private sector with performance driven steering have been investigated and explored. Supposedly, policy trajectories based on performance-driven steering are more successful if they contain more elements of the responsive approach. Success appears from the absence of dysfunctional effects³.

Analysis of the policy trajectory 'Steering by ambitions' and its characterisation in the light of the two approaches took place on the basis of policy documents, letters to the House of Representatives of the Dutch Parliament, reports from the Educational committee of the House of Representatives, presentations at meetings concerning this policy-intention. In addition, interviews have been held with employees of the two major actors in this field, the Ministry of Education, Culture & Science in the Netherlands and the Dutch council for vocational education and training and adult education.

For the answering of the second and third research question investigations in four VET-institutions have been used (Van Esch, 2005; Biessen, Kleuskens, Van Esch 2005). This research can be characterized as explorative. Earlier contacts with these institutions helped us to determine whether the institutions were already involved in performance-driven steering, as it makes little sense to include institutions which are not involved in performance steering. The four selected cases are all in a different stage of the implementation of performance-driven steering and show a variety in performance aspects. A general interview guide had been distributed to the respondents prior to the interviews. The interviews have been transcribed and were consequently sent out to the respondents for authorisation. Eleven interviews were held with a member of the Board of directors, a sectordirector, an unitdirector, a financial director, one controller, one director servicebureau, a coordinator qualitycare, teamcoordinators and a financial staff member. In addition to interviews, documents have been examined, such as the strategic policy plans, financial plans, quality care documents. For the analysis of the qualitative material a so-called site-ordered descriptive meta matrices by Miles & Huberman (1994) has been composed. Such a matrix 'contains first-level descriptive data from all sites, because the sites are ordered according to the main variable being examined, so that one can consequently see the differences among high, medium, and low sites. Thus it puts in one place the basic data for a major variable, across all sites'. Our central variable is naturally performance driven steering.

4 Mechanic versus responsive steering

On the basis of an international literature study (Van Esch & Teelken, 2005) an overview has been composed from dimensions of national and international experiences with performance-

³ This hypothesis could not be tested in the current analysis.

driven steering in the private and public sectors (Neely et al., 2004). The five dimensions playing a role in the nature of performance-driven steering by government and which are possibly crucial for a successful outcome can be indicated as following: the characteristics of the actual **steering**, originating from a clear mission and vision, the chosen **perspective** (learning versus controlling), **commitment and support** by the subjects of performance-driven steering, the embeddedness in the **organization and culture** and the way actual **measurements** are being executed. Theories on performance-driven steering and performance management (e.g. Neely et al., 2004) provide two opposite approaches, which we have named mechanic and responsive approach. The five dimensions have been elaborated into a number of aspects. We have characterised each of these aspects with responsive versus mechanic approach. A typology of these two approaches, based on the 5 dimensions and its underlying aspects can be found in table 1.

This has led to the following overview.

Dimension	Aspect	Mechanic	Responsive
I Steering			
	Mission and vision	Multiple	Single
	Vision at public services	Single value	Multi-value
	Vision at type of performances	Accent at operational performances	Different types of performances are relevant
	Vision at product or process approach	Product and process are unrelated	Product and process are directly related
II Perspective			
	Controlling/learning	Accent at controlling	Accent at learning
	Benchmarking	Independent of context	Context-related
III Commitment and support			
	Relationships between actors	Principal-agent	Partnership
	Management	Central role	Co-actor
	Professionals/‘operational core’	Play hardly a part	Co-actor
	Stakeholders	Play hardly a part	Co-actor
IV Organisation and culture			
	Steering	Top down	Top down bottom up
	Division of responsibilities, direction	Multiple	Single
	Decision making style	Dictate	Dialogue
	Performance-oriented culture	Barely developed, emphasis on regulations	Present
	Facilitating	Hardly	Transparent
	Communication	Monologue	Dialogue
V Measurement			
	Transparency: SMART performance-indicators	Important	Important
	Fit with existing performance infrastructure	Important	Important
	Flexibility	Barely relevant, Comparability is a major issue	Relevant, recognition of indicators is crucial.
	Collection of information	Limited	Extensive

Table 1: Two ideal typical approaches for performance-driven steering

Learning is central in a responsive approach, while the mechanic approach emphasizes inspection. Highlights of mechanic steering are quantitative results, directed from a management viewpoint with limited attention for support by professionals, as the responsible group who should ensure the realization of the intended outcomes. Only limited attention is paid to the meaning implied by these outcomes and the required cultural change. This form provokes so-called perverse effects: numbers and behaviour are manipulated in order to achieve the appearance of certain results.

Opposite mechanic steering we can place responsive steering, which also encourages achieving realistic, transparent outputs. However, another point of view is being used. Responsive output-oriented control is based on learning. Question is: how can we construct processes and procedures in such a manner as to achieve the intended results? Management plays a crucial role in this form of control, but they are in closer cooperation with professionals and draw the stakeholders into the further process. There is scope for dialogue, for cultural change and for financial investments.

5 Performance-steering: the national policy level

Analyses resulted into the following outcomes. Primarily, that the intentions of the central government through the policy-intention ‘Steering by ambitions’ have not been accomplished. How did that happen? We emphasize here on the major dimensions from the scheme. An application of our dimensions of performance-driven steering to the policy trajectory led to the following results, which are clarified in table 2.

	Score	Explanation
I Steering		
Mission and vision	6	Mission and vision are comparatively clear for the government. Most of the other actors wanted to discuss the desirability of the trajectory.
Vision on public services	6	During the course of the policy trajectory, understanding for its multi-value character increased.
Vision at sorts of performances	4	Focus on operational results, little attention for other sorts of performances.
Vision at product process approach	5	Initially emphasis on product approach, more attention for the process approach in due course.
II Perspective		
Controlling/ Learning	7	The learning perspective dominates. The actual shape is still unclear.
Benchmarking	7	Benchmarking has been accepted during the process, institutions compare themselves with similar institutions.
III Commitment and Involvement		
Relationships between actors	5	The relationship between government and institutional steering is tense.
Management	0	Policy trajectory is being carried out between administrative and management level.
Professionals	0	Professionals play no part in the trajectory.
Stakeholders	4	Involvement of stakeholders should still start to develop, although their role of co-actor has been recognized.
IV Organisation & culture		
Direction of steering	4	Initially the direction of steering is generally top-down. The administrative desirability of the trajectory has not been argued sufficiently.

Division of responsibilities, direction	5	Division and role are transparent to a limited degree only.
Decision-making style	5	During the trajectory more scope for dialogue appeared.
Performance-oriented culture	?	On the basis of currently available resources, little can be said.
Facilitating	0	No facilitating, because the Ministry assumes that the trajectory does not result in further efforts.
Communication	5	Initially one direction, during the trajectory more possibilities for dialogue.

V Measurement		
Transparency: SMART performance-indicators	?	Difficult to score, plays a part in both approaches
Fit with existing performance-infrastructure	?	Difficult to score, plays a part in both approaches.
Flexibility	?	On the basis of currently available resources, little can be said.
Collection of information	6	Achieved more richness through addition of regional process descriptions.

Table 2: Application to the Policy Trajectory (range: from mechanic (0) to responsive (10))

Concerning the condition ‘relations between actors’ (under commitment and support), the government took action from a considerable principle-agent perspective by supposing that the trajectory had been communicated through policy documents and letters to a sufficient extent. There has been technical consultation between administrators of the ministry of Education (ECS) and staff members of the VET Council, but no dialogue was carried out at a policy or strategic level between the VET-institutions and the ministry, nor was investigated whether the VET-institutions possessed sufficient ability to carry out performance steering to transform the national ambitions into regional performances (or ambitions). During the meetings it appeared that the management of a number of VET institutions did not support this policy trajectory. Mission and vision happened to be transparent for the national government, but certainly not for other stakeholders. Even more discussion emerged from other, more operational aspects, such as the choice and materialization of performance-indicators. Other dimensions concerned the cultural sphere. The relations between VET institutions and the government were under pressure from a number of fraud cases at some of these institutions. However, until so far the VET institutions have agreed through their Council with a benchmarking on a limited number of indicators.

When choosing the dimensions mechanic-responsive steering can be concluded that the purpose of the government initially was more directed at mechanic control. After the government started the dialogue with the institutions, the method of working obtained less mechanic features. At the same time, a few crucial features of the trajectory such as regional agreements concerning performances have been formulated less solid.

It is very valuable that the government emphasized mutual learning through this trajectory and that energy is put into the improvement of a trustworthy relation. In addition, the ambition has been clarified that performance-driven steering should be seen in the light of horizontal and vertical accountability. If institutions can prove that they are able to steer through transparent

performances and maintain an accurate system of internal and horizontal accountability, vertical accountability can be reduced.

Current state of the trajectory

In view of the objections of the VET-institutions and the VET-Council and in consultation with the minister of education, the VET-Council, the regional partners and the VET institutions a different approach has been developed. The performance indicators as suggested by the government are reviewed in discussions with the VET institutions.

This has led to the following intentions:

- The VET-Council will carry out a benchmark, using the performance indicator which was considered most reliable and valid: the number, percentage and level of graduates. This should result in a public benchmark in 2007, which sustains the original idea of transparency.
- Awareness of complexity of regional cooperation when formulating ambitions and more attention for financial matters.
- The construction of a new policy agenda for 2005-2010, emphasising competencebased vocational education, innovation and transparent governance.
- More autonomy for the individual VET institutions within the general frameworks of accountability to carry out their intentions.

6 Performance-steering: the institutional level

Previously, performance driven steering was considered from the perspective of central government. The government expresses national ambitions which should be translated by the VET-institutions into performances. In this sense we can speak of a mutual dependency: VET-institutions depend for funding and legitimation on the central government, which depends consequently on the cooperation of the educational institutions if and to what extent they convert these national targets into activities. Working with rules and regulations resulted into relatively dependent institutions, while they were expected to act more independently and more entrepreneurial in the current knowledge society. Performance steering by these institutions should be considered a crucial element of such an enterprising culture. The central government relies more on inducement and persuasion instead of rules and requirements. Institutions should further develop their ability for performance steering, which involves their capacity to manage their organisations in such a way as to steer systematically and integrally at the performances. We propose in this context that an organisation according to the responsive approach creates the most adequate conditions for the actualisation of ability for performance-driven steering.

The research carried out at four VET-institutions investigates if and to what extent we can speak of performance-driven steering. The following research questions can be distinguished:

- a. to what extent do the four educational institutions utilize performances when steering their organisation?
- b. do they take a systematic approach?
- c. for which areas are performances formulated? Are these areas mutually connected?

In table 3 the four VET-institutions are being compared on the basis of five dimensions, consequently, our research questions can be answered.

Concerning the first question can be stated that the four VET-institutions differ in emphasis which can be explained in different direction of performance steering. None of the VETs fulfils the conditions of performance steering in its most extensive form, responsive performance steering. Two out of four strive for this ultimate goal, but performance steering is still under development, as most aspects should be further progressed. The other two VETs should still be placed at the mechanic side of performance driven steering.

Educational institutions strive for multiple goals and operate in an increasingly dynamic environment. This environment is quite remarkable no explicit part of the formulation and actualisation of the intended performances. This environment does not necessarily take a stimulating part in the achievement of performances for the VETs. One of the four VETs has to deal with the problem that a few courses are sabotaged by private enterprises. The institutions intend to carry out their courses more based on competences, while the private enterprises want to maintain a more traditional curriculum.

Internal commitment (by teams, or the primary process) with performance formulation and realisation is still very limited. Performance driven steering should still be seen as a mainly top-down oriented

The second research question involves: do institutions carry out performance driven steering in a systematic fashion? Establishment of performances is still carried out mainly on the basis of partial processes, an important demand for performance steering to be effective. Larger performances in the area of innovation (education) should involve more budgetary scope (finance). The fulfilment of important preconditions such as a performance-oriented management information system and performance-oriented quality care is still under development. Quantitative performance indicators form a too limited basis. Intention is to learn from the failure or success of achieving these performances.

Two out of the four researched VETs tried to implement performance driven steering in a systematic manner. If all crucial elements can be carried out at once is quite an imaginary expectation. However, these two VETs showed a clear initiative to use the four perspectives of the Balanced Score Card as a framework which can be used as a basis to formulate indicators. The four perspectives (financial, clientoriented, innovative and internal processes) should still be balanced between one and another.

For all four VETs (including the two who maintain a less systematic approach) can be said that the outside world plays little part in the formulation of proposed performances or evaluating the achieved performances.

At which area can performances be formulated? Are these areas mutually connected? This concerns the third research question. Performances are being formulated in a number of areas. It often involves well known performances such as the percentage of absence through illness or carrying out a performance interview with every employee, or the well known percentages for input, throughput and output performances, or the percentage of cancelled lessons concerning the primary process. The two VETs which take a more systematic view on performance steering can be considered as making a serious attempt to formulate indicators from several perspectives, although these are often easy to measure and obvious indicators. With these VETs we see intentions for quality care as a central instrument for improvement. In one of the VETs are developments in the direction of learning organizations indicated as variables such as 'teams carried out a selfevaluation before a certain date' or 'teams composed a teamplan before a certain date'.

On the basis of analysis of performance steering through four VET-institutions the following conclusion can be drawn. VETs have started with performance steering and this is quite a struggle. Performance steering focuses mainly at the top, and has not yet landed at the workfloor. Performance steering can potentially stimulate organizations to focus at the core activities. There is an extensive variety of performance steering activities between and within VETs.

Education has a multi-value character, which should be considered the greatest challenge for the organisation of performance steering systems. Performance management should not be reduced to management by number. There are difference in speed between management and operating core concerning the implementation of performance steering. The central level fears to be considered as a new control unit. Performance steering takes place at different fields and at different levels, without clear connections between the levels and a clear understanding of the organization.

None of the VETs consider stakeholders as partners in results. It is not always clear what can be seen as results, e.g. reduction of dropouts or the improvement of continuous learning.

In general can be concluded that the four VETs are still working on the basis of mechanic performance steering approach, a lot has to done in order to develop into a more responsive approach. There are, however, differences between the VETs, two of the four cases have developed further into the more responsive approach.

	VET-institution A	VET-institution B	VET-institution C	VET-institution D
I Steering				
Mission and vision	Performance steering has developed partially. Elements are: primary process, innovation, quality care, planning and control cycle. The elements are uncoupled, there is no overall vision.	A change of perspective from supply to demand oriented (= participant oriented and competence directed learning). Leading questions: what are we able to do, what do we want, what are we allowed?	Perspective is demand oriented. Depending on framework provided by the government can the individual choices be made. Students maintain a central place with help of a powerful learning environment and optimal support by employees.	Institutions are positioned as enterprising, result-oriented and learning organisations. This positioning becomes apparent in the four perspectives of the Balanced Score Card.
Vision at public services	Educational performances are multifunctional: societal, economic, individual.	Multifunctional concerning the public task, this is different for external activities.	Educational performances are multifunctional by definition.	See also C
Vision at type of performances	Different types of performances, the emphasis lays on operational performances.	No explicit vision	Different types of performances required to justify a multifunctional tasks.	See also C
Vision at product or process approach	The management adheres to the product-oriented vision. The organization is managed and controlled from a 'helicopter' perspective.	Product vision is dominant. Idea of cockpit.	Product vision dominates, but there is also attention for the story behind the numbers.	See also C
II Perspective				
Controlling/learning	Emphasis lays at controlling in the sense of monitoring, whether organisational goals are achieved, learning is not systematically implemented (yet).	See also A	Information system works like a cockpit with several indicators. Continuous monitoring if interference is required.	Emphasis lays at controlling, intention is to enable reflection.
Benchmarking	Comparison with other institutions does not happen yet, but may be an option. Question is: what do you compare with what?	Not applicable	Not relevant (yet)	Not relevant yet. Intention is to organise their own system first.

III Commitment and support				
Relationships between actors	Relationships are determined by the management	See also A.	Initiative lays with the management, other actors within the institution are being considered.	See also C.
Management	Commitment and support from management are extensive.	See also A.	See also A.	In addition to commitment and support by the management, there should also be more support from the operating core. This deserves further attention.
Professionals/‘operational core’	Limited understanding of the fact that the realisation of performances should occur through the ‘operational core’	Input of ‘operational core’ is marginal. Development towards increased teamresponsibility visible.	The importance of involving the operational core into the performance has been understood by the management. The next step is to transform these insights into activities.	It is the explicit intention to involve the operational core with the performance system.
Stakeholders	Play no role in the formulation of performances and accountability for these performances.	A ‘clientday’ is being organised to investigate requests from external stakeholders and implement these into the organization.	Stakeholders do not always contribute to the actualization of the performance goals. E.g., educational institutions intend to implement competence-oriented education, while parts of business community prefer traditional teaching.	Stakeholders are not in the picture yet. Institution intends to organize things internally first.
IV Organisation and culture				
Steering	Partly top-down (develop frameworks, allocate budgets), partly bottom-up (putting in details, operational aspects).	The topmanagement provides frameworks and sets norms. These are consequently established with lower management in a contract. Lower management settles arrangements with teams (e.g. concerning cancellations of lessons), but this does not work very	Topmanagement sets the framework and the direction. Decentral units are responsible for putting in the details and adjusting of the educational and innovative policies.	At central level directed from the BSC-approach. The central level determines the result areas and the norms. There is scope for differentiation in norms and for steering at the level of the operational core.

			well yet. The norms are settled for all teams, the differences in contexts are not taken into account.		This still be further established.
Division of responsibilities, direction	Quite unambiguous: goals for performances are settled at central level and are subject of talks with sectors and units.	Quite unambiguous, but also biased.	Quite unambiguous: the top sets the frameworks and provides decentral units budgets for putting in details and adjusting of the educational and innovative policies.		Quite unambiguous, see also C. Division of responsibility may vary between ...
Decision making style	The management determines the nature and the extent of the goals and performance arrangements.	See also A.	Management decides after consultation with the lower levels.		Management decides after limited consultation with the lower levels.
Performance-oriented culture	Some early ideas. E.g. staff policy is gradually changing from 'being entitled to' towards 'being paid for what you deserve'. A transformation of a regulative culture towards a performance culture is a gradual, long lasting process.	Barely any evidence of presence	Some starts.		The development towards a performance-oriented culture is not being considered as an essential problem.
Facilitating	An innovation fund is available, performances (achieved results) play a role.	Barely any awareness for the implementation of a performance system should be facilitated.	Performance systems should be facilitated. Intention is to organise secondary processes in such a way as to facilitate the primary processes.		See also C. The use of the BSC suggests that the secondary processes facility the primary processes.
Communication	Emphasis on monologue: management communicates with sectors and departments. Provision of information goes according to 'cockpit' principle.	See also A.	No possibilities for input from operational core in communication. Attention is paid for whether operational core can handle performances.		See also C. Institutions assume a levelled communication: topmanagement communicates with middle-managers, and these communicate with coordinators and operational core.
V Measurement					
Transparency: SMART performance-indicators	Four clusters of performance-indicators are being used: financial, in- and outputnumber, staff, innovation. Indicators are still under development.	Transparency is still limited.	Importance of transparency is being recognized, is still in development.		Institutions maintain a system of transparent indicators. These involve: the students, the organization of teaching, supervision of students, teaching outcomes, staff,

					societal and economic role.
Fit with existing performance infrastructure	Measurement procedures are carried out as much as possible in the existing performance infrastructure. This infrastructure is still under development, there is no unambiguous management information system currently available. There are no links between quality care system and the planning and control cycle.	Current performance infrastructure is still very fragmented. Performance arrangement in management contracts are not connected with the budgeting cycle. There are no links between quality care system and the planning and control cycle.	Performance system is related to the qualitycare system.		Institution considers the BSC as a system at management level, quality care as a system at operational level.
Flexibility	Not relevant yet.	Not relevant yet.	Not relevant yet.		Not relevant yet.
Collection of information	Limited, is connected with existing channels of information. Operational core is hardly used as a source of information.	See also A.	Quite extensive, different instruments are being used, such as audits, selfevaluation, and (external) questionnaires.		Quite extensive, a variety of quantitative and qualitative instruments are being used.

Table 3: Typology of 4 VET-institutions on performance steering aspects

7 Conclusions and recommendations

The government intends to use performance-oriented steering. The progress of the policy trajectory 'Steering by ambitions' has not been very prosperous until so far. We have found an explanation for this slow progress in the national and international literature concerning performance-oriented steering in the private and public sector. We came across five dimensions that influence the implementation of performance-oriented steering. These dimensions should not be interpreted in a static manner; they do not guarantee success on a preliminary basis, although it is likely that undesirable consequences may appear if they are neglected. On the basis of our analysis we draw the following conclusions:

- **steering** and management of a performance-driven trajectory should occur on the basis of a clear mission and vision, based on the multidimensional character of public services and based on the mutual agreement between the central actors. Public organisations should aim at several (societal, social, economic) values in a field of conflicting interests. This accounts for educational organisations as well as other public institutions. Performance-driven steering in educational organisations should not be limited to just a few, easy to measure, one-dimensional values. If performance-driven steering does not take the context into account, there may be a great risk for unintended or dysfunctional consequences. The nature of dysfunctional behaviour has been sufficiently mapped, it is therefore more interesting to determine how such behaviour can be avoided or reduced to acceptable proportions. Taking the context and process into account reduces the chance for such consequences.
- a learning **perspective** involves more opportunities for success than a controlling perspective. The policy trajectory 'Steering by ambitions' intended to shape the conditions during the trajectory and learn from it at the same time. The weak communication concerning the trajectory and the vague conceptualisation of a learning perspective resulted into the fear by the institutions that control and accountability would eventually dominate. Well-meant intentions were deteriorated through half-hearted communication and information, it took a lot of energy to reduce the evolved distrust.
- **commitment and support** should not be limited to the administrative and management levels, but should also involve the professionals and involve a dialogue with central actors and stakeholders. Managers quite commonly suppose that they compose a system of performance-driven steering, the operational core will copy this system automatically. They do not realise that the operational core is bound to have an information backlog. As the implementation of performance steering should not fail prematurely, the management has to communicate the system with the operational core. A system for performance-driven steering should not be composed in an improvised manner, but should be preceded by a balanced process of strategy formulation, choosing critical dimensions, formulating of realistic and reachable performances and the choice for possible results (positive= learning, negative= accountability)
- **organization and culture** should be result-oriented, performance **measurement** must be transparent and flexible. Striving for performance-driven organization and culture takes time. Public organisations have to deal often with a bureaucratic culture of rules with the accent on preliminary established administrative procedures. Such a culture is not beneficial for the implementation of performance steering. The transformation of a bureaucratic culture into a result-oriented culture is a complex procedure. The

management should have an explicit attention for such procedures and steer it in an explicit manner. The educational sector is no different from the rest of the (semi) public sector. It should be avoided that performance-driven steering is being dropped from above and does not land (metaphorically) at the basis, where the professional should attempt to achieve results eventually. Managers are at risk to be considered as an alternative system of regulation, instead of the ministry of ECS (Education, Culture, Sciences). Reward for achieved performances should not be linked to individual activities, as such a system seems not to function. Concerning performance-driven steering should the question whether the organisation as a whole improves be placed central, with attention for the fact that certain organisational departments will contribute more directly than others.

We have formulated three major conclusions, on the basis of the three central questions. The first question involves whether the trajectory 'Steering by ambitions' fulfilled the agreed intentions and how its implementation fits with the two opposite approaches of performance-driven steering distinguished: mechanic versus responsive steering? In general can be concluded that the trajectory 'Steering by ambition' did not fulfil the agreed intentions. The Dutch government started off with the policy trajectory in a quite naive and inconsiderate manner, without taking previous experiences with performance-driven steering into account. The trajectory was considered in the beginning a 'paper' operation which should be implemented in a top-down direction. The government investigated in a technical sense whether institutions could deal with the ambitions translated into operational terms. However, hardly any discussion was carried out concerning whether the ability for performance steering of institutions has been developed sufficiently in order to enable a successful implementation of the formulated ambitions.

A second question is whether educational institutions in the VET-sector practiced performance-driven steering, and if so, whether we can speak of mechanic or responsive steering? The outcomes of our research in four secondary VET institutions show that their way of performance-driven steering is still of a mechanic nature.

The last question is whether the government took during the implementation of the policy trajectory 'Steering by ambitions' into account the possibilities of the VET-sector to transform ambitions into performances? The ability for performance steering by institutions was still situated in the initial stage and should be further expanded and developed. The government overestimated the possibilities of the VET-sector to transform ambitions into performances. This should have been given a lot more attention during the implementation of the policy trajectory. Eventually the initiative for this operation changed from the government towards the VET-Council and the VET-institutions. Another important conclusion can be drawn from the importance of formative policy research. Our analysis has been carried out when the trajectory had already passed its initial phase. The results of this analysis could have played a part in earlier reflections on the functioning of the implementation process.

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