EIP Evidence and Resource Library on Public Sector Reform

1. The EIP Change Management and Making Reform Happen Pillar

The research evidence shows that there is no single set or configuration of public sector institutions and organisations that will guarantee sustained economic growth and poverty reduction. This helps explain why efforts to reform public institutions and organisations have been only moderately successful. The realisation that 'one size fits all' or 'best practice' solutions to institutional and organisational reform are unlikely to succeed has led to the proposal of a new family of approaches to change. These favour the adoption or implementation of 'good enough', 'second best' or 'best fit' fixes to institutional and organisational weaknesses. To date, however, there have been comparatively few efforts to actually adopt and test out these new and innovative approaches on scale, which the Effective Institutions Platform proposes to do in its pillar "**Change Management and Making Reform Happen**".

This workstream aims at assisting developing countries to establish learning partnerships and access knowledge so they can design and implement innovative plans for public sector reform. It involves: (a) facilitating institutional reform knowledge-sharing between members; (b) establishing peer learning networks and alliances between new development coalitions and (c) improving the evidence base on institutional performance to inform policy and increase public sector accountability.

2. An EIP Evidence and Resource Library on Public Sector Reform: objective and framework

One of the main initiatives under this pillar is the development of an online **Evidence and Resource Library on Public Sector Reform**. The objective is to point to relevant resources, which a variety of users (senior ministry of finance/ministry of public service officials, bilateral and multilateral development agencies and some not-for-profits working in the general area of public sector reform) could find useful for achieving successful institutional reform.
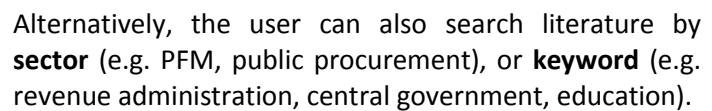
Specifically, the library will:
- Document country experiences, good practices and challenges in strengthening public institutions,
- Share a wide range of information on modalities /methodologies on peer learning,
- Publicise original, empirical research when and where knowledge gaps are identified,
- With the conduct of a growing number of Learning Alliances on Public Sector Reform, document and disseminate stories of change, based on the experiences of EIP members.

On behalf of the EIP, Nick Manning, former Head of the Governance & Public Sector Management Department of the World Bank, has helped to develop a framework for this online Resource Library, which allows users to search relevant information on public sector reform according to a problem-based approach (see box below).

The framework for the Resource Library (see annex) encourages, but does not require, the user to explore six related questions which start from a problem and move towards intervention design and planning before reflecting on larger issues of coordination and collective learning:

1. What is the problem that the reform should tackle?
2. Where are the opportunities/constraints in making changes?
3. How can we design a successful reform?
4. How can we track and evaluate progress during reform?
5. How can we share experiences and learn from others?
6. How can development partners more effectively support reforms?

If the user wants to further specify his/her research and narrow down the number of articles, the framework provides **2-5 sub-categories** for each of these six questions. The user can for example choose to search for question 3, *How can we design a successful reform*, and then select within this field only literature on *costing reform plans*. The Resource Library will then list all articles on costing reform plans within the field of reform design.

Alternatively, the user can also search literature by **sector** (e.g. PFM, public procurement), or **keyword** (e.g. revenue administration, central government, education).

Users will also be able to "rate" articles in terms of how useful they were, and this will allow continually updating and improving the library. EIP members have substantively contributed to populate the Resource Library with relevant articles.

The problem-based approach

The framework for the Evidence and Resource Library will follow a <u>problem-based approach.</u> This approach starts agnostically (free of pre-designed solutions) from a measurable deficiency in public sector performance and proceeds to ensure that the response is carefully tailored to the context. The approach assumes that the initial diagnosis and intervention design should be strongly informed by embedded actors within the public sector and that the reform strategy should be adapted as its impact (or lack of impact) on the problem.

On the contrary, a "<u>best practice</u>" approach rests on the premise that introducing a particular set of managerial or institutional arrangements is more or less always better regardless of the context and whether or not the local actors recognize this.

In encouraging the user to start agnostically from the problem rather than with certainty about the proposed solution, the guidance is drawing from many hard-won lessons in public sector reform. The results of introducing a particular reform in a particular setting are rarely known in advance – "plug and play" is rarely a useful approach. This lesson has been learned in countries at all income levels – it is not something specific to donor support for public sector reform in low income countries.

The orientation towards problem-solving has some trade-offs which should be recognized:
- **It is less expensive than failure – but more expensive than certainty:** While the most expensive reforms are those which fail, the costs of adapting an intervention and changing the approach as the reform proceeds are higher than sticking with a single plan.
- **It can encourage a focus on the short term and the small scale:** Since large scale, "transformational" public sector reforms take many years to play out and to show their impact, the need to learn lessons to inform intervention design can lead to a focus on more modest reforms since results (or lack of results) can be observed from those in the short term.
- **It can be difficult to sell, particularly politically:** Political leaders and senior officials interacting with international agencies can find the "best practice" claims of reformers that they can "modernize" the public sector, making it look like those in OECD settings, more appealing than the seemingly tentative proposition that "we will start with the problem and work out what to do as we proceed".

ANNEX

A. Reform questions with sub-categories of EIP Resource Library Framework

1. What is the problem that the reform should tackle?
1.1 Tackling an issue for which government is primarily accountable
1. 2 Tackling a problem which is intrinsic to how government does its business
2. Where are the opportunities/constraints in making changes?
2.1 Selecting diagnostic frameworks
2.2 Analysing the political economy
2.3 Using comparative data
3. How can we design a successful reform?
3.1 Developing a results-chain
3.2 Developing an intervention logic and a theory of change
3.3 Scaling and sequencing
3.4 Costing reform plans
3.5 Allowing space for/encouraging flexibility and adaptation
4. How can we track and evaluate progress during reform?
4.1 Identifying data sources and indicators
4.2 Identifying evaluation methodologies/tools
4.3 Assessing gaming and ratchet risks
4.4 Using evidence to inform decisions
5. How can we share experiences and learn from others?
5.1 Conducting and using comparative research
5.2 Learning from peers
6. How can development partners more effectively support reforms?
6.1 Strengthening donor co-ordination and use of country systems
6.2 Supporting problem-based approaches and working with/being guided by local actors who know the reality

B. Searchable themes

Access to information/transparency

Accountability

E-government/ICTs

Integrity and anti-corruption

Performance measurement and evaluation

Public administration

Public financial management/budget

Public Procurement

Public service delivery

Regulatory governance

Tax policy & tax administration