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## Meetings and events

### Private sector contributions to public sector performance

Prof Tim Besley, London School of Economics and Political Science, and Prof Adrian Henriques, Middlesex University Business School, will be introducing the first of a series of meetings at the British Academy on private roles in improving public sector performance.

This series is supported by the UK Economic and Social Research Council and follows five one-day workshops in 2006 on the incentives that have driven extractive corporations to promote host countries' governance and public sector competencies (see the [notes](#) on the meetings and a [monograph](#) based on them).

The topic under discussion on 21 November will be: [Does disclosure improve behaviour?](#)

A common assumption underlying initiatives designed to make information public is that 'disclosure' improves organizational behaviour. This assumption underpins the 'Publish what you pay' and the Extractive Industry Transparency Initiative (EITI) (extractive industry corporations), compliance rankings, public sector service 'rankings and ratings,' a number of 'good governance' initiatives and many anti-corruption strategies.

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Prof Besley will review the theory that suggests the conditions under which the assumption may hold. Prof Henriques will examine the empirical evidence supporting the assumption. A discussion will follow focused on the practical implications for the design of 'transparency' strategies.

*"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 agenda for future meetings in the series is open for participants to declare their interests but topics are likely to include:

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

Further information can be found on the project [page](#) and the registration form can be found [here](#).

### **Institutions, incentives and public sector performance: 18 January 2008**

Public sector reforms 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 is a classical problem in public services and public administration, a point at which political science, institutional economics and public law intersect.

This one day conference to be held at the Institute of Materials, Minerals and Mining on 18 January 2008 will provide an opportunity for researchers and practitioners 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 local government, ending with two specific public services, health and education.

The meeting is built around three papers commissioned by OPI from Matt Andrews (Kennedy School of Government, Harvard) on the common sense of 'good government', Dirk Haubrich (UK Electoral Commission) on what determines the performance of local government and Manisha Singh (India Development Foundation) on the determinants of educational performance in India. Other confirmed speakers include Christopher Hood (Director, ESRC Public Services Programme & All Souls College, Oxford), Prof Peter John (Institute of Political and Economic Governance, University of Manchester), Prof Anne West (Education Research Group, LSE), Prof Geeta Kingdon (Institute for Education, University of London) and Prof Alan Maynard and Karen Bloor (Department of Health Sciences, University of York).

Registration will open shortly. For more information contact [events@opi.org.uk](mailto:events@opi.org.uk).



## Research Pipeline

### Regulation, motivations and the NHS reforms

This study, part of the ESRC Public Services Programme and funded by the UK General Medical Council, will begin in December 2007. See the project [page](#) for more info.

### Institutions, incentives and international health sector performance network

OPI has submitted a proposal to the European Union's Seventh Research Framework Programme (EU FP7) in collaboration with partners at Curatio International Foundation, Georgia, Institute of Health Policy, Sri Lanka, National Institute of Public Health, Mexico, India Development Foundation, University of Hong Kong, Ghana Health Service, National Health Fund, Jamaica, Trinity College, Dublin and University of Cape Town, South Africa to establish an international health sector performance network.

Research consortium partners with their associated health networks in Latin and Central America, Western and Eastern Europe, Sub-Saharan Africa and Central and South East Asia, are seeking to pool expertise in order to develop a more comprehensive and nuanced understanding of how to improve the performance of health services in order to achieve universal and equitable access to essential health care.

If the application is successful, the programme would run initially for three years. Network members would review and synthesise the literature, develop and undertake pilot studies, and form communities with local health managers to test the feasibility of their recommendations. The network would be supported by an expert resource panel.

### Local government innovations in China and the Region

OPI has been supporting the China Leadership Academy, Pudong (CELAP) to develop a comparative research proposal designed to examine the conditions that allow local governments to innovate in the way they deliver services. The health sector has been chosen for study. The underlying hypothesis is that local government innovation depends on the degree of freedom granted by central authorities to manage budgets and staff. If a funding application to the British Council is successful, field work would be carried out in municipalities in four Chinese Provinces and in Japan, South Korea, Singapore and Hong Kong.



### **Institutions, incentives and European health sector performance network**

OPI is collaborating with the Oxford Institute of Ageing in an application to the European Science Foundation to fund a health research network. Programme collaborators include partners at Katholieke Universiteit Leuven, Belgium, University of Tartu, Estonia, Max Planck Institute for Demographic Research, Germany, Trinity College, Dublin, Institute of Health Management and Health Economics, Norway, Lund University, Sweden, and Nuffield College, Oxford.

The proposal aims to create an interdisciplinary forum to share knowledge and expertise, develop new research techniques and engage a broad range of social scientists, including those at an early stage in their career. If the application is successful, the network would be established to share comparative research on the institutions and incentives driving health sector performance in different European countries and would consider issues such as the relationship between intrinsic motivations and high-powered incentives, the incentives on the boundaries between curative and long-term care, and how provider competition, patient knowledge, performance indicators and third party purchasing effects the quality of health services.

### **Rural health worker incentives in Cambodia**

The World Bank, Phnom Penh has asked OPI to design two studies to help clarify what drives health worker motivations in Cambodia and what implications there might be for policy and practice.

The first, which is one of a group of studies in the East Asia region sponsored by the World Bank, addresses a difficulty frequently encountered by health services in staffing rural and disadvantaged areas. The study is designed to examine the relative valuation new clinical graduates place on an urban posting and what additional incentives they would require to work in a rural area.

The design of the second study is intended to assess the relative effects on service activity and quality of financial and managerial reforms introduced as components of internationally funded innovations in rural health service delivery. The innovations include service purchasing, NGO management contracts and salary supplements.

#### **Incentives and service delivery in the Cambodian health sector**

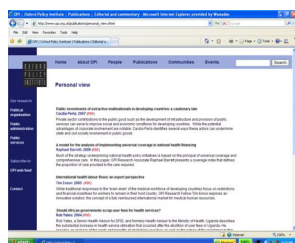
Incentives, the motivations that determine how people behave, are what possibly matter most for efficient public service delivery and are certainly the most important piece of context for organizational developments in the Cambodian health sector. Incentives include not only financial rewards, but also motivations that stem from the political and organisational leadership, from the rules that determine organisational behaviour and, most importantly, from the rules and mutual obligations that make interactions between people predictable. These include the level of trust amongst family members and neighbours that allow a favour today to be returned tomorrow, that restrain harmful acts and that reward good reputation.

For markets to work well, including health markets, a degree of trust needs to extend beyond the family circle to cover transactions between service providers and service consumers. This is particularly true in the case of health services as health consumers generally know much less about health treatments than providers. They have to trust their providers to advise on the most appropriate treatments, even if they are public sector clinicians who may be strangers and against whom they may be fearful of making complaint. This trust is challenged in the case of health service providers who recommend too many diagnostic tests and more expensive pharmaceuticals and surgical procedures than may be necessary or that poor people can afford.

*OPM (2006) Institutional Development Plan for the Cambodia Health Sector*

## Board developments

The OPI Board of Trustees, led by Sir Nicholas Monck, has taken steps to strengthen its leadership and governance roles in step with the acceleration in OPI's activities. It has established four subcommittees with responsibilities for audit and remuneration, fund raising, ethics and trustee nominations. The Board has approved a research protocol to which OPI staff and researchers must adhere and ethics procedures governing the conduct of OPI research. These may be found on the OPI [website](#).



## Web update

Advances in internet communication technologies are creating unprecedented opportunities for policy managers and researchers to work together internationally. We want to harness this technology to expand and improve the services we offer to our partners and associates.

Stephen Yeo and Roger Hay took the opportunity at recent visits to Jamaica, India and China to discuss with some of our partners what web-based facilities would improve the collaboration and communication of OPI initiatives.

As a result, an ICT development plan is taking shape that will make step-wise improvements in the facilities we can offer: wikis to support discussion groups, meetings and on-line debates; on-line surveys and policy simulations; and an increasing number and variety of on-line resources. Over the next few months we will use OPI projects and events to test these innovations.

If you have suggestions to make, contact [webmaster@opi.org.uk](mailto:webmaster@opi.org.uk)

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