An International Index on Government Service Quality

Improving public services through transparency and comparison

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Topics

Introduction

Across the globe governments are under significant pressure to deliver on ever growing demand for high quality government services. In the attempt to meet these demands governments are seeking new tools through which government service quality can be evaluated, compared, and ultimately improved.

The UAE has set itself the ambition of improving the quality of its government services enabling it to deliver the world's best government services by 2020. In order to facilitate an international dialogue on improving the quality of government services – and as a means of underlining the importance the UAE attaches to public service provision – the issue features prominently at this years World Government Summit (WGS).

"Governments can draw lessons from peers and top performers through an index that captures the overall quality of government services through one single measure"

A particular feature to be considered during WGS 2019 will be the relevance of developing an international index to measure and compare the quality of government services. Currently, governments rely on indexes that measure different aspects of government services – such as education, infrastructure, and health – in isolation from one another. The purpose of the aggregate index is to provide governments with a tool to improve government services through a measure that captures the overall quality of government services.

High quality of government services, such as medical treatments within healthcare or a fast and hassle free issuing of an ID within general government services, is an contributor to the welfare and happiness of a citizenry. An international index on government services could thus support the UAE's ambition of raising the happiness of its citizens to a top 5 position worldwide, as measured by the Happiness Index, by 2021.

To frame this discussion, the present report initially makes the case for the benefits to be drawn from such an index. Subsequently the report will identify and discuss some of the key considerations that will need to be made in building an index on the quality of government services. This will include how best to define public sector services, how to ensure an adequate and broad representation of government services at large and how to ensure that an index is built on the basis of data that can provide the best possible measure of the quality of government sector services. Finally, two different approaches to constructing an index will be presented and their respective strengths and challenges considered.

The Value of an Index

An international index is valuable as a transparent tool of comparison

Historically, public service sectors have been evaluated in isolation from one another and within the confines of nation states. Gradually various international measures have been developed to facilitate international comparison of performance within specific sectors. However a single measure has yet to be developed that broadly captures governments abilities to deliver high quality services at large. Such a measure – or index – would offer a range of opportunities:
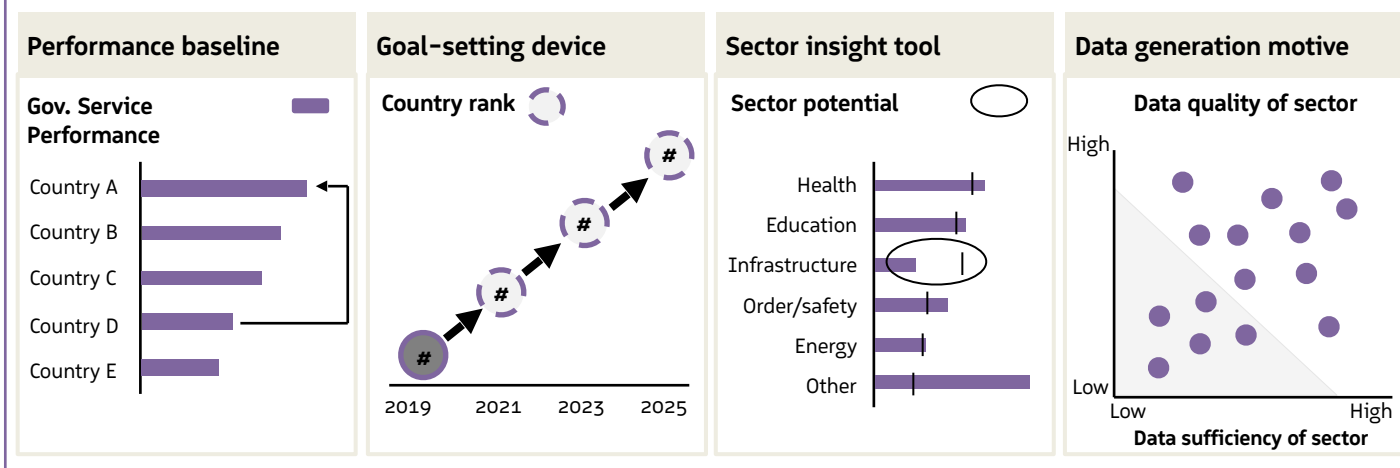
A baseline for assessing government services – An index – based on a single measure of performance – would make it possible to assess a country's government service quality against international best practice and hence serve as a baseline for future improvements and for assessing the realization of stated ambitions.

A platform for projecting government aspirations – Traditionally international indexes have given rise to ambitious government plans and a common point of reference with respect to performance. A new aggregate measure for quality of government services could be used to communicate government ambitions internationally, for instance at future WGS.

A tool to gain sector insight – The measure could enable governments to gain insight into its top performing areas in the public services sector. It may also allow governments to shed light on the public services areas with the most potential to improve compared to international best practice and by tracking the impact of efforts to improve government services over time.

A push to improve international data – Developing an index would inevitably shed light on data insufficiencies in certain sectors. This may work as an impetus for governments to improve data collection and data quality to improve performance measurement

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There are four broad benefits to be drawn from an international index on government service quality

Performance baseline

Gov. Service Performance

- Country A
- Country B
- Country C
- Country D
- Country E

Goal-setting device

Country rank

2019   2021   2023   2025

Sector insight tool

Sector potential

- Health
- Education
- Infrastructure
- Order/safety
- Energy
- Other

Data generation motive

Data quality of sector

High

Low

Low   High

Data sufficiency of sector

Methodological Considerations

Methodological Considerations
The Public Sector

Building a composite index will involve a range of methodological choices. At the outset four fundamental steps stand out

Define government services and service quality – The services to be measured by the index need to be defined. For the purpose of the present report government services are understood to encompass services that are either directly produced by the government or where the public sees the government as responsible for the provision of services, e.g. through heavy regulation or subsidies (for example waste collection).

Equally the term "quality" needs to be understood from the outset as this will eventually determine selection of indicators on which the index is built. There are already a number of international frameworks available that provide ample guidance for the definition of service quality. One example is the OECD's "Serving Citizens Framework"[1] .

Choose framework – To give international credibility to an index it is advised to define sectors based on a well established international framework. One such framework could be the Classification of the Functions of Government (COFOG), which is an globally recognized method for categorizing government expenditure[2].

Delimit choice of sectors – Relying on a broad classification system as the COFOG would lead to the inclusion of a range of sectors that are not of direct significance to citizens or businesses, such as basic research, foreign economic aid and national defense. As a third step sectors and sub-sectors to be included in the index therefore need to be filtered to only include those where citizens and business are direct consumers. Those sectors can include justice, health, education, infrastructure etc.

Determine sector weights – As a fourth step it will be necessary to determine how best to secure a standardised representation of the subsectors. This can be ensured by assigning specific weights to each sub-sectors. Such weights could be derived from international average government spend.[3]

Four initial steps to provide the basic framework for an index

Define government services	Choose framework	Delimit choice of sector	Determine sector weights

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Quality of Government Services

Finding data type that most appropriately captures the quality of government services will be a challenge

To fully capture government service quality at large an index must rely on a substantial number of sub-sector specific indicators. Typically three types of indicators will be available: Input, output and outcome data. Choosing between these various types will have significant impact on the quality of the index.

Input data – One way to express quality of services is to measure the input that has gone into providing the service – such as the level of investment, personnel and capital equipment. Input data is widely available and easy to gather, but does not really capture service delivery and can as such only be seen to offer an indirect measure of quality of government services.

Output data – Another way to depict quality of services is to measure output data such as the level of treatments per doctor or graduates per generation

Output data is available in most countries and provides some indication of public service quality.

However, the citizen experience of public services probably constitutes the most significant indicator for quality which is something output data does not encompass.

Outcome data – A third way to capture quality of government services is to measure their outcome such as the successful treatments per doctor, PISA test scores, or number of public affordable housing per citizen

Among the three data types of data considered on this page outcome data provides the most direct reflection of a specific service's impact on a citizen or a company – and hence the best measure of the service's quality. However outcome data is very hard to gather and varies greatly in quality and quantity across countries.

 As a general challenge when constructing an index it is found that very often the preferred type of data points will not be available – whilst output and outcome indicators are "closer" to service delivery itself, in many sectors only input data is available (see next page on data quality).

Trade-off between proximity of data to service and availability of data

Proximity of data to service	
Availability of Data	
Data types	Input data → 🏛 Output data → 🎯 Outcome data
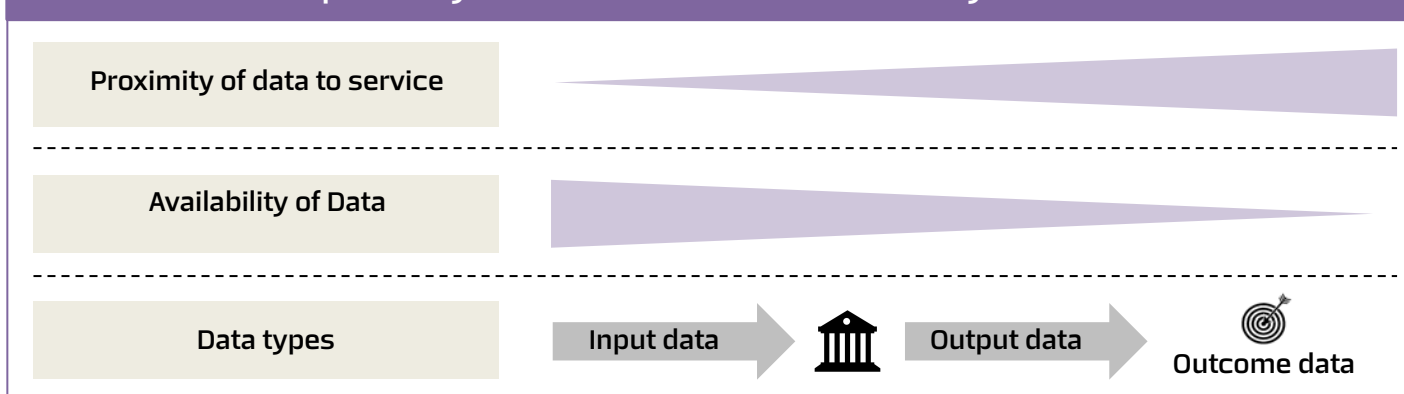
Two Index Options

Drawing on Existing Data

The short-cut to the government services index

An index of government service quality can build on existing data collected and up-dated by governments, international organizations and research institutions. There are however a range of tradeoffs that need to be measured prior to settling on this option.

The advantages of using existing data include:
Fast and inexpensive – A clear benefit of relying on existing data is that the challenges associated with creating and gathering new data is overcome. This means the index can be developed relatively fast and regularly up-dated at a very low cost without having to engage and coordinate government driven data generation and reporting.

Cross-country analysis – International organizations have gone at great lengths to ensure the homogeneity of the data that they collect and publish. This resolves the challenge of comparing various sectors internationally.

Historic perspective – Another benefit of relying on existing data is that longitudinal studies are easy to make. Given that historic data will often have been gathered and can be compiled into a new index it can illustrate historic trends in public service provision

The challenges of using existing data include:
Variability of existing data – Although efforts have been made to secure comparable data structures there are still gaps both in international data sets and in comparable national practice. These flaws will inevitably impact the quality of the index

Lack of fit – Given that existing data is not tailored to the needs of a government service quality index, relying on such sources will in some cases result in a number of indicators that may be too far away from the service delivery itself to adequately describe its quality.

Lack of data – A number of sectors are characterised by irregular data making it difficult to provide adequate intenational comparisons. This is particularly true for government services within social affairs recreation, culture and religion. This would greatly hamper an index relying exclusively on existing data (see next page on newly generated data).

A range of international institutions have data bases with suitable data to draw from

WORLD BANK WB

UN

WORLD ECONOMIC FORUM WEF

OECD
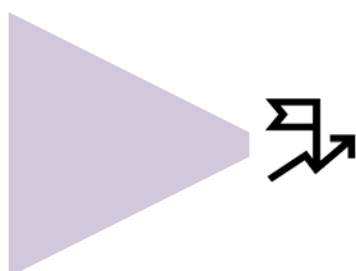
Creating New Data

Tailoring data for the index will secure comparable data

As it was clear on the previous page there can be several factors that may prompt the need for newly generated data. Building an index from scratch – including generation of underlying data – is first and foremost an opportunity to tailor-make the measure to fit its overall purpose (see p. 5). But similar to relying on existing data this approach also involves a number of trade-offs.

The advantages of creating new data include:
Capture government service quality – The main benefit of generating and using tailored data will be that it would enable the creation of an index that captures the end-user experience of public service delivery very accurately and hence can be seen as a relevant measure of government service quality.

Homogenize data foundation – The creation of new data secures comparability to a greater extent than if the index were to rely on existing data. Given that data gathering often has developed in silos following national and sector practices the data foundation might not be comparable. The creation of data will allow for homogenizing the data foundation of the index – across sectors and countries – making its insights more robust.
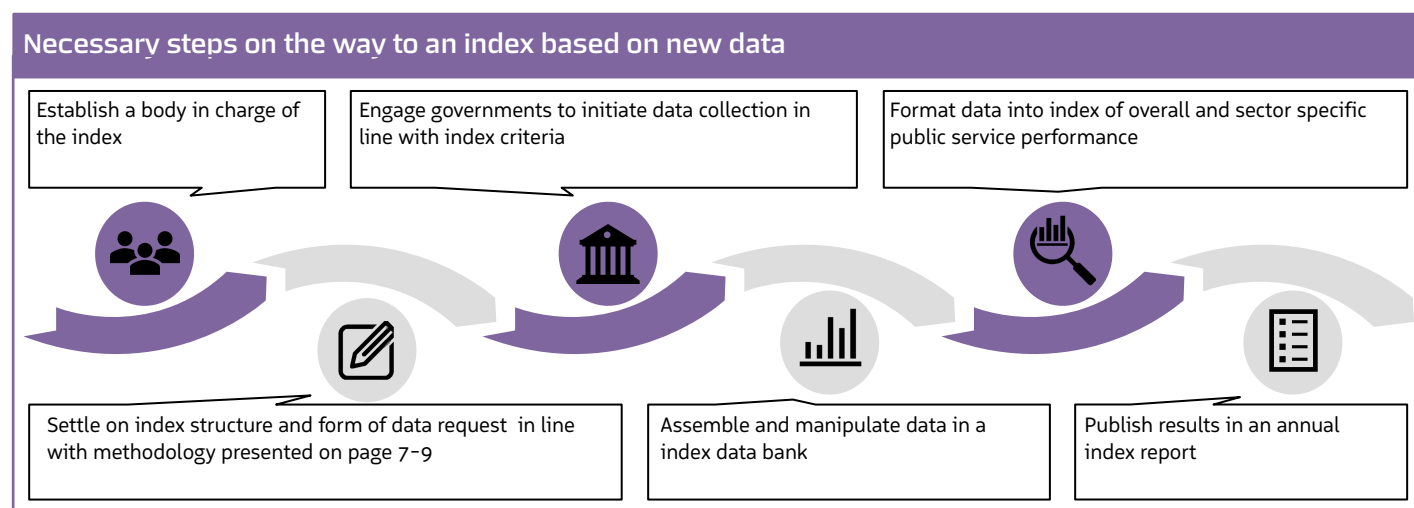
Control over production of data – By owning the production of data, the index becomes less dependent on distributers of data such as international organisations and research institutes. This eases steering of the index and the data foundation.

The challenges of creating new data include:
Expensive and time consuming – Cross country data generation is an immense task that requires a range of time consuming and costly initiatives – both when generating the first data sets and when up-dating these. Some of these include the coordination and engagement of governments and their respective statistical agencies and the process of data generation.
Loss of expertise – Drawing on existing international data also provides access to the underlying expertise and infrastructure of international organizations that have generated the data. This important source of expertise will not necessarily be available when building new data.

Necessary steps on the way to an index based on new data

Establish a body in charge of the index

Engage governments to initiate data collection in line with index criteria

Format data into index of overall and sector specific public service performance

Settle on index structure and form of data request in line with methodology presented on page 7-9

Assemble and manipulate data in a index data bank

Publish results in an annual index report

THE ROAD AHEAD

A government service index could establish a sound foundation for improved policy choices

Looking ahead, the need to improve government services will intensify as governments come under increasing pressure to deliver more and better services – and in a digital age to deliver these services in new ways on new platforms.

To respond to these demands governments will need to carefully prioritize their efforts and actively tap into international best practice in developing the solutions that will generate future government service quality.

The present report makes the case for the creation of a new index based on a single measure of government service quality as a means of identifying and prioritizing targeted efforts to ensure that society and citizens get the best possible government services.

It is clear that the introduction of an ambitious index of government services quality will be no easy accomplishment. And much will rest on the approach chosen.

As has been laid out in the present report the implications of the design options are fundamental – in terms of balancing quality and relevance of an index with timeliness and required investment.

But irrespective of the design choices the report argues that an adequately balanced index of government service quality could provide much needed transparency on subsector performance – and hence valuable insights for the policy choices and priorities that will drive government service development in the future.

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