

# Book Review: Growing the Productivity of Government Services by Patrick Dunleavy and Leandro Carrera

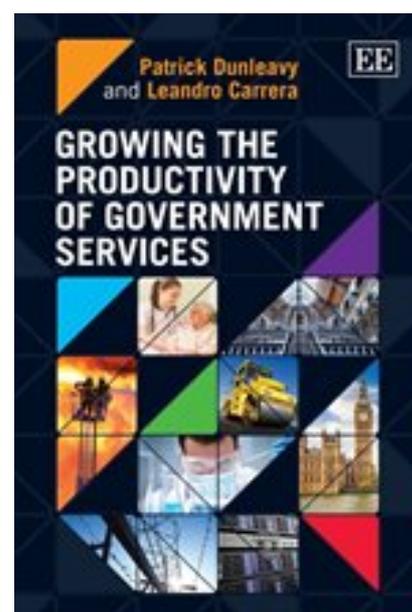
[blogs.lse.ac.uk/lsereviewofbooks/2014/02/09/book-review-growing-productivity-of-government-services-dunleavy-carrera/](http://blogs.lse.ac.uk/lsereviewofbooks/2014/02/09/book-review-growing-productivity-of-government-services-dunleavy-carrera/)

In this book **Patrick Dunleavy and Leandro Carrera** ask why government productivity has been so neglected in the study of economics and public management. Chapters cover customs regulation, tax services, and the need to embrace digital change, and the book concludes with some clear and practical advice. **Andrew Massey** feels that the authors have delivered an original and innovative study, useful for public sector practitioners and academic observers of public administration and public sector management.



**Growing the Productivity of Government Services. Patrick Dunleavy and Leandro Carrera. Edward Elgar Publishing. January 2013.**

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This is an innovative book that aims to address lacunae in both the public administration and management literature. It is an informed disquisition on how to measure and thence to increase productivity in the delivery of public services. It is also of its time in that it combines the aspiration of early public administration scholars such as Haldane, Wilson, and Waldo with more recent governmental imperatives to securely link academic research with 'real world' impact. The book is both an original research-based treatise and a practical guide to action. In this reader's eyes it is required reading for both academics and practitioners. The book begins by setting the subject and the research within its political, economic and administrative context. In modern advanced industrial countries the public sector represents a large part of total economic activity; in the UK alone this was almost twenty-four per cent of all financial consumption in 2009. This is clearly an important statistic, representing a significant element of all economic endeavour in the country. Yet, as the authors point out, even though, "it matters a great deal to national competitiveness and to overall economic welfare," it becomes apparent that prior to this book, "no one seem to know at a more detailed organizational level what the productivity of government organizations is" (p.1).

The authors begin with an explanation as to why the issue of government, or broader public sector productivity has been a neglected subject in economic and public administration analysis. In the private sector, the ratio of outputs divided by inputs (a basic definition) is straightforward and used to calculate productivity, profits and rates of return. In the public sector, however, public service outputs are generally supplied for no charge or at a highly subsidized rate. Even those services nominally in the private sector but supported by the State through subsidies (such as railway journeys, hill farm and other agricultural produce) can legitimately be seen as part of government service output in that they depend on the taxpayer's largesse to exist in their current form. As such it is difficult to calculate their productivity in a reliable way.

In the opening section, [Dunleavy](#) and [Carrera](#) discuss the broadly competing views of public sector productivity: a tendency to inflate productivity until "the concept becomes vacuous" and the more traditional public administration approach that declares it irrelevant because government is simply "different" with a greater degree of complexity and needing to contend with notions of equity and justice in a way the private sector does not. For these authors, public sector productivity is "a

single, deliberately limited measure, focusing solely on how many outputs are produced for a given level of input,” (p.12). Yet despite focusing on this limited and essentially political neutral goal (they deliberately eschew assessing notions of policy effectiveness) it took several years to garner, clean and analyse sufficient data to produce this work.

Throughout the book there is a good linkage between the public administration and public sector management literature as well as the relevant parts of public policy and a wealth of real world examples, case studies, and official data. It is often difficult as an academic or as a practitioner to gauge the full cost of inputs and the ‘value added’ in terms of outputs, but this book begins to evolve a practical methodology in terms of cost-weighting outputs and accurately measuring inputs. By doing so a realistic measure of public sector productivity can be obtained.

Following an extensive scene-setting introduction, part one has a comparative exploration of nationally-provided public services and examines areas of rapid productivity growth (customs), gradual productivity growth (taxes), areas where productivity remains unchanged despite large investment (social security) and issues surrounding the work of regulatory agencies. The section and chapters comprising part one tackle a range of examples across different jurisdictions and wade into the fiendish complexity contained therein. The authors discuss the issues surrounding quality weighting of different components before moving on through debating different approaches to productivity, such as index-based, parametric and non-parametric approaches.

Part two discusses the methodology and quality issues in analysing complex local services in more detail, before investigating hospital productivity in the English NHS. This is an important section as most public services are delivered locally, requiring personal contact with citizens or in places that are spatially and temporally accessible to them (p.199). The authors explore the application of parametric and non-parametric methods to discover the provision of services across multiple providers, seeking examples of good and poor productivity. They note, however, that their insights are limited in this section due to the “importance of quality adjustments in complex services and the greater difficulties of getting large-scale data on intangible quality variations,” whereas many analysts have taken the “easy” route of focusing on the more simply quantifiable data (p. 231). Nonetheless, by sifting, exploring, analysing and debating the data the authors have illustrated ways in which genuine productivity comparisons and measurements can be carried out across multiple subnational institutions in the regional, local and health service sectors. Furthermore these are transferable lessons that can be applied more generally.

The final section examines how digital changes can enhance organizational learning. The authors note the rise of digital era government and the utility of analysis using big data in order to understand and facilitate genuine and durable productivity changes in the delivery of public services. The authors identify twelve stages or aspects to organisational learning and note that systematically prioritizing and boosting organizational learning at all stages “offers strong prospects for converting government services from productivity laggards into zones of continuous advances in delivering services.” (p. 298). Within these stages and in a more general context of developing continuous reform and progress in terms of productivity, the book concludes with some clear and practical advice on “how to do it.”

In this reader’s opinion, Dunleavy and Carrera have performed a difficult, burdensome, original, practical and innovative service to the public sector practitioners and academic observers of public administration and public sector management. This is a book that simply had to be written, but it took a colossal amount of time, effort and experience to do so, and to do it so well.

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**Andrew Massey** is Professor of Politics at the [University of Exeter](#). He has worked in a range of areas including British, European, and US policy and politics. His main areas of research include comparative public policy, public administration and issues around the reform and modernization of government and governance at all levels in the UK, US, EU and increasingly globally. He is Deputy Editor of [Public Money & Management](#). He also has a long standing interest in energy policy, especially civil nuclear energy; professionalism and ethics and accountability. [Read more reviews by Andrew](#) .