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Research projects

What determines educational outcomes – evidence from India

There is a continuing debate both in the UK (see for example [Cassen and Kingdon, 2007](#)) and internationally about whether good educational outcomes are more dependent on access to a supply of high quality educational services or on the demand for good education exerted by parents and pupils. This is particularly important in rapidly growing economies such as India where skill shortages are growing and where income disparities are likely to affect both the quality of supply, and also the demand, for educational services.

OPI has awarded Manisha Singh of the India Development Foundation a commission to examine what makes for good educational outcomes in India. She will examine how public (government) school teachers perform, whether training explains variation in their performance, and how teaching influences educational outcomes. A particular issue for the analysis is whether good teachers can mitigate the effects of factors which would otherwise adversely influence educational outcomes. She will also explore whether competition amongst schools boosts performance in terms of educational attainment and achievement.

Her findings will be presented at a [meeting](#) in London at the end of the year.

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Regulation, motivations and the NHS reforms

After 20 years of New Public Management-type reforms in the English NHS there are growing concerns that stronger managerial supervision, targets, financial incentives and a greater threat of sanctions may be distorting clinical priorities and undermining professional ethic, altruism and the quality of patient care.



“OPI’s mission is to contribute to public sector performance by providing international comparative evidence about what works best in different settings and why.”

The Brown government recognises that ‘getting clinical incentives right’ is the key to taking the NHS modernisation programme forward. The Health Secretary said recently on BBC Radio 4: “Centrally imposed incentives were required to get the NHS ‘out of intensive care’ but recovery will now proceed more quickly if clinicians are more involved in choosing between priorities...”

The interactions between the formal incentives introduced as part of the NHS reforms and informal institutions based on trust and professional ethics is the subject of an OPI pilot study at the University College London Hospitals NHS Foundation Trust. It is being funded by the General Medical Council under the ESRC Public Services Programme. The study addresses two main research questions: what impacts have the NHS reforms had on the motivations of doctors and nurses and their performance; and are there significant differences in motivation between clinician cohorts? The practical question the study tries to address is: what is the most cost-effective healthcare management regime: ‘trust with vigilance’ or ‘high powered’ incentives and managerial controls?

The research is being led by OPI Research Fellow Tim Ensor with contributions from Anne Kilby, Clare Leaver, Jerrett Myers, Martin Karlsson, and Verity Kemp.

The project is expected to be launched in the autumn. Check out the poster [here](#).

Public sector innovations in China

The China Executive Leadership Academy in Pudong, Shanghai (CELAP) is developing of a programme of comparative research on models of public administration and their effects on public sector service volume and quality with support from OPI and the British Council.



Publications

The quality of institutions: a cure for the ‘resource curse’?

Improvements in the quality of institutions have been cited as a potential solution to the difficulties of macroeconomic mismanagement encountered by many states whose economies are heavily reliant on the extraction of natural resources. OPI Research Associate Evelyn Dietsche explores this proposition and the assumptions upon which it is based and argues that this ‘cure’ for the ‘resource curse’ is of limited practical value unless we understand more about how and why institutions develop and the political and economic incentives that drive that development. The paper is available [here](#).

Public investments by extractive multinationals in developing countries: a cautionary tale

Some extractive industry companies are seeking to contribute to public sector competencies as part of their corporate social responsibility agenda. Cecilia Perla, a PhD candidate at Brown University, has written a commentary on the challenges associated with private sector contributions to public goods in Peru. She argues that in some mineral-rich but institutionally-poor countries, multinational investments can erode political capabilities and legitimacy and weaken civil society organisations. The article can be accessed [here](#).



Meetings

Institutions, incentives and public sector performance

Reforms that shape the way public sector services are delivered around the world have introduced a combination of organisational, managerial and financial incentives in attempts to improve quality and productivity. Understanding the ways in which organisations and individuals respond to such incentives and, in particular, how 'high-powered' incentives interact with informal incentives, presents a key challenge for those involved in the study and management of public services.

This conference will provide an opportunity for researchers and practitioners across disciplines and sectors to reflect on how public sector reforms are modifying the incentives that drive public sector performance. The meeting will begin by asking what 'good government' really means and will then 'drill down' through a consideration of the incentives that determine the performance of a public administration, ending with two specific public services, health and education.

Click [here](#) for more information about the meeting.

Corporate contributions to public sector performance

The first of a series of meetings on private roles in improving public sector performance begins on 21 November 2007 at the British Academy.

The topic under discussion will be: Does disclosure improve behaviour?

An assumption underlying transparency initiatives is that public disclosure improves corporate and government behaviour. What theory and what evidence underpin this assumption? How might this modify 'transparency initiatives'?

Future meetings will debate:

- The architecture of corruption
- The legitimacy of corporate contributions to public sector performance
- Managing 'relational contracts' when they cannot be fully specified

We hope that this series of meetings will form the basis for a 'practitioner-research community' concerned with how the private sector can contribute to public sector performance.

Find out more [here](#).





Research pipeline

Health financing options in the Caribbean

The Wellcome Trust is assessing a proposal to analyse the scope for financing healthcare in the Caribbean. If successful, seven Caribbean countries will participate in a 'practitioner-research community' to explore feasible strategies for achieving universal healthcare coverage. Find out more [here](#).

Clinician motivations and the NHS reforms (with the Picker Institute, Europe)

OPI has submitted a proposal to the NHS Service Delivery Organisation to extend the study of the impact of NHS reforms on clinician motivations and patient quality to the four UK 'home countries.'

OPI has submitted two proposals to AusAid.

Workforce incentives and primary health care performance

The proposal is to examine and compare the nature and structure of the incentives governing the delivery of government and non-government primary health care in six Asian countries. The research is intended to indicate more precisely what mix of political, financial, organisational, managerial and social incentives are required in different settings to improve efficiency, equity and quality.

Health sector innovations and performance (with the India Development Foundation)

One of the ways in which international aid donors have attempted to 'buy better health' is by financing innovations such as health service purchasing, social health insurance, demand-side financing (coupons/vouchers), the participation of private providers and, earlier, cost sharing. In general the objective has been to trial such innovations with the expectation that, once proven, they would diffuse rapidly throughout the sector ('scaling up') producing system-wide benefits. However, experience suggests that a number of barriers exist to rapid diffusion including management complexity, cost, professional resistance and risk aversion on the part of politicians and government health managers. Although there are many assessments of internationally financed health sector projects underway, including by the India Development Foundation, by the Centre for Global Development and by the World Bank, little work has been done on the impact of such innovations on sector performance as a whole.

The study proposes to document and compare the impact of financing, organisational and management innovations on health system performance in three high aid-dependent and three low aid-dependent Asian countries.



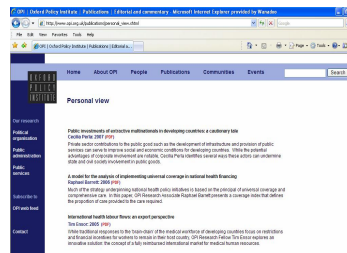
Rural health worker incentives in Cambodia

Cambodia is one country where a number of innovative donor-financed projects have been introduced including salary supplementation, contracting arrangements managed by NGOs and health service purchasing. It is not clear what impact they have on health service provider activity and service quality. In particular, it is unclear whether better financial incentives, a fee-for-service provider payment regime or increased management attention matters most.

A proposal to study the relative impact of managerial and financial incentives on rural health workers' performance has been developed for the World Bank to contribute to a set of similar studies in selected South-East Asian countries.

Personal view

A section on the OPI website is dedicated to brief (2–3 page), informal commentaries on issues of interest to OPI. This section is intended to be a forum for sharing knowledge about reforms intended to improve public services. We want to have your 'personal view' of forward-looking or controversial approaches to improving public sector performance. Write to the [OPI Editor](#).



The [website](#) is regularly updated with details of new OPI research and events. We welcome your comments and contributions. Please contact the [OPI Webmaster](#).

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