

Master of Science in Public Management Department of Political Sciences and International Relations University of Palermo, Italy.



Dynamic Performance Management for Public Sector Organizations

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1. Course description

The course aims at covering the following main topics: 1. Introduction to the Dynamic Performance Management approach to Public Sector organizations. 2. Analysis of the complexity factors that particularly influence and characterize planning, policy design and management in the public sector. 3. Three Dynamic Performance Management (DPM) perspectives: an instrumental, an objective and a subjective view. To this end, empirical applications of the Dynamic Performance Management approach to case-studies based on real public sector organizations will be developed

2. Learning Outcomes

Knowledge and understanding

Students will learn how to design and implement performance management systems that may help public sector organizations and communities to pursue sustainability and lifelong endurance. How to develop SD models that can better support the design and implementation of DPM systems to assess and manage performance in different contexts.

Students will also learn how SD modeling and simulation can support collaborative governance, to manage 'wicked' social issues and to pursue sustainable community outcomes.

Students learn to analyze problems at different consequential levels, i.e. departmental, political, interdepartmental, crossinstitutional. The need to link the political and managerial level, planning and control, design and implementation, policy formulation and evaluation is emphasized. The benefits of joined-up government are explored, and linked with the need to frame the value chain leading to deliver 'products' to citizens, through the fulfillment of processes and activities. Improving service quality and operational efficiency are analyzed as primary outcomes of more 'learning oriented' P&C systems, according to a 'New Public Management' perspective in the public domain.

Students also learn how to adapt the System Dynamics method as an approach to foster a 'learning-oriented' view of Planning and Control in the public sector. They learn how to relate system dynamics models coherently and consistently to other Planning and Control models to better support key-actors' learning and decision making in and across various public domains.

Applying knowledge and understanding

Students develop System Dynamics models and Interactive learning Environments (ILEs) to facilitate effective planning, control, policy design, strategy development, and implementation in various public contexts. More specifically, such knowledge will be applied at three levels, i.e.: a macro, meso, and micro level. The first one relates to contexts that may imply the need to model various inter-related sectors of the economy and to support decision making concerning different 'key-actors', often operating across several institutions. Applying System Dynamics modeling on a meso level implies the opportunity to analyze problems from the perspective of a sector, i.e. in a view which is usually adopted by different branches of a public administration (e.g. a Ministry). Applications of System Dynamics modeling at these two levels address the political processes. Applications at the third level (i.e. the micro one) address the departmental or managerial processes. In fact, it focuses on the analysis of 'administrative products' that are delivered by the fulfillment of processes and activities inside the department of a given Ministry. In developing System Dynamics models addressing all the three levels, students learn to: (1) use System Dynamics as a method that portrays the tight relationships that exist between the managerial and the political level; (2) use System Dynamics as a method to support the development of Planning and Control systems, - e.g. in defining performance standards, gauging results, analyzing performance drivers, outlining strategic resources, identifying policy levers, - all within the framework of the 'dynamic' balanced scorecard perspective.

The students will engage in real life case-study analyses in which they will practice their public sector and modeling knowledge and understanding on public management disciplines. They will identify the systems structure underlying poor public performance and will develop and assess strategies and policies aimed at performance improvement. Students will also analyze how to assess and manage sustainable development.

Students will demonstrate their ability to transfer their skills across management disciplines and public sectors and will learn to approach a problem from a multi-sector and a multi-disciplinary perspective.

Making judgements

Through System Dynamics based case-study analyses, students learn to assess the sustainability of public policies and strategies from various perspectives. They gain a systemic, time-related, and open-ended perspective on public organizations. They also learn to evaluate performance, based not only on financial and tangible factors, but also





on intangibles. Planning and control, and strategy development and implementation are considered elements of an integrated approach aimed at fostering decision makers. Students learn to detect the limits of conventional approaches (theories, techniques and tools) for policy design, strategy development and implementation, and performance evaluation.

They should be able to reflect on the method to use in order to adopt Planning and Control systems as a viable means to foster empowerment, accountability, communication and learning, particularly in public organizations that operate in a complex and dynamic environment. Different levers on which to act in order to affect radical change in public organizations are examined according to various managerial "schools", ranging from the Reinventing Government to the New Public Service approach.

By experience they recognize the values and the limits of the System Dynamics method, when applied to performance management systems, and are inspired to reflect on how that method can be used for learning purposes. *Communication*

Students can present and discuss relevant literature sources as well as the result of their case studies in class. They also present results from modeling and simulation sessions to stakeholders in organizations and to interested academics. *Learning skills*

Students are enabled to acquire skills that are required for self-studies of the literature on the subject.

3. Course Contents

- Framing Performance in the Public Sector: a DPM perspective
- Analysing the organizational attributes and complexities of managing Public Sector institutions
- Designing Dynamic Performance Management Systems in Public Sector organizations: An instrumental view of performance in the public sector
- Designing Dynamic Performance Management Systems in Public Sector organizations: An objective view of performance in the public sector
- Designing Dynamic Performance Management Systems in Public Sector organizations: A subjective view of performance in the public sector
- Developing Dynamic Performance Management to foster customer satisfaction, performance improvement and accountability in the public sector: Modeling products, processes, and related performance measures
- Developing Dynamic Performance Management to foster customer satisfaction, performance improvement and accountability in the public sector: Modeling the value chain of delivered services according to an interinstitutional perspective
- Workshops
 - o University Management (HEIs) Case-study
 - Healthcare Management (Hospitals) Case-study
 - o Judicial System (Courts) Case-study
 - Police and Safety Case-study
 - o Public Transports Case-study

4. Course Design

The course is comprised of lectures, seminars, group discussions, students' presentations, modeling sessions and individual assignments/papers. An overall attendance rate of 80% in scheduled sessions is required, and attendance is mandatory in the group discussions, students' presentations, and seminars, and active participation is required in those sessions.

5. Assessment Methods

Student learning assessment is based on: (1) a written exam, (2) active participation of students in the development and presentation of case-studies during classes. A mid-term examination is also expected. (1) A two-hours written examination is to ensure the acquisition of skills, abilities and skills required. The written exam consists in the analysis of a case-study developed by each student at the end of the course. (2) During the semester students - divided into groups of up to three units and supported by professors - will develop case-studies based on a real public organizations and policy networks. In particular, it is asked to develop a performance management model to explore performance from the





perspective of the Dynamic Performance Governance approach. Evaluation criteria (up to 30) - Excellent: 30-30 laude = very good knowledge of the topics, excellent communication skills language, good analytical ability, the student is able to apply knowledge to solve proposed problems - Very good: 26-29 = Good knowledge of the subjects, very good communication skills, the student is able to apply knowledge to solve problems proposed - Good: 24 - 25 = basic knowledge of the main topics, good communication skills, with limited ability to independently apply knowledge to solve the proposed problems - More than sufficient: 21-23 = limited knowledge of the main topics, basic communication skills, poor ability to independently apply the knowledge acquired - Sufficient: 18-20 = minimum basic knowledge of the main topics, very little or no ability to independently apply the knowledge acquired - Insufficient = the student does not have an acceptable knowledge of the contents of the topics covered in the course.

6. Suggested readings

Reference book

• Bianchi, C. (2016). *Dynamic Performance Management*. Cham: Springer International Publishing. https://doi.org/10.1007/978-3-319-31845-5

Additional readings will be distributed as part of the coursework