Mapping and Analysing the Recommendations of Ombuds-men, Audit Offices and Emerging Accountability Mechanisms

Research Report no. 3 of the LIPSE Project (Work Package 3)

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Executive Summary

The research goals of Work Package three were the following:

1. Make an inventory and analysis of databases on best EU practices for innovation
2. Analyse the recommendations made by audit offices and ombudsmen
3. To identify relevant drivers and barriers that explain if and why these recommendations have (or have not been) implemented
4. To make policy recommendations in order to improve the use of accountability information for public service innovation
5. To disseminate the research results and policy recommendations among the involved organizations, to policymakers and the general public

The research covered six countries: Belgium, France, the Netherlands, Slovakia, Romania and the United Kingdom.

In order to reach these goals, the following methodologies and focus were adopted:

1. A focus on good/best practices to create a database of awarded innovations
2. The focus on awarded innovations gave us a tool to analyse individual social innovations
3. A proposed model including Feedback, Accountability and Learning (FAL) to describe the sustainability of social innovations, with the following causal mechanism: FAL $\rightarrow$ Z
4. Investigating the influence of Ombudsman and Supreme Audit Institution recommendations on social innovation added to this causal mechanism: (FAL, X) $\rightarrow$ Z
5. As a part of the qualitative research a third factor, to explain for social innovation which happened independent of FAL or X, completed the causal mechanism: ((FAL, X) or Y) $\rightarrow$ Z
6. A survey from 250 good/best practices gave us a quantitative picture of the influence of FAL on the sustainability of social innovation
7. Over 70 interviews with Ombudsmen, Supreme Audit Institutions and the organizations they audited/investigated gave us a qualitative picture of the influence audits and investigations, together with their recommendations, have on social innovations

Findings:

1. Cases in our innovation database came predominantly from the public health sector, social welfare sector and general administration
2. Most of the innovations in our database focused on e-Government, quality assurance, efficient procedures and citizen involvement
3. The first causal mechanism: FAL $\rightarrow$ Z proved to be able to partly explain the sustainability of social innovation. Awarded innovations who have ceased to exist were in general characterized by a lower FAL-score than those who still existed
4. Through the qualitative research into the implementation of ombudsmen and SAI recommendations on the second causal mechanism ((FAL, X) $\rightarrow$ Z) it was found that the reports of Ombudsmen and SAIs significantly influence the sustainability of innovations

5. The qualitative research also highlighted the importance of factors explaining social innovations independent of FAL or X, explaining the third causal mechanism: $((FAL, X)$ or $Y) \rightarrow Z$

6. The organizations who correlated significantly with sustainable social innovations were characterized by:
    i. The concerns of staff, customers and ombudsmen impacting strategic decisions
    ii. A sense of responsibility amongst employees
    iii. Transparency about their results towards external stakeholders
    iv. A culture of open debates, the encouragement of experimentation and a forgiving culture if and when these experiments failed

Policy Recommendations:

1. In order to improve the sustainability of social innovations, the focus should be on improving feedback loops, accountability mechanisms and learning processes in public organizations
    a. Feedback:
        i. Encouraging staff members to express their concerns
        ii. Organizing procedures in order to effectively assess feedback information and ombudsmen
        iii. Take the concerns and recommendations from staff, customers and ombudsmen into account when making strategic decisions

    b. Accountability:
        i. Create a sense of responsibility amongst employees
        ii. Be transparent about the results towards external stakeholders

    c. Learning:
        i. Create a culture of open debates and constructive criticism
        ii. Encourage experimentation in processes, services and products, together with a realistic and forgiving culture around the probability of failure or success of the experiments
2. Processes of audits and investigations should be tailored more to the effect they have on the implementation of their recommendations, especially where implementation is not legally mandatory
    a. Collaborative processes, with more regard and empathy for the audited or investigated organization's context
    b. Transparency about the reasons for the audit/investigation and the Audit- and Ombud-norms that are being used

1. Overview

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1.1. Synopsis

Work Package 3 investigated the influence of feedback loops, accountability mechanisms and learning processes (FAL) within award winning public organizations on the sustainability (through time, not ecologically) of the innovations for which they were initially awarded. Focussing on six EU-member states (Belgium, France, the Netherlands, Slovakia, Romania and the United Kingdom), we found that innovations who had disappeared after being awarded, originated in organizations who are characterized by a lower score on feedback, accountability and learning. Secondly, we found that the influence of ombudsmen and supreme audit institutions on these three factors is substantial, and that their role in promoting social innovation is potentially significant, but currently inhibited by a number of factors.

After an extensive literature review we found the FAL-model to be an entangled concept which could explain the success or sustainability of public sector innovations. We created a survey which measures the extent to which FAL is entrenched within organizations which won awards over the past 12 years for innovative practices. Firstly, the cases of innovation provided us with an overview of the type of innovation that takes place most in Europe, as well as on which governmental level and in which policy area innovations take place. Secondly, we found that the overall FAL-score for organizations, as well as a number of individual survey-items, did indeed correlate with the sustainability of their innovations. Organizations with lower FAL-scores tended to be overrepresented amongst innovations which had ceased to exist, even though they had been awarded and mentioned as best practices. We think the lack of an entrenched FAL-model in these organizations causes innovations to be improperly evaluated, information from accountability mechanisms to be inaccurately used and/or the information from feedback and accountability mechanisms to not lead to true learning processes.

We also realize that this will not account for the whole of variation on our dependent variable: the sustainability of innovations. We therefore adopt a more complex causal model, accepting the influence of Ombudsmen and Supreme Audit Institutions on the FAL-processes in organizations, together with exogenous causes of social innovation which occur completely separate from the FAL-model. Through a literature review on the impact of Ombud- and Audit-reports, we found a variety of influential factors which have been incorporated into an interview protocol. These protocols became the backbone of over 70 interviews which were conducted with auditors and auditees. We found that processes and perceptions surrounding these audits greatly explain how the auditees deal with the recommendations coming from these sources. They therefore have a definite impact on the FAL-model in these organizations.

We conclude our research report with suggestions for further research and a number of policy recommendations.

To retain social innovations, public organizations should focus on:

Learning processes

1. …creating a culture of adversarial debate and openness for constructive criticism.
   Learning can take place when current mindsets clash with new information, refuting earlier held positions. Adversarial debates are a crucial platform for such information to start changing minds.
2. …encouraging experimentation and alternative ways of getting work done.
   Innovation entails, by definition, changes and doing things differently. Experimentation, as controversial as it may be in the public sector, forms a great way to test ideas and new methods, before going all in.
3. …not penalizing responsible staff members if a creative attempt to solve a problem fails.
   A key characteristic of experimentation is that it can fail. If the chances of being penalized are substantial when an experiment fails, people will cease to look for innovative ways to improve the status quo.

Accountability mechanisms

4. …employees who feel responsible for the performance of the organization.
   Employees with a sense of responsibility are part of an internal accountability system.
5. …a culture of transparency about results towards external stakeholders.
   Transparency is an essential requirement for accountability. Since accountability supports innovation, transparency supports innovation too.

Feedback loops

6. …staff members who express their concerns, ideas and suggestions about the functioning of the organization.
   In line with recommendation 1, there needs to be a platform where the adversarial debates can actually influence the people who make strategic decisions.
7. …staff members' feedback information which has a significant impact on the strategic decisions made by the organization.
   Once such a platform is created, decision makers should take this feedback information into account when making strategic decisions.
8. …customers' feedback information which has a significant impact on the strategic decisions made by the organization.
   Besides civil servants, both ombudsmen and customers (through ombudsmen or independently) have a lot to say about a public organization's functioning. Such critiques should be embraced as learning opportunities for every organization. Often both ombudsmen and customers/citizens know what they're talking about, and may bring in fresh ideas.
9. …the reports and recommendations from ombudsmen institutions have a significant impact on the strategic decisions made by the organization.

To retain social innovations, Ombudsmen's and SAIs' audit activities should:

1. …create a cooperative and transparent audit- or ombud-process.
   This will enhance the quality of the recommendations and the communication between the auditor/ombudsman and organization under scrutiny.

2. …use exit meetings not only as a formal step, but as genuine, open dialogue.
   Only when exit meetings are a true open dialogue will there be an optimal learning opportunity for the organization under scrutiny, and only then can closed feedback loops foster innovation.

3. …make the audit- and ombud criteria clear and transparent.
   The Ombud- and Audit organization has a framework from which it looks at an organization in search of improvements. When these criteria are known to the organization under scrutiny, the recommendations will be better understood and have greater impact.

4. …make clear why the auditee has been chosen for an audit.
   When an organization under scrutiny knows why it has been selected for an audit or investigation, this creates a more cooperative and transparent process.

5. …enhance the expediency of recommendations by looking at the legal, administrative and political feasibility.
   Recommendations which have been formulated in the light of their feasibility will have a greater impact on the organizations under scrutiny and their innovations.

6. …be aware of the influence of discussions in the media about audit- and ombud-reports.
   The content and way to communicate with a broader public should get high attention.

7. …be aware that combined media and parliamentary attention is functional.
   Our analysis shows that parliamentary and media attention foster the implementation of recommendations when this attention happens simultaneously.

1.2. Introduction

In the Description of Work, the framework for our research was presented through the following research goals for Work Package three:

1. Make an inventory and analysis of databases on best EU practices for innovation
2. Analyse the recommendations made by audit offices and ombudsmen
3. To identify relevant drivers and barriers that explain if and why these recommendations have (or have not been) implemented
4. To make policy recommendations in order to improve the use of accountability information for public service innovation
5. To disseminate the research results and policy recommendations among the involved organizations, to policymakers and the general public

The focus on innovations in public administrations on the one hand, and the focus on policy recommendations by SAIs and Ombudsmen on the other, had one clear thing in common: change. Change in public organizations is caused by multiple factors, not in the least political agendas and regime changes. Internal reasons for change, on the other hand, are less obvious and less easy to grasp: Feedback information, Accountability mechanisms and Learning processes. These factors form the initial fertile ground in which the seeds, recommendations and new initiatives, can blossom into successful social innovation. For this reason, beyond focusing on the research goals stated above and in the description of work, we will also focus on the role these three factors play in determining the long term success of social innovations. Focusing on the long term is of importance for both academics and practitioners. First, because limited research has been done on the development of innovations over time. Second, because recommendations by SAIs and Ombudsman may contribute to an innovation's life. We need to look further than just the drivers and barriers of social innovation; we need to look at the drivers and barriers of *successful* and *sustainable* social innovation.

At the end of this chapter we present a short overview of the activities we will carry out with regards to our research goals. In chapter three we will focus on the methodology we use to reach the research goals stated in the description of work, as well as the added research on the role Feedback, Accountability and Learning play in creating an optimal environment for Audit- and Ombud-recommendations to flourish. In order to further clarify our focus on Feedback, Accountability and Learning, in addition to our focus on the impact of Ombud- and Audit-recommendations on social innovations, we will now further elaborate the theoretical reasons for doing so.

The study of organizational change and innovation has been criticized for various reasons. In 1985, Pettigrew (Pettigrew, 1985) described the study of organizational change and innovation as being largely acontextual, ahistorical and aprocessual. He claimed that cross-sectional analyses were privileged over the more challenging endeavours to understand the dynamics of change across time and space. Since then, scholars such as Van de Ven & Poole (1995) and Weick & Quinn (1999) have demonstrated an increased interest in aspects such as time, process and pace of change and in the sequence of events. However, in 2001, Pettigrew (Pettigrew et al., 2001) still claimed that the field of organizational change was far from mature in understanding the dynamics and effects of time, process, discontinuity, and context. What the organizational

change literature needs, according to Pettigrew et al. (2001), is a greater emphasis on the longitudinal study of change processes.

More recently, Pollitt (2011) made an adjoining observation. He comes to the conclusion that "much of the research on innovation has […] focused on the early days – on the moment of innovation itself, what leads up to it, and what makes some innovations 'catch on' by attracting the right kind of 'early adopters'" (Pollitt, 2011, 42). The later stages of their development have, however, been understudied. Therefore, Pollitt invites future research to focus upon questions such as "What proportion of administrative innovation is short-lived?", and "Is there any pattern to those that become perennials rather than fade after the first bloom?" (Pollitt, 2011, 42). The only study so far, as we know, that has been focused on the sustainability of innovations was done by Pollitt, Bouckaert and Löffler (2007), who investigated the lifecycles of innovations presented at the European Quality Conferences, and made some worrying observations. They investigated the sustainability of a sample of innovations going back two years, through a telephone survey. We plan to go further and deeper than that.

We are interested in the way in which organizational innovations develop throughout time, and in the mechanisms and processes that are responsible for these developments. This interest is not only driven by the urge to close a gap in the academic body of literature. It is also, and primarily, driven by the practical relevance for public managers and policymakers. Indeed, it can be argued that organizational change and innovation might constitute effective ways to achieve improvements in the performance and service levels of public sector organizations. However, as Pollitt rightly points out, administrative innovations and reforms have in the past been known to fade as fast as they first appeared (Pollitt, 2011). Of course, we do want the public sector to improve itself, but we want to avoid the disruptive effects created by the quick demise and rapid succession of innovations and reforms. In other words, we want innovations to be sustainable.

In order to investigate the development of innovations throughout time, our research focuses on administrative projects or practices which were recognized as 'best practices' by national and international conferences and awards on excellence, innovation and/or quality in the public sector. We claim that these best practices are reasonable proxies for innovations. Indeed, the novelty of the submitted projects is an often-used criterion in the selection procedure for these conferences and awards. In addition, various researchers, mainly from the United States and Canada, have used public service (innovation) awards in academic research on innovations. [1]

The focus of our research on the dependent side of the equation is on the subsequent life courses of these projects and practices after their recognition as best practices. We want to know what happened to these innovations in the medium and longer term: Are they still operational today or have they ceased to exist? Were they actively and explicitly terminated or did they just fade away? Did they survive in their original form or were they transformed over the years? And finally, were they adopted by other organizations? These questions will be addressed through an online survey among the best practice cases in our database.

On the independent side of the equation, we were inspired by a suggestion made by Pettigrew et al. (2001). These authors make the observation that there is a hunger among the practitioners of change to know whether those processes and mechanisms that are responsible for initiating

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[1] See for example: Borins, 2000, 2001, 2008; Gow, 1992; Glor, 1998; Rangarajan, 2008; Golden, 1990; Bernier et al., 2014.

change are similar to or different from those responsible for sustaining or regenerating organizational change. Building on this observation, we present a conceptual framework with three main dimensions: feedback, accountability, and learning. The literature suggests that these processes and mechanisms play an important role in the initiation of change. We are interested to know if they also play a decisive role in sustaining or regenerating change, and if so, in what way.

On the basis of an extensive literature review, on which we will further expand in chapter two, we have found theoretical and empirical arguments supporting the thesis that feedback, accountability and learning might play a decisive role in the patterns of change and innovation within public sector organizations. In short, these arguments come down to this:

- Feedback information allows an organization to correct its errors, to adjust its goals, to restore its performance levels, and to align itself with its environment (Van der Knaap, 1995; Fiol & Lyles, 1985; Morgan, 2006; Katz & Kahn, 1978; Downs, 1967; Walker, 2013).
- Accountability mechanisms, more specifically the public nature of the account giving and the possibility of sanctions, may provide the incentive for public officials to actually make changes in order to improve the performance of their organization (Bovens et al., 2008; Wynen et al., 2014).[2]
- Finally, an organization which is characterized by a learning culture, has an open and receptive attitude towards different opinions and alternative ways of doing things, and has a tolerance for errors and risk-taking. Ideally, this open mindset is supplemented with structural and procedural arrangements that allow organizations to actively search for and process relevant feedback information, and to share this information within the organization and beyond (Garvin et al., 2008; Popper & Lipshitz, 2000; Greiling & Halachmi, 2013).

Our expectation is that different constellations of these three dimensions (together called the FAL-model) at the level of the organization will lead to different patterns of change and innovation. It is our intention to describe the patterns of change and innovation for the best practices in our database, and to investigate if these different patterns can be linked with different constellations of the three dimensions at the independent side of the equation. For this purpose, we have developed these three dimensions into several sub-dimensions, and we have tried to make these measurable by translating them into survey questions. In addition, and as stated before, we developed a number of survey questions inquiring about the subsequent life courses of the best practice cases.

However, internal feedback loops, accountability mechanisms and learning processes are not the only factors contributing to the sustainability of an innovation. We realize that some external factors can influence the FAL-model in organizations, whilst others can explain the sustainability of social innovation on their own, irrespective of the FAL-model. We will therefore use a more complex vision on causality for this research, and adopt the concept of FAL as being part of an

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[2] However, an accountability regime which focuses too harshly on mistakes and sanctions may discourage entrepreneurship, risk-taking, initiative and creativity, and instead may provoke defensive routines, paralysis and window-dressing (Van Loocke & Put, 2011; Bovens, 2005; Bovens et al., 2008; Behn, 2001; Hartley, 2005).

INUS-condition. We will further elaborate on this concept in chapter five; it will suffice to say here that two of the external factors who can influence the FAL-model within an organization are ombudsmen and supreme audit institutions (SAIs). Indeed, if the recommendations and critiques of these organizations have a legally binding character, they can be ascribed full responsibility for certain social innovations, regardless of the FAL-model in the respective organization under scrutiny.

To recap, our research goals as mentioned in the Description of Work are:

1. Make an inventory and analysis of databases on best EU practices for innovation
2. Analyse the recommendations made by audit offices and ombudsmen
3. To identify relevant drivers and barriers that explain if and why these recommendations have (or have not been) implemented
4. To make policy recommendations in order to improve the use of accountability information for public service innovation
5. To disseminate the research results and policy recommendations among the involved organizations, to policymakers and the general public

In order to reach these research goals we need to paint a complete picture on the nature of social innovation in Europe, the way these innovations develop through time and investigate the influence of Ombudsmen and SAIs. We will do so by carrying out the following tasks:

- Create and analyse a database of good and best practices, over the past 12 years, from Belgium, France, the Netherlands, Slovakia, Romania and the United Kingdom.
- Survey these good and best practices in order to find out what the lifeline of the awarded social innovations look like, and whether they still exist/turned out to be sustainable.
- Survey these good and best practices for the way in which feedback, accountability and learning are entrenched and developed as concepts within the awarded organizations.
- Investigate the influence of Ombudsmen and Supreme Audit Institutions by conducting in-depth interviews throughout the six previously mentioned countries.
- Make policy recommendations in order to improve the use of accountability information for public service innovation.
- Disseminate the research results and policy recommendations among the involved organizations, to policymakers and the general public.

Before further expanding on the theoretical framework of the FAL-model in chapter three, we will, in the next chapter, clearly outline our methodology for both the quantitative and qualitative parts of our research, including the implications this methodology has on the conclusions we can draw from our research. In chapter four we will then view the results of our data mining and survey of social innovations. After presenting the conclusions of our interviews with Ombudsmen and Supreme Audit Institutions in chapter five, we will conclude with a summary of our findings and attach policy recommendations in order to improve the use of accountability information and to improve the FAL-structure in public organizations throughout Europe. All in furtherance of the sustainability of the social innovation initiatives that are being developed by public organizations all over Europe in their constant search to improve efficiency, effectiveness and hence the life of the people they work for.

2. Theory and Literature on Feedback, Accountability and Learning

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2.1. Introduction

In this chapter we will investigate the extensive body of literature surrounding the factors Feedback, Accountability and Learning. All three are comprised of many facets, and influence innovation in their own particular ways. After giving a short introduction on the issues and particularities of public sector innovation, we will respectively delve into the literature of factors enabling or disabling public sector innovation through Learning, Feedback and Accountability. In the chapter following this one, we will translate the literature review into a methodology to measure the influence of our FAL-model (derived from this literature review) on public sector innovation.

2.2. Public Sector Innovation

Many observers are critical of the innovative nature of the public sector. It has been argued that the political, democratic and legal context of public administration constitute an impediment to innovation. Several reasons can be given for this. Drawing on the work of Bekkers et al. (2011), Bekkers et al. (2013) and Pollitt (2011), we discuss a few of these reasons: lack of competition, risk-avoidance, short-termism, and rule-obsession.

2.2.1. Lack of competition

Many observers indicate that competition is one of the most important incentives for improvement and innovation. Organizations in a competitive environment can only survive if they are able to create new products, new services, more efficient production methods, better and more efficient ways of delivering services, and so on. Public sector organizations, however, are often in a monopolistic position. Citizens often have no choice but to be clients of the public organization in question. It is argued that since the public sector lacks competition, it also lacks incentives to improve and to innovate (Bekkers et al., 2011).

2.2.2. Risk-avoidance

Innovation is risky business. Innovations often come about through a risky process, involving experimentation, trial and error, and uncertain outcomes (Pollitt, 2011; Levitt & March, 1988). Innovation can be seen as a journey which is not linear and rational but which leads to dead-ends, mistakes, setbacks, and obstacles. As a consequence, mistakes and failures are part of any innovation process (Bekkers et al., 2013; Hartley, 2005).

However, bureaucratic and political cultures are often viewed as risk-avoiding cultures. Risk and risk-taking are generally negatively perceived by public sector organizations (Bekkers et al, 2011). The reasons for this are obvious. First of all, government works with public money. It is very hard for politicians and other public office holders to "persuade the media and the public that it is acceptable, in certain contexts and under certain conditions, to spend public money on things that turn out to be failures" (Pollitt, 2011, p. 39).

Secondly, decision-makers and implementers carry responsibility for failure. They are often harshly penalized for failures, both by public accountability mechanisms and by the media (Pollitt, 2011; Gilson et al., 2009). As a consequence, politicians and public managers are cautious to support radical innovations because there is a risk of failure, and hence a risk of getting blamed and penalized. Risk-, error-, and blame-avoidance thus become central characteristics of the public sector: public managers tend to make safe decisions in order to avoid risk and blame (Howlett, 2012; Bernier et al., 2007; Gilson et al., 2009; Bekkers et al., 2011).

2.2.3. Short-termism

A systematic, long-term, and goal-oriented perspective can create a fertile breeding ground for innovation (Drucker, 1985 – In Bekkers et al., 2011). However, public administration is under the influence of the political realm, which does not value long-term progress. Politicians want quick results in order to safeguard their mandates at the next election (Bekkers et al., 2011). This short-term orientation increases delivery pressures and forces public office holders to minimize risk-taking (Bekkers et al., 2013).

2.2.4. Rule-obsession

The public sector is dominated by a bureaucratic culture in which compliance with rules and procedures is highly valued. And rightly so, because rules and procedures provide legal security and equity, which are important public values. The downside is that rules and procedures can become ends in themselves. They become accepted practices and their purpose is never questioned. When this is the case, these rules and procedures may limit the way in which new concepts, methods, technologies and processes are accepted – in other words, they may impede innovation (Bekkers et al., 2013).

These four characteristics of the public sector are not beneficial to innovation. However, there is no reason for despair. The different strands of research dealing with innovation mention many other potential drivers for innovation. Three important fields of study in this respect are: the body of literature on learning and cognition; the body of literature on systems, feedback, and environment; and the body of literature on accountability (in particular the learning and improving function of accountability).

In the following paragraphs, we will explore and discuss these lines of research. On the basis of this research review, we identify three dimensions which we claim are important for innovation: feedback, accountability, and learning. Moreover, we will develop a list of questions to measure the degree to which feedback, accountability and learning mechanisms are present in public sector organizations and to assess the characteristics of these mechanisms. On the basis of this questionnaire, we will then test whether or not these mechanisms are indeed conducive to innovation and if so, under which circumstances.

2.3. Learning

Scholars from different research areas have conceptualized learning in different ways.

2.3.1. Cybernetic system learning: corrective system learning on the basis of feedback

Many authors have looked at learning from a systemic perspective. In his description of cybernetic system learning Peter van der Knaap (1995) refers to, among others: Deutsch (1966),

Argyris & Schön (1978), Senge (1992), Ashby (1952), and Fiol & Lyles (1985). According to these authors, a cybernetic system has a specific purpose (e.g. the provision of water). To perform its function, a system needs inputs (e.g. spring water) from its environment, which it subsequently processes into certain outputs (e.g. drinking water and waste). The main principle guiding the cybernetic system perspective, however, is this: the self-steering part of a system is able to detect and correct error; if a system is capable of obtaining feedback information about the outcomes and effectiveness of its actions, it is capable of correcting its errors and improving its overall functioning (Van der Knaap, 1995).

Thus, from the perspective of cybernetic systems, learning refers to the detection and correction of error. At least two levels of learning can be distinguished. Many authors have made this distinction, using different labels. However, the labels used by Argyris and Schön are probably the most influential. They differentiate between single-loop and double-loop learning (Argyris & Schön, 1978).

Upon the detection of an error, most people look for another operational strategy that will work within the same goal-structure and rule-boundaries. This is single-loop learning. Single-loop learning occurs on the basis of goal-seeking or confirmatory feedback. This kind of feedback does not challenge the purpose of the system: goals, beliefs, values and conceptual frameworks ('the governing values') are taken for granted without critical reflection. The emphasis is on 'techniques and making techniques more efficient' (Usher and Bryant, 1989, p. 87 – in Smith, 2013). Questions that may be asked are: Could we do what we are currently doing in more productive ways, doing it cheaper, using alternative methods or approaches for the same objectives? If an action we take yields results that are different to what we expected, through single-loop learning, we will observe the results, automatically take in feedback, and try a different approach. This kind of learning may lead to the gradual improvement of existing, well-known policies. It solves problems but ignores the question of why the problem arose in the first place (Van der Knaap, 1995; Fiol & Lyles, 1985; Argyris & Schön, 1978).

Figure 1: Single & double loop learning
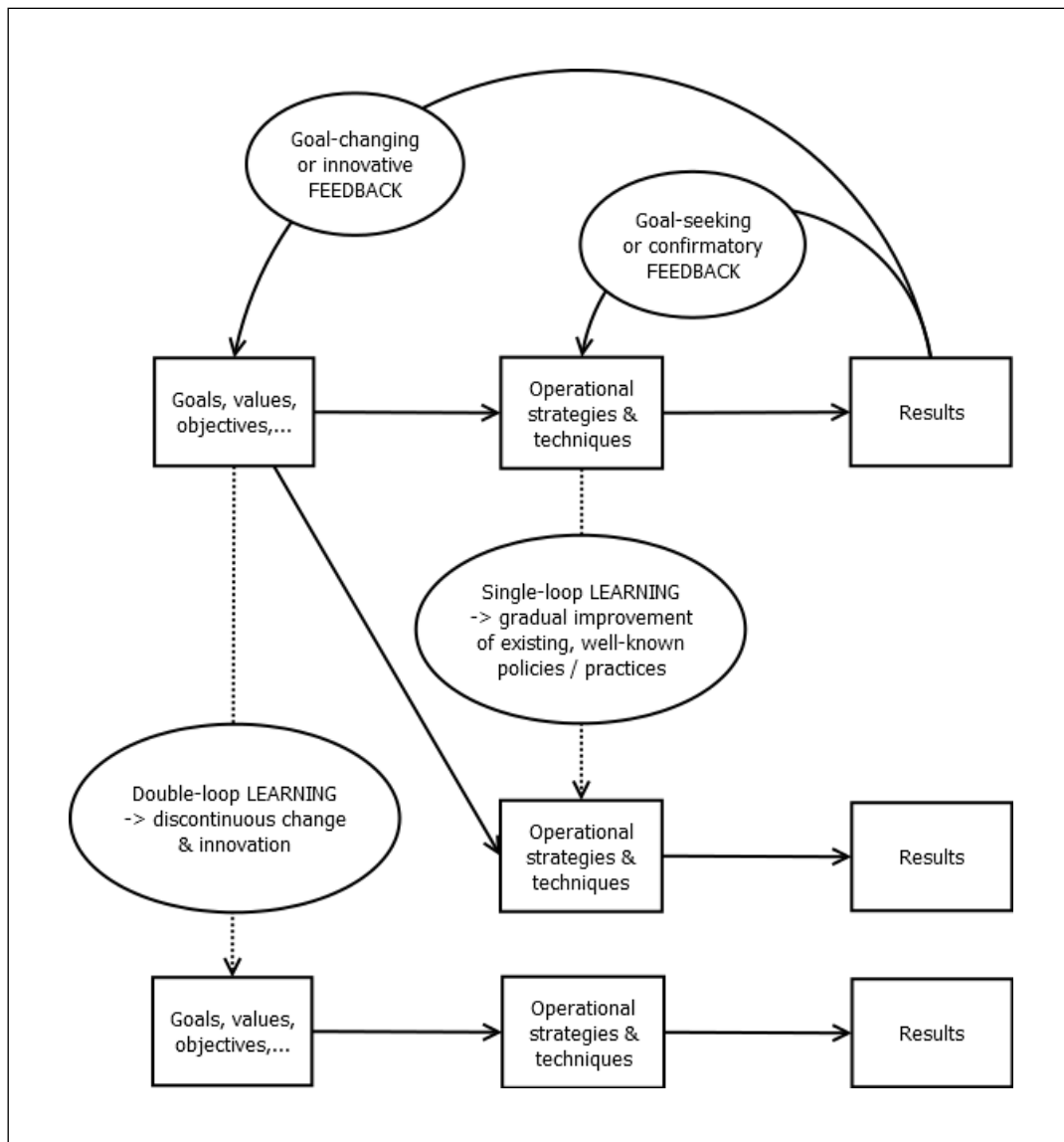
If we look deeper, however, we may find that what went wrong, did so because of the way the system is designed. Consequently, if we change the system's underlying norms and assumptions, we may be able to prevent the error from happening again. An alternative and more sophisticated response, therefore, is to question the governing variables themselves, to subject them to critical reflection. This is described by Argyris and Schön as *double-loop learning*. Double-loop learning occurs on the basis of goal-changing or innovative feedback. It pertains to the detection and correction of errors in ways that involve the modification of an organization's underlying norms, assumptions, policies and objectives. It may lead to discontinuous change and innovation (Van der Knaap, 1995; Fiol & Lyles, 1985; Argyris & Schön, 1978).

We may, however, reflect even further. We can reflect about what prevented us from seeing that the system needed changing, before something went wrong. Argyris and Schön call this third level of learning 'deutero learning'. It entails an institutionalized capacity to learn (Argyris & Schön, 1978; Bovens, Schillemans & 't Hart, 2008).

2.3.2. Individual cognitive learning

One may also look at learning from the perspective of the individual human mind. On the basis of their experience, individuals develop cognitive schemata. These are mental constructs, belief systems, and knowledge structures that allow for understanding of situations and actions, and that serve as frames of reference for action and perception; individuals use their cognitive schemata to perceive, construct and make sense of their worlds and to make decisions about what actions to take (Van der Knaap, 1995; Lam, 2006).

From the perspective of the individual human mind, learning refers to the development and refinement of these cognitive schemata. How does this happen? According to Kolb (1984) a learning person moves through a learning cycle of four stages: (1) concrete experience, (2) reflection of the experience/thinking about it (reflective consideration), (3) abstract searching for the meaning of the experience (abstract hypothesis), and (4) practical experimentation (active testing). After reflecting on a direct experience, the individual will try to interpret and process the acquired information on the basis of his or her current cognitive schemata. Building on this interpretation, a course of action can be selected. Since this new course of action will lead to new direct experiences, the consequences of these actions may then serve as the start of a new learning cycle (Van der Knaap, 1995).

In the case of an unsuccessful interpretation, the observed consequences do not respond to expectations, causing the experience of cognitive dissonance: a state of doubt whether current knowledge and beliefs are still valid. As this feeling is psychologically uncomfortable, people will try to avoid or reduce it. One possibility is to actively avoid any information or situation that might cause dissonance. Another possibility for people to deal with cognitive dissonance is to reflect on and reconsider their existing cognitive schemata. It is this second possibility that may induce learning. Indeed, learning and the refinement of these schemata can only come from reflection on and reconsideration of cognitive schemata. So on a concluding note, kick starting a process of reflection is crucial to learning from a cognitive perspective (Van der Knaap, 1995).

2.3.3. Learning anxiety and psychological safety

The experience of cognitive dissonance and the subsequent psychological process is also described by Kurt Lewin's change theory, albeit using a slightly different language. Lewin's change theory, which was developed in the 1940s, is comprehensively summarized by Edgar Schein (1995). According to Lewin/Schein's theory of change, all forms of learning and change are triggered by some form of frustration caused by confronting information that refute our expectations or hopes. However, Lewin/Schein argue that disconfirming data is a necessary, yet insufficient condition for learning and change to occur. Indeed, we can choose to ignore the information as irrelevant, to deny its validity, or to blame the undesired outcome on others. As Schein puts it: "*In order to become motivated to change, we must accept the information and connect it to something we care about. The disconfirmation must arouse what we can call 'survival anxiety' or the feeling that if we do not change we will fail to meet our needs or fail to achieve some goals or ideals that we have set for ourselves ('survival guilt')*" (Schein, 1995, p. 3-4).

Lewin/Schein argue that, often, we refuse to accept the disconfirming data because we experience what they call 'learning anxiety'. Learning anxiety is defined as the feeling that if we admit that something is wrong, if we accept errors, then we may lose our effectiveness, our self-esteem and maybe even our identity. This feeling may trigger defensive reactions toward the disconfirming data. Thus, the key to producing change is finding a way to deal with this learning

anxiety. According to Lewin and Schein, the solution lies in the creation of a sufficient amount of psychological safety for the learner (Schein, 1995).

> "The key to effective change management, then, becomes the ability to balance the amount of threat produced by disconfirming data with enough psychological safety to allow the change target to accept the information, feel the survival anxiety, and become motivated to change" (Schein, 1995, p. 5).

To sum up, according to Lewin and Schein, psychological safety is crucial to learning and change.

2.3.4. Social learning

The development of mental models and cognitive schemata by individuals does not occur in a social vacuum, however. The individual's cognitive development is influenced by its social environment. Studied from a social perspective, learning depends on communication. On the basis of shared linguistic notions, people can exchange knowledge and beliefs. When communication is durable, a dialogue or a debate may arise. In a dialectic connection, opinions may be tested and verified, alternative viewpoints may be confronted, and mutual efforts of persuasion and argumentation may be made. In this way, the individuals participating in the dialectic connection are stimulated to reflect on their existing cognitive schemata, which may lead to learning and change (Van der Knaap, 1995).

More still, the confrontation of viewpoints may lead to new viewpoints, transcending the opposition. Indeed, the confrontation of competing theses may result in a dialectical process through which a synthesis may be reached on a higher level (Bekkers et al., 2011).

However, the possibilities of communication, dialogue, confrontation of viewpoints, and learning may be compromised by what Argyris (Argyris, 1987 – in Van der Knaap, 1995) has called 'defensive routines'. Indeed, in order to prevent the experience of embarrassment or threat, people tend to take refuge in defensive routines, which are concealing practices to obstruct the confrontation of viewpoints (Van der Knaap, 1995). When people feel threatened or vulnerable, they often engage in these kinds of defensive routines in order to protect themselves and their colleagues from losing face (Morgan, 2006b). The conception of defensive routines has a great deal of common ground with Kurt Lewin's work on learning anxiety and psychological safety.

2.3.5. Organizational learning

The notion of organizational learning has received ample scholarly attention over the last couple of decades. However, no theory or model of organizational learning has gained widespread acceptance (Fiol & Lyles, 1985; Mariotti, 2012). The term 'organizational learning' is defined in any number of ways, widely differing in scope and focus. Whilst some definitions focus on the learning of individuals in the organizational context, others on the opposite side of the spectrum instead focus on an organization-level process that is distinct from individual learning. In the case of the latter, organizational learning is directly linked to the institutionalization (Knight, 2002; Huysman, 1999) of such concepts as organizational culture, processes and procedures.

Some scholars argue that organizations cannot learn; that only individuals can learn. For example, Weick (1991, p. 119 – in Mariotti, 2012, p. 216) states that "organizations are not built to learn. Instead, they are patterns of means-ends relations deliberately designed to make the same routine response to different stimuli, a pattern which is antithetical to learning in a

traditional sense." Simon (1991, p. 125 – in Knight, 2002, p. 432) states that "all learning takes place inside individual human heads." Nevertheless, Simon argues that

> "what an individual learns in an organization is very much dependent on what is already known to (or believed by) other members of the organization and what kinds of information are present in the organizational environment. [...] human learning in the context of an organization is very much influenced by the organization, has consequences for the organization and produces phenomena at the organizational level that go beyond anything we could infer simply by observing learning processes in isolated individuals" (Simon, 1991, p. 125-126, in Mariotti, 2012, p. 216).

In other words, Simon, and other scholars sharing this view, believe that the notion of organizational learning deserves scholarly attention. However, they do not see organizational learning as the learning of an organization. They see it as the learning of individuals in an organizational context (Crossan et al., 1995). In this view, organizational learning is seen as the sum of the learning of individual members of the organization (Mariotti, 2012; Knight, 2002).

Other scholars, however, consider organizational learning to be more than the sum of the learning of individuals that constitute the organization. They argue that not only individuals can learn, but organizations as well. For example, Knight (2002, p. 436) argues "that learning is a notion that can be usefully applied at different levels, provided we accept that the detailed conceptualization of learning and associated constructs, such as memory, are not identical across the levels." We might, for example, make the following comparison: Individuals develop mental models that they use as frames of reference to perceive and understand situations and to decide on which courses of action to take. Similarly, organizations develop shared mental models which have an influence on the decisions made by the management, and which guide the problem-solving activities and patterns of interaction among co-workers (Lam, 2006). Hedberg (1981, p. 6) draws another parallel: "Organizations do not have brains, but they have cognitive systems and memories." Lam (2006) defines the collective memory of an organization as "the accumulated knowledge of the organization, stored in its rules, procedures, routines, and shared norms" (Lam, 2006, p. 124).

In this view, organizational learning does not only comprise individuals learning in an organizational context, but also the organization learning through intra-organizational interaction. Identifying organizational learning, however, is tricky business. One tool which enables us to see if organization learning has taken place, is analysing whether cognitive structures and behavioural patterns remain despite personnel turnover (Knight, 2002). Hedberg (1981, p. 6) puts it this way: "Members come and go, and leadership changes, but organizations' memories preserve certain behaviours, mental maps, norms, and values over time."

In short, organizational learning is a popular research topic. However, there is no scientific agreement on what constitutes organizational learning. In particular, the topic seems to suffer from two ailments: disagreement about the appropriate unit of analysis, and definitional confusion between the locus of the learning and the context of the learning. This makes any scientific discussion difficult. However, Knight (2002) has developed a matrix that might overcome these disagreements. By making the distinction between learner and learning context, the matrix distinguishes conceptually different forms of learning. The rows consist of the various agents of learning (i.e. each row represents a different learner). The columns regard the context

for learning. The matrix is an analytical framework that provides the opportunity to map prior research, and consequently, to make the conceptual disagreements discussable (Knight, 2002).

Figure 2: Knight's (2002) organizational learning-matrix

| Level of learner | *Context of learning* | | | | |
	Individual (I)	Group (G)	Organizational (O)	Dyadic (D)	Interorganizational (I-O)
Individual (I)	Individual learns 'alone'	Individual learns within a group	Individual learns within an organization	Individual learns within a dyad	Individual learns within a network
Group (G)	Group's learning is influenced by an individual	Group learns through intragroup interaction	Group learns within an organization	Group learns within a dyad	Group learns within a network
Organization (O)	Organization's learning is influenced by an individual	Organization's learning is influenced by a group	Organization learns through intra-organization interaction	Organization learns within a dyad	Organization learns within a network
Dyad (D)	Dyad's learning is influenced by an individual	Dyad's learning is influenced by a group	Dyad's learning is influenced by an organization	Dyad learns through intradyad interaction	Dyad learns within a network
Network (N)	Network's learning is influenced by an individual	Network's learning is influenced by a group	Network's learning is influenced by an organization	Network's learning is influenced by a dyad	Network learns through intranetwork interaction

Source: Knight, 2002, 438

On the basis of this framework, we can map the rival conceptions of organizational learning that we discussed in the previous paragraph. In this study, we will regard organizational learning as the combination of individuals and groups learning in an organizational context, and the organization learning through intra-organizational interaction.

2.3.6. Organizational learning is a social affair

Starting from this definition, organizational learning can be regarded as a social accomplishment, emergent from the interactions of organizational actors. Organizational learning takes place in networks of relationships between individuals, groups, and organizational actors. It is a collective accomplishment (Mariotti, 2012). According to this view, organizational learning is situated in the relational activities of actors: social processes are crucial in the formation of collective cognition and knowledge structures; social interactions and group dynamics within organizations are decisive factors in the shaping of collective intelligence, learning, and knowledge generation (Lam, 2006). Organizations are seen as consisting of groups of individuals that collectively try to make sense of a complex reality in their daily work activities (Brown & Duguid, 1991).

2.3.7. Exploitation, exploration and organizational survival

Scholars in the research area of organizational learning have also examined how shared interpretative schemes affect the adaptive potential of organizations. According to Lam (2006), some scholars have claimed that collective mental models facilitate an organization's capacity to process and interpret information in a coherent and purposeful manner, and to share

knowledge. In this manner, shared mental models are expected to aide learning and joint problem solving and, hence, to enhance the adaptiveness of organizations (Lam, 2006).

However, as Lam (2006) indicates, other scholars have argued that shared mental models can create "blind spots" in organizational decision making and impede organizational change. They argue that organizations tend to persist in what they do because everyone in the organization has the same set of beliefs and values, and because it occurs to no one to question the existing ways of doing things. As a consequence, organizations may find it difficult to unlearn these deeply rooted practices and to explore alternative ways of doing things (Lam, 2006).

Therefore, these authors suggest that there should be a sound balance between the exploitation of existing knowledge and competences, on the one hand, and the exploration/integration/ insertion of new ideas, knowledge, expertise and competences from outside the organization, on the other.

Exploitation, according to Holmqvist (2003, p. 99) refers to the refinement of existing organizational knowledge and capabilities. Exploitation is about creating reliability in experience. It means productivity, refinement, routinisation, production, and elaboration of existing experiences. The exploitation of existing knowledge and competences may enable organizations to recombine existing knowledge and generate new applications from its existing knowledge base. This will most likely result in cumulative learning, which is continuous but incremental (Lam, 2006). At the same time, however, these learning processes can also result in a "simple-mindedness and a concomitant inability to explore new opportunities" (Holmqvist, 2003, p. 99).

These drawbacks, caused by exploitation, will need counteraction. Organizations will need to create variety in their experiences as well, by experimenting, innovating and taking risks. This is the so-called process of exploration (Holmqvist, 2003). The inflow of new knowledge and ideas may enable organizations to generate radical new products and processes. Sources from outside the organization are often thought to be in a better position to challenge existing perspectives and paradigms (Lam, 2006). In addition, Foldy (2004) argues that cultural diversity in an organization's workforce enhances organizational performance. Indeed, alternative and new ideas and perspectives can be generated by culturally heterogeneous groups, who contribute to functional diversity.

In the literature, a binary divide is made between intra-organizational learning processes on the one hand, and inter-organizational learning processes on the other. Where the former process favours exploitation, the latter favours exploration. The reason for this division may be found in the presence or absence of a dominant group. Intra-organizational learning is typically controlled by a dominant group, which has the power to select, promote, demote and dismiss organizational members. This situation tends to result in a status quo of organizational worldviews, norms, traditions, and rules (Holmqvist, 2003).

Inter-organizational learning, on the other hand, has been claimed to be of a highly innovative and explorative character, because this type of learning has the potential to share somewhat different experiences between the learning entities (Holmqvist, 2003). Inter-organizational collaborations may enable formal organizations "to increase their store of knowledge not previously available within the organization" (Huber, 1991, p. 97 – in Holmqvist, 2003, p. 104).

They provide "a shortcut to radical change, by-passing organizational vicious circles and deadlocks" (Ciborra, 1991, p. 59 – in Holmqvist, 2003, p. 104).

2.3.8. Tacit and explicit knowledge, knowledge conversion, and knowledge management

Knowledge management lies somewhat outside the field of organizational learning itself, but is very closely connected to it and critical for how organizational learning can operate. Knowledge management is the set of processes and practices by which knowledge is recognized, acquired, captured, codified, recorded, stored, aggregated, communicated, shared, transferred, converted, retrieved and reaccessed (Rashman et al., 2005; Gilson, Dunleavy & Tinkler, 2009; Levitt & March, 1988).

Before we can elaborate on this, we need to discuss the conceptual distinction made, among others, by Polanyi (1966) and Nonaka (1994) between tacit and explicit knowledge (Hartley & Allison, 2002; Rashman et al., 2005). Explicit knowledge can be articulated, codified and transmitted using formal systems (e.g. language and mathematics) and captured in language-based records (such as those in libraries, archives and databases). Tacit knowledge is personal, contextual, and often embedded in practice (concrete know-how, crafts and skills that apply to specific contexts), making it difficult to articulate and harder to share through formal language systems. The transfer of knowledge is dependent on close social interaction (Hartley & Allison, 2002; Rashman et al., 2005).

Hartley & Allison (2002) give us four modes of knowledge conversion through which tacit and explicit knowledge can be created and transferred between individuals and groups:

- **Socialization** is the process of converting tacit knowledge (known by one person or group) to tacit knowledge (held by another person or group). It is a process of sharing experiences and thereby sharing tacit knowledge, such as shared mental models and technical skills. It includes the processes of observation and imitation.
- **Externalization** is the process of articulating tacit knowledge into explicit concepts and ideas. The conversion process can be enhanced through dialogue and reflection. The use of metaphors and analogies, the telling of stories and anecdotes, the contrasting of situations and contexts can help explicit concepts to emerge from tacit knowledge.
- **Combination** is the process of systematizing concepts into a knowledge system and it occurs through combining and converting different forms of explicit knowledge. Such knowledge can be diffused and learnt (at least in its explicit form) through reconfiguring existing information, analysing, combining and recategorizing. Databases are an example of the combination of explicit knowledge.
- **Internalization** is the process of converting explicit to tacit knowledge. This process tends to be achieved through practice, by simply 'having a go at it'. Manuals and other documentation of, for example, project evaluation can help to embed tacit knowledge, however, the 'embodiment' of knowledge through action is critical.

Figure 3: Tacit and explicit knowledge conversion

	Tacit knowledge	Explicit knowledge
Tacit knowledge	Socialization *e.g. observation, imitation*	Externalization *e.g. metaphors, stories*
Explicit knowledge	Internalization *e.g. action, practice*	Combination *Reconfiguring existing information through sorting, adding, recategorizing and recontextualizing*

Source: Hartley & Allison, 2002, 105 (adapted from Nonaka, 1994, 19)

Both tacit and explicit knowledge are crucial for the functioning of an organization. Routine-based conceptions of learning presume that practical knowledge, whether in implicit form or in formal rules, is recorded, maintained and accumulated in an organizational memory through rules, procedures, routines, and shared norms. The biggest obstacle for this documentation to happen efficiently and effectively is the turnover of personnel and passage of time (Levitt & March, 1988).

However, it is argued that by far the biggest part of knowledge inside an organization will be tacit, inside the minds and practices of members of the workforce, not readily available for the rest of the organization (Gilson, Dunleavy & Tinkler, 2009). Unless the implications of experience can be transferred from those who experienced it to those who did not, the lessons of experience are likely to be lost through turnover of personnel (Levitt & March, 1988).

Unfortunately, the conversion of tacit knowledge known by one person or group to tacit knowledge held by another person or group (socialization) is often resource-intensive, slow and individualized. Fast-changing environments can be problematic for such a pace of learning in organizations (Gilson, Dunleavy & Tinkler, 2009; Hartley & Allison, 2002). Consequently, the question of how knowledge can be more formally collected and stored in retrievable ways by and within organizations has attracted widespread attention.

2.3.9. Organizational learning as a combination of cognition and behaviour

In an effort to synthesize previous models and theories of organizational learning, Fiol and Lyles (1985) suggest that "learning is the development of insights, knowledge, and associations between past actions, the effectiveness of those actions, and future actions" (Fiol & Lyles, 1985, 811). More precisely, they conceive learning as a dynamic relationship between cognitive and behavioural development (see also: Crossan et al., 1995).

With the cognitive dimension of learning, Fiol and Lyles refer to the development of insights and cognitive associations, and to changes in the states of knowledge of organizations. Insights and

causal associations are developed via the filtering, interpretation, and processing of raw information about past actions and performance. This information is thus translated into concrete lessons for the future, lessons concerning causes of and possible solutions to problems (Dekker & Hansén, 2004). The behavioural dimension comprises changes in terms of behavioural and organizational outcomes. Not just any change however. It refers particularly to those adaptations that reflect the knowledge, insights and cognitive associations that have been developed (Fiol & Lyles, 1985). It refers to the institutionalization of the lessons learned.

It should be noted, however, that learning is not a set, linear process in which behavioural change is always preceded by cognitive developments and in which cognitive developments are always followed by behavioural changes (Fiol & Lyles, 1985; Dekker & Hansén, 2004). This means two things. First, new insights and ideas are not always turned into new practices. Assessments may be challenged, what is learned may be ignored, or the pressures on the system may not be sufficient to bring about changes (Aucoin & Heintzman, 2000). Second, changes in behaviour may occur without any preceding cognitive development. However, those behavioural changes may sometimes give rise to a growing awareness about the effectiveness of those changes. To put it in the words of Crossan, Lane and White: "understanding guides action, but action also informs understanding" (Crossan, Lane & White, 1999, 524).

2.3.10. Inter-organizational learning and network learning

Inter-organizational learning and network learning are newly emerging research topics. Given that groups and organizations can be thought of as learning entities and that the inter-organizational network is the next system level after the organization, it is an obvious development to consider learning in and by organizational networks (Knight, 2002).

However, most of the research in this area focuses on the learning of individual organizations in the context of an inter-organizational network, and not on the network as a learner. Even where it is recognized that the interaction might lead to new joint learning, the focus is typically on how each firm can derive private benefit. The authors tend not to see the network as an *agent* of learning, but as a *context* for learning (Knight, 2002).

In order to avoid definitional confusion, Knight (2002) makes a distinction between inter-organizational learning and network learning. 'Inter-organizational learning' refers to the learning of individual organizations in the context of an inter-organizational network. 'Network learning' on the other hand is defined as learning by a group of organizations, *as a group*. More specifically: it is the group of organizations itself that is the 'learner', not just the individual organizations within the network (Knight, 2002).

2.3.11. Inter-organizational learning

Some scholars interpret inter-organizational learning as a process in which network members act jointly to create collective knowledge. However, inter-organizational learning may also refer to the sharing and transferring of knowledge from one network partner to another. In short, inter-organizational learning may involve one or more of the following elements: (1) creating collective knowledge; (2) sharing/transferring knowledge (Mariotti, 2012).

It is misleading to think of knowledge transfer in terms only of the movement of explicit (abstracted) knowledge from one context to another – the drag and drop metaphor. Indeed, as

Hartley & Benington (2006, p. 104) put it: "Instead, knowledge is continuously reviewed, recreated or re-appreciated as it is taken into different settings or is rediscovered in relation to new purposes or alongside existing 'old' knowledge". The transfer of knowledge is very often an active process of grafting and transplanting (adaption), rather than a passive copying of best practice (adoption).

In order for inter-organizational learning to occur, it is crucial to have institutional arrangements, such as learning platforms and networks, that allow organizations to exchange experiences and knowledge. However, in this respect, three dilemmas should be overcome. The first dilemma relates to one of the key characteristics of networks: the motivation of self-interested network members. It might be counterintuitive for these partners to participate in the network and to openly share valuable knowledge within the network. Information is power, so this valuable knowledge, which should be shared in order to make the network function, is often the kind of knowledge that individual private firms want to keep as proprietary (Mariotti, 2012). Therefore, in a private sector context of competition between individual organizations, in order to enhance knowledge sharing across organizational boundaries, this usually takes place in relatively closed and exclusive networks to safeguard competition as much as possible (for example in strategic alliances and supply chains) (Hartley & Benington, 2006).

In contrast, the emphasis in many public service settings is on the widest possible sharing of knowledge in order to improve the quality of the public service as a whole. The public sector is consequently characterized by an overall framework of collaboration, rather than competition. However, public sector league tables, audit and external inspection are increasingly subjecting public sector organizations to competition over reputation and resources, with the result of making them less willing to share ideas and knowledge (Hartley & Benington, 2006).

The second dilemma is the well-known 'free-rider' problem. Once a collaboration becomes successful, at least parts of its knowledge will become collective, and open to the entire public. Consequently, as in any market failure, there can be network members who enjoy the benefits, without participating in its establishment or maintenance (Mariotti, 2012).

The third dilemma relates to the composition of the network. A study on inter-organizational learning in British local authorities by Downe et al. (2004) revealed that geographical location, size, local socioeconomic factors and political orientation were important factors in identifying other councils from which to learn. Typically, the preference was for similarity, although some organizations pursued learning from dissimilarity (Downe et al., 2004). Heterogeneity among network members can be beneficial because it allows the members to learn from a wider pool of knowledge (different perspectives, different experiences, and different competences). As many reader will know from experience, new insights and new knowledge can be the fruit of clashing perspectives (Hartley & Benington, 2006). On the other hand, homogeneity among network members can also be beneficial. Indeed, transfer of (tacit) knowledge is more efficient and more likely to be successful when the source and the recipient organization have a common language, knowledge base and understanding (Mariotti, 2012). This relates to the argument expressed by Downe et al. (2004) that successful knowledge transfer is in part dependent on the absorptive capacity of the recipient, which is in its turn determined by prior knowledge and skills, including language and technical knowledge (Downe et al., 2004)

2.3.12. Formats and arrangements for inter-organizational learning

Finally, learning from the experience of other organizations is a major means of organizational learning (Levitt & March, 1988). It can occur through a number of mechanisms and arrangements

- Movement of personnel

- Contacts between organizations

- Professional communities and networks

- Prizes and awards

- …

2.3.13. Enabling factors for public sector learning

It is important to understand the major factors that can enable organizational learning and the ones that can inhibit it. Numerous factors have been identified by the literature as potential enablers/inhibitors of organizational and inter-organizational learning. In Table 1 a selection of factors is provided. This selection is an adaptation of and addition to the typology of factors developed by Greiling & Halachmi (2013). Greiling & Halachmi, in their turn, based their typology on the work of Popper & Lipshitz (2000); Barrados & Mayne (2003); Friedman, Lipshitz & Overmeer (2003); Rashman, Withers & Hartley (2009).

Table 1: Factors enabling organizational learning

Environmental enablers (external to the learning entity)	Environmental uncertainty	
	Amount of competition	
	Amount of (public) pressure for innovation and modernization	
	Regulatory obligations	
	Legal constraints and ethical issues	
	Costs and salience of potential errors	
Political enablers	Top management endorsement and commitment to organizational learning	
	Top management inducement of organizational learning culture	
	Strategic thinking	
Cultural enablers (organizational learning values/culture)	Transparency: honest and unbiased information disclosure	
	Integrity and issue orientation: collecting and providing information and making judgments regardless of its implications, regardless of interests, status, personal likes, etc.	
	General openness that encourages questioning, inquiry and constructive criticism	
	Openness for feedback information, for alternative opinions and perspectives	
	Tolerance for uncertainty: allowing cognitive dissonance	
	Tolerance for errors	Sense of safety about making errors and discussing them openly
		No-blame culture, trust-based culture
	Egalitarianism: power-sharing, participation, equal responsibility for performance, regardless of formal status (cf. TQM)	
Institutional learning conditions: structural and procedural arrangements that allow organizations to collect, analyse, store, disseminate and use information and knowledge	Credible measurement and analysis	Deliberate measurement practices: active measurement of a wide spectrum of performance
		Useful analysis
		Data quality assurance practices
	Information dissemination: widespread and timely communication of result information, in useful formats	
	Regular review	Practices for routine review of accomplishments
		Procedures for follow-up of decisions taken
	Internal platforms, arenas, forums to discuss and debate	
	Knowledge management	Making tacit knowledge explicit
		Recording, conservation and retrieval of knowledge and experience
		Creating, acquiring, capturing, aggregating, codifying, sharing and using knowledge
	Organizational memory	Archives
		Documentation of procedures
Organizational structure	Bureaucratic structure – adhocracy – J-form	
	Degree of autonomy/Distance from politics: Department – central agency – more autonomous agency	
Organizational capacity	Organizational slack (people, money, time, competences, information, knowledge, political support, contacts)	
	Large variety of relevant skills and knowledge that can be exploited	
	Personnel turnover	

2.4. Systems, feedback, and environment

Open vs. closed systems

In "An outline of general system theory", Ludwig von Bertalanffy (1950) makes the fundamental distinction between open and closed systems:

> "We call a system closed when no materials enter or leave it. It is open if there is inflow and outflow, and therefore change of the component materials" (von Bertalanffy, 1950, p. 155).

According to von Bertalanffy, the conception of an open system is more general than that of a closed system. Indeed, one can conceive a closed system as an open system in which the transport terms have been equated to zero. The opposite, however, is not possible (von Bertalanffy, 1950).

Closed systems are stationary. They are in a state of equilibrium, which means that their composition remains constant throughout time. An open system on the other hand, *may* attain a stationary state, but only if certain conditions are met. If this is the case, the composition of the system is not constant. The system appears to be constant, but this steady state is maintained by a continuous exchange of materials with the environment (von Bertalanffy, 1950).

Many biological and social systems can be characterized as open systems, while many physical and mechanical systems can be characterized as closed systems. However, the distinction between open and closed systems is not a dichotomous one, it is a continuous one. Indeed, the degree of openness can vary. For example, some open systems may be responsive only to a relatively narrow range of inputs from the environment (Morgan, 2006a).

2.4.1. The "open systems approach" to organization: the organism metaphor

2.4.1.1. Introduction

The open systems approach is based on the principle that organizations are, just like biological organisms, open to their environment and that – in order to survive – they must achieve an appropriate relation with that environment; they must interact with it and they must adapt to it. A closed system, by contrast, is not dependent on its environment. It is autonomous, insulated, and sealed off from its environment (Morgan, 2006a; Katz & Kahn, 1978; Daft, 1995).

In more traditional management and organizational theories and studies, relatively little attention was given to the environment. Organizations were predominantly viewed and treated as closed mechanical systems. The environment was assumed to be stable and predictable and not to interfere with the functioning of the system. Attention was focused on principles of internal design with a focus on effectiveness and efficiency (Morgan, 2006a; Katz & Kahn, 1978; Daft, 1995).

In other words, the closed-system approach ignored the importance of the environment to the functioning of human organizations. It was preoccupied with principles of internal design and internal organizational functioning. Consequently, it failed to understand the processes of feedback which are essential to survival (Morgan, 2006a; Katz & Kahn, 1978; Daft, 1995).

In the open systems approach, much attention is devoted to the relationship between the organization and its environment. A dominant principle is that organizations have to adapt

themselves to their environments if they are to survive. Organizations have to align with their environments to remain competitive and innovative. Alignment implies that the firm must have the potential to learn, unlearn or relearn based on its past behaviours. It can be argued that organizational adaptation is the essence of strategic management: when it comes to dealing with changes occurring in the environment, Fiol & Lyles (1985) stress that this should be the key focus, and that it involves the continuous process of making strategic choices (Fiol & Lyles, 1985).

The principle of organizational adaptation is also reflected in contingency theory. This theoretical current asserts that there is no one ideal way of organizing. The appropriate form depends on the kind of task or environment with which one is dealing (Morgan, 2006a).

2.4.1.2. The concept of an open system

An open or organic system is continuously engaged in an exchange of materials and/or energy with its environment. This interaction is crucial for the survival of the system, and for maintaining the so-called steady state. The open system is, more precisely, engaged in a continuous cycle of input, internal transformation (throughput), output, and feedback: inputs from the environment (materials and/or energy) are transformed into some product, which is then exported into the environment, after which the system recharges itself with sources in the environment (Morgan, 2006a; Katz & Kahn, 1978).

Open systems share a number of characteristics: negative entropy, feedback, homeostasis, requisite variety and equifinality. (1) Closed systems are entropic. This means that they have an irreversible tendency to degenerate and decay. Open systems, on the other hand, try to counter these entropic tendencies by importing energy from their environments. The law of negative entropy posits that systems survive and maintain their steady states as long as they import more energy from the environment than they consume (Morgan, 2006a; Katz & Kahn, 1978). (2) The feedback principle has to do with information input, which is a kind of signal to the system about environmental conditions and about the functioning of the system in relation to its environment. Such information constitutes feedback, which enables the system to correct for its own errors or for changes in the environment, and thus to maintain a steady state or homeostasis. (3) The concept of homeostasis refers to the self-regulating processes through which the inflow and outflow of materials and energy in organic systems is kept in balance. In other words, it refers to the ability to maintain a steady state (the ability to maintain life and form). These processes operate on the basis of negative feedback, implying that deviations from a certain set standard initiate corrective actions aimed at reducing the deviation (Morgan, 2006a; von Bertalanffy, 1950; Katz & Kahn, 1978). (4) The principle of requisite variety asserts that – in order to be adequate and appropriate – the internal regulatory mechanisms of a system must be as complex and diverse as the environment with which it has to deal (Morgan, 2006a, 2006b). (5) The principle of equifinality builds on the idea that an open system can arrive at the same end state from different initial conditions, with different resources, and by different paths of development (Morgan, 2006a; Katz & Kahn, 1978).

Open systems are also regularly characterized in terms of interrelated subsystems. For example, an organization can be anatomized into organizational divisions, which in their turn, consist of smaller groups or departments, each of which contains individual human beings. If we interpret the whole organization as the system, then the other levels can be understood as subsystems,

knowing that each subsystem in itself can be perceived as a complex open system in its own right (Morgan, 2006a).

2.4.1.3. The organization as an open system

Figure 5 is a schematic representation of an open system. In the context of public sector organizations, the inputs include raw materials, human resources, information and financial resources. In the transformation process, these inputs are transformed into something of value which can be exported back to the environment. In the context of public sector organizations, examples of valuable outputs are products and services for citizens and customers. Apart from valuable outputs, the transformation process can also create and export undesired by-products such as pollution to the environment (Daft, 1995).

Figure 4: Open System
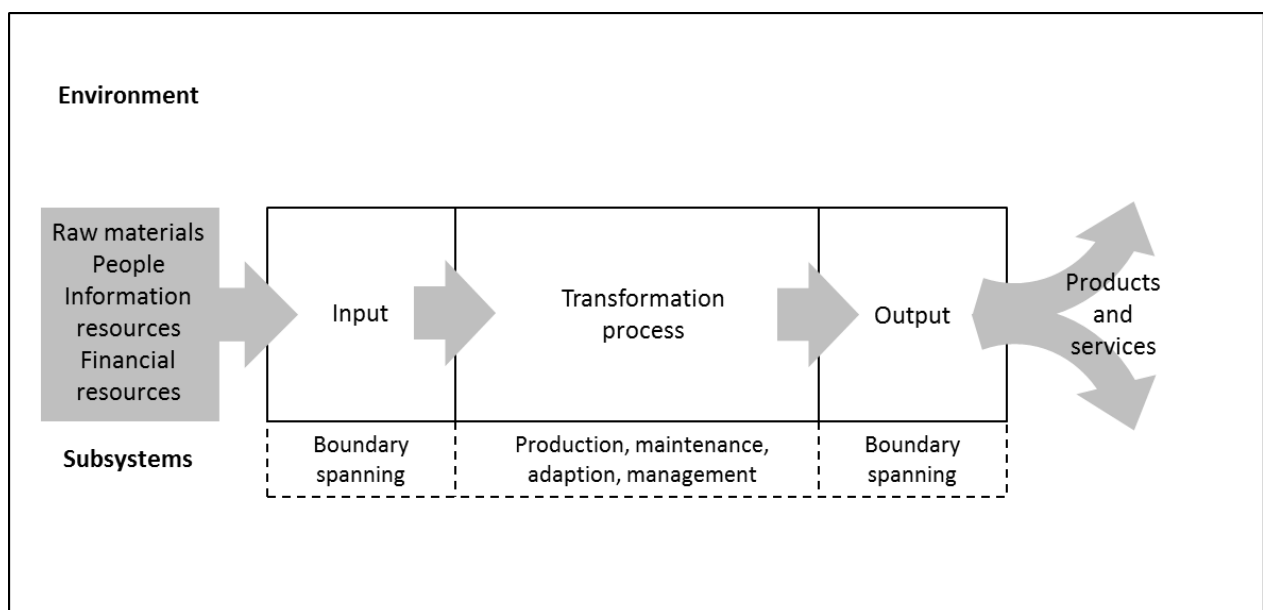
Source: Daft, 1995, 12

An organization is composed of several subsystems. The specific functions required for organizational survival are performed by several interrelated subsystems. In an organization, these subsystems may be called departments. Daft distinguishes between five essential functions which can be performed by organizational subsystems:

- Boundary spanning: boundary spanning subsystems are responsible for exchanges with the environment; they handle input and output transactions;

- Production: the production subsystem is responsible for the transformation process;

- Maintenance: the maintenance subsystem provides supportive functions that enable the organization to run smoothly; examples are the personnel department and the janitorial staff;

- Adaption: the adaptive subsystem is responsible for organizational change, adaptation and innovation; in order to do this, it scans the environment for problems and opportunities;

- Management: the management subsystem is responsible for providing direction, coordination, strategy and goals for the other subsystems.

These subsystems are interconnected and often overlap. Departments may have multiple roles (Daft, 1995).

2.4.1.4. Structural contingency theory

General

According to Lam (2006), the classical theory of organizational design assumed the idea of 'one best way to organize'. This assumption was challenged by the contingency theory, which came to prominence during the 1960s and 1970s. Contingency theory argues that the most suitable structure for an organization is the one that best fits the relevant contingencies, such as the nature of the task or the environment with which the organization is dealing. Consequently, contingency theory is preoccupied with investigating the links between the nature of the task, the environment, structures and organizational performance (Lam, 2006; Morgan, 2006a.). Following Lam (2006), we discuss two important early contributions to contingency theory.

A study of Burns & Stalker (1961) found that firms could be categorized in two main types: 'mechanistic' and 'organic' organizations. Mechanistic organizations are typically rigid and hierarchical. They are characterized by: task specialization and functionally differentiated duties; precise definition of rights and obligations; a hierarchical structure of control, authority and communication; concentration of knowledge at the top of the organization. The study of Burns & Stalker found that this type of organization is well suited to stable and predictable conditions. Organic organizations, on the other hand, are typically more fluid in their structures and procedures. They are characterized by: continual adjustment and redefinition of individual tasks and duties; a network structure of control, authority and communication; knowledge may be located anywhere in the network. This type of organization is said to be better suited for environments characterized by rapid change and high complexity (Lam, 2006).

In 1979, Mintzberg proposed a series of organizational archetypes: simple structure, machine bureaucracy, professional bureaucracy, divisionalised form, and adhocracy. He argued that successful organizations design their structures to accommodate their environments. According to Mintzberg, bureaucratic structures work well within stable environments, but are not innovative and cannot cope with novelty or change in the environment. Adhocracies, by contrast, are highly organic and flexible forms of organization and are capable of radical innovation in a volatile environment (Lam, 2006).

Structural contingency theory and innovation

At the centre of contingency theory is the notion of 'fit'. The theory asserts that an appropriate fit between organizational structure and key contingencies will lead to higher performance. Innovation may assist at achieving this fit by adapting structures to new circumstances. Figure 6 shows Donaldson's (2001) 'structural adaptation to regain fit' model, edited by Walker (2013) to include innovation.

Figure 5: 'Structural adaptation to regain fit'-model
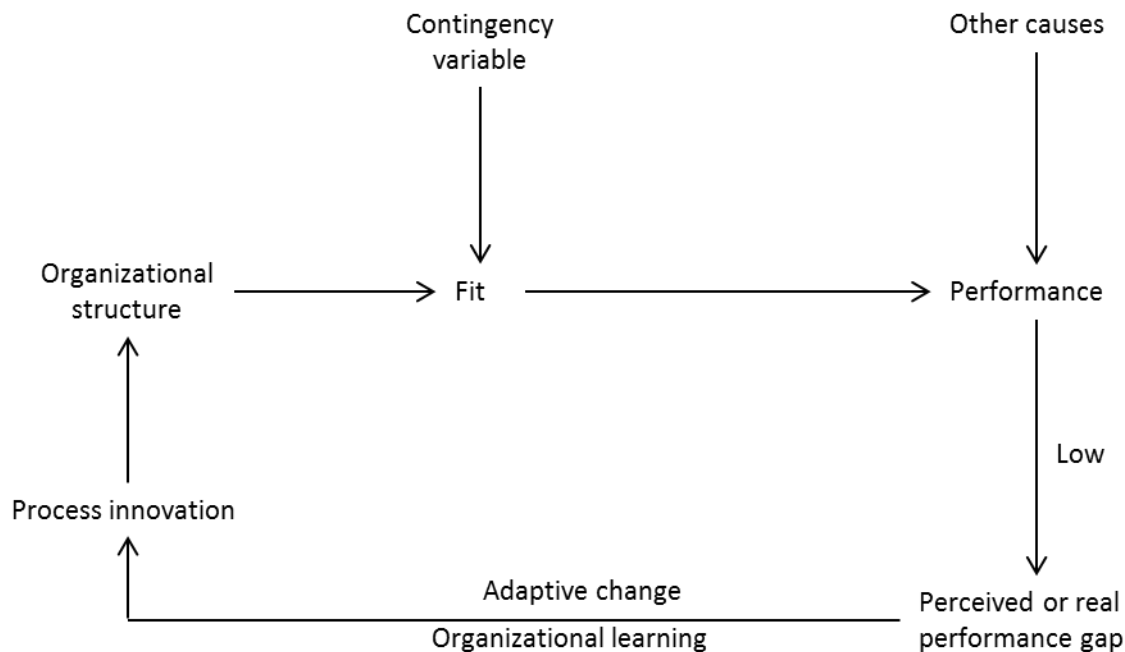
Source: Walker, 2013, 18

In accordance with structural contingency theory, the figure suggests that the fit or misfit between organizational structure and contingency influences the level of performance. When key contingencies change while the organizational structure remains unchanged, this will result in misfit, which may lead to reduced levels of performance. In order to restore performance back to acceptable levels, the organization has to adapt: it has to change its structure in order to accommodate the changed contingencies and to bring the organization back into fit (Walker, 2013).

2.4.1.5. The basic dynamics of search and change

According to Downs (1967), organizational change is closely related with information seeking. He sets forth a basic model of search and change for both individuals and organizations. For our purposes, we will focus on the level of the organization. The basic model is a theory of dynamic equilibrium involving the following hypotheses:

- All organizations are continuously engaged in scanning their immediate environment to some degree. They constantly receive a certain amount of information from their environments. This stream of information comes to them without specific effort on their part to obtain it. This constitutes a minimal degree of constant, 'automatic' search.
- Each organization sets a level of performance it aspires to achieve. Organizations can choose different aspiration levels. A wide range of internal and external pressures will play a role in determining the aspiration level.
- Whenever the performance level of the organization drops below the aspiration level, the organization will be motivated to search more intensively for alternative ways of organizing its business. Indeed, the perceived performance gap creates dissatisfaction, which incites the organization to intensify its normal search and to direct it specifically at alternatives likely to close the performance gap. Other things being equal, the

organization will select the alternative that involves the least profound change in its structure.

- Once the organization has adopted a new course of action, enabling it to regain or surpass its original performance level, it will reduce its search efforts back to their normal, automatic degree of intensity.
- If the intensified search fails to reveal any ways the organization can return to its original level of performance, the organization will eventually adjust its aspiration level downwards, to the highest level of performance it can attain.
- When an organization is achieving its aspiration level, it is in a state of equilibrium. The organization is maximizing its utility in the light of its existing knowledge. The organization is not motivated to search for alternative ways to organize its business.
- There is only one exception, namely when the constant, automatic search process by chance reveals an alternative that might allow the organization to move to an even higher level of performance. This possibility creates a potential performance gap and motivates the organization to explore this alternative. If the intensified search reveals that the organization can indeed improve its performance by shifting to the alternative, the organization will make the shift. Once the organization has adopted the new course of action, the new higher performance level will be regarded as the aspiration level.

2.4.2. Autopoiesis and the (relatively) closed nature of systems

2.4.2.1. Introduction

The idea of an organization as an open system which is in constant interaction with its environment, was challenged by the theory of autopoiesis. The term autopoiesis was introduced by two biologists, Humberto Maturana and Francisco Varela (Arnoldi, 2006). They posit that all living systems are closed, autonomous, and insulated, and make reference only to themselves. The ultimate aim of these systems is to (re)produce themselves (Morgan, 2006c). Although Maturana and Varela have strong reservations about applying the theory of autopoiesis to the social world, their work has had a profound influence on social and organizational studies.

The body of literature about organizations devotes considerable attention to the boundaries of organizations. Organizations have boundaries which are easily or less easily penetrable. This permeability may refer to the entry and exit of persons, but more often it refers to the receptivity of the organization towards signals from the environment (de Bruijn & ten Heuvelhof, 1991).

2.4.2.2. Receiving and filtering information from the environment

Each organization has a management or perception filter that receives and filters signals from the environment. Open systems have a rather thin filter, allowing many external signals to enter the organization, while closed or autopoietic systems have a very thick filter, allowing only a limited amount of external signals to penetrate into the organization. More precisely, signals from the environment will only be perceived by an autopoietic organization when they relate to the internal frame of reference of the organization. In other words, autopoietic systems are not oriented towards their environments, they are oriented towards themselves. They make reference only to themselves. They respond only to impulses which are consistent with their own frames of reference (de Bruijn & ten Heuvelhof, 1991). Easton (1965) denoted this tendency of self-referral and relative closedness as an orientation towards *withinputs*, instead of towards inputs and feedback from the environment.

Katz & Kahn (1978) denote this process as the coding process: "Any system that is the recipient of information, [...] has a characteristic coding process, a limited set of coding categories to which it assimilates the information received" (Katz & Kahn, 1978, p. 433). These coding categories determine which types of information will be selected as relevant and how they will be perceived, interpreted and transformed.

Thus, organizations have their own filters and coding systems that determine the amount and types of information they receive from their environment and the way the information will be perceived. However, within the organization, the different subsystems with their different functions will also have their own, (slightly) different frames of reference and ways of thinking. Therefore, each subsystem will respond to the same information in different ways. Consequently, within an organization, there may be problems of communication and interpretation between subsystems (Katz & Kahn, 1978).

2.4.2.3. Advantages of relative closedness

According to the open systems approach, organizational closedness is detrimental to the survival odds of the organization. Indeed, the open system approach asserts that, in order to survive, an organization has to adapt itself to its environment. However, as de Bruijn & ten Heuvelhof (1991) indicate, relative closedness can have advantages as well. Being in a state of relative closedness allows an organization to shield itself from excessive turbulence and complexity from its environment, and to reduce the insecurity associated with it. Without this kind of shielding, the organization would react to every single impulse. The resulting overload could cause the organization to drift or even to disintegrate (de Bruijn & ten Heuvelhof, 1991).

Similarly, unrestricted communication between the subsystems of an organization may produce noise and overload in the system. An organized state of affairs may require the introduction of constraints and restrictions to reduce random and diffuse communication between subsystems (Katz & Kahn, 1978). Thelen (quoted in Katz & Kahn, 1978, p. 430-431) summarizes Ashby (1952) to make this point: "Stability of the suprasystem would take infinitely long to achieve if there were 'full and rich communication' among the subsystems [...]. If communication among subsystems is restricted or if they are temporarily isolated, then each subsystem achieves its own stability with minimum interference by the changing environment of other systems seeking their stability."

2.4.2.4. Alteration of opening up and closing off

The degree of closedness/openness of an organization is not necessarily static. It can fluctuate during the life course of the organization. For the purpose of innovation or adaptation, an organization may choose to be relatively open for a while in order to take in new information from its environment. In the aftermath, the organization may require a period of relative closedness in order to reduce the level of uncertainty. In this view, a periodic alternation of opening up and closing off may be seen as healthy for an organization (de Bruijn & ten Heuvelhof, 1991).

2.4.3. Feedback

In "An outline of general system theory", Ludwig von Bertalanffy (1950) defines feedback as follows:

"Feed-back means that from the output of a machine a certain amount is monitored back, as 'information', to the input so as to regulate the latter and thus to stabilize or direct the action of the machine" (von Bertalanffy, 1950, p.159-160).

2.4.3.1. Cybernetic models of self-regulation

The term 'cybernetics' was first used in the 1940s by MIT mathematician Norbert Wiener. The term is used to refer to processes of information exchange, including in particular negative feedback, which enables systems (such as machines and organisms) to self-regulate their behaviour and to maintain a steady state. The concept of negative feedback is closely related to the detection and correction of error: when a system exceeds certain specified limits, it will automatically initiate corrective action to maintain a desired outcome (Morgan, 2006b).

Most cybernetic models of self-regulation are driven by the philosophy of a dual process system which involves a higher order mechanism that monitors and controls a lower order mechanism. We can illustrate this by referring to the functioning of a thermostat. The thermostat (the higher order) mechanism, monitors the temperature in a room and is programmed to initiate a heating mechanism (the lower order mechanism), if and when the temperature drops below a set lower limit, and to stop the heating mechanism if and when the temperature rises above a set upper limit (Wang & Mukhopadhyay, 2012).

Thus, according to Morgan (2006b), any cybernetic system is based on four key principles:

- The capacity to monitor significant aspects of the environment

- The ability to relate this information to the operating norms/standards/reference values

- The ability to detect significant discrepancies between the current state and the norm

- The ability to initiate corrective action in order to reduce the discrepancies

Similarly, Porter, Lawler & Hackman (1975) (in Katz & Kahn, 1978) specify four basic elements as critical:

- Standards or specified objectives

- Monitoring devices to measure current performance

- Comparing devices to compare actual performance with stated objectives

- Action devices to reduce possible discrepancies between objectives and actual performance

The simplest cybernetic systems, such as house thermostats, can only correct deviations from the operating norms. They are unable to question the appropriateness of the operating norms themselves. More complex cybernetic systems are able to detect and correct errors in the operating norms. In other words, they are able to influence the standards that guide their behaviour (Morgan, 2006b). It is this kind of self-questioning ability that constitutes the fundamental distinction between single-loop and double-loop learning discussed earlier:

- Single-loop learning: the ability to detect and correct error in relation to a given set of operating norms

- Double-loop learning: the ability to question the relevance and appropriateness of the operating norms

2.4.3.2. The organizational locus of informational subsystems

As indicated in previous paragraphs, feedback information about the performance of the system in relation to its environment is crucial for the survival of the system and for the upholding of its performance levels. According to Katz & Kahn (1978) two questions are crucial. The first question is: who gathers the feedback information? Katz & Kahn (1978) make the argument that it is important to have a specialized information subsystem which has information gathering as its sole or major task. The second question is: to whom should the information be reported?

The question of a specialized information subsystem

According to Katz & Kahn (1978), information gathering – especially the gathering of information regarding the system as a whole and its relations to the environment – is best assigned to a specialized subsystem for which information gathering is its major or its only responsibility. The opposite would entail a number of disadvantages. One could, for example, assign the information gathering task to an existing substructure, whose primary function is non-informational. According to Katz & Kahn (1978), this would be unwise because the primary task of the substructure would determine the types of information that would be received and the way they would be processed. Moreover, the members of the substructure are not necessarily expert in the subject about which information is sought, nor are they necessarily trained in research procedures (Katz & Kahn, 1978).

With a specialized informational subsystem, these problems may be avoided. However, other problems may arise. For example, top management directives may hamper the freedom of the subsystem and may narrow the receptivity of the subsystem down to only certain types of information. To avoid these kinds of dysfunctions, Katz & Kahn (1978) argue that it is necessary to grant the information subsystem a number of freedoms, similar to the freedoms a university researcher would enjoy. Most notably, top management should not pose specific questions to which they expect answers. Indeed, the answers provided could easily be influenced by the questions asked (Katz & Kahn, 1978).

The question of the optimal locus for reporting

Katz & Kahn (1978) argue that information which has direct relevance for the functioning of the system as a whole should be reported to the top echelons of the organization. However, they recognize that it is often difficult for top managers to find the time to absorb the information and to translate it into adequate decisions (Katz & Kahn, 1978).

2.4.4. Feedback for public sector organizations: typologies

2.4.4.1. The source of the feedback

Feedback information about the performance of an organization may come from

- The staff of the organization

- The stakeholders of the organization (clients/customers/citizens, partners,…)

- Monitoring systems

- Actors engaged in policy evaluation

- Ombudsmen, audit offices and other (administrative) accountability mechanisms

The staff of the organization

There are many ways the staff of an organization can provide feedback information to the management of the organization. Staff members may be required to report to their managers about what they have done, what their co-workers have done, about their problems and the problems of their unit, and about what they think needs to be done to overcome these problems. However, since this kind of information is often utilized for control purposes, there are great constraints on the free flow of upward communication. Staff members do not tend to give information to their managers that might put themselves or their co-workers in a bad light. They will only tell the boss what they want the boss to know (Katz & Kahn, 1978).

It has been argued that the more control is exercised through pressure and sanctions, the less adequate the flow of information up the line will be. Indeed, pressure and sanctions make people feel threatened or vulnerable. When people feel threatened or vulnerable, they often take refuge in defensive routines to protect themselves and their colleagues from losing face. They will try to conceal errors and problems because the surfacing of these issues might put them in a bad light. They will engage in impression management and window-dressing techniques to make situations look better than they actually are. They will fail to report deep-rooted problems (Morgan, 2006b).

The stakeholders of the organization

In the private sector, sales and profits are important indicators for the performance of the organization. Public sector organizations, however, are often in a monopolistic position. Citizens often have no choice but to be clients of the public organization in question. Consequently, the market share or the number of provided services is not a good indicator for the performance of the organization. A better indicator is the customer's satisfaction with and appreciation of the provided service. Customer satisfaction surveys may provide this type of feedback information. But also complaint management systems may provide insight into the areas of satisfaction or dissatisfaction of the customers.

Monitoring systems

Performance measurement or monitoring refers to the collecting of information about selected aspects or factors in the context of policy and management. The process of monitoring has a systematic and continuous character. Information is systematically gathered by means of periodic measurements. Thus, monitoring can be a permanent source of information for managers and policymakers. However, it offers only descriptive information. Monitoring systems can report how well the current operations may be working, but it cannot explain the reasons for the success or failure (De Peuter, 2011).

Katz & Kahn (1978) refer to a particular kind of monitoring, which they label 'operational feedback'. They define operational feedback as "systematic information getting that is closely tied to the ongoing functions of the organization and is sometimes an integral part of those functions" (Katz & Kahn, 1978, p. 455). For example: keeping record of the number of produced

units. This kind of information is generated by the operational unit involved and it flows back directly to that same unit. The major function of operational feedback is similar to the negative feedback function of the higher order mechanisms that keep cybernetic systems on course. In other words, it rings alarms when the actual performance deviates from the norm. The major limitation of operational feedback is that it can only report on how well the current operations may be working, but it cannot explain the reasons for their success or failure (Katz & Kahn, 1978).

Policy evaluation

Evaluation can be defined as "the systematic and objective determination of the worth or merit of an object" (Scriven, quoted in De Peuter, 2011, 112) or as "a structured process that creates and synthesizes information intended to reduce the level of uncertainty for stakeholders about a given program or policy. It is intended to answer questions or test hypotheses […]" (McDavid & Howthorn, quoted in De Peuter, 2011, 112).

Thus, unlike monitoring, evaluation is capable of answering how and why questions and of finding relations and giving explanations. It possesses specific techniques and approaches to answer these kinds of questions (De Peuter, 2011).

De Peuter (2011) argues that often, monitoring and evaluation are complementary. For example, the policy evaluation process may determine which types of information are needed in order to answer the questions asked. In these cases, monitoring systems may prove to be important sources of information (De Peuter, 2011).

Whereas monitoring has a systematic and ongoing character, policy evaluations are mostly ad hoc events (De Peuter, 2011).

Ombudsmen reports and (performance) audits

Just like policy evaluations, ombudsmen reports and performance audits may provide public sector organizations with feedback information about important performance dimensions. However, there are important differences between policy evaluation on the one hand and ombudsmen and audit offices on the other.

Desomer, Put & Van Loocke (2013) and D'hoedt & Bouckaert (2011) address these differences. First and foremost, policy evaluations are generally performed in a client-contractor relationship. This has important consequences for the independence of the evaluator. Since most policy evaluations are executed at the request of the client (often the government or the administration), the evaluator's independence is often limited by the *terms of reference* (scope of the research, research questions, norms and standards, etc.) formulated by the client. Furthermore, it may be harder for the evaluator to obtain access to sensitive documents. Not to forget, the client is the owner of the evaluation report and can therefore decide not to make the report accessible to the public (D'hoedt & Bouckaert, 2011; Desomer, Put & Van Loocke, 2013).

Ombudsmen and audit offices, on the other hand, perform their activities in a context of public accountability. More precisely, ombudsmen and audit offices are often charged by a political principal (parliament or the government) to exercise some kind of oversight over an agent (the government or the administration). They are, so to speak, auxiliary mechanisms to aid political

principals to oversee their administrative agents (Bovens, 2005a; Bovens, 2005b). The mandates of ombudsmen and audit offices are therefore based on the premise of independence. Their investigations are performed according to their own frames of reference (scope, research questions, norms and standards, etc.), and without the organization under scrutiny asking for it. Moreover, their reports are always made public (D'hoedt & Bouckaert, 2011; Desomer, Put & Van Loocke, 2013).

2.4.4.2. The focus of the feedback
Goal-seeking feedback vs. goal-changing feedback

Goal-seeking feedback gives information about the degree to which the stated goals are achieved. Goal-seeking feedback is characteristic of single-loop learning. This kind of feedback does not challenge the purpose of the system: goals, beliefs, values and conceptual frameworks ('the governing values') are taken for granted without critical reflection. It may solve problems but ignores the question of why the problem arose in the first place. Goal-changing feedback, by contrast, does question the appropriateness of the stated goals and the underlying norms and assumptions. This kind of feedback is characteristic of double-loop learning and may lead to discontinuous change and innovation (Van der Knaap, 1995; Morgan, 2006b).

Internal vs. external perspective

The focus of the feedback may be on issues of internal design or on the relationship between the organization and the environment. To make this argument more clear, let us introduce Figure 7, which depicts the management and policy cycle as an open system model.

De Peuter (2011) explains the logics of this model: Government is confronted with societal needs. In response to these needs, the government articulates policy objectives, both at the strategic and the operational level. Public sector organizations are charged with the fulfilment of these objectives. In order to do this, the organization needs inputs (raw materials, human resources, information and financial resources). In the subsequent transformation process, these inputs are transformed into products and services (output). These outputs are exported back into the environment. They are intended to have an impact on the societal needs, which were the reason for the initiation of the policy initiative (De Peuter, 2011).

Figure 6: Management and policy cycle as an open system model
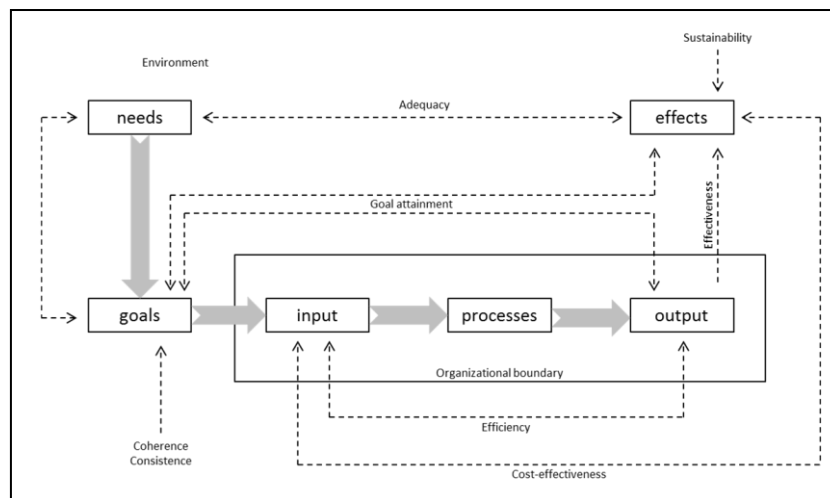
Source: De Peuter, 2011, 109

Feedback about the internal design of the organization is preoccupied with techniques and making techniques more efficient. Attention is focused on 'input', 'processes', 'output' and their interrelationships. Relevant questions are: Could we do what we are currently doing in more productive ways, do it cheaper, use alternative methods or approaches for the same objectives? Other forms of feedback are more concerned with the functioning of the system in relation to its changing environment. Attention will be focused on the societal needs and the societal effects of policies. Relevant topics are, among others: the study of environmental trends and needs, the impact of the organization and its policies on the environment, including both the intended and the usually unanticipated consequences (Katz & Kahn, 1978; De Peuter, 2011).

Functioning of a subsystem vs. functioning of the total system

Some types of feedback focus solely on the functioning of a single subsystem, while others focus on the system as a whole and on the interrelationship of the subsystems within the total system. A scope which is too limited, may lead to sub-optimization. For example, the improvement of a sub-system at the expense of the organization as a whole (Van Loocke & Put, 2010).

2.5. Accountability

2.5.1. What is public accountability?

According to Schillemans & Bovens (2011), a distinction can be made between accountability as a virtue and accountability as a social relation or a mechanism. Accountability used in the sense of virtue is a normative concept. It refers to a set of standards used to evaluate the behaviour of (public) actors. 'Being accountable' or 'acting in an accountable way' is seen as a positive characteristic of public officials or organizations. It is a similar virtue as being responsive and responsible, and being willing to act in a transparent and fair way. Accountability defined as a social relationship or mechanism, on the other hand, refers to 'being held accountable' and involves an obligation of an actor to explain and justify its conduct to a significant other (Schillemans & Bovens, 2011). In this contribution, we will use accountability in the latter sense.

2.4.5.1. The fundamental notion of accountability

Many authors have offered theoretical contributions and definitions of accountability. We will discuss and compare three of them. We start with the influential definition of the 'Utrecht School' of accountability[3], and consider some amendments and additions made by Lindberg (2013), who very recently conducted a literature review about accountability. We then contrast this with the dimensions of accountability suggested by Koppell (2005).

'Utrecht School' of accountability & Lindberg

Underlying the concept of accountability, is the principle of delegating authority to an agent, evaluating the performance of the agent, and applying sanctions if the performance is substandard. To paraphrase Lindberg, the basic idea of accountability is this: when decision-making power is delegated from a principal to an agent, there must be a mechanism in place to hold the agent accountable for its decisions and if necessary to sanction the agent (Lindberg, 2013). Thus, at a basic level, accountability is closely associated with authority. An actor who is merely executing orders without any discretionary power, cannot be a legitimate object of accountability (Lindberg, 2013).

According to the 'Utrecht School' of accountability, which has been very influential in the study of this topic, accountability can be defined as a relationship between an actor (who can be either an individual person or an organization) and a forum (which can be either an individual person, an organization or a virtual entity (e.g. a God)) in which the actor has or feels an obligation (which can be either formal, informal or even self-imposed) to explain and justify his or her conduct to the forum, in which the forum can pose additional questions and pass judgment, after which the actor may face consequences (Bovens, Schillemans & 't Hart, 2008, 225; Bovens, 2005a, 184-185).

As Bovens (2005a) indicates, this definition reveals at least three elements of an account giving relationship: information, debate and judgment. The element of information implies that the actor has or feels an obligation to inform the forum about his or her behaviour or performance. When a failure or an incident has occurred, the provision of information is often not sufficient, and has to be supplemented with explanation and justification for the failure. In response, the forum may initiate a debate with the actor, by discussing and questioning the quality and adequacy of the information or the appropriateness and legitimacy of the behaviour. Finally, it is not unusual that the forum renders judgment on the behaviour or performance of the actor. Furthermore, a negative verdict by the forum may result in some sort of sanction (Bovens, 2005a).

However, according to Bovens (2005b), not all elements are equally crucial in this definition. In essence, in order to qualify a relationship as an accountability relationship, it suffices that the actor, has or feels an obligation to inform the forum about his conduct. The accountability relationship gains weight when the forum has the possibility to pose further questions and to pass judgment about the performance of the actor. The most severe form of accountability arises when the forum has the opportunity to impose formal or informal sanctions on the occasion of a negative judgment (Bovens, 2005b).

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[3] Mark Bovens and his colleagues Thomas Schillemans and Paul 't Hart.

In addition to the definition of the 'Utrecht School', and also somewhat in deviation from it, Staffan I Lindberg identifies five defining characteristics of accountability:

- An agent or institution (A for agent) who has an obligation to give an account

- An area or domain (D for domain) subject to accountability

- An agent or institution (P for principal) to whom A has to give account

- The right of P to require A to inform and explain/justify decisions with regard to D

The right of P to sanction A if A fails to inform, explain or justify decisions with regard to D (Lindberg, 2013)

Figure 7: Accountability of the actor by the forum
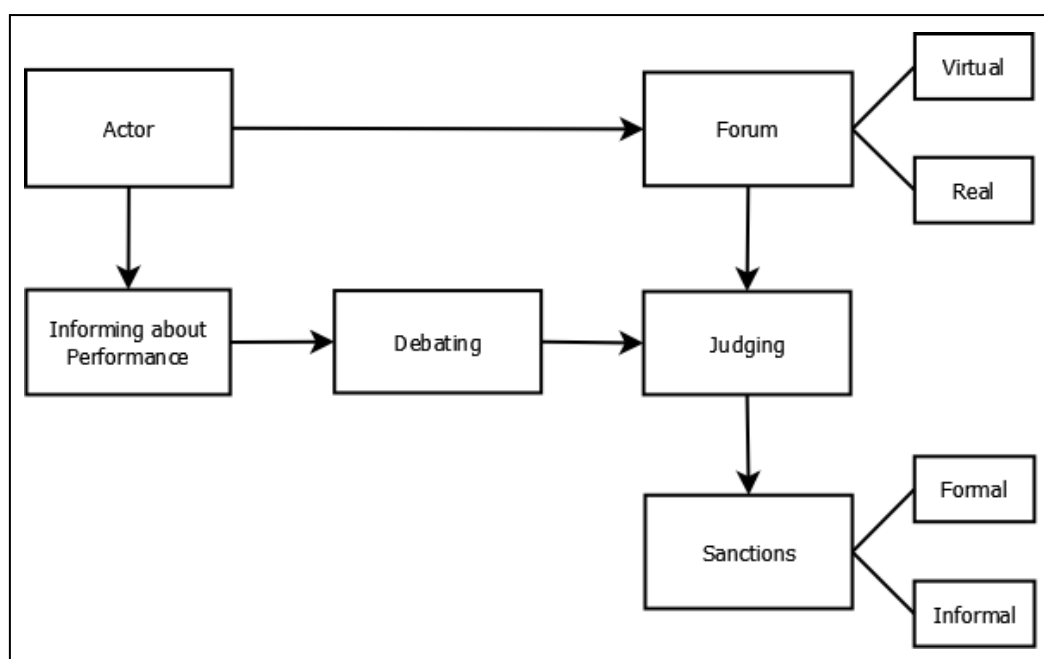
Source: Bovens, 2005a, 186

The right of P to sanction A for failing to provide the requested information or explanation is considered by Lindberg to be an essential defining characteristic of accountability. Lindberg convincingly argues that excluding this right from the definition would reduce the notion of accountability. Indeed, without the possibility of sanctions, decision-makers and actors would only disclose and explain their conduct to a level with which they themselves feel comfortable (Lindberg, 2013).

The definition of Lindberg differs somewhat from the definition of the Utrecht School with regard to condition 5. In the definition of Lindberg, the right of P to sanction is limited to the right to sanction A for failing to provide the requested information or explanation (Lindberg, 2013). In the definition of the Utrecht School, by contrast, the right of P to sanction is extended to the right to sanction A for (the (in)appropriateness and/or (il)legitimacy of) the conduct itself. However, this extension of the definition is mitigated by the fact that Bovens et al. do not consider this right to be an essential defining characteristic of accountability (Bovens, 2005b).

Koppell

Koppell (2005) proposes five dimensions of accountability: transparency, liability, controllability, responsibility, and responsiveness. The first two dimensions of accountability (transparency and liability) are considered by Koppell to be fundamental, supporting notions of accountability. Transparency refers to the idea that an accountable actor must disclose and/or explain its conduct (Koppell, 2005). This dimension is closely related to the 'information phase' in the definition of the 'Utrecht School'. Liability refers to the possibility of sanctions: accountable actors may face consequences that are attached to performance (Koppell, 2005).

The other three dimensions of accountability are labelled by Koppell as the substantive conceptions of accountability. Controllability refers to the idea that accountable public organizations should carry out the will of the people as expressed through their elected representatives. The key question is: did the organization follow the orders of its principal? Responsibility refers to the idea that accountable public actors should not simply follow orders, but should also be guided and constrained in their conduct by laws, rules, norms, and professional and moral standards. Finally, public organizations may be called responsive if they meet the needs and demands of the population they are serving (Koppell, 2005).

Lindberg is sceptical about these three so called substantive conceptions of accountability. He argues that controllability, responsibility and responsiveness may be desired outcomes or after-effects of some types of accountability relationships, but that these conceptions should not be understood as integral to the notion of accountability itself (Lindberg, 2013).

2.4.5.2. Classifications of public accountability

There are many ways to classify types of accountability. According to Bovens (2005b), four guiding questions may be asked: *Who should give account? To whom? Why? About what?*

The '*to whom'* question makes a distinction between types of forums. Bovens distinguishes between (1) political accountability: account giving along the chain of political principal-agent relationships, that is to say towards ministers, elected representatives, and ultimately voters; (2) legal accountability: account giving towards civil or administrative courts; (3) administrative accountability: account giving towards auditors, ombudsmen, inspectors and controllers; (4) professional accountability: account giving towards (associations of) professional peers; and (5) societal accountability: account giving towards citizens, interest groups, the media (Bovens, 2005a, 2005b).

The *who* question is referred to by Dennis Thompson as the problem of many hands: "Because many different officials contribute in many ways to decisions and policies of government, it is difficult even in principle to identify who is morally responsible for political outcomes" (D. Thompson, quoted in Bovens, 2005a, p. 189). Bovens identifies a number of accountability strategies for forums to deal with the problem of many hands:

- Corporate accountability: many public organizations are considered to be corporate bodies with independent legal status. In this capacity, the organization can be held accountable as a unitary actor. Legal and administrative forums often apply this strategy.

- Hierarchical accountability: this strategy is dominant in organizational and political accountability relations. Towards the outside world, the minister or the senior civil servant takes complete responsibility for the actions of the units under their authority.

- Individual accountability: this strategy, which is typical for professional accountability, is based on strict individual accountability. Each individual is held accountable for his or her personal contribution to the conduct of the organization (Bovens, 2005a, 2005b).

The *why* question relates to the nature of the obligation: why does the actor feel compelled to give account? Bovens (2005b) makes a distinction between diagonal, vertical and horizontal accountability. First of all, the relationship between actor and forum may be a vertical one. If this is the case, the forum has formal and hierarchical powers over the actor and can force the actor to give account. Most forms of political and legal accountability are characterized by this kind of vertical relationship between actor and forum. Alternatively, actor and forum may find themselves in a horizontal relationship. When this is the case, there is no formal obligation on behalf of the actor to give account. Account is given on a voluntary basis. Societal accountability is a typical example of this. Finally, there is the possibility of an intermediate form: diagonal accountability. An accountability relationship may be qualified as diagonal when there is neither a strict hierarchical relationship, nor pure voluntariness (Bovens, 2005b).

Administrative accountability mechanisms frequently qualify as diagonal forms of accountability. For example, ombudsmen are often charged by a political principal (a minister or parliament) to exercise some kind of oversight over an agent and to report their findings to the principal. There is, however, no direct hierarchical relationship between the ombudsman and the organization under scrutiny (Bovens, 2005b). Typically, ombudsman offices do not have the right to sanction the agents for their actions or to coerce them into compliance. However, they can often use the courts to sanction agents if they fail to provide the requested information or explanations (Lindberg, 2013).

Figure 8: Horizontal, vertical and diagonal accountability
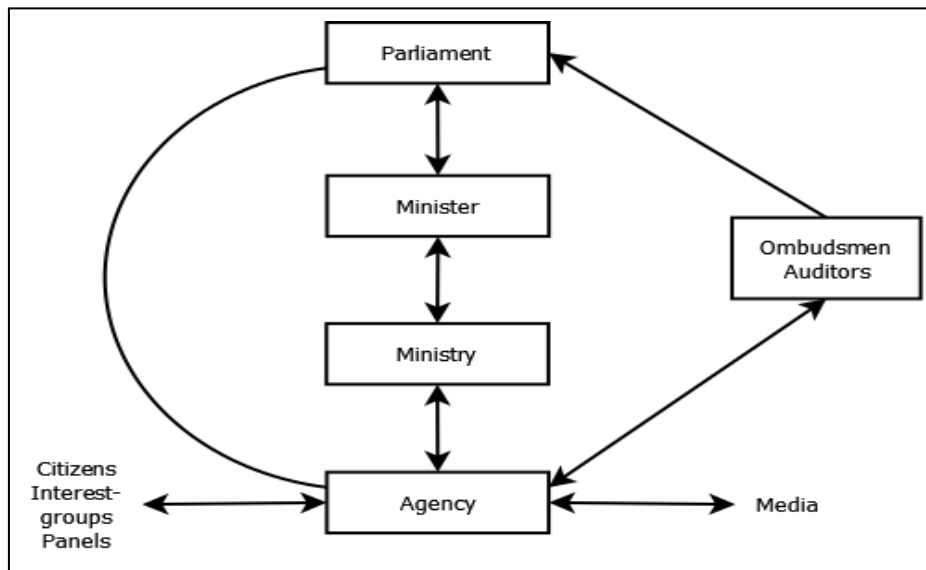
Source: Bovens, 2005a, 197

Fourth, one can ask the question *about what* aspect of the conduct information and explanation is required. Some accountability arrangements may focus on legal compliance, while others may focus on financial correctness, and still others on the efficiency and effectiveness of the policy. Another possible distinction is that between accountability for the process and accountability for the product (Bovens, 2005b).

The four guiding questions of Bovens may be supplemented by two additional dimensions, raised by Radin & Romzek (1996) and echoed by Lindberg (2013). A first dimension relates to the source of the accountability relationship. The accountability holder (or principal) can be internal or external to the agent being held accountable. For example, when a manager of an agency asks his or her subordinates to justify their behaviour, the source of the accountability relationship is internal. On the other hand, when voters hold their representatives to account, the source of the accountability relationship can be labelled as external. The second dimension is the degree of control exercised by the forum over the actor. This may vary from extremely detailed control and close scrutiny based on specific rules and regulations, to highly diffuse control and minimal scrutiny (Lindberg, 2013; Koppell, 2005).

In addition to these six guiding questions, we would like to include a seventh one: the degree of publicness of the account giving. Pure public accountability is done in public. This means that the account giving is not done discretely, behind closed doors, but instead that it is open or at least accessible to citizens and the general public. Information about the conduct of the agent is widely available, the interrogations and debates are accessible to the public and the forum discloses its judgment (Bovens, 2005a). However, most organizational forms of accountability are strictly speaking not public. The account giving done by civil servants towards their superiors is a form of internal account giving which is usually not accessible to the public at large (Bovens, 2005a). Nevertheless, these internal, organizational forms of accountability can also be important levers or inhibitors for organizational learning and change.

2.4.5.3. The functions of accountability mechanisms

Central to the concept of accountability, is the idea that when decision-making power is transferred from a principal to an agent, there must be a mechanism in place for holding the

agent accountable for its decisions and if necessary to sanction the agent (Lindberg, 2013). Therefore, the first and foremost function of public accountability is democratic control and oversight by the political principal over the delegated powers exercised by their agents (Bovens, 2005a, 2005b).

In recent decades, the rise of (quasi) autonomous agencies has weakened the ministerial powers of oversight and control, thereby undermining the principle of ministerial responsibility, and creating a political accountability gap. Indeed, ministers remain formally answerable to parliament for the performance of these agencies, yet in practice, they are structurally uninformed about their day to day operations. Partly in reaction to this rising accountability gap, ombudsmen and audit offices have been created as auxiliary mechanisms to aid political principals to oversee their administrative agents (Bovens, 2005a).

A second function of public accountability is to protect and/or enhance the integrity of public governance. The assumption is that, by securing information disclosure and justification, public managers are deterred from misusing their delegated powers (Bovens, 2005a).

A third crucial function is the learning and improvement function of accountability mechanisms (Aucoin & Heintzman, 2000). Indeed, many ombudsmen and audit offices explicitly indicate in their mission statements that their goal is not only to oversee government performance, but also to help public service organizations to improve their performance (Van Loocke & Put, 2010). In the next section, we will explore in what ways accountability arrangements can foster learning behaviour and improvement in public sector organizations.

2.5.2. The potential contribution of (administrative) accountability mechanisms

In this section, we will argue that a number of features of accountability mechanisms have the potential to foster learning, improvement, and innovation in public sector organizations. These features are notably: the provision of feedback information, the provocation of reflection, the provocation of debate, the public nature of the account giving, and the possibility of sanctions and/or rewards. The former three features relate to the cognitive development of public sector organizations. The latter two pertain to the behavioural dimension of learning: the motivation of public sector organizations to pursue actual improvements and changes.

2.5.2.1. Information, reflection, and debate

In the accountability literature, it is argued that a public accountability arrangement, if organized in an appropriate way, confronts public managers on a regular basis with feedback information about their own organization and stimulates both 'accountors' and 'accountees' to reflect upon and to debate about the successes and failures of past policies, both separately and in dialogue with one another (Bovens, 2005b, 47; Bovens, Schillemans & 't Hart, 2008, 233). The literature about learning teaches us that these three features – the provision of feedback information, the provocation of reflection, and the provocation of debate – may induce cognitive development and thus learning.

To begin with, the provision of feedback about past performances is crucial to corrective system learning. Indeed, on the basis of information about the outcomes and effectiveness of its actions, a policy actor can correct its errors and improve its overall functioning (Van der Knaap, 1995). Moreover, the stimuli emanating from the feedback information may lead to the feeling of

cognitive dissonance which may induce the policy actor to reflect on the appropriateness of policies and their underlying policy theories (Van der Knaap, 1995).

In the definition of accountability by the Utrecht School, information about the actions of the actor is provided by the actor to the forum. However, in the case of administrative accountability forums such as ombudsmen and audit offices, the feedback information will often be gathered and processed by the forum. Ideally, the forum gathers information about the actions of the actor, processes this information into a clear and accurate diagnosis of important performance dimensions, and confronts the actor with it. Subsequently, the accountability arrangement may provide a setting which allows the initiation of a debate between the actors, the forum, and key stakeholders about past performances of the actor (Bovens, Schillemans & 't Hart, 2008).

In this debating phase, alternative viewpoints may be confronted, and mutual efforts of persuasion and argumentation may be made. In this way, the individuals participating in the dialectic connection are stimulated to reflect on their existing cognitive schemata (Van der Knaap, 1995).

Furthermore, by providing a potential dissonant voice, the forum might break the possible conformist patterns of thought within the organization under scrutiny (D'hoedt & Bouckaert, 2011). Indeed, organizations tend to persist in what they do because the members of an organization often share the same set of beliefs and values, and because it occurs to no-one to question the existing ways of doing things. Sources from outside the organization are often thought to be in a better position to challenge existing perspectives and paradigms, and to question long-held assumptions and behaviours (Lam, 2006; Salge & Vera, 2012). Accountability mechanisms such as ombudsmen and audit offices, which are thought to be independent institutions, seem to be in an appropriate position to provide such a voice if necessary. In short, accountability mechanisms may challenge the status quo by provoking open mindedness and reflection in political and administrative systems that might otherwise be primarily inward-looking (in 't Veld et al., 1991 – in Bovens, Schillemans & 't Hart, 2008).

2.5.2.2. The public nature of the account giving and the possibility of sanctions

The public nature of the account giving may foster competition

The provision of feedback information and alternative viewpoints, and the provocation of reflection and debate may contribute to the cognitive development of public sector organizations: i.e. the developments of insights and cognitive associations, change in states of knowledge, and increased understanding of causal relationships. However, new insights and ideas are not always turned into new practices. A necessary condition for the conversion of new ideas into new practices is the willingness of public sector organizations to improve.

This willingness should be inherent to the government. Indeed, the power to govern a people comes from the people. As a consequence, every government has the inherent obligation to govern its subjects as well as possible (Van Gunsteren, 1985). This implies that a government should always try to *improve* its public policies and services (Van der Knaap, 1995).

However, many observers indicate that competition is one of the most important incentives for improvement and innovation (cf. supra). Organizations in a competitive environment can only survive if they are able to create new products, new services, more efficient production methods,

better and more efficient ways of delivering services, and so on. It is argued that since the public sector lacks competition, it also lacks incentives to improve and to innovate (Bekkers et al., 2011).

Bekkers et al. (2013) observed that other scholars disagree. They indicate that, although government is mainly in a monopolistic position, there is a trend of increasing market-like competition in the public sector. For example, due to the privatization and liberalization of specific service domains, which were formerly the exclusive terrain of government, public sector organizations increasingly have to compete with private organizations (Bekkers et al., 2013). As a consequence, public sector organizations increasingly have to pay attention to the quality, effectiveness, efficiency and responsiveness of their services in order to survive. Secondly, Bekkers et al. (2013) indicate that regions and cities are increasingly competing with each other in terms attracting citizens, tourists, etc. The quality of services is an important source of competitive advantage is this contest (Bekkers et al., 2013). Thirdly, due to the decline of the importance of ideology and due to the depillarisation, voters have become increasingly footloose, pushing political parties to attract voters with the promise and proof of good governance (Bekkers et al., 2013). In other words, the improvement of the quality, effectiveness, efficiency and responsiveness of services and policies has increasingly become an issue of competition between regions, cities and political parties.

Moreover, several arrangements have been developed that make the quality and outcomes of public services more transparent. As a consequence, the performances of public sector entities are increasingly subject to comparison, both within the public sector and between the public and the private sector. Obvious examples of such arrangements are benchmarking systems and league tables (Bekkers et al., 2013). However, public accountability arrangements such as ombudsmen and audit offices may also provide such transparency. Indeed, the account giving is done in public, meaning that it is open or at least accessible to citizens (Bovens, 2005a). The fact that the quality and outcomes of public services and policies are made transparent, in combination with the increase of (quasi-)competitive elements in the public sector, may act as an incentive for service improvements (Bekkers et al., 2013).

However, there is also a downside to this transparency and competition. As Hartley & Benington (2006) rightfully point out, the increased competition between public sector organizations is detrimental to the possibilities of inter-organizational learning. Exactly because public sector organizations are increasingly subjected to competition over reputation and resources, they tend to become less willing to share good practices, experiences, ideas and knowledge, which puts a brake on the dissemination of successful innovations (Hartley & Benington, 2006).

The possibility of sanctions and/or rewards may motivate public authorities to raise their games

Not only may the public nature of the account giving constitute an incentive for public managers to do better. The possibility of getting sanctioned for errors or shortcomings may also motivate public authorities to reevaluate their products and processes, and to search for more efficient and/or effective manners of organizing them (Bovens, Schillemans and Hart, 2008).

This argument was worked out in a detailed fashion by Wynen, Verhoest, Ongaro & van Thiel (2014). In fact, Wynen et al. assert that this idea is at the core of NPM:

"In exchange for autonomy, public organizations (or their CEOs) would be held accountable by their minister and parliament for their performance and sanctioned or rewarded accordingly. [...] It was believed that an increase in managerial autonomy combined with result control would, among others, stimulate a more innovation-oriented culture and ultimately lead to an increase of performance" (Wynen et al., 2014, 45).

In essence, the argument can be summarized as 'letting managers manage', and 'making managers manage'. Managerial autonomy provides public managers with the possibility and the latitude to experiment, to innovate, and to manage. As a complement, result control provides public managers with the pressure and the incentive to do so. Indeed, holding agencies accountable for their performance and linking result-achievement with sanctions and rewards stimulates or even forces managers to pursue higher levels of performance, quality and efficiency. This pressure may result in an (intensified) search for innovative ways to deliver services and to organize processes (Wynen et al., 2014).

However, an accountability regime which is too rigorous and focuses too harshly on mistakes and sanctions, may discourage entrepreneurship, risk-taking, initiative and creativity. Mistakes and failures are part of any learning process. Innovation can be seen as a journey which is not linear and rational but which leads to dead-ends, mistakes, setbacks, and obstacles. When an accountability mechanism focuses to harshly on sanctions for making 'mistakes' or for not realizing immediate results, public managers will learn to avoid risk-taking, and to shield themselves against potential mistakes and criticism (Van Loocke & Put, 2010; Bovens, 2005a; Behn, 2001; Bekkers et al., 2013; Hartley, 2005).

In addition, performance targets that are too static, may lead to the continuation of existing ways of working, to stagnation, and to the inhibition of innovation (Wynen et al., 2014).

2.5.2.3. Why do (administrative) accountability mechanisms have the potential to stifle learning and innovation in public sector organizations?

Thus far, we have discussed the possible ways in which (administrative) accountability mechanisms may contribute to learning, improvement, and innovation in public sector organizations. We should, however, take into account that accountability mechanisms, when organized in an inappropriate way, may also have detrimental effects on learning, improvement, and innovation. In this section, we will briefly discuss some possible dysfunctions of accountability mechanisms, insofar as they are relevant to the goal of learning and improving.

- Formalism and goal displacement. An accountability regime which is too rigorous, may turn public institutions into formalistic bureaucracies which are obsessed with conformity with rules and procedures. Instead of a means to provide insight in and reflection about performances and processes, the account giving may become a goal in itself (Bovens & 't Hart, 2005).
- Perverted behaviour and window dressing. An accountability regime which is too rigorous, may encourage perverted behaviour. Public managers may get better at fulfilling the requirements imposed by their accountability forums. However this does not necessarily mean that the actual performance of these public organizations in terms of policy-making and public service delivery will also improve. The managers may create a façade of plans, procedures and goals to satisfy the forum, while behind the façade,

everything continues as before (Van Loocke & Put, 2010; Bovens, Schillemans & 't Hart, 2008).

- Tunnel vision and sub-optimization. Accountability forums may systematically focus on certain aspects, while ignoring others. For example, focusing on performance, but ignoring legality; focusing on technical aspects, but ignoring human aspects. Furthermore, a scope which is too limited, may lead to sub-optimization. For example, the improvement of a sub-system at the expense of the organization as a whole (Van Loocke & Put, 2010).

- Rigidity and paralysis. An accountability regime which is too rigorous and focuses too harshly on mistakes and sanctions, may discourage entrepreneurship, risk-taking, initiative and creativity. Mistakes and failures are part of any learning process. Innovation can be seen as a journey which is not linear and rational but which leads to dead-ends, mistakes, setbacks, and obstacles. When an accountability mechanism focuses to harshly on sanctions for making 'mistakes' or for not realizing immediate results, public managers will learn to avoid risk-taking, and to shield themselves against potential mistakes and criticism (Van Loocke & Put, 2010; Bovens, 2005a; Behn, 2001; Bekkers et al., 2013; Hartley, 2005).

- Conflicting expectations. Actors may be confronted with different accountability forums, each with its own set of evaluation criteria. These sets may be partially overlapping, but also partially diverging, and even mutually contradictory. It may be difficult to combine these different expectations or to prioritize between them. As a consequence, organizations trying to meet conflicting expectations are likely to end up in a state of dysfunctional paralysis. They tend to oscillate between behaviours which are consistent with conflicting notions of accountability (Schillemans & Bovens, 2011; Koppell, 2005; Bovens, Schillemans & 't Hart, 2008).

2.6. Conclusion

If the above literature review is to make one thing clear, it is that Feedback, Accountability and Learning are extremely complex and multi-facetted concepts. It is therefore perhaps necessary to sum up the most significant factors. A complete, schematic overview, can be found in Annex II.

For Learning, the idea of individual and organizational learning are strongly intertwined. Concepts such as cybernetics, organizational memory and knowledge management strongly focus on the organizational level, whereas psychological safety and social learning (amongst others) lean more towards the individual level of learning. The fact of the matter is that organizations are made up of individuals, that individuals function within structures, hierarchies and organizations, and that both levels influence each other. By looking at inter-organizational learning, we can add a third level as well. Just as people learn from other people, organizations can learn from other organizations. How people and organizations learn from their own and others' past experiences can strongly influence the potential for innovation. Doing something new, and improving standing processes and/or products requires learning from the past *and* the status quo. As logical as this sounds, this is complex when one dives into the literature. Learning is perhaps the most elaborately researched dimension in our FAL-model, resulting in the largest number of factors to potentially influence social innovation.

Feedback is an equally indispensable part of the internal processes in an organization's endeavour to innovate. Although fewer concepts have been put forward by the literature

regarding feedback, most are multifaceted. Besides the effect of feedback on goals and objectives (Cybernetics), organizations can build mental and physical walls when receiving feedback information (Autopoiesis). Finally, the source of the feedback and the focus of the feedback can greatly contribute to the effect it has on innovation processes. Feedback forms a step prior to learning and innovation. Before learning and innovation can take place, getting information, from which you can then learn, is obviously essential. The question remains where this information comes from.

One of the places where feedback information can be derived from is an accountability mechanism, or several of these mechanisms. Being held accountable obligates an organization to self-evaluate, and external accountability provides the organization with feedback information on its performance. Who specifically is held accountable, to whom one is held accountable, and the degree of publicness of this accountability process are only a few of the factors which determine how this dimension influences the innovation processes of public organizations.

Together, Feedback, Accountability and Learning form integral parts of a cyclical process in which an organization self-evaluates, receives information, perceives it, and learns from it. Or not. The question which remains now is how these dimensions actually function within public organizations during the one cycle we observe. When we put this mechanism as simply as possible, it means that the non-existence of the FAL-model within an organization, leads to the non-existence of sustainable social innovation. Or, put in more logical terms:

$$F + A + L \rightarrow \text{Sustainable Social Innovations (1)}$$

$$\neg F + \neg A + \neg L \rightarrow \neg \text{Sustainable Social Innovations (0)}$$

The above summed-up factors will need to be translated into survey questions, and a further methodology will need to be designed in order to measure the factors in public organizations, to connect these factors with concrete innovations, and finally to assess the influence of other, external factors on the innovations and innovation processes of public sector organizations. In the next chapter we will lay out the methodology we used in our research on the processes influencing the sustainability of innovations, and further explain how our FAL-model should be placed in the complete lifecycle of an innovation.

3. Methodology

As mentioned in the introduction, our research into the factors influencing the sustainability of social innovations can be roughly divided into two parts: a quantitative part (focusing on the analysis of awarded organizations) and a qualitative part (focusing on the influence of Ombudsmen and SAIs on social innovation). We focus our research around the previously mentioned INUS-condition: ((FAL, X) or Y → Z). With the survey we try to get a quantitative picture of the 'FAL'-variable in this formula, whilst with the qualitative research we try to map the influence and form of both X and Y. In this way the qualitative and quantitative parts of our research come together and form one research methodology in discussing the explanatory power of this INUS-condition.

Put in more schematic terms, we can visualize the effect of the FAL-model on innovation through time:

Figure 9: An innovation's lifecycle
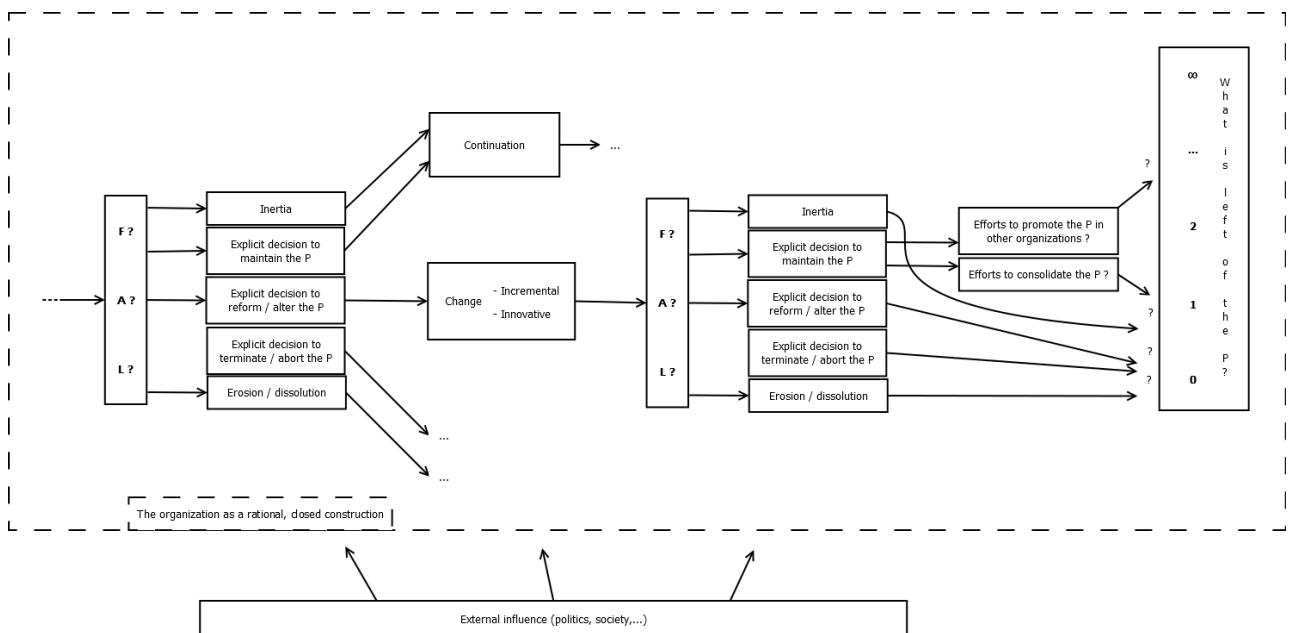
The above visualized cycle is theoretically never ending. After an innovation (P) has started (in our case when the award has been given, used as a proxy), the FAL-dimensions will influence its future, leading to an explicit decision about its future, or the innovation withers away. After the decision about its future has been made, the innovation can either be changed, or left operating in its current form. When changed, the FAL-dimensions will *again* influence its future, as they are factors which constantly and permanently influence the processes, products and services of the organization. Considering limits in the scope and reach of our research, we will only investigate one of these cycles, but on a large-N basis. Future research should try to see the influence of the FAL-model throughout the entire life-cycle of an innovation, most likely with qualitative, narrative research methods such as process tracing.

Hereunder we discuss the adopted methodology for both parts, including the consequences our choices have on the results and conclusions we can draw.

3.1. Quantitative Methodology: The survey

In order to investigate the nature of European innovations (What do they focus on? At what level of government do they take place? In which policy field?), and in order to get a good sample for our survey, we formed a database of Belgian, French, Dutch, Slovakian, Romanian and British administrative projects and practices which were recognized as best practices. We specifically looked at national and international conferences and awards on excellence, innovation and/or quality in the public sector. We claim that these best practices are reasonable proxies for innovations. Indeed, the novelty of the submitted projects is an often-used criterion in the selection procedure for these conferences and awards. In addition, various researchers, mainly from the United States and Canada, have used public service (innovation) awards in academic research on innovation.[4] This, however, has some implications. Most importantly, it means that we investigate the top of the class. Awarded organizations can be expected to be excelling organizations, with a high probability that their innovations are sustainable. Made visual, we can look at our sample as follows, with 1 indicating a surviving/sustainable innovation, and 0 indicating a disappeared innovation:

Figure 10: Innovation sample, versus innovation population
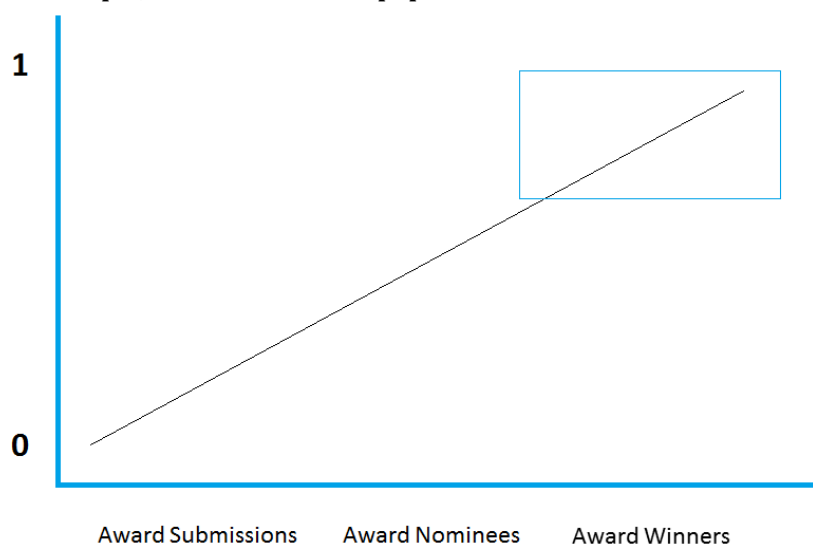
When interpreting our findings and analysing our conclusions, this sample characteristic should always be kept in mind. Although focusing on this class of award winning organizations is a pragmatic choice in order to identify individual social innovations, this focus on best/good practices can nevertheless result in great insight into the functioning of innovations after they have been initiated.

The criteria used to select conferences and awards were the following:

- Recurring prizes and conferences are retained; one-off prizes and conferences are not;

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[4] E.g.: Borins, 2000, 2001, 2008; Gow, 1992; Glor, 1998; Rangarajan, 2008; Golden, 1990; Bernier et al., 2014.

- Prizes for innovative or excellent *administrative* projects and practices are retained; prizes for innovative or excellent *policy*-programs are not.

This resulted in the following sources of best practices:

International sources:

- European Public Sector Awards
- CAF Good Practices Database
- Quality Conferences for Public Administrations in the EU
- United Nationals Public Service Awards
- RegioStars Awards

Belgian sources:

- Quality Conferences for Public Administrations in Belgium
- Belgian eGovernment Awards

French sources:

- Victoire acteurs publics prix
- Paroles d'élus
- Interconnectes France

Dutch sources:

- Innovatie Top 10
- KING Best Gejat Prijs
- Pink Roccade
- Innovatieprijs Bedrijfsvoering

Slovakian sources:

- Slovak National Quality Prize

Romanian sources:

- National Agency of Civil Servants Conference
- National Association of Public Sector IT Specialists
- Romanian Prize for Quality – J.M. Juran Foundation
- Parliamentary Committee for IT and Communications

British sources:

- Public Sector Sustainability Awards
- APSE Service Awards
- Improvement & Efficiency Awards

The criteria used to select best practice cases out of the winners of these awards were the following:

- Cases that received some kind of recognition are included in our research population (mere submissions to awards and conferences that did not receive any kind of recognition were excluded from our research population);
- Cases from 2003 onwards are included in our research population; cases from before 2003 are excluded from our research population;[5]
- Cases that involve one, maximum two public sector organizations are included in our research population; cases that involve networks of organizations are excluded from our research population.[6]

Using these criteria and sources we found the following number of potential cases:

Table 2: Survey sample

Netherlands	34	UK	163
Belgium	97	Romania	53
France	470	Slovakia	28
	Total	**845**	

The large difference between the number of cases makes cross country comparisons difficult. We will be able, controlling for country effects, to draw conclusions over the sample as a whole.

The first problem we encountered concerned the variation of information between the different sources. All awards are accompanied by some sort of case sheet, in which the case who won the award is described. From these case descriptions we can learn a lot about the nature of innovations and their origins. Unfortunately, the case databases of several of the awards we focused on had been lost by their organizations. It was then up to us to find and regroup this information. In addition, not all of the award organizations were willing to share this information with us, even though one of the purposes of these awards is to create a diffusion of good practices by putting the best ones in the limelight. Finally, the great variance in the amount of information included in these case descriptions forced us to limit our qualitative investigation into these cases to the lowest common denominator. Although we maximized the usability of our database, future research efforts should strive to maximize the extracted information from these case sheets.

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[5] The reason for this is that the older the case, the harder it gets to find suitable respondents for our survey.

[6] The reason for this is that our survey questions are attuned to assessing the attributes or sub-dimensions of accountability, the learning organization and feedback in one single organization. To measure these in a network of organizations would require a substantially different survey tool.

The survey was created based on an elaborate literature survey on the factors underlying Feedback, Accountability and Learning as promotors of sustainable social innovations. This survey was designed and tested by the KU Leuven for its Flemish and Dutch cases. Afterwards the survey was translated into English and French by the KU Leuven, after which it was again translated into Romanian and Slovakian by SNSPA and UMB respectively.

Having identified the cases which had been given an award, or who had otherwise been recognized as a good/best practice, our biggest obstacle remained: finding the right respondent, and convincing them to participate in our research. The earlier mentioned research by Pollitt, Bouckaert and Löffler (2007) found that over 60% of their respondents did not know what had happened to an innovation which had been presented at an innovation conference only 2 (!) years prior. We encountered similar problems. Many, if not most of the contacts mentioned on the case sheets no longer worked in the same organization. Finding respondents other than the ones mentioned on the case sheets required much calling, e-mailing, work, and eventually (wo)man-hours. Although we were able to maximize our response rate by calling and sending reminder-emails for some of the countries in our sample, we were less successful in others due to the limits of our resources.

For each of the best practice cases in our research population, our research team would track down a public official who was willing and able to fill in the questionnaire. The ideal respondent was someone:

- who still works in the organization
- who was involved in the project/practice from an early stage, preferable in a leading role
- who was sufficiently high in rank within the organization

Finally, we developed a survey tool to map the patterns of change and innovation for the best practice cases in our research population and to measure the different attributes and (sub-) dimensions of our conceptual framework on the level of the organization.

The first part of the survey focuses on the subsequent life courses of the cases in our research population after their recognition as best practices. We want to know what happened to these innovations in the medium and longer term. We based the variable outcomes on the dependent side in large part on the work of Hogwood and Peters (1982). We differentiate between the following outcomes:

- The innovation is still operational, in its original form
- The innovation is still operational, but has been transformed
    - Expanded (in scope, budget, geographical span, etc.)
    - Reduced
- The innovation is no longer operational
    - Terminated by an explicit decision and replaced by something new
    - Terminated by an explicit decision, not replaced by something new
    - Terminated without an explicit decision (faded away)

We inquire about the subsequent life courses of the cases by means of a number of closed questions. These closed questions are complemented with some open questions, allowing the

respondents to elaborate, for example on the nature of the transformations and on the reasons for those transformations.

The remaining parts of the survey try to measure the different (sub-)dimensions of our conceptual framework. For each (sub-)dimension, we confront the respondent with a number of statements. [7] The respondents are asked to describe their own organizations by indicating their level of agreement with each of these statements on a five-point scale. These Likert-scale questions are complemented with a number of multiple choice questions. Annex III gives an overview of the survey items per (sub-)dimension of our conceptual framework, as presented in chapter two of this research report. Per question, the Likert-scale answers were transformed into scores: if a respondent answered most strongly affirmative, s/he would receive 5 points, and only 1 point for the most strongly negative answer. The addition of these scores than leads to an aggregate on the Feedback, Accountability and Learning dimensions. Finally, the aggregate is divided by the maximum attainable score, creating a variation between the minimally obtainable score and 1. By combining the three scores, you would be able to place all organizations under scrutiny in the following space:

Figure 11: FAL-Space
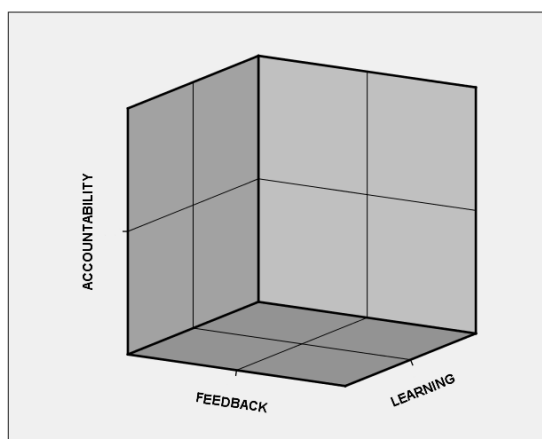
In theory, the best scoring cases lie in the top corner, whilst the lowest scoring cases (with, theoretically at least, the non-surviving innovations) can be found in the furthest, lowest corner.

After the survey had run and reached the maximum amount of responses we thought pragmatically possible, we subjected it to statistical analysis, the results of which are presented in chapter four.

3.2. Qualitative Methodology: The interviews

Where the survey focused on the FAL-variable in our INUS-condition, the qualitative part or our research tries to explain the influence and content of the remaining part: X and Y. To investigate the influence of Ombudsmen and SAIs on social innovations (X), we investigated a minimum of

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[7] Inspiration for the statements was drawn from the following publications: Garvin, D.A., Edmondson, A.C., & Gino, F. (2008) & Edmondson, A.C. (1999).

eight cases per country, preferably equally divided between Ombud- and Audit reports. The cases are reports in which the audit organization proposes a number of improvements and recommendations for better performance. We consider these recommendations as both feedback information, learning opportunities and obviously part of accountability mechanisms, all focused at improvements and innovation in the administration of the respective organizations under scrutiny. The criteria for the reports to be eligible to be a part of our sample were the following:

- Number of years since the publication of the report/recommendations
    o Sufficiently long ago: there has been enough time to take action on the recommendations
    o Not too long ago: a sufficient amount of people who worked in the organization under scrutiny or in the ombud/audit institution at the time of the report, are still working there
    o Ideally, three to four years after the publication of the reports (Weets, 2008)
- The subject of the performance audit: matters of continuous policy instead of single projects
- The gravity of the subject in terms of the budgets that are at stake
- Variation regarding
    o Level of government: at least several reports should be focused on regional issues and/or organizations in order to A) reflect the tendency throughout Europe toward decentralization of government tasks, and B) to reflect the national political and administrative structures for countries such as Belgium and the United Kingdom
    o Policy area: at least several reports should be focused on public utility services

It should be noted that not all of the criteria were met by all of our cases. The ability and willingness (or rather lack thereof) of some organizations on both sides of the audit forced us to choose some cases which were, for example, conducted in 2013, instead of the ideal time span of 3-4 years. In chapter five of this research report, as well as in the individual country reports (annex V through VIII) we go deeper into the cases that were picked, and explain some of the difficulties we faced in trying to find respondents, reports and the cooperation of auditees and/or auditors. First, however, we defined the criteria for finding a report.

After an extensive literature review we found and categorized a large number of factors which had been found to influence the impact of Ombudsmen and SAIs. We used these factors to form our interview protocol, which was identical for all countries and which was, like the survey, designed and tested by the KU Leuven, before being translated in the respective languages of our country sample. The list of factors, including references, can be found in annex IV, along with the structure of our interview protocol. We can summarize our focus of questions to be on two main, overarching factors:

- The process in which the audits were conducted (formal/informal, cooperative/coercive)
- The reputation/role of the Ombudsman or SAI (watchdog/advisor, high or low expertise)

Using these criteria resulted in the following cases for the qualitative part of our research:

Table 3: Slovak Ombud- and Audit cases

Slovakia	Organization under scrutiny	Topic	Year of Audit
SAI	Municipalities Banovce and Bebravou	Waste Management	2007-2008
SAI	Zilina, City transport organization	Public Transport	2011
SAI	Municipality Raslavice	Waste Management	2011
SAI	Municipality Huncovce	Waste Management	2011
SAI	Municipality Druzstevna	Waste Management	2011
SAI	Municipality Helpa	Waste Management	2011
SAI	Municipality Spissky	Waste Management	2011
Ombudsman	Ministry of the Interior	Electronic Voting	2010

Table 4: British Ombud- and Audit cases

United Kingdom	Organization under scrutiny	Topic	Year of Audit
NAO	Ministry of Justice	Financial Management	2011
NAO	Department for Environment, Food and Rural Affairs	Financial Management	2011
PAC	The BBC Trust	Investment Policy	2014
PHS Ombudsman	Planning Inspectorate	Compensation for Citizens	2012
OSC	Bath and North East Somerset	Boat Dwellers	2013
OSC	Bath and North East Somerset	Home Care	2011
OSC	Bath and North East Somerset	Community Assets	2012
OSC	Bath and North East Somerset	Use of Consultants	2011-2012
OSC	Bath and North East Somerset	Transportation of Students	2012

Table 5: Belgian Ombud- and Audit cases

Belgium	Organization under scrutiny	Topic	Year of Audit
SAI	Flemish Employment Bureau	HR Policy	2011
SAI	Tax Inspection Bureau	Organization and Functioning	2010
SAI	Federal Ministry of Justice and Penitentiary Institutions	HR Policy	2010
SAI	Agency for the European Social Fund	Use of Resources	2010
Federal Ombudsman	Federal Ministry of Justice and Penitentiary Institutions	Complaint Reports on Prisoner's Rights	2009-2012
Flemish Ombudsman	Flemish Tax Collecting Agency	General Annual Complaints Report	2006-2013
Flemish Ombudsman	De Lijn (Public Transport)	General Annual Complaints Report	2009-2012
Flemish Ombudsman	Flemish Agency for Housing	General Annual Complaints Report	2010-2011

Table 6: Romanian Ombud- and Audit cases

Romania	Organization under scrutiny	Topic	Year of Audit
SAI	National Agency on Fiscal Administration	Collection of Taxes	2012
SAI	National Agency on Fiscal Administration	Anti-Corruption Policies	2012
SAI	National Company for Forests	Patrimony	2013
SAI	Romanian Radio Broadcasting Company	General	2012
SAI	Romanian Television Company	General	2012
SAI	National Authority for Administration and Regulation in Communication	Performance Measurement	2012
SAI	National Company of Highways and National Roads	Regional Infrastructure	2012
SAI	National Company of Highways and National Roads	National Infrastructure	2012
SAI	Ministry of Education	Management of Public Funds	2013
SAI	National Chamber of Pensions	IT Policy	2011
Ombudsman	National Union of Veterans	General	2009
Ombudsman	Ministry of Education	Transport of Students	2013
Ombudsman	National Authority for Persons with Disabilities	Safety of Persons with Disabilities	2013

Table 7: French Ombud- and Audit cases

France	Organization under scrutiny	Topic	Year of Audit
SAI	Council for the Environment and Sustainable Development	Transport Safety	2012
SAI	Ministries of Finance, Employment and Social Affairs	Social Security	2011
SAI	Ministries of Social Affairs, Health and Finance	Anti-Smoking Policies	2012
SAI	Ministry for the Environment, Sustainable Development and Energy	Renewable Energy	2013
SAI	Ministry of Education (Higher Education and Research)	Sport	2013
SAI	Ministry of Culture and Communication	Museums	2011
SAI	Council for the Environment and Sustainable Development	Biofuels	2012
Ombudsman	Ministry of the Interior	Police	2011
Ombudsman	Ministry for Employment, Social Affairs and Health	Vaccination Policy	2010
Ombudsman	Ministry for Employment, Social Affairs and Health	Accidents at Work	2010
Ombudsman	Public Prosecutor	Retirement Policy	2010
Ombudsman	Public Prosecutor	Policy on the Settling of Fines	2009

Table 8: Dutch Ombud- and Audit cases
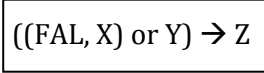
Netherlands	Organization under scrutiny	Topic	Year of Audit
SAI	DNB: National Bank	Stability of Banks	2011
SAI	Ministry of Economic Affairs	European Procurements	2012
SAI	Ministry of Economic Affairs	Tariff Regulations for the Energy Market	2009
SAI	Ministry of Finance	Evaluation of Subsidies	2011
SAI	ProRail (Railway Infrastructure)	Use of Funds	2011
SAI	Ministry for Health and Sports	Online Medical Care	2009
Ombudsman	Social Security Agency	Anti-Fraud Policies	2010
Ombudsman	Inter-Provincial Network	Child Welfare	2010

The interviews were conducted in a semi-structured fashion, to give the respondents enough room to elaborate on issues they thought to be of importance, and the interviewers to go deeper into topics of interest, while still being able to compare the results across countries. For this comparison, it is important to realize that the Ombudsmen and SAIs differ significantly between countries when it comes to culture, resources and legal authority. In the individual country reports we go deeper into the specifics of each audit organization. Despite this disparity between the national and local audit organization we were able to draw some notable conclusions. The most important difference is that between France and Romania, on the one hand, and Belgium, the Netherlands, Slovakia and the UK, on the other. In France and Romania the audit organizations we focus on can make legally binding recommendations. These can cause social innovations regardless of our FAL-model, and are therefore important in order for us to give content to the Y-variable in our INUS-condition: $((FAL, X) \text{ or } Y) \rightarrow Z$.

The results were written down in the earlier mentioned individual country reports, for which each partner was individually responsible. From these individual report we synthesized an overview and highlighted some key commonalities and differences, together with a few overall conclusions, as presented in chapter five. Chapter five, therefore, brings together the quantitative part of this research (the survey) with the qualitative part (the interviews). Both look at a different part of the INUS-condition. The quantitative part looks at the characteristics of the innovations that were investigated, together with the influence of FAL on the sustainability of these innovations. The interviews on the other hand look at the other factors in the formula that could affect the sustainability of innovations, besides the FAL-model.

Quantitative: $((FAL, X) \text{ or } Y) \rightarrow Z$

Qualitative: $\boxed{((FAL,} \boxed{X) \text{ or } Y)} \rightarrow \boxed{Z}$

Combined: $\boxed{((FAL, X) \text{ or } Y) \rightarrow Z}$

In the following chapters we will discuss these three integral parts of our research in this order. Chapter four will discuss the survey findings, chapter five will go into the qualitative part our research, whilst in the conclusions the two parts will be combined to form a complete picture of the factors influencing social innovations sustainability.

4. Feedback, Accountability and Learning in Award Winning Public Organizations

Wouter van Acker & Geert Bouckaert (KU Leuven)

Based on survey data gathered by:

- Wouter van Acker & Wout Frees (Belgium & the Netherlands) (KU Leuven)
- José Nederhand (the Netherlands) (Erasmus University Rotterdam)
- Carmen Savulescu & Ani Matei (Romania) (SNSPA)
- Erwane Monthubert (France) (ENA)
- Matus Grega (Slovakia) (UMB)
- Sophie Flemig (the United Kingdom) (University of Edinburgh)

4.1. Introduction

The FAL-model, as explained in the second chapter of our research report, can explain the sustainability of public sector innovations. At least, so we suspect. In order to investigate the influence of the FAL-model on the sustainability of social innovations we carried out a survey. As can be read in our chapter on the used methodology, we used award winning social innovations as a proxy for social innovations in general. Through our survey, consisting of more than 50 different items on the dimensions of Feedback, Accountability, and Learning, we measured each of these awarded organizations based on the FAL-model. We assume that a higher score will mean a higher probability that the innovation is still operational today. If there is a lower FAL-score in these organizations, we expect innovations to be more likely to 'fail' and disappear after time has passed.

Before moving to the analysis of our survey-results, we should focus on our sample. First of all, as mentioned in our chapter on methodology, we used the following international and national prizes:

Table 9: Overview of good practice sources

International sources	Romanina National Sources
European Public Sector Awards	National Agency of Civil Servants Conference
CAF Good Practices Database	National Association of Public Sector IT Specialists
Quality Conferences for Public Administrations in the EU	Romanian Prize for Quality J.M. Juran Foundation
United Nations Public Service Awards	Parliamentary Committee for IT and Communications
European eGovernment Awards	
RegioStarts Awards	
Belgian National Sources	**Slovakian National Sources**
Quality Conferences for Public Administrations in Belgium	Slovak National Quality Prize
Belgian eGovernment Awards	
Dutch National Sources	**UK National Sources**
Innovatie Top 10	Public Sector Sustainability Awards
KING Best Gejat Prijs	APSE Service Awards
Pink Roccade	Improvement & Efficiency Awards
Innovatieprijs Bedrijfsvoering	
French National Sources	
Victoire acteurs publics (prix modernisation administration)	
Paroles d'élus	
Interconnectes France	

We contacted all these prizes, and asked them to send us the case descriptions of their winning innovations. Unfortunately, not all organizers were willing to cooperate with this request. Consequently, we do not have all the qualitative evidence that we would have liked. Furthermore, it took an enormous amount of work and (wo)man-hours to get a decent amount of responses from our sample. Varying numbers of award organizations per country further influenced differences in sample size over the countries. The difference in the number of responses is particularly large between countries, making it difficult to compare the six countries in our sample. There is little institutional memory, so many people knew little about an innovation, especially if the innovation was initiated many years ago. At the same time, due to personnel turnover, the institutional memory became even smaller. Finally, many people do not want to talk about innovations if they 'failed'. This rather skewed our sample towards successful innovations which are still active. However, despite these setbacks and difficulties, we managed to get a sample worthy of analysis, and were able to draw a number of conclusions.

Table 10: Response rate

Country	Sample	Response	Response rate
Belgium	97	76 (30.9 %)	78.4 %
France	470	83 (33.7 %)	17.7 %
Netherlands	34	23 (9.3 %)	67.6 %
Romania	53	31 (12.6 %)	58.8 %
Slovakia	28	16 (6.5 %)	57.1 %
United Kingdom	163	16 (6.5 %)	9.8 %
Total	845	245 (100 %)	29.0 %

More than the sample size difference per country, it is the skewed variation between 'Non-survivors' and 'Survivors' that cause challenges for our analysis. This variation is, however, consistent with findings by other social innovation scholars, such as Borins (1998, p. 115), who found that 91.6% of his sample was still operational after twelve years. On the other hand, a different reason for these particular findings is possibly the lack of institutional memory in many governmental organizations. Pollitt, Bouckaert and Löffler (2007) conducted research on the sustainability of innovations in the European Quality Conferences. Through a telephone survey they tried to find out whether the innovations presented in the conference two years earlier were still operational. Even though a small number, 8%, of the innovations had been deactivated and about 31% had survived, a staggering 61% of the organizations could not tell the researchers what happened to the innovation they had presented two (!) years earlier. This shows that the institutional memory of public sector organizations is in particularly bad shape. It is this lack of institutional memory which could explain the skewedness in our sample. Many of the organizations whom we invited to participate in our survey may not have known what we were talking about. Consequentially, our sample could have overlapped with the 39% of Pollitt, Bouckaert and Löffler's sample who *did* know about the innovation. Add to this the fact that we look back in time way further than Pollitt et al. did for their research, which would mean that the institutional memory factor is amplified by a multifold. This means that we might have missed a large part of the population, which is nevertheless incredibly interesting and attention-grabbing, not due to our methodology, but due to the organizational memory of our cases.

In the second half of this chapter we will show that we have been able to acquire interesting findings, regardless of the challenges in our sample.

Table 11: Survival/Non-Survival of Innovations Dichotomous

Country	Did Not Survive (0)	Survived (1)
Belgium	8 (10.8 %)	66 (89.2 %)
France	6 (7.2 %)	77 (92.8 %)
Netherlands	1 (4.3 %)	22 (95.7 %)
Romania	8 (25.8 %)	23 (74.2 %)
Slovakia	2 (12.5 %)	14 (87.5 %)
United Kingdom	1 (6.3 %)	15 (93.7 %)
Total	26 (11.1 %)	217 (88.9 %)

Just 1 and 0 as variation on the independent variable is rather an oversimplification. Cases can have different ways of surviving and disappearing. The following table therefore gives a more detailed picture of our sample. In this table we find that many of the awarded innovations have

indeed been expanded. Meaning that the scope of the innovation has expanded, it has since been improved or modernized, or the innovation has been diffused to other organizations.

Table 12: Survival/Non-Survival of Innovations

Country	Withered Away	Actively Stopped	Replaced by something new	Operational in original form	Operational in expanded form	Operational in reduced form
Belgium	6 (7.9%)	1 (1.3%)	3 (3.9%)	31 (40.8%)	34 (44.7%)	1 (1.3%)
France	2 (2.4%)	3 (3.6%)	1 (1.2%)	54 (65.1%)	21 (25.3%)	2 (2.4%)
Netherlands	0 (0.0%)	1 (4.3%)	0 (0.0%)	16 (69.6%)	6 (26.1%)	0 (0.0%)
Romania	1 (3.2%)	7 (22.6%)	0 (0.0%)	13 (41.9%)	10 (32.3%)	0 (0.0%)
Slovakia	1 (6.3%)	1 (6.3%)	0 (0.0%)	10 (62.5%)	3 (18.8%)	1 (6.3%)
United Kingdom	1 (6.3%)	0 (0.0%)	0 (0.0%)	10 (62.5%)	5 (31.3%)	0 (0.0%)
Total	11 (4.5%)	14 (5.7%)	4 (1.6 %)	134 (54.5%)	79 (32.1%)	4 (1.6%)

First, we will present some general findings for our sample: what type of innovations generally take place? In which policy fields do they occur? How big are the organizations in which they occur, and how old are these organizations? After that we will focus on the most interesting findings for the individual items from our survey[8]. Finally, we will look at the FAL-scores of the organizations under investigation. Does this actually have an influence on the sustainability of the social innovations in our sample?

4.2. Sample Characteristics

First off, we asked ourselves in which policy areas the innovations in our sample of respondents took place, and if there are any specific differences between countries? We recognized 22 different policy areas:

- Administration of parliament
- Agriculture and fisheries, food safety
- Asylum, migration and human rights
- Economic affairs, economic development, competition, SME, Industry and Enterprises
- Education (higher and lower), training and learning
- Employment, labour related affairs and gender equality
- Energy and water supply
- Environment, sustainable development, climate change
- Finances, taxation, customs and excise
- Foreign affairs, external relations and aid, development and cooperation, trade
- General administration
- Information, communication, sensitization
- Internal audit and control
- Justice, security, police, defence, emergency services
- Mobility and transportation
- Public health, health care, medical services
- Public works, infrastructure and equipment

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[8] The complete overview of the responses per country, per item, can be found in annex I.

- Science, research, innovation
- Social welfare, social affairs, social services, social security, social housing
- Sports, youth, tourism, culture, art and media
- Telecommunication and postal services
- Urban development and spatial planning

We present the results in the following graphs.

Preliminary Figure 12: Innovation per Policy Area Combined Sample

Innovation per Policy Area

Figure 13: Innovation per Policy Area Belgium

Innovations per Policy Area

Legend: ■ Innovations per Policy Area

Policy areas (x-axis):
- Administration of parliament
- Agriculture and fisheries, food safety
- Asylum, migration, and human rights
- ...nomic affairs, economic development, competition,...
- Education (higher and lower), training and learning
- Employment, labor related affairs and gender equality
- Energy and water supply
- Environment, sustainable development, climate change
- Finances, taxation, customs and excise
- Foreign affairs, external relations and aid, development...
- General administration
- Information, communication, sensitization
- Internal audit and control
- Justice, security, police, defense, emergency services
- Mobility and transportation
- Public health, health care, medical services
- Public works, infrastructure and equipment
- Science, research, innovation
- Social welfare, social affairs, social services, social security,...
- Sports, youth, tourism, culture, art and media
- Telecommunication and postal services
- Urban development and spatial planning

Figure 14: Innovation per Policy Area the Netherlands

Innovations per Policy Area

Legend: ■ Innovations per Policy Area

Categories (x-axis):
- Administration of parliament
- Agriculture and fisheries, food safety
- Asylum, migration, and human rights
- Economic affairs, economic development,...
- Education (higher and lower), training and learning
- Employment, labor related affairs and gender...
- Energy and water supply
- Environment, sustainable development, climate...
- Finances, taxation, customs and excise
- Foreign affairs, external relations and aid,...
- General administration
- Information, communication, sensitization
- Internal audit and control
- Justice, security, police, defense, emergency...
- Mobility and transportation
- Public health, health care, medical services
- Public works, infrastructure and equipment
- Science, research, innovation
- Social welfare, social affairs, social services, social...
- Sports, youth, tourism, culture, art and media
- Telecommunication and postal services
- Urban development and spatial planning

Figure 15: Innovation per Policy Area Slovakia

Innovations per Policy Area

Categories (x-axis):
- Administration of parliament
- Agriculture and fisheries, food safety
- Asylum, migration, and human rights
- Economic affairs, economic development,…
- Education (higher and lower), training and learning
- Employment, labor related affairs and gender …
- Energy and water supply
- Environment, sustainable development, climate…
- Finances, taxation, customs and excise
- Foreign affairs, external relations and aid,…
- General administration
- Information, communication, sensitization
- Internal audit and control
- Justice, security, police, defense, emergency…
- Mobility and transportation
- Public health, health care, medical services
- Public works, infrastructure and equipment
- Science, research, innovation
- Social welfare, social affairs, social services, social…
- Sports, youth, tourism, culture, art and media
- Telecommunication and postal services
- Urban development and spatial planning

Legend: ■ Innovations per Policy Area

Figure 16: Innovation per Policy Area Romania

Figure 17: Innovation per Policy Area United Kingdom

Innovations per Policy Area

The first thing that jumps out in the above graphs is the dominance of four policy areas in our sample: Education, Public Health, Social Welfare, and General Administration. Whether this is because these sectors submit more projects for awards or because these sectors are inherently more innovative is not possible to determine from our data. It is, however, a very relevant finding. Especially since sectors like public service utilities, where many market mechanisms have been introduced in the past, hardy show up in our sample. These market mechanisms should have been stimulating innovation, as most literature tells us, in order to stay ahead of competitors. More research into these awards, their prize winners and the innovative culture of these areas is needed to provide a definite answer on the many questions that arise from our findings.

Second, we looked at what type of innovation took place. Are they focused on quality management, e-government, participation? We recognized the following categories of innovations:

- Cooperation between public organizations
- Efficient use of resources
- E-government
- Financial management and contract management
- Human resources
- Leadership
- Participation and partnerships
- Policy support
- Processes, procedures, files
- Services
- Socially, ethically and environmentally conscious government
- Strategic, performance and quality government
- Transparent, responsible and accountable government

Preliminary Figure 18: Type of Innovation Combined Sample[9]

Figure 19: Type of Innovation Belgium

Type of Innovation

(Bar chart showing "Type of Innovation" values by category)

- Cooperation between public organizations: 11
- Efficient use of resources: 0
- eGovernment: 18
- Financial management and Contract management: 5
- Human resources: 19
- Leadership: 2
- Participation and Partnerships: 18
- Policy support: 1
- Processes, procedures, files: 25
- Services: 16
- Socially, ethically and environmentally conscious...: 5
- Strategic, Performance and Quality management: 31
- Transparent, responsible and accountable government: 2

Figure 20: Type of Innovation the Netherlands
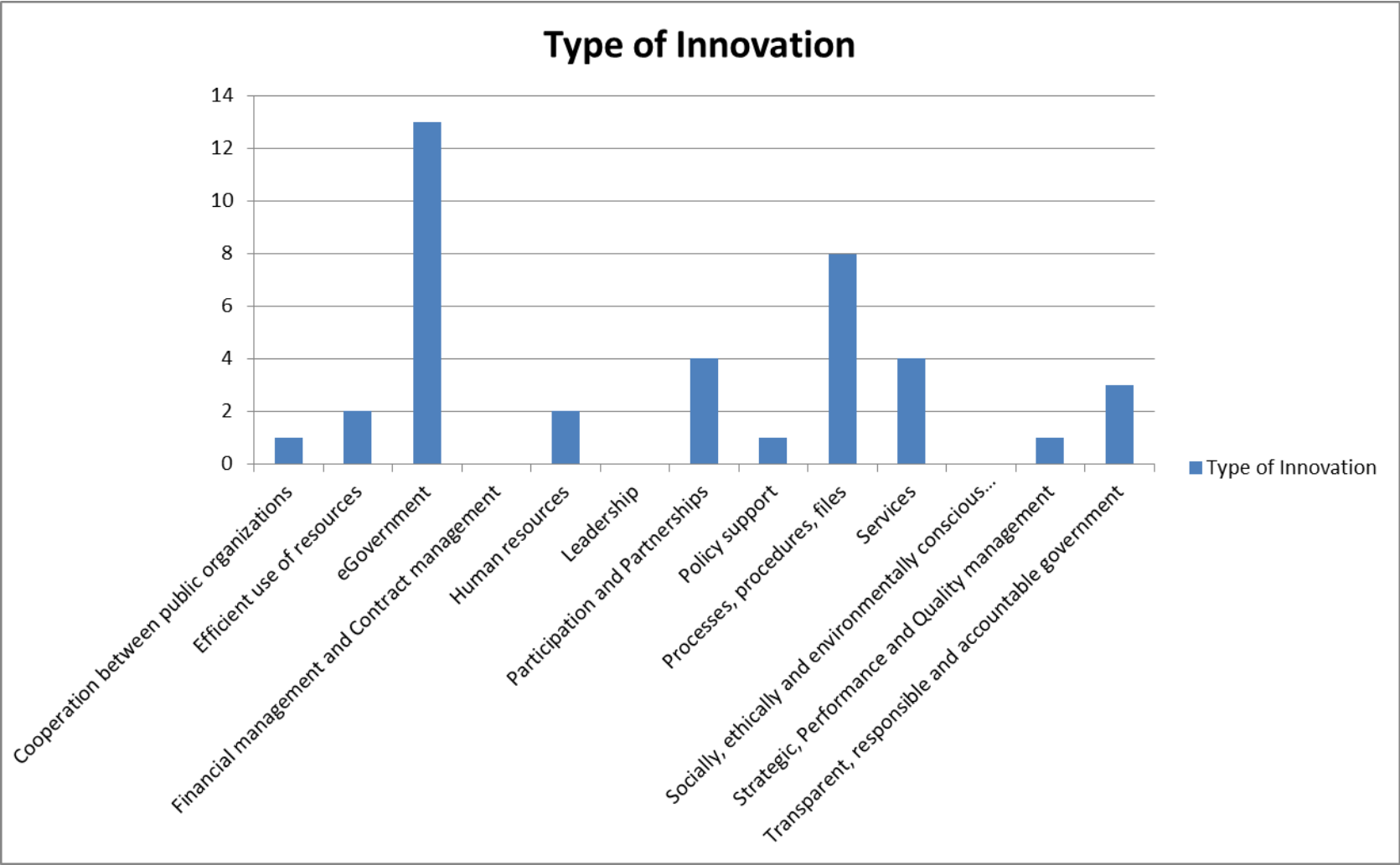
Type of Innovation

Figure 21: Type of Innovation Slovakia
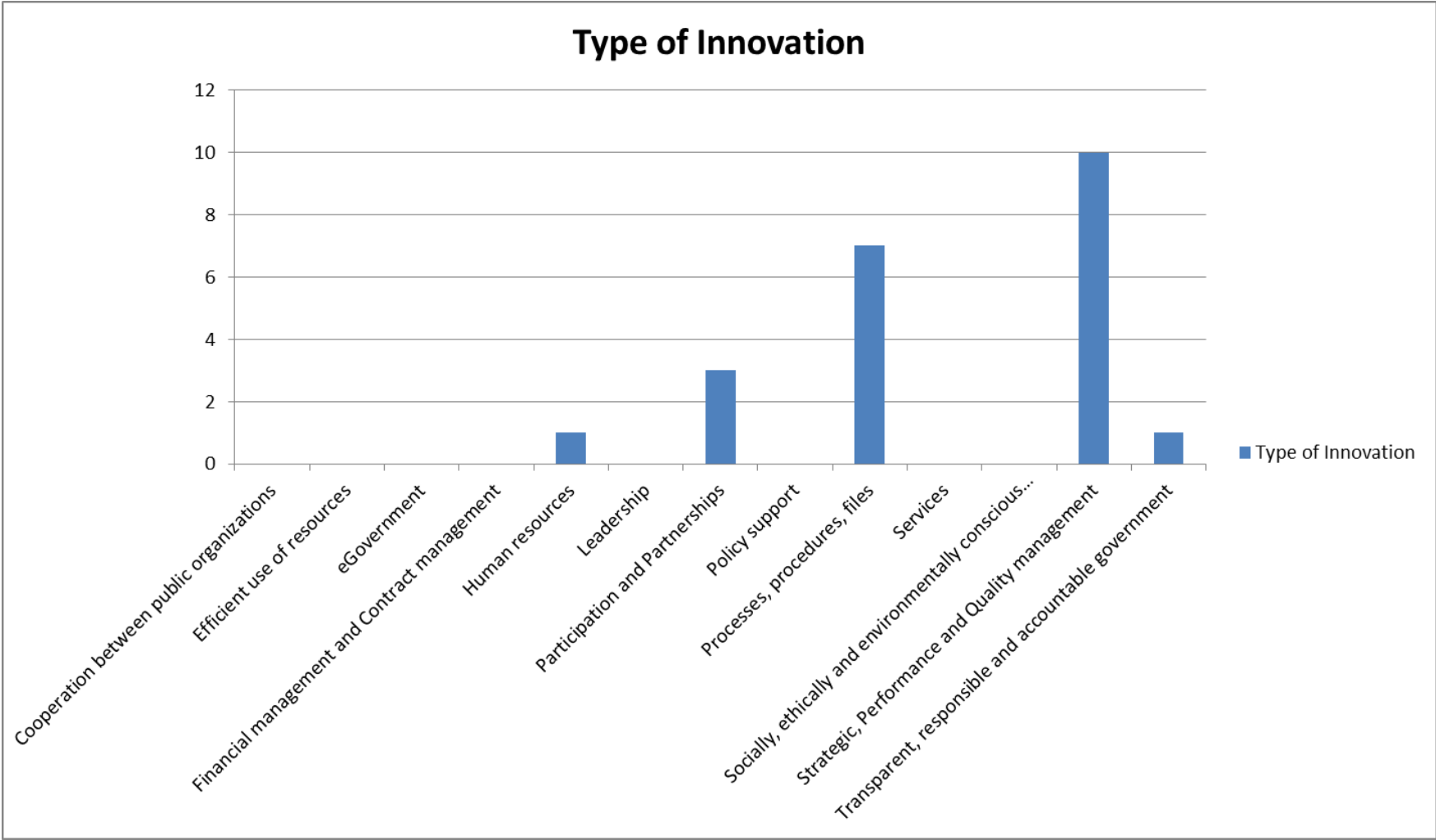
Figure 22: Type of Innovation Romania
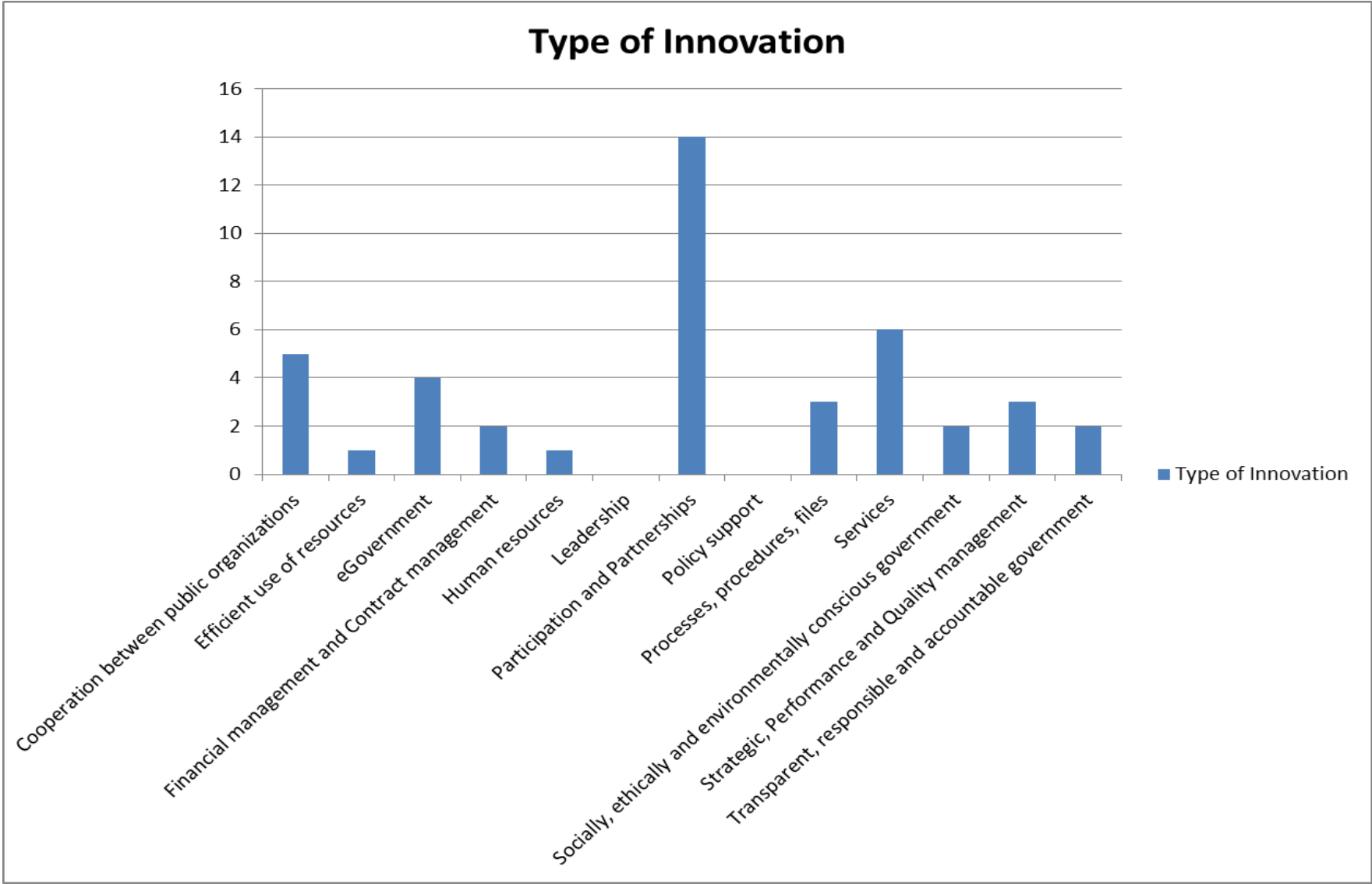
Figure 23: Type of Innovation United Kingdom
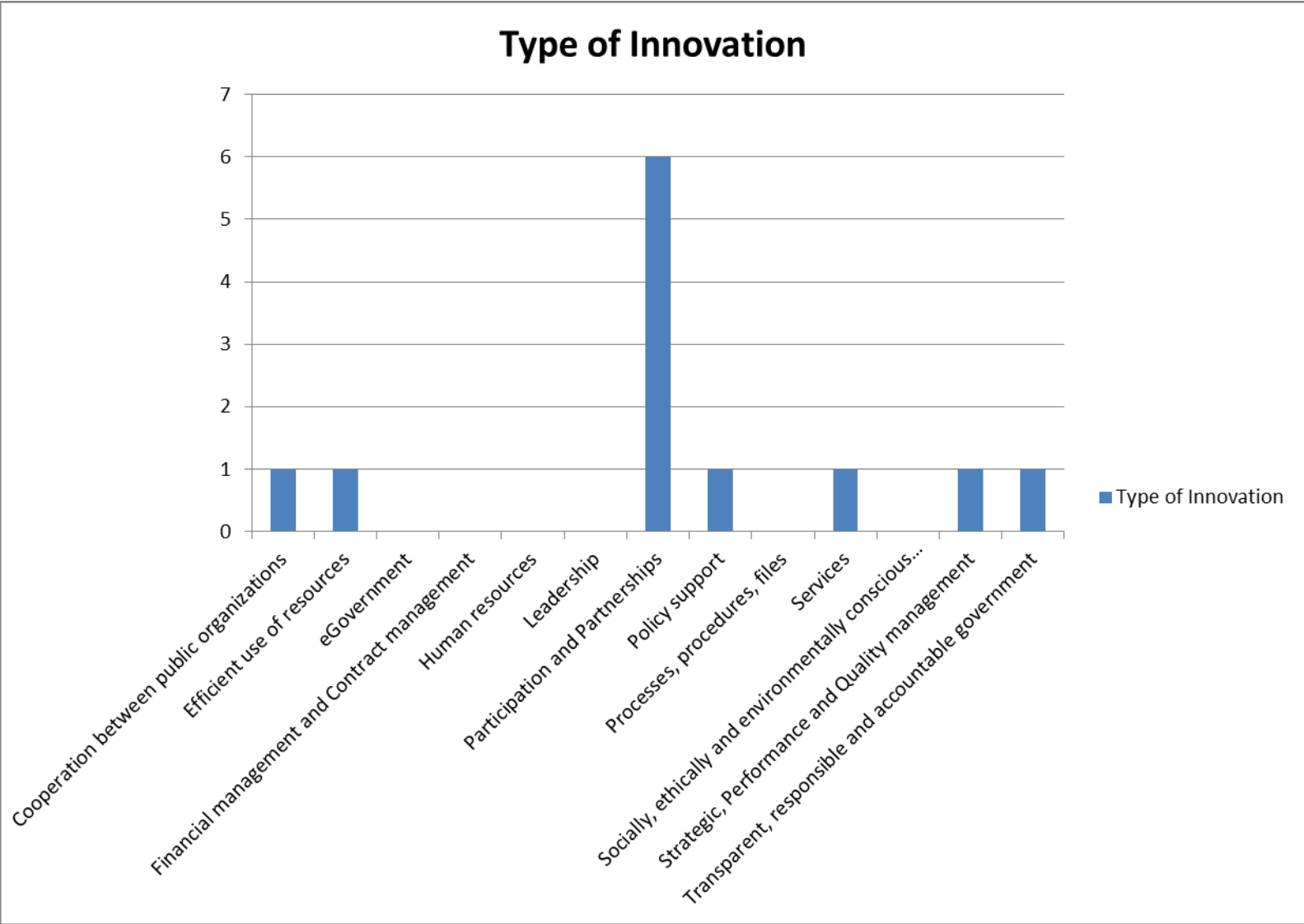
Type of Innovation

Some interesting things come to the fore here. First of all, each country seems to put emphasis on certain types of innovation. Romania and the UK clearly have a focus on citizen participation, with their score in that category far exceeding the other categories. At the same time, the Netherlands seem to be fixated on e-government innovations, whilst Slovakia's efforts are put in the field of quality management through processes and procedures. Belgium is the only country which seems to represent a more diverse picture, without one or two categories clearly transcending the others. It should be mentioned however that the focus of certain national awards on a certain type of innovation (for example e-government) could lead to an overrepresentation in our sample. For our awards, cases and sample, however, this doesn't seem to be the circumstance. What should be kept in mind, however, is the small size of the samples, especially for the UK, Slovakia, Romania and the Netherlands. Generalizing from our findings is therefore not possible.

We also include two graphs concerning the non-surviving innovations, per policy area and per type of innovation. The sample is too small, however, to draw any conclusions from this.

Figure 24: Non-Surviving Innovations per Policy Area [10]

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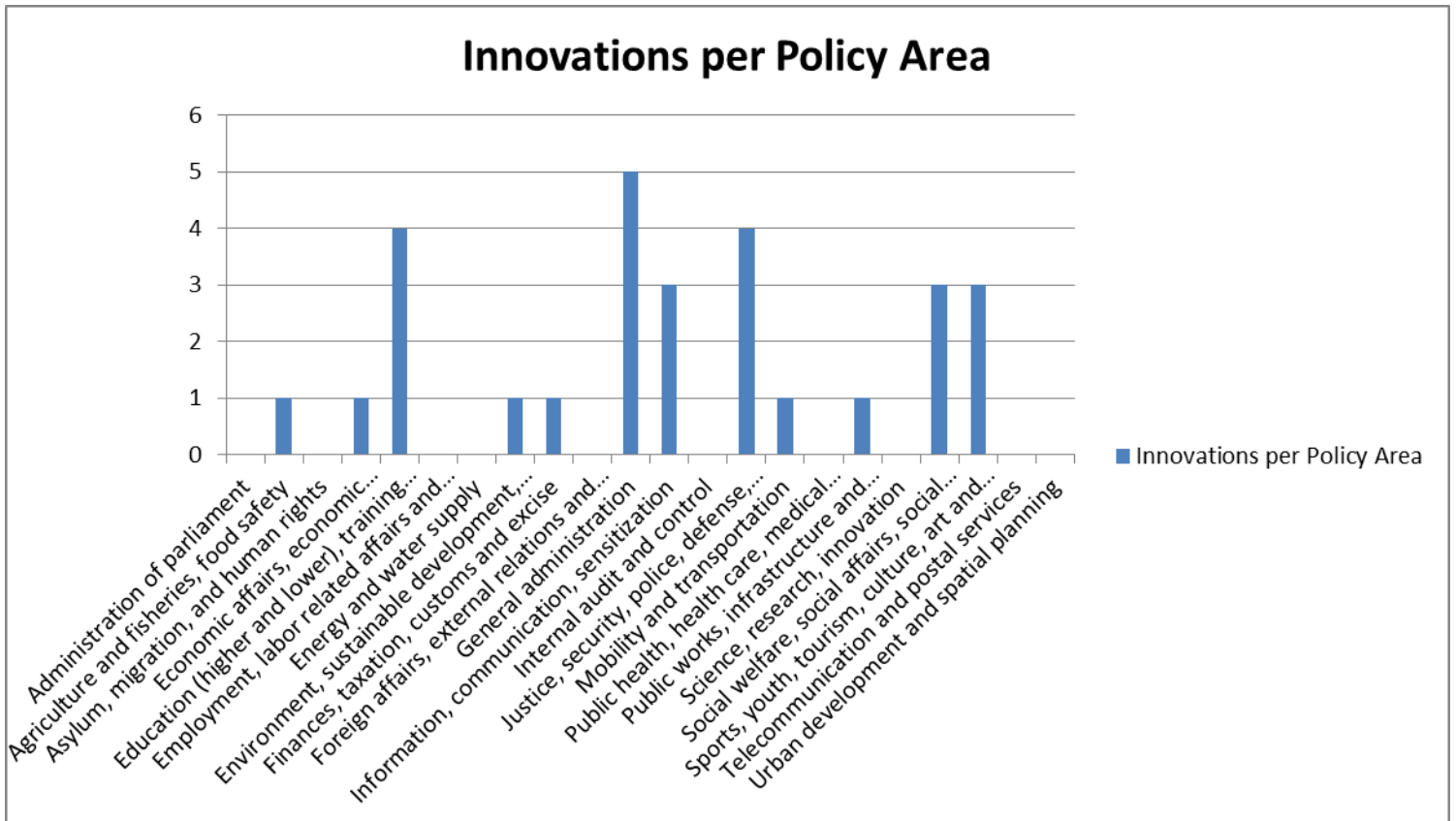
[10] The information on the age of the innovations has been provided for all countries, with the exception of France. This information will be added at a later stage.

Figure 25: Non-Surviving Innovations per Type[11]
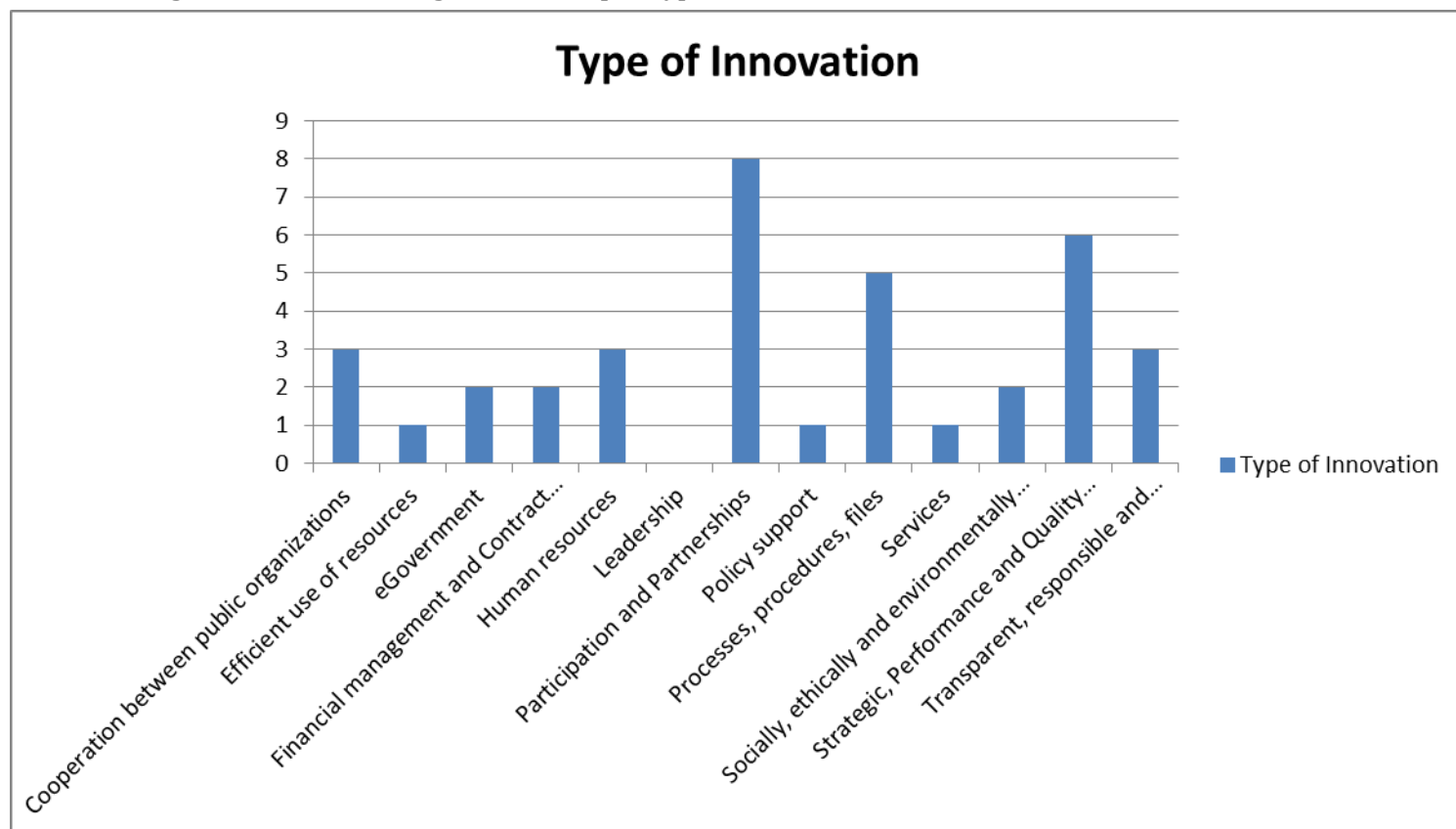
The following tables and graph represent the final part of our sample analysis, before looking at the results of the actual survey. They show the variation on four important controlling variables: age of the innovation, the size of the organization, the level of government the organization is located in, and the age of the organization. As a proxy for the age of the innovation we used the year the innovation was awarded.

Table 13: Organizational Size

Country	Belgium	France	Netherlands	Romania	Slovakia	United Kingdom	Total
< 25 FTEs	8 (10.5%)	41 (49.4 %)	5 (21.7 %)	2 (6.5 %)	0 (0 %)	7 (43.8 %)	63 (25.6 %)
25-100 FTEs	13 (17.1%)	7 (8.4 %)	2 (8.7 %)	14 (45.2 %)	5 (31.3 %)	3 (18.8 %)	44 (17.9 %)
100-250 FTEs	12 (15.8%)	6 (7.2 %)	4 (17.4 %)	7 (22.6 %)	4 (25.0 %)	2 (12.5 %)	36 (14.6 %)
250-500 FTEs	14 (18.4%)	3 (3.6 %)	3 (13.0 %)	4 (12.9 %)	1 (6.3 %)	0 (0 %)	25 (10.2 %)
> 500 FTEs	29 (38.2%)	25 (30.1 %)	9 (39.1 %)	4 (12.9 %)	6 (37.5 %)	4 (25.0 %)	77 (31.3 %)
Total	76 (100%)	82 (100 %)	23 (100 %)	31 (100 %)	16 (100 %)	16 (100 %)	246 (100 %)

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[11] The information on the age of the innovations has been provided for all countries, with the exception of France. This information will be added at a later stage.

Table 14: Organizational Age

Country	Belgium	France	Netherlands	Romania	Slovakia	United Kingdom	Total
< 10 years	17 (23 %)	37 (45.1 %)	10 (43.5 %)	5 (16.1 %)	1 (6.3 %)	5 (31.3 %)	75 (30.9 %)
10-25 years	29 (39.2%)	20 (24.4 %)	4 (17.4 %)	25 (80.6 %)	8 (50.0 %)	8 (50.0 %)	94 (38.7 %)
25-50 years	12 (16.2%)	20 (24.4 %)	0 (0 %)	0 (0 %)	2 (12.5 %)	1 (6.3 %)	36 (14.8 %)
> 50 years	16 (21.6%)	5 (6.1 %)	9 (39.1 %)	1 (3.2 %)	6 (31.3 %)	2 (12.5 %)	37 (15.2 %)
Total	74 (100%)	82 (100 %)	23 (100 %)	31 (100 %)	16 (100 %)	16 (100 %)	243 (100 %)

Time is an obvious and important factor in determining the sustainability of innovations. If all our surviving innovations would only be one or two years old, we could hardly talk about sustainability. However, the following graph shows that our sample consists of innovations which go back as far as twelve years.

Preliminary Figure 26: Age of Innovations[12]
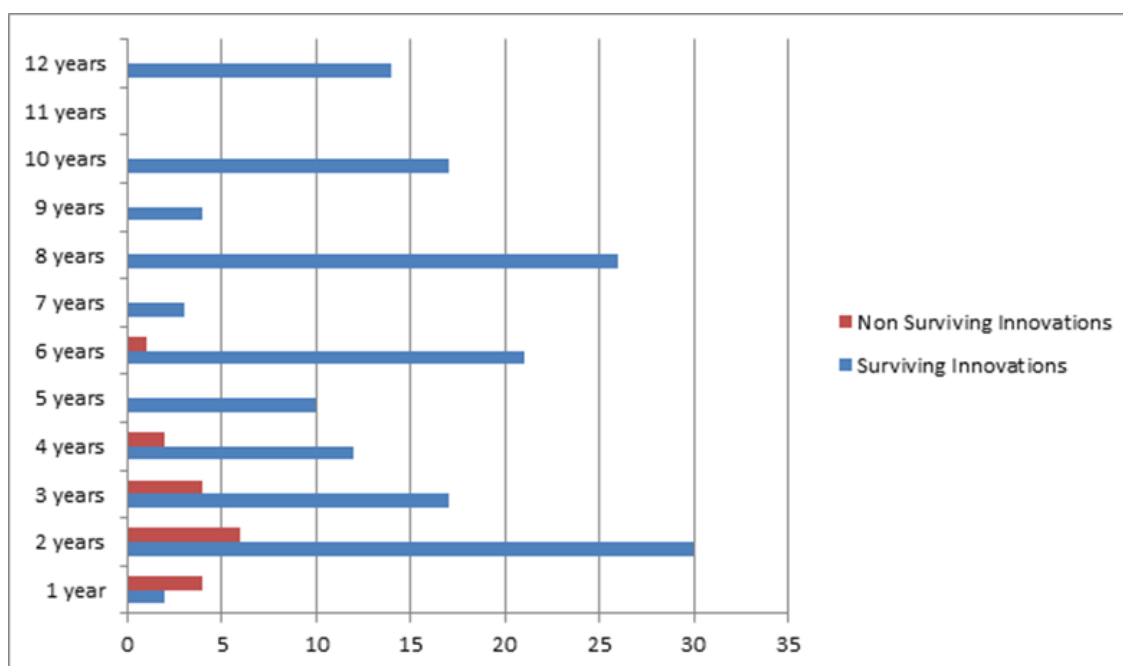
The blue lines in this graph indicate the age of the surviving innovations anno 2015. The red lines on the other hand indicate the age of the non-surviving innovations *at the time of their termination.* In this figure we see that all cases which did not survive were terminated before they were 7 years of age. The following graph shows us that the non-surviving innovations are not all located at the very beginning of our time-span, as one could think was an easy explanation for their termination.

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[12] The information on the age of the innovations has been provided for all countries, with the exception of France. This information will be added at a later stage.

Preliminary Figure 27: Year of Award of Non-Surviving Innovations[13]
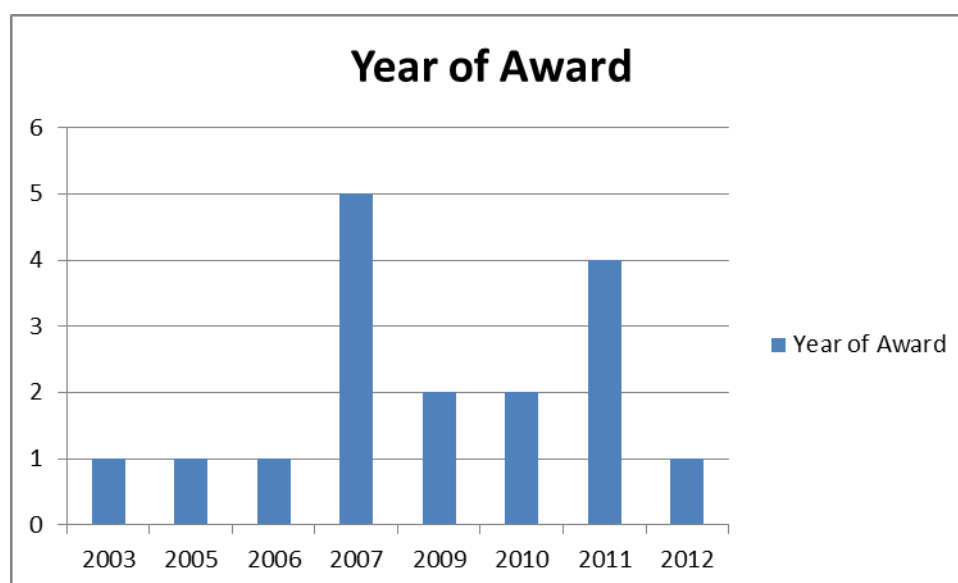
This graph shows that the awards which have been terminated have come from recent years as well. A logical explanation for the non-survival of an innovation would be that they are simply old, surpassed by newer ideas and methods. However, this was clearly not the cause. Something else must have been in play.

Finally, we present a short overview of the level of government in which the innovations took place. This concludes our overview of the sample's main characteristics. In the next section, we continue with a closer look at the FAL-model in the surveyed organizations.

Table 15: Level of Government of Innovation

Country	Belgium	France	Netherlands	Romania	Slovakia	United Kingdom	Total
Local[14]	17 (23 %)	37 (45.1 %)	10 (43.5 %)	5 (16.1 %)	1 (6.3 %)	5 (31.3 %)	75 (30.9 %)
Regional[15]	29 (39.2%)	20 (24.4 %)	4 (17.4 %)	25 (80.6 %)	8 (50.0 %)	8 (50.0 %)	94 (38.7 %)
Federal/ National	12 (16.2%)	20 (24.4 %)	0 (0 %)	0 (0 %)	2 (12.5 %)	1 (6.3 %)	36 (14.8 %)
Total	74 (100%)	82 (100 %)	23 (100 %)	31 (100 %)	16 (100 %)	16 (100 %)	243 (100 %)

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[13] The information on the age of the innovations has been provided for all countries, with the exception of France. This information will be added at a later stage.
[14] Local: Municipal-, City- or (for Belgium: provinces)
[15] Regional: Provincial, Country-level. For Belgium: Flanders, Wallonia and the Brussels-region. Includes Scotland, England, Northern-Ireland and Wales for the UK.

4.3. Findings per item

Having asked 50 questions of our respondents, we gathered a lot of information on innovation-related topics and factors. A full overview of our methodological choices and the theories and literature on which we based our questioning, can be found in chapter 3 of this research report. A copy of the survey can be found in annex III, as well as the results/responses, broken down per country, in annex I.

Given our sample size and the skewed nature of the dependent dimension (survival/non-survival of the innovations), it is difficult to use statistical methods on our results. However, we were able to find a statistically significant difference, using a Mann-Whitney rank test, between the surviving and non-surviving innovations for a number of our items. We are thus able to say that organizations where the innovation did survive, are characterized by:

Table 16: Most important correlating survey items

p.[16]	FAL Dimension	Characteristic	p.
***	**L**	…a culture of **adversarial debate** and openness for constructive criticism.	0.005
***	**L**	…**encouraging experimentation** and alternative ways of getting work done.	0.003
**	**L**	…**not penalizing responsible staff** members if a creative attempt to solve a problem fails.	0.021
**	**A**	…employees who **feel responsible** for the performance of the organization.	0.028
**	**A**	…a culture of **transparency** about results towards external stakeholders.	0.034
***	**F**	…**staff members** who **express** their **concerns, ideas** and suggestions about the functioning of the organization.	0.003
**	**F**	…the **feedback information** from staff members having great **impact** on the **strategic decisions** made by the organization.	0.019
**	**F**	… the **feedback information** from customers having great **impact** on the **strategic decisions** made by the organization.	0.017
**	**F**	…the **reports** from the **ombudsman** institution having a great **impact on** the **strategic decisions** made by the organization.	0.028

These result give an interesting insight into the factors that might contribute to the success and sustainability of innovations. With the Mann-Whitney test it is not possible to speak about causality, but that makes these correlations none the less interesting.

In the light of our proposed FAL-model, it is also worth noting that factors from all three dimensions are statistically relevant for explaining differences between the non-surviving innovations and the surviving innovations. The fact that 'only' two factors of the Accountability-

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[16] ** $p < 0.05$
*** $p < 0.01$

dimension are mentioned as statistically significant might be easily explained because fewer items in our survey concerned that particular dimension.

Besides the above mentioned correlations between survey items and the two dependent groups, all 50 items tell us something interesting about the characteristics of public organizations who have been awarded for their innovative efforts in recent years. We highlight the three most interesting findings below. For a complete overview, we direct you to annex I of this research report.

First, even in organizations who have been awarded for their innovations in the past, innovation seems hardly a structured and methodized effort. The answers on the following two items show that a structured approach for organizing and evaluating an innovation is the case in only a small minority of our surveyed organizations.

Table 17: *My organizations has a formal process for conducting and evaluating experiments or new ideas.*

Country	Belgium	France	Netherlands	Romania	Slovakia	United Kingdom	Total
Highly inaccurate	14 (18.4%)	12 (14.5%)	2 (8.7%)	1 (3.2%)	2 (12.5%)	0 (0.0%)	31 (12.7%)
Inaccurate	26 (34.2%)	34 (41.0%)	10 (43.5%)	1 (3.2%)	3 (18.8%)	1 (6.3%)	75 (30.6%)
Neither accurate nor inaccurate	18 (23.7%)	14 (16.9%)	6 (26.1%)	17 (54.8%)	5 (31.3%)	6 (37.5%)	66 (26.9%)
Accurate	13 (17.1%)	17 (20.5%)	5 (21.7%)	8 (25.8%)	2 (12.5%)	7 (43.8%)	52 (21.2%)
Highly accurate	3 (3.9%)	4 (4.8%)	0 (0.0%)	4 (12.9%)	3 (18.8%)	2 (12.5%)	16 (6.5%)

Table 18: *My organization has formal procedures to ensure that lessons learned in the course of a project are passed along to others doing similar tasks.*

Country	Belgium	France	Netherlands	Romania	Slovakia	United Kingdom	Total
Highly inaccurate	5 (6.7%)	7 (8.5%)	1 (4.3%)	1 (3.2%)	1 (6.3%)	0 (0.0%)	15 (6.2%)
Inaccurate	22 (29.3%)	27 (32.9%)	9 (39.1%)	1 (3.2%)	2 (12.5%)	1 (6.3%)	62 (25.5%)
Neither accurate nor inaccurate	25 (33.3%)	20 (24.4%)	7 (30.4%)	11 (35.5%)	7 (43.8%)	6 (37.5%)	76 (31.3%)
Accurate	20 (26.7%)	18 (22.0%)	5 (21.7%)	11 (35.5%)	4 (25.0%)	7 (43.8%)	65 (26.7%)
Highly accurate	3 (4.0%)	10 (12.2%)	1 (4.3%)	7 (22.6%)	2 (12.5%)	2 (12.5%)	25 (10.3%)

The combination of the results from these two items shows that structured evaluation, especially from experiments and innovations is still far from standard practice. Only 27% have a formal process in place to evaluate experiments, whilst only 37% have a formal process in place for overall organizational learning. The lack of such procedures seriously inhibits the learning and improvement potential of public organizations, and can form a serious barrier to sustainable social innovation.

Finally, we found some surprising results concerning the assignment of an ombudsman to French and Slovakian public organizations. As can be seen from the following table, the response was extremely skewed towards a clear 'No': 93% for France and 93% for Slovakia. There is no logical explanation for this strong divergence from the other four countries. Perhaps this

question was misunderstood by many respondents, thinking that the question focused on a particular ombudsman for their own organization, rather than a national one within whose jurisdiction they fell. Or, more worryingly, the respondents were simply not aware of an Ombudsman whose jurisdiction did extend to their organization, and figured that there wasn't one.

Table 19: *Is there an Ombudsman assigned to your organization?*

Country	Belgium	France	Netherlands	Romania	Slovakia	United Kingdom	Total
No	26 (37.7%)	70 (93.3%)	10 (50.0%)	12 (46.2%)	14 (93.3%)	9 (57.1%)	140 (63.9%)
Yes	43 (62.3%)	5 (6.7%)	10 (50.0%)	14 (53.8%)	1 (6.7%)	6 (42.9%)	79 (36.1%)

4.4. FAL-Model

As we explained in the second chapter of this research report, we expect the organizations with surviving innovations to score high on our FAL-dimensions. In order to measure these dimensions, the survey was designed to indicate the scores of each organization on these dimensions, varying between the worst possible score and 1 (best possible score). When we rescale these scores into three categories (Low – Middle – High), we can create a truth table, with all the possible combinations for the three dimension-scores. The rescaling took place considering the mean, plus or minus the standard deviation. Or, in more analytical terms:

$$L = \quad 0 \rightarrow (\bar{\chi} - 1\sigma)$$

$$M = (\bar{\chi} - 1\sigma) \rightarrow (\bar{\chi} + 1\sigma)$$

$$H = (\bar{\chi} + 1\sigma) \rightarrow 1$$

We expect most of the non-surviving innovations to be in the lower categories of this truth table, as these organizations have lower scores on Feedback, Accountability and Learning, thereby forming barriers for sustainable social innovation.

Table 20: FAL Truth Table

F	A	L		FAL
H	H	H		H
M	H	H		H
H	M	H		H
H	H	M		H
L	H	H		H
H	L	H		H
H	H	L		H
H	M	M		H
M	H	M		H
M	M	H		H
M	M	M		M
H	L	M		M
H	M	L		M
M	H	L		M
L	H	M		M
M	L	H		M
L	M	H		M
L	M	M		L
M	L	M		L
M	M	L		L
H	L	L		L
L	H	L		L
L	L	H		L
M	L	L		L
L	M	L		L
L	L	M		L
L	L	L		L

When we analyse the score of all our respondents, and assign them to a category, we get the following results:

Table 21: Variation of FAL over Surviving and Non-Surviving Cases

FAL	1	0
H	29%	19%
M	46%	44%
L	25%	46%

As we expected, the majority of the non-surviving innovations fall into the lower categories, whilst for the surviving innovations the opposite holds true. This indicates that organizations with strong feedback loops, strong accountability mechanisms and strong, entrenched learning processes seem to produce more sustainable social innovations. The question remains, however,

how 19% of the non-surviving cases fall into the high category, and how 25% of the surviving cases fall into the low category. This has everything to do with our sample. As explained in the chapter on methodology, we used award winning organizations as our sample/proxy for the measurement of innovations. This means that we are investigating the top segment of innovating public administrations. So even though the organizations fall into the Low-category, their scores are actually still rather high. We could visualize this with the following graph:

Figure 28: Innovation sample, versus innovation population
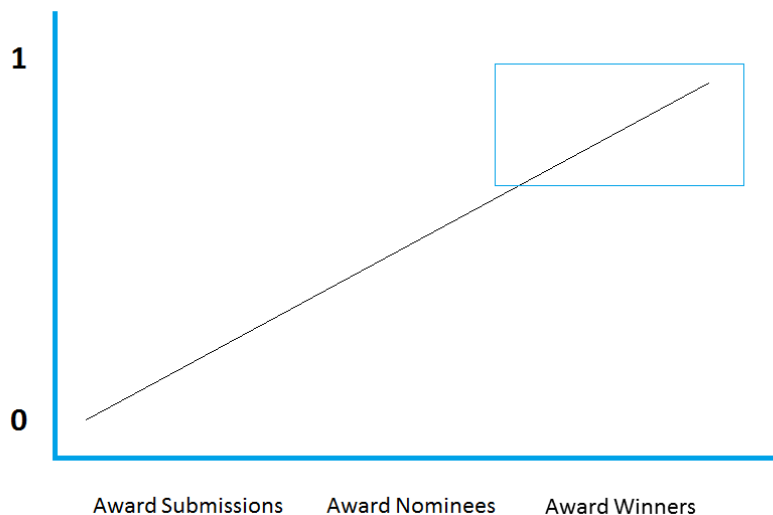
In the blue box are the organizations who score 'H' on our FAL-model. The lower organizations are positioned on this line, the bigger the proportion of disappeared, non-sustainable innovations. This, again, is confirmed by our findings as presented above. Future research should look at organizations who did *not* win an award and see if they significantly differ from the organizations we have investigated in this research project. How is the ration 1-0 for those cases? How do those cases score on the FAL-dimensions? Nonetheless, our research findings support our thesis that Feedback, Accountability and Learning form important factors in causing social innovations to be successful and sustainable. Both from our single items and our aggregated FAL-scores we extract the picture of Feedback loops, Accountability mechanisms and Learning processes as pushing innovations forward and making them longer lasting and thus more worthwhile.

4.5. Conclusion

Following the results of our research on the preceding pages, one might be tempted to propose the following formula:

<p align="center">

FAL → Sustainable Innovations

</p>

However, even though we found strong evidence that sustainable innovations correlate with single items on all three variables as well as with the aggregate score in our FAL-model, we do realize that the FAL-model does not and will not explain all variation, let alone predict the success of an innovation coming from an organization with a particular FAL-score. There are other factors which can (strongly) influence the process in which the FAL-dimensions lead to sustainable innovations. We can, for example, think of the role Ombudsmen and SAIs play in

influencing an organization's feedback information and learning processes. We might call these factors 'X', and translate them into the following formula:

FAL, X → Sustainable Innovations

Finally, there may be factors which lead to sustainable innovations, which all together have nothing to do with the factors we consider in our FAL model. Think of a regime change, a (financial) crisis or a political scandal. These factors can lead to enormous, radical change in policy, processes and products, and will hence be considered social innovations. We can label these factors, exogenous of FAL or X, as 'Y', and translate them into the following formula:

((FAL, X) or Y) → Z

We consider the FAL-model to be part of an INUS-condition. A factor in an INUS-condition is an *Insufficient* but *Necessary* part of a condition which is itself *Unnecessary* but *Sufficient* for the result. Z is the dependent variable, in our case: sustainable social innovations. X is another necessary but insufficient part of the formula, potentially able to influence FAL, whilst Y is an exogenous factor which can determine Z, whatever FAL or X-value. In the next chapter we will further elaborate on the particulars of this INUS-condition, as we will try to complete the formula by finding out what the X and Y will be. We will therefore now focus on the qualitative part of our research, as we report on our findings on the influence of Ombudsmen and SAIs on social innovation.

5. The effect of Ombud- and Audit reports on Social Innovation

Wouter van Acker & Geert Bouckaert (KU Leuven)

Based on country-specific research by:

- Wouter van Acker & Wout Frees (Belgium & the Netherlands) (KU Leuven)
- Carmen Cavulescu & Ani Matei (France & Romania) (SNSPA)
- Juraj Nemec & Colin Lawson (Slovakia & the United Kingdom) (UMB)

In this chapter we shall present the main results of our qualitative research into the role of Ombudsmen and Audit Offices in starting sustainable social innovations. First, we will explain how these external organizations fit within our FAL-model, after which the research sample is described. Finally, we will lay out the main thread of our findings on barriers and promotors of social innovation through Ombudsmen and Audit Offices. The individual country reports can be found in annexes at the end of this report.

5.1. Ombudsmen, Audit Offices and the FAL-model

In the last chapter we examined our survey of award winning public sector innovations in six countries: Belgium, France, the Netherlands, Slovakia, Romania and the United Kingdom. Our results indicate that still active award winning innovations are characterized by a higher score in our Feedback-Accountability-Learning model, than innovations which have disappeared. However, we also noted in our first chapter that the FAL-model alone cannot explain or predict the sustainability of all innovations in the public sector. The FAL-model is part of an INUS-condition. More specifically, the FAL-model is an *Insufficient* but *Necessary* part of a condition which is itself *Unnecessary* but *Sufficient* for the result. Or, in the form of a formula: ((FAL, X) or Y) → Sustainable Innovations (1). 'X' are factors who can, in combination with FAL, explain a sustainable innovation, whilst 'Y' can explain for sustainable innovations without FAL and X altogether. We will again use the example of the starting of a fire to explain the mechanisms behind this INUS-condition:

A burning cigarette (FAL) can explain for the start of a fire (Necessary), but only in combination with (Insufficient) the presence of flammable materials (X). However, the fire that was observed could also have been caused by a gas explosion (Y), with which the cigarette and flammable materials had nothing to do.

This means that FAL can explain for sustainable innovations, but only in the presence of external factors to kick start their feedback loops and learning processes. Within this chapter we will investigate whether Ombudsmen and Audit Offices fulfil the 'X', and if they actually are promotors of social innovation. We expect that, when organized effectively and efficiently, Ombudsmen and Audit Offices can kick start innovations in the organizations they scrutinize. By investigating the processes, products and workings of governmental organizations, they are able to give external feedback, propose changes, and in this way influence the FAL-process already in place within the respective organizations. The influence of Ombudsmen and Audit Offices on

social innovation is dependent on various factors. We can summarize these factors into nine categories, all connected to a dimension in the FAL-model, as showed by the following table:

Table 22: Influence of Ombudsmen and SAIs on Social Innovation

Countries	X									Y
	Feedback Follow-up	**Feedback** (Exit) Discussion	**Accountability** Media Pressure	**Accountability** Parliamentary Pressure	**Learning** Communication/ Collaboration	**Learning** Trust/ Distrust	**Learning** Reputation of Auditor: Role	**Learning** Reputation of Auditor: Expertise	**Learning** Audit Criteria	
Belgium										
France										
Netherlands										
Slovakia										
Romania										
United Kingdom										

After our qualitative research and analysis we should be able to mark in this table which factors form enablers or barriers to social innovation in each country with either a '-' or a '+'. Or, more specifically, which factors interact with the FAL-model for each case, and thereby influence the probability for sustainable innovations.

The question remains what 'Y' can be in our INUS-condition. 'Y' is a factor which in itself can account for sustainable innovations, completely independent of FAL or X. 'Y' in our case can be a number of external factors, such as a regime change (e.g. from a communist to a liberal state-model) or a crisis (e.g. the impact of the financial crises on Ireland) which force organizations to change their processes, products and workings. These forces will lead to significant changes, regardless of how organizations score in the FAL-model, and regardless of the role and influence of Ombudsmen and Audit Offices. However, Ombudsmen and Audit Offices can also become the de facto 'Y'-factor in our formula. This happens when an organization is legally obligated to implement the recommendations from Ombudsmen and/or Audit Offices. In that case, sustainable innovation is no longer influenced by the FAL-score or, for example, media pressure: the recommendations will be followed, regardless.

5.2. Sample of Ombudsmen and Audit reports

To investigate the influence of 'X' on social innovation, we investigated a total of 58 cases for the six countries in our work package: 16 from Ombudsmen, and 42 from Supreme Audit Offices (SAIs). We will mention the investigated organizations in tables on the following pages, but beyond this will treat them anonymously. Choosing our cases was a balancing exercise between two important criteria. First of all, the particular reports that were chosen had to be published far enough in the past for the scrutinized organizations to implement the recommendations, but recent enough to limit the effect of personnel turnover, which could obstruct our research efforts. Second, the reports had to focus on performance measures for a considerable policy, process or product, instead of just focusing on the legality of an organization's conduct or on the mediation for one citizen. Besides these necessary criteria, we also focused on several local issues (in Slovakia and the UK) concerning the recent European trend of devolving powers and responsibilities away from the national or federal level towards regions and municipalities. Finally, following the description of work for our work package, we specifically looked at a number of cases from the public utility sector. The audit organizations investigated also differ per country. For France, the Netherlands, Slovakia and Romania the choices were relatively easy: there is one SAI and a national Ombudsman. In the federal systems of Belgium and the United Kingdom, however, the audit landscape is more scattered. Instead of still focusing on only the federal/national audit organizations (e.g. NAO for the UK and the federal Ombudsman for Belgium), we chose to include sub-national or regional actors as well, to better reflect the audit landscape in these countries. Based on these criteria, we chose the following reports as our cases:

Table 23: Slovak Ombud- and Audit Cases

Slovakia	Organization under scrutiny	Topic	Year of Audit
SAI	Municipalities Banovce and Bebravou	Waste Management	2007-2008
SAI	Zilina, City transport organization	Public Transport	2011
SAI	Municipality Raslavice	Waste Management	2011
SAI	Municipality Huncovce	Waste Management	2011
SAI	Municipality Druzstevna pri Hornade	Waste Management	2011
SAI	Municipality Helpa	Waste Management	2011
SAI	Municipality Spissky Stiavnik	Waste Management	2011
Ombudsman	Ministry of the Interior	Electronic Voting	2010

Table 24: British Ombud- and Audit Cases

United Kingdom	Organization under scrutiny	Topic	Year of Audit
NAO	Ministry of Justice	Financial Management	2011
NAO	Department for Environment, Food and Rural Affairs	Financial Management	2011
PAC	The BBC Trust	Investment Policy	2014
PHS Ombudsman	Planning Inspectorate	Compensation for Citizens	2012
OSC	Bath and North East Somerset	Boat Dwellers	2013
OSC	Bath and North East Somerset	Home Care	2011
OSC	Bath and North East Somerset	Community Assets	2012
OSC	Bath and North East Somerset	Use of Consultants	2011-2012
OSC	Bath and North East Somerset	Transportation of Students	2012

Table 25: Romanian Ombud- and Audit Cases

Romania	Organization under scrutiny	Topic	Year of Audit
SAI	National Agency on Fiscal Administration	Collection of Taxes	2012
SAI	National Agency on Fiscal Administration	Anti-Corruption Policies	2012
SAI	National Company for Forests	Patrimony	2013
SAI	Romanian Radio Broadcasting Company	General	2012
SAI	Romanian Television Company	General	2012
SAI	National Authority for Administration and Regulation in Communication	Performance Measurement	2012
SAI	National Company of Highways and National Roads	Regional Infrastructure	2012
SAI	National Company of Highways and National Roads	National Infrastructure	2012
SAI	Ministry of Education	Management of Public Funds	2013
SAI	National Chamber of Pensions	IT Policy	2011
Ombudsman	National Union of Veterans	General	2009
Ombudsman	Ministry of Education	Transport of Students	2013
Ombudsman	National Authority for Persons with Disabilities	Safety of Persons with Disabilities	2013

Table 26: French Ombud- and Audit Cases

France	Organization under scrutiny	Topic	Year of Audit
SAI	Council for the Environment and Sustainable Development	Transport Safety	2012
SAI	Ministries of Finance, Employment and Social Affairs	Social Security	2011
SAI	Ministries of Social Affairs, Health and Finance	Anti-Smoking Policies	2012
SAI	Ministry for the Environment, Sustainable Development and Energy	Renewable Energy	2013
SAI	Ministry of Education (Higher Education and Research)	Sport	2013
SAI	Ministry of Culture and Communication	Museums	2011
SAI	Council for the Environment and Sustainable Development	Biofuels	2012
Ombudsman	Ministry of the Interior	Police	2011
Ombudsman	Ministry for Employment, Social Affairs and Health	Vaccination Policy	2010
Ombudsman	Ministry for Employment, Social Affairs and Health	Accidents at Work	2010
Ombudsman	Public Prosecutor	Retirement Policy	2010
Ombudsman	Public Prosecutor	Policy on the Settling of Fines	2009

Table 27: Belgian Ombud- and Audit Cases

Belgium	Organization under scrutiny	Topic	Year of Audit
SAI	Flemish Employment Bureau	HR Policy	2011
SAI	Tax Inspection Bureau	Organization and Functioning	2010
SAI	Federal Ministry of Justice and Penitentiary Institutions	HR Policy	2010
SAI	Agency for the European Social Fund	Use of Resources	2010
Federal Ombudsman	Federal Ministry of Justice and Penitentiary Institutions	Complaint Reports on Prisoner's Rights	2009-2012
Flemish Ombudsman	Flemish Tax Collecting Agency	General Annual Complaints Report	2006-2013
Flemish Ombudsman	De Lijn (Public Transport)	General Annual Complaints Report	2009-2012
Flemish Ombudsman	Flemish Agency for Housing	General Annual Complaints Report	2010-2011

Table 28: Dutch Ombud- and Audit Cases

Netherlands	Organization under scrutiny	Topic	Year of Audit
SAI	DNB: National Bank	Stability of Banks	2011
SAI	Ministry of Economic Affairs	European Procurements	2012
SAI	Ministry of Economic Affairs	Tariff Regulations for the Energy Market	2009
SAI	Ministry of Finance	Evaluation of Subsidies	2011
SAI	ProRail (Railway Infrastructure)	Use of Funds	2011
SAI	Ministry for Health and Sports	Online Medical Care	2009
Ombudsman	Social Security Agency	Anti-Fraud Policies	2010
Ombudsman	Inter-Provincial Network	Child Welfare	2010

Before continuing in discussing our results, it is necessary to point out some difficulties in the research process which have influenced the generalizability and the firmness of our conclusions. In Slovakia, the Supreme Audit Office was not willing to cooperate with our research, besides some, rather superficial, e-mail contact. In the Netherlands, the Supreme Audit Office did eventually grant us permission to hold interviews with its staff, but only after a lengthy delay. For both groups of cases we only have data available from the organizations under scrutiny. Although it was not possible to incorporate them into this research report, the data from the Dutch SAI will soon follow in a future working paper. One of the scrutinized organizations in the Netherlands didn't want to participate as well. In line with the last mentioned case, the organizations under scrutiny in the UK turned out to be very unwilling to cooperate. However, when this became apparent, our working package had progressed too far to focus on other cases. The observations in these three cases are nonetheless highly interesting. They show a particular perception of the relationship between SAIs, Ombudsmen and the administration of a particular

country. And perceptions, as we will see, play an important role in the potential influence of an Ombudsman or SAI on social innovation.

5.3. Implementation rate

First, we look at the implementation rate among the organizations that have been scrutinized. We see both great differences between reports and between countries.

One remark ought to be made concerning the Belgian cases. For all four Ombudsmen cases, only the recommendations on which the Ombudsman and the investigated organization do not find agreement ended up in their annual report. It is therefore logical that the non-implementation rate is rather high for these reports. However, this also means that many recommendations are already carried out, without being published in the annual review. Finally, it is rather stunning that, even though they have not been agreed upon before the annual review is published, there is still a considerable part that is actually implemented.

Second, concerning the Slovak cases, we should clarify that the recommendations which were followed are compliance findings. Recommendations coming from performance audits are hardly, if never, followed.

To see which factors (partly) explain these differences, we have to look closer at the observations made through the interviews. In the chapter on our methodology we lay a link between the literature and the formed interview protocol. The structure of our interview protocol is added as annex IV.

Table 29: Impleentations Complete Sample

Overview	1 - Implemented[17]	0 - Not Implemented[18]	Total
Netherlands	19	7	26
Belgium	28	38[19]	66
Slovakia	16	30	46
Romania	55	0[20]	55
France	124	0[21]	124
UK	47	9	56
Total	289	84	373

Table 30: Implementation Belgium

Belgium	1 – Implemented	0 - Not Implemented[22]	Total
Case 1	2	4	6
Case 2	0	8	8
Case 3	8	4	12
Case 4	2	8	10
Case 5	8	3	11
Case 6	3	2	5
Case 7	3	4	7
Case 8	2	5	7
Total	28	38	**66**

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[17] 'Implemented' means: fully implemented, partially implemented, implemented by different solution, in the process of being implemented, etc.

[18] 'Not implemented' means: Doesn't agree with diagnosis or solution, requires political decision, lack of resources for implementation, etc.

[19] The not implemented recommendations in Belgium are inflated, because the Ombudsman reports only contain the recommendations on which both parties could *not* agree. It is therefore logical that a large number will not be implemented. All recommendations that are agreed upon do not appear in the reports.

[20] The SAI and Ombudsman in Romania and France have legally binding recommendations, hence the extremely low number of recommendations which haven't been implemented.

[21] The SAI and Ombudsman in Romania and France have legally binding recommendations, hence the extremely low number of recommendations which haven't been implemented.

[22] The not implemented recommendations in Belgium are inflated, because the Ombudsman reports only contain the recommendations on which both parties could *not* agree. It is therefore logical that a large number will not be implemented. All recommendations that are agreed upon do not appear in the reports.

Table 31: Implementation France

France	1 – Implemented	0 - Not Implemented[23]	Total
Case 1	6	0	6
Case 2	58	0	58
Case 3	6	0	6
Case 4	8	0	8
Case 5	4	0	4
Case 6	23	0	23
Case 7	9	0	9
Case 8	1	0	1
Case 9	3	0	3
Case 10	3	0	3
Case 11	1	0	1
Case 12	2	0	2
Total	124	0	**124**

Table 32: Implementation the Netherlands

Netherlands	1 – Implemented	0 - Not Implemented	Total
Case 1	2	0	2
Case 2	2	2	4
Case 3	3	2	5
Case 4	5	0	5
Case 5	3	0	3
Case 6	3	2	5
Case 7	4	2	0
Case 8	1	1	2
Total	23	9	**32**

Table 33: Implementation Slovakia

Slovakia	1 – Implemented	0 - Not Implemented	Total
Case 1	3	1	4
Case 2	0	1	1
Case 3	0	8	8
Case 4	2	6	8
Case 5	2	6	8
Case 6	1	7	8
Case 7	8	0	8
Case 8	0	1	1
Total	16	30	**46**

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[23] The SAI and Ombudsman in Romania and France have legally binding recommendations, hence the extremely low number of recommendations which haven't been implemented.

Table 34: Implementation the United Kingdom

United Kingdom	1 – Implemented	0 - Not Implemented	Total
Case 1	7	0	7
Case 2	5	0	5
Case 3	2	0	2
Case 4	4	7	11
Case 5	14	1	15
Case 6	5	0	5
Case 7	5	0	5
Case 8	4	1	5
Case 9	1	0	1
Total	47	9	**56**

Table 35: Implementation Romania

Romania	1 – Implemented	0 - Not Implemented[24]	Total
Case 1	4	0	4
Case 2	4	0	4
Case 3	3	0	3
Case 4	5	0	5
Case 5	3	0	3
Case 6	5	0	5
Case 7	4	0	4
Case 8	6	0	6
Case 9	9	0	9
Case 10	5	0	5
Case 11	2	0	2
Case 12	3	0	3
Case 13	2	0	2
Total	55	0	55

5.4. Results

As explained in chapter 3 on our methodology, we can divide 'X' into six different categories, all connected with a particular FAL-model dimension:

- Feedback:
    - Following up on the implementation of recommendations
    - Exit meetings, or otherwise discussions with the scrutinized organizations on findings, conclusions and recommendations

- Accountability:
    - Media pressure
    - Parliamentary pressure

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[24] The SAI and Ombudsman in Romania and France have legally binding recommendations, hence the extremely low number of recommendations which haven't been implemented.

- Learning:
  - A process characterized by cooperation and open, informal communication
  - A relationship characterized by trust or distrust
  - Clear and appropriate audit criteria
  - The perceived role of the audit organization: watchdog or advisor?
  - The perceived expertise of the audit organization on the topic under scrutiny

5.4.1. Feedback

Following up on the implementation of recommendations differs strongly between countries, institutions, and even between cases for the same organization. In France and Romania, due to the legally binding character of their recommendations, follow-ups are most common, institutionalized and comprehensive. Slovakia finds its SAI and Ombudsman on the other side of the spectrum, where follow-ups are completely absent. Besides the fact that no follow-ups took place, there was also no infrastructure (documentation, archives) to make a follow-up possible. In Belgium, the Netherlands and the UK we find a more complex picture. In the Netherlands, the audit organizations do follow-up on the implementation, but not in the form of an official 'follow-up audit'. In the UK, the practice of follow-ups differs strongly between organizations. Although this practice is routinized for the NAO, the other investigated organizations do not have institutionalized processes and procedures surrounding this. In Belgium, the practice differed strongly between cases and institutions. The Ombudsmen both stated that most of the follow-ups take place through constant communication with the scrutinized organization, instead of specific follow-up research. In the Belgian SAI, the amount of follow-up differs starkly between reports, implying that either only certain parts of the organization have an institutionalized culture surrounding follow-ups or that follow-ups only take place for certain high priority audits.

Although the practice of follow-ups differs strongly between countries, organizations and between cases, all interviewees on the auditors' side stressed the potential value of them. Follow-ups, and an accompanying continued dialogue, hold the scrutinized organizations responsible for their actions after the audit has been concluded and delivers new opportunities for feedback and learning within the organization. All of the interviewees whose organizations do not have a default process of follow-up audits have declared that more attention should be given to this in the future. On the Auditee side of our interviews, the respondents were more hesitant towards the idea of standard follow-ups. It would further contribute to the already considerable amount of work and red tape accompanying audits and create an atmosphere of distrust, which might inhibit a good work relationship in the future.

Closely related to continued dialogue is the concept of an 'exit meeting'. In these meetings the auditors can present their findings, conclusions and recommendations to the audited organizations. The scrutinized organization, on their part, then have an opportunity to react to the findings, discuss parts with which they don't agree with and/or correct certain factual mistakes. France and Romania have the strongest practices in this respect. Because the recommendations will be binding, it is important to negotiate them with the scrutinized organization. This negotiation will protect the auditor from making recommendations which aren't in accordance with reality or for which there are simply not enough resources for implementation. In the four other countries, practices differ by organization. In Slovakia, such a

culture does not exist and the other three have a mixed culture concerning this topic. In Belgium, the Netherlands and the UK this practice is more mixed. Although many do organize them, they seem to be aimed at politeness and simple fact checking, instead of feedback. As one respondent declared: "these exit meetings are polite, and the organization can vent some of their frustration, but it is in no way a negotiation. Unless we have made some serious factual error, the recommendations will not be changed." The added value of these meetings is therefore minimal. Many respondents who did not work with exit meetings at all did stress that they should work more with seminars and presentations to disseminate their findings to the scrutinized organization. The question remains whether these seminars and presentations will surpass the level of the exit meetings the other audit organizations are holding at this moment.

5.4.2. Accountability

Both parliamentary (or municipal councils in the case of local audits) and media pressure are ways of holding organizations accountable for the implementation of recommendations and their performance in general. Our observations paint a more complex picture than these two factors' fairly straightforward theoretical influence.

First of all, there is a striking difference in media-strategies between SAIs and Ombudsmen. Most SAIs have a minimal media strategy: after the conclusion of an audit, the report is published online, and a press release is sent out to inform the press. One of our respondents clearly stated: We "do not generate media coverage in order to put pressure on the organizations being audited."

Ombudsmen make a more proactive use of media. As one respondent phrased it: "The media is a tool we use in all phases of our investigation. To put more pressure on organizations, but also in our research. Before opening an investigation we use popular media to look for people who have had problems concerning the topic of our research. It is a perfect way to create input, a sense of urgency, and ask for parliament's attention." Many respondents, including in ombudsman organizations, also noted that too aggressive a media strategy can also hurt the relationship with an organization needed for future cooperation. Instead of using media, it might be more effective to negotiate solutions outside of the limelight. The effect of media pressure however, seems to be rather limited. No matter how well-designed the media-strategy might be, media are usually simply not interested in technocratic reports by audit organizations. Even when there is media attention, as most auditee respondents told us, the political nature of the discussion makes the influence of media on the implementation negligible. Unless the SAI or Ombudsman's conclusions form a serious scandal, the minister can usually just ignore media attention.

Parliamentary pressure is, much like media attention, rather limited. Most parliamentary committees on the topics of audits pay very little to no attention to SAI and Ombudsmen reports. Even in countries where parliamentary commissions systematically discuss SAI and/or Ombudsman reports, the coalition/government usually has its affairs locked. Parliamentary pressure thus usually comes from the minority parties who are virtually powerless against the tight coalition agreements or single party majorities. Both factors point towards a very limited impact of parliamentary pressure on the implementation of recommendations made by Ombudsmen and SAIs. Finally, most SAIs and Ombudsmen try to keeps relationships with parliamentarians close and warm. However, much emphasis is put on the independent position of the audit organizations, which is paramount at all times. One respondent explained: "We try to talk to the committees as much as possible, and always offer to be a partner in discussing the

report. We can however never do anything unless there is unanimous support in parliament or the committee. As soon as one party disagrees, we decline. We do not want to be seen as partisan in even the slightest way."

One final, interesting note on both media and parliamentary pressure should be made: many respondents claimed that both pressures will not cause any influence as long as they occur independently of one another. When both occur simultaneously, or one occurs because of the other, they might form a significant pressure on the government, minister and department to speed up implementation of the recommendations. Whether parliamentary attention and pressure is created by media attention on the reports or the media pays attention to parliamentary discussions on the reports differs from case to case. In other words: both media and parliamentary attention are necessary but individually insufficient pressures to speed up implementation of recommendations.

5.4.3. Learning

The first two factors which were summed up as influencing the learning processes of the organizations under scrutiny have been found to, perhaps not surprisingly, heavily correlate. However, it is hard to know if a relationship based on trust creates the possibility of a cooperative process based on open and informal communication, or the other way around. We did find that recommendations following such a process, combined with a relationship based on trust and cooperation, are better received by the scrutinized organization, with a consequential higher probability of implementation. During such processes many factual and contextual problems can be solved, before the recommendations are actually published. However, it is not a guarantee. Even if the process was characterized by an informal method of cooperation, the points of view of both sides can remain different.

This last point is strongly correlated, in its part, on the audit criteria adopted by the SAI or Ombudsman. What norms does the audit organization use in controlling the respective organization? What is effective and efficient in this particular case? Does the SAI or Ombudsman take into account the political, international and financial context in which the organization under scrutiny operates? These question, most of the times, cannot be answered by the respondents from audited organizations. The lack of transparency surrounding these audit criteria can cause a lot of miscommunication, frustration, and eventually lead to recommendations that either don't comply with reality or are seen as useless by the organization under scrutiny. This is one of the findings on which almost all auditees agree, and on which almost all auditors have a lot of room for improvement.

The SAI and Ombudsman perceive themselves and are perceived rather differently. This is again an item for which there was a rather high degree of agreement throughout our six countries. The SAI and Ombudsman view themselves as controllers, with an advising function. The auditees either see them as strictly controllers (based on their past experience with audits) or as strictly advisors (based on the role they think auditors *should* have). A difference in the perception of the role the audit and its auditor has can, from the very start, strongly influence the process and relationship between the two sides.

Another perception which strongly determines the auditee's view of the process and its results is the expertise of the Ombudsman and SAI. We found that most respondents of audited organizations do not mind if the auditors make mistakes. Many see their policy field as complex

and difficult to navigate and understand that the auditors have to be all-round experts, with limited time and resources to get to know the policy field in depth. However, more frustration resides over the (perceived) lack of understanding of the context in which the organizations operate. The single most heard complaint, throughout the six countries, was the lack of sensitivity of the SAI or Ombudsman to the political, financial and other practical constraints that the audited organization has to deal with.

The five factors which affect the Learning dimension in the organization under scrutiny are highly correlated. The process of collaboration, trust between the two organizations and the form and tone of communications are both the cause and the solution to problems regarding role- or expertise-perception and the lack of transparency with regards to criteria. There is also a clear overlap between these factors and the feedback factors: follow-ups and exit meetings. This means that these factors (cooperation and communication) can be seen as the core factors influencing the impact of SAIs and Ombudsmen on social innovation in the organizations under scrutiny.

A possible explanation for the difference between implementation and non-implementation between countries lies in the question whether the audit-bodies take feasibility of recommendations into account. For the Netherlands, Belgium, Slovakia and the local cases of the UK (where non-implementation is highest), the auditors mentioned that they did not take feasibility into account. As one respondent put it: "If we think it is needed, that's just the way it is. The feasibility of a recommendation does not change that." For the other cases (Romania, France and the national cases for the UK) it was clear that feasibility had been taken into account. This would be a logical explanation for the high number of implementations for these cases.

A final, but very noteworthy observation we found in two Ombudsman offices. Here the ombudsman deliberately incorporates recommendations he/she knows will not be accepted by the organization. However, it is seen as part of the role of an Ombudsman to start discussions and dialogues, first on processes, and eventually on perceptions and cultures surrounding topics of performance. Hence, by recommending something he/she knows will not be accepted, he/she hopes to kick start new learning and feedback processes, which will get the conversation going. This is seen as the first step towards future innovation.

5.4.4. Further observations

Besides the former observations, we could draw a number of other conclusions, which are not as strongly related to our FAL-model.

First, history matters. The regime change in Romania and Slovakia, although far back in the minds of many Western Europeans, is still a fresh memory with real impacts in policy and governance. The SAI and Ombudsman in Romania have not yet had a chance to create a firm and solid reputation, contributing to difficulties in their collaboration with scrutinized organizations. In Slovakia, the political culture, a remnant of pre-1990 politics, is still one which does not, or only scarcely, accept the outside influence of actors to policy. No matter how many policy recommendations these organizations implement, history is something that needs to be accounted for and which can only be dealt with in a delicate and case-by-case fashion.

Second, the attitude of the SAI differs significantly from that of its audit colleague, the Ombudsman. Perhaps not surprisingly, because of their different mandates and roles, the Ombudsman is a little more 'rebellious' than the SAI. The Ombudsman is more assertive in enlarging their role, scope of research and in starting research even though they don't have the right to initiate research. When investigating one organization, Ombudsmen are not afraid to address all governmental organizations in their recommendations. Not having the right of initiating an investigation does not hinder an Ombudsman, as one of our respondents puts it: "We can always find a complaint about the topic we want to investigate. And one complaint is enough." In addition, even though the law stipulates the role of the Ombudsman as a rights-defender, they almost never limit themselves to this role. Performance, efficiency and effectiveness are just as easily used as criteria in trying to improve the administration.

Third, a good relationship is not dependent on an unbalanced power-relationship. In the case of France and Romania, the SAI's and Ombudsman's recommendations are legally binding. One can expect the scrutinized organizations to view them as enemies, coming to change the processes and workings with binding powers. However, as we found in our interviews, the relationship between the scrutinized organizations and the two SAIs and two Ombudsmen is very good. Mutual respect for each other's role, open communication, collaborative processes and negotiations about the recommendations can, apparently, supersede an unbalanced power-relationship.

Finally, it's all about timing. Elections, negotiations at the EU level, the number of audits the organization has had in the last two years and the political situation are all time-specific factors which are a part of the oftentimes forgotten context in which scrutinized organizations have to operate. They should however be taken into account by audit organizations, if they want to propose reasonable and obtainable recommendations. However, many respondents of SAIs and Ombudsmen stated that the context is not their concern. Political or financial barriers don't influence their conclusions as long as it is within reason: their expertise and norms simply lead them to a certain conclusion. Changing this opinion on the basis of a certain pragmatic context is not their job and it would diminish their reputation as independent organizations, conducting technical, factually based research.

With these findings, combined with the more detailed country reports in the annexes, we can now fill in the table as proposed at the start of this chapter. On the following page, the countries for whom the factors determining X's influence on the FAL-model within an organization is positive receive a '+' for those respective factors. A '-' indicates a negative effect of the SAI and Ombudsman on creating and stimulating social innovation in the organizations under scrutiny. Finally, a '+/-' indicates rather stark differences between cases in these countries.

Table 36: Influence of Ombudsmen and SAIs on Social Innovation

Countries	X									Y
	Feedback Follow-up	Feedback (Exit) Discussion	Accountability Media Pressure[25]	Accountability Parliamentary Pressure	Learning Communication/ Collaboration	Learning Trust/ Distrust	Learning Reputation of Auditor: Role	Learning Reputation of Auditor: Expertise	Learning Audit Criteria	
Belgium	+/-	+/-	+	+	+/-	+	+/-	+	-	
France	+	+	+	+	+	+	+/-	+	-	Binding Recommendations
Netherlands	+/-	+/-	+	+	+/-	+/-	+/-	+	-	
Slovakia	-	-	+	+	-	-	-	-	-	
Romania	+	+	+	+	+	+	+/-	+	-	Binding Recommendations
United Kingdom	+/-	+/-	+	+	+	+	+/-	+	-	

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[25] Media and parliamentary pressure received a '+' for all cases, under the conditions that both operate simultaneously.

5.5. Conclusions

Before we draw any conclusions about the table above, we should reconsider what this information actually says. As mentioned before, we consider the SAIs and Ombudsmen to be a part of the following INUS-condition:

$$((FAL, X) \text{ or } Y) \rightarrow \text{Sustainable Innovations (1)}$$

This means that the FAL-model, within an organization, is necessary for the creation of sustainable innovations. However this FAL-model needs to be kick started, as it were, by 'X'. 'X', in our case, consists of SAIs and Ombudsmen who audit the respective organizations and recommend improvements and innovations. The factors mentioned in the table are a part of X's functioning and influence on the FAL-model. Hence, if one or more of the factors does not appear to be present in the processes and relationships surrounding audits, the factor X will not be able to kick start the FAL-model towards innovation efficiently, only partial, or not at all.

Going back to the table, we see that Slovakia has the biggest number of barriers when it comes to social innovations through its SAI and Ombudsman, combined with the FAL-model. History might still be casting a shadow on this particular situation, together with a high politicization of the administration. France and Romania on the other hand seem to have the highest potential of kick starting innovations. This can be explained through the legally binding nature of their SAIs and Ombudsmen. This legally binding character in itself would be enough to implement social innovation, simply because the governmental organizations have to follow their recommendations. However, besides this legality of the recommendations, France and Romania also seem to have a fairly promising process and relationship with its auditees. Perhaps this can be explained by the closeness with which the organizations collaborate with the organizations under scrutiny, and the negotiations that precede the SAI's and Ombudsman's recommendations.

Belgium, the Netherlands and the UK paint a more complex picture. The processes and practices differ strongly between their SAI and Ombudsman, but also between cases. This is particularly interesting since the same audit organization seems to have a different influence on some organizations' FAL-model than on other organizations'. Processes and practices are, apparently, not consistent throughout time and throughout the audit organization.

6. Conclusions, Policy Recommendations and Future Research

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6.1. Conclusions & Policy Recommendations

Even though our research was divided into two parts, one qualitative and one quantitative, and even though they concerned two rather different units of analysis, award winning innovations and Ombud- and Audit-organizations, all the work revolves around the same two concepts: change and innovation. We will present our conclusions per research goal (as mentioned in the description of work), and finally for the second focus of our research: feedback, accountability and learning.

1. Make an inventory and analysis of databases on best EU practices for innovation

After analysing the nature of public sector innovations in the six countries we covered, we found that by far the most innovations took place in the general administration of public organizations, in the public health sector and in the realm of social welfare. Public utility service innovations were extremely rare, even though many market mechanisms had been put in place over the last couple of years.

Preliminary Figure 29: Innovation per Policy Area Combined Sample
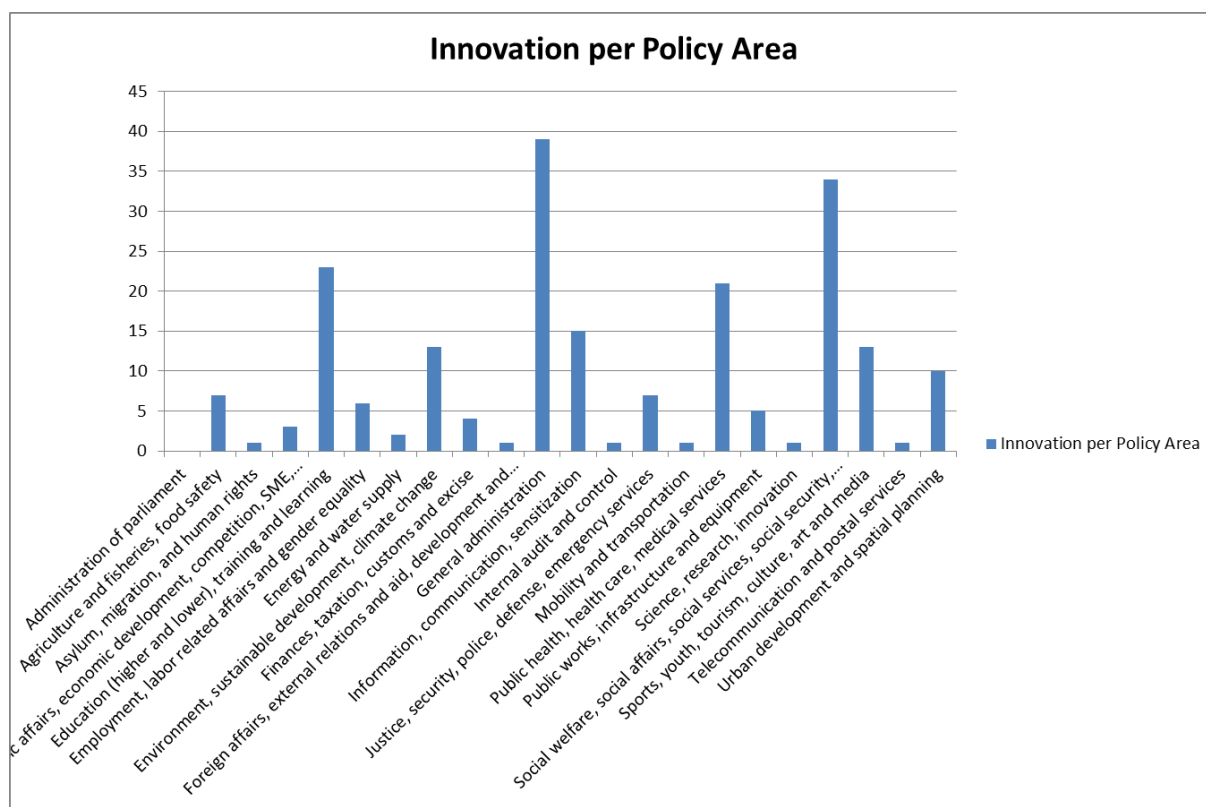
Second, there seemed to be no clear link between who innovates: local, regional or national organizations. Finally, e-Government, participation and improving processes and quality are the most popular types of innovations. However, the focus of the awards should be taken into account here, not all awards take into account all types of innovation or all types of governmental organizations.

Preliminary Figure 30: Type of Innovation Combined Sample
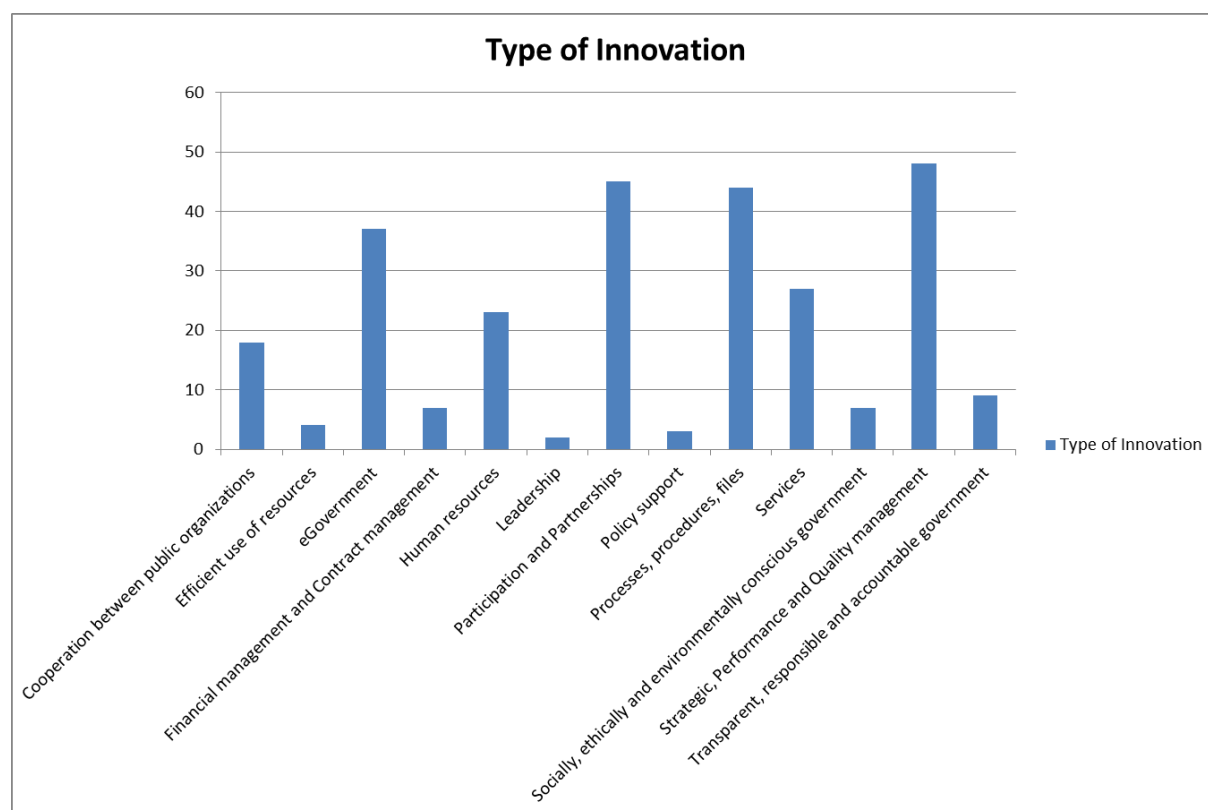
2. **Analyse the recommendations made by audit offices and ombudsmen**
3. **To identify relevant drivers and barriers that explain if and why these recommendations have (or have not been) implemented**

The 70+ interviews we conducted both with Ombudsmen and SAIs, on the one hand, and the auditees, on the other, showed us that the processes and contexts surrounding audits can greatly influence the adoption of social innovations, and the way in which their recommendations are used within the FAL-structure of the organizations under scrutiny. The proper use of exit meetings, transparency about the criteria an auditor uses and explaining the reasons for its choice to investigate the particular organization or the particular topic, are but a few of the reasons why the reports of Ombud- and Audit-organizations are followed or not. Much depends on misconceptions and/or miscommunication, causing reluctance to accept the diagnosis the auditor proposes, as well as causing the auditor to draw false, or at least misinformed conclusions. We were able to form the following graph, showing the obstacles in the six countries when it comes to the promotion of social innovation through Ombud- and Audit reports.

Table 37: Influence of Ombudsmen and SAIs on Social Innovation

Countries	Feedback Follow-up	Feedback (Exit) Discussion	Accountability Media Pressure[26]	Accountability Parliamentary Pressure	Learning Communication/ Collaboration	Learning Trust/ Distrust	Learning Reputation of Auditor: Role	Learning Reputation of Auditor: Expertise	Learning Audit Criteria	Y
Belgium	+/-	+/-	+	+	+/-	+	+/-	+	-	
France	+	+	+	+	+	+	+/-	+	-	Binding Recommendations
Netherlands	+/-	+/-	+	+	+/-	+/-	+/-	+	-	
Slovakia	-	-	+	+	-	-	-	-	-	
Romania	+	+	+	+	+	+	+/-	+	-	Binding Recommendations
United Kingdom	+/-	+/-	+	+	+	+	+/-	+	-	

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[26] Media and parliamentary pressure received a '+' for all cases, under the conditions that both operate simultaneously.

4. To make policy recommendations in order to improve the use of accountability information for public service innovation

After analysing the interviews and relevant documents, we formed the following policy recommendations concerning the impact of audits and ombud-investigations.

To retain social innovations, Ombudsmen's and SAIs' audit activities should:

1. ...create a cooperative and transparent audit- or ombud-process.
   This will enhance the quality of the recommendations and the communication between the auditor/ombudsman and organization under scrutiny.
2. ...use exit meetings not only as a formal step, but as genuine, open dialogues.
   Only when exit meetings are a true open dialogue will there be an optimal learning opportunity for the organization under scrutiny, and only then can closed feedback loops foster innovation.
3. ...make the audit- and ombud criteria clear and transparent.
   The Ombud- and Audit organization has a framework from which it looks at an organization in search of improvements. When these criteria are known to the organization under scrutiny, the recommendations will be better understood and have greater impact.
4. ...make clear why the auditee has been chosen for an audit.
   When an organization under scrutiny knows why it has been selected for an audit or investigation, this creates a more cooperative and transparent process.
5. ...enhance the expediency of recommendations by looking at the legal, administrative and political feasibility.
   Recommendations which have been formulated in the light of their feasibility will have a greater impact on the organizations under scrutiny and their innovations.
6. ...be aware of the influence of discussions in the media about audit- and ombud-reports.
   The content and way to communicate with a broader public should get high attention.
7. ...be aware that combined media and parliamentary attention is functional.
   Our analysis shows that parliamentary and media attention foster the implementation of recommendations when this attention happens simultaneously.

The literature posed two fairly straightforward questions about successful innovations: what explains the success or sustainability of innovations, and what happens to innovations after they are initiated? In this research project we further explored the influence of feedback loops, accountability mechanisms and learning processes, together referred to as the FAL-model, on the sustainability of innovations. We regard these factors to be the fertile ground for policy recommendations to turn into sustainable and successful social innovations. Without these factors, policy recommendations which do not possess a legally binding character are bound to be ineffective.

As the literature showed us through a substantive literature review, the start of an innovation can be attributed to three factors: Feedback, Accountability and Learning. We investigated whether these three factors also contributed to the innovations' successful and sustainable life after their initiation through the following logic:

$$\text{FAL} \rightarrow \text{Z}$$

Realizing that these three factors form too simple a concept to truly describe the reality of social innovation, we looked for a more complex causal model. This model started by adding factors which can influence the way the FAL-model works within an organization:

$$(\text{FAL, X}) \rightarrow \text{Z}$$

Finally, there are exogenous factors which can, on their own, explain sustainable social innovations. Including these factors in our causal model led us to the adoption of the following INUS-condition:

$$((\text{FAL, X}) \text{ or Y}) \rightarrow \text{Z}$$

Investigating the FAL-model in about 250 good practice cases brought us to several conclusions. Our survey showed us that several factors are statistically correlated to the survival of an innovation. Although it is not possible to speak about causality here, it is relevant to mention these factors once more in the policy recommendations. What is more relevant to our initial research question is the correlation we found between the survival of innovations and the score the respective organizations had on our FAL-dimensions. We found that organizations with an unsustainable innovation tended to have lower FAL-scores, indicating the importance of Feedback, Accountability and Learning as factors in sustaining the life of an innovation.

To retain social innovations, public organizations should focus on:

Learning processes

1. …creating a culture of adversarial debate and openness for constructive criticism.
   Learning can take place when current mindsets clash with new information, refuting earlier held positions. Adversarial debates are a crucial platform for such information to start changing minds.
2. …encouraging experimentation and alternative ways of getting work done.
   Innovation entails, by definition, changes and doing things differently. Experimentation, as controversial as it may be in the public sector, forms a great way to test ideas and new methods, before going all in.
3. …not penalizing responsible staff members if a creative attempt to solve a problem fails.

A key characteristic of experimentation is that it can fail. If the chances of being penalized are substantial when an experiment fails, people will cease to look for innovative ways to improve the status quo.

Accountability mechanisms

4. …employees who feel responsible for the performance of the organization.
   Employees with a sense of responsibility are part of an internal accountability system.
5. …a culture of transparency about results towards external stakeholders.
   Transparency is an essential requirement for accountability. Since accountability supports innovation, transparency supports innovation too.

Feedback loops

6. …staff members who express their concerns, ideas and suggestions about the functioning of the organization.
   In line with recommendation 1, there needs to be a platform where the adversarial debates can actually influence the people who make strategic decisions.
7. …staff members' feedback information which has a significant impact on the strategic decisions made by the organization.
   Once such a platform is created, decision makers should take this feedback information into account when making strategic decisions.
8. …customers' feedback information which has a significant impact on the strategic decisions made by the organization.
   Besides civil servants, both ombudsmen and customers (through ombudsmen or independently) have a lot to say about a public organization's functioning. Such critiques should be embraced as learning opportunities for every organization. Often both ombudsmen and customers/citizens know what they're talking about, and may bring in fresh ideas.
9. …the reports and recommendations from ombudsmen institutions have a significant impact on the strategic decisions made by the organization.

However, the size and nature of our sample should be a reason for caution. Our sample is rather small, consisting of only around 250 cases for our survey and a little over 70 interviews. As mentioned before, getting people to talk about innovations is a hard thing to do. As Pollitt, Bouckaert and Löffler found in 2007, people soon forget the details about an innovation, even though it was initiated only a couple of years earlier. This seriously hampered our response rate, especially from organizations whose innovations had disappeared. Personnel turnover, a lack of institutional memory, together with the blaming and shaming that goes hand in hand with ('failing') public innovations, restrain people from cooperation, even under the condition of anonymity. The same goes for the cooperation of Ombudsmen and SAIs, together with their auditees. Here as well, the institutional memory fades fast when auditors or employees leave and people do not like to be 'controlled', as respondents put it, on the functioning of their audit processes or on their compliance with relevant, well thought out recommendations.

6.2. Future Research

Any research is limited in its resources and time, and all research results in more questions than it had aimed to answer. Ours is no exception to this.

Further research should focus on a number of things:

- Develop a database of submitted innovations to awards, in order to investigate their FAL-score;
  Our research sample consisted of organizations who are the top public organizations. Since they have received awards we can assume their score in our FAL-model will be higher than the average public organization. Investigating organizations who have applied for awards, but were not submitted to the finals can give us a more complete picture.
- Adapt a more process tracing focused approach to the life stories of disappeared innovations, in order to include more than one FAL-cycle, as was done in this research;
  Our survey only had a small number of questions concerning the life stories of the innovations. To really know how these have developed over time we need a more in-depth look, possibly through process tracing, document analysis and qualitative interviews with directly and indirectly concerned parties.
- Create a more comprehensive database on European innovations, including all EU-member states and other European countries;
  The database we were able to construct, after an immense effort in obtaining the necessary materials, is still insufficient for making an assessment of innovation throughout Europe. Our research only focused on six EU member states; an in-depth analysis of the case sheets will take many additional hours, especially if all 28 member states are taken into account.
- Comparing how cultural factors determine the strength or content of the FAL-structure between different (for example OECD) countries;
  We treated our six countries of research as equal when investigating their culture surrounding feedback, accountability and learning. We realize, however, that those concepts can be culturally dependent, and learning in one country might work in different ways than in other countries. Future research needs to strongly pay attention to these differences and the different ways FAL can take form and influence innovations.

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Annex I – Survey Items

My organization is characterized by a culture of adversarial debate and openness for constructive criticism.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	1	3	1	2	0	0	7
	% within Country	1,3%	3,6%	4,3%	6,5%	0,0%	0,0%	2,9%
Inaccurate	Count	3	6	0	2	1	2	14
	% within Country	3,9%	7,2%	0,0%	6,5%	6,3%	12,5%	5,7%
Neither accurate nor inaccurate	Count	9	7	2	8	4	3	33
	% within Country	11,8%	8,4%	8,7%	25,8%	25,0%	18,8%	13,5%
Accurate	Count	30	31	15	16	9	6	107
	% within Country	39,5%	37,3%	65,2%	51,6%	56,3%	37,5%	43,7%
Highly accurate	Count	33	34	5	3	2	5	82
	% within Country	43,4%	41,0%	21,7%	9,7%	12,5%	31,3%	33,5%
Total	Count	76	83	23	31	16	16	245
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Within my organization, people are usually comfortable talking about problems, disagreements and differences in opinion.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	2	1	1	1	0	0	5
	% within Country	2,6%	1,2%	4,3%	3,2%	0,0%	0,0%	2,0%
Inaccurate	Count	5	12	0	1	1	0	19
	% within Country	6,6%	14,5%	0,0%	3,2%	6,3%	0,0%	7,8%
Neither accurate nor inaccurate	Count	11	8	3	7	4	0	33
	% within Country	14,5%	9,6%	13,0%	22,6%	25,0%	0,0%	13,5%
Accurate	Count	46	37	14	19	6	6	128
	% within Country	60,5%	44,6%	60,9%	61,3%	37,5%	37,5%	52,2%
Highly accurate	Count	12	25	5	3	5	10	60
	% within Country	15,8%	30,1%	21,7%	9,7%	31,3%	62,5%	24,5%
Total	Count	76	83	23	31	16	16	245
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization encourages productive conflict and debate during internal discussions.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
	Highly inaccurate	Count	1	6	1	2	0	0	10
		% within Country	1,4%	7,5%	4,3%	6,5%	0,0%	0,0%	4,2%
	Inaccurate	Count	16	18	2	4	0	0	40
		% within Country	21,9%	22,5%	8,7%	12,9%	0,0%	0,0%	16,7%
	Neither accurate nor inaccurate	Count	20	21	7	5	3	2	58
		% within Country	27,4%	26,3%	30,4%	16,1%	18,8%	12,5%	24,3%
	Accurate	Count	31	25	10	18	7	7	98
		% within Country	42,5%	31,3%	43,5%	58,1%	43,8%	43,8%	41,0%
	Highly accurate	Count	5	10	3	2	6	7	33
		% within Country	6,8%	12,5%	13,0%	6,5%	37,5%	43,8%	13,8%
Total		Count	73	80	23	31	16	16	239
		% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Within my organization, well-established perspectives and assumptions are never challenged or questioned.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly accurate	Count		0	5	0	4	5	0	14
	% within Country		0,0%	6,3%	0,0%	12,9%	31,3%	0,0%	5,8%
Accurate	Count		5	14	2	16	7	1	45
	% within Country		6,7%	17,5%	8,7%	51,6%	43,8%	6,3%	18,7%
Neither accurate nor inaccurate	Count		12	18	5	7	4	0	46
	% within Country		16,0%	22,5%	21,7%	22,6%	25,0%	0,0%	19,1%
Inaccurate	Count		46	37	11	3	0	9	106
	% within Country		61,3%	46,3%	47,8%	9,7%	0,0%	56,3%	44,0%
Highly inaccurate	Count		12	6	5	1	0	6	30
	% within Country		16,0%	7,5%	21,7%	3,2%	0,0%	37,5%	12,4%
Total	Count		75	80	23	31	16	16	241
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization is characterized by a tendency to avoid risks.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly accurate	Count		7	15	2	4	0	0	28
	% within Country		9,2%	18,1%	8,7%	12,9%	0,0%	0,0%	11,5%
Accurate	Count		23	25	4	17	5	3	77
	% within Country		30,3%	30,1%	17,4%	54,8%	33,3%	18,8%	31,6%
Neither accurate nor inaccurate	Count		18	11	7	8	6	3	53
	% within Country		23,7%	13,3%	30,4%	25,8%	40,0%	18,8%	21,7%
Inaccurate	Count		21	24	9	2	2	7	65
	% within Country		27,6%	28,9%	39,1%	6,5%	13,3%	43,8%	26,6%
Highly inaccurate	Count		7	8	1	0	2	3	21
	% within Country		9,2%	9,6%	4,3%	0,0%	13,3%	18,8%	8,6%
Total	Count		76	83	23	31	15	16	244
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization encourages experimentation and alternative ways of getting work done.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	1	4	1	2	0	0	8
	% within Country	1,3%	4,9%	4,3%	6,5%	0,0%	0,0%	3,3%
Inaccurate	Count	13	5	2	2	3	1	26
	% within Country	17,1%	6,2%	8,7%	6,5%	18,8%	6,3%	10,7%
Neither accurate nor inaccurate	Count	22	18	2	9	6	1	58
	% within Country	28,9%	22,2%	8,7%	29,0%	37,5%	6,3%	23,9%
Accurate	Count	34	35	8	14	5	4	100
	% within Country	44,7%	43,2%	34,8%	45,2%	31,3%	25,0%	41,2%
Highly accurate	Count	6	19	10	4	2	10	51
	% within Country	7,9%	23,5%	43,5%	12,9%	12,5%	62,5%	21,0%
Total	Count	76	81	23	31	16	16	243
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

If a creative attempt to solve a problem fails, the responsible staff members are penalized.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly accurate	Count	1	2	0	0	0	0	3
	% within Country	1,4%	2,5%	0,0%	0,0%	0,0%	0,0%	1,3%
Accurate	Count	2	2	0	7	1	0	12
	% within Country	2,7%	2,5%	0,0%	22,6%	6,3%	0,0%	5,0%
Neither accurate nor inaccurate	Count	9	8	2	9	2	1	31
	% within Country	12,2%	10,1%	8,7%	29,0%	12,5%	6,3%	13,0%
Inaccurate	Count	38	34	14	13	8	8	115
	% within Country	51,4%	43,0%	60,9%	41,9%	50,0%	50,0%	48,1%
Highly inaccurate	Count	24	33	7	2	5	7	78
	% within Country	32,4%	41,8%	30,4%	6,5%	31,3%	43,8%	32,6%
Total	Count	74	79	23	31	16	16	239
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization has a formal process for conducting and evaluating experiments or new ideas.

			Country						
			Belgium	France	Netherlands	Romania	Slovakia	UK	Total
Highly inaccurate	Count		14	12	2	1	2	0	31
	% within Country		18,4%	14,5%	8,7%	3,2%	12,5%	0,0%	12,7%
Inaccurate	Count		26	34	10	1	3	1	75
	% within Country		34,2%	41,0%	43,5%	3,2%	18,8%	6,3%	30,6%
Neither accurate nor inaccurate	Count		18	14	6	17	5	6	66
	% within Country		23,7%	16,9%	26,1%	54,8%	31,3%	37,5%	26,9%
Accurate	Count		13	17	5	8	2	7	52
	% within Country		17,1%	20,5%	21,7%	25,8%	12,5%	43,8%	21,2%
Highly accurate	Count		3	4	0	4	3	2	16
	% within Country		3,9%	4,8%	0,0%	12,9%	18,8%	12,5%	6,5%
Total	Count		76	83	23	31	16	16	245
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization systematically keeps records and archives to document past experiences.

			Country						
			Belgium	France	Netherlands	Romania	Slovakia	UK	Total
Highly inaccurate	Count		6	8	3	0	0	0	17
	% within Country		7,9%	9,6%	13,0%	0,0%	0,0%	0,0%	6,9%
Inaccurate	Count		13	10	8	0	0	0	31
	% within Country		17,1%	12,0%	34,8%	0,0%	0,0%	0,0%	12,7%
Neither accurate nor inaccurate	Count		14	11	2	3	5	4	39
	% within Country		18,4%	13,3%	8,7%	9,7%	31,3%	25,0%	15,9%
Accurate	Count		29	38	8	20	3	7	105
	% within Country		38,2%	45,8%	34,8%	64,5%	18,8%	43,8%	42,9%
Highly accurate	Count		13	14	2	8	8	5	50
	% within Country		17,1%	16,9%	8,7%	25,8%	50,0%	31,3%	20,4%
Total	Count		76	83	23	31	16	16	245
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization has monitoring systems that allow it to monitor a wide spectrum of performances and to compare those performances with the stated goals and objectives.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	5	14	2	1	0	0	22
	% within Country	6,7%	17,5%	8,7%	3,2%	0,0%	0,0%	9,1%
Inaccurate	Count	9	24	6	2	2	0	43
	% within Country	12,0%	30,0%	26,1%	6,5%	12,5%	0,0%	17,8%
Neither accurate nor inaccurate	Count	11	11	5	4	3	2	36
	% within Country	14,7%	13,8%	21,7%	12,9%	18,8%	12,5%	14,9%
Accurate	Count	30	27	10	20	7	9	103
	% within Country	40,0%	33,8%	43,5%	64,5%	43,8%	56,3%	42,7%
Highly accurate	Count	20	4	0	4	4	5	37
	% within Country	26,7%	5,0%	0,0%	12,9%	25,0%	31,3%	15,4%
Total	Count	75	80	23	31	16	16	241
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization has formal procedures to ensure that lessons learned in the course of a project are passed along to others doing similar tasks.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	5	7	1	1	1	0	15
	% within Country	6,7%	8,5%	4,3%	3,2%	6,3%	0,0%	6,2%
Inaccurate	Count	22	27	9	1	2	1	62
	% within Country	29,3%	32,9%	39,1%	3,2%	12,5%	6,3%	25,5%
Neither accurate nor inaccurate	Count	25	20	7	11	7	6	76
	% within Country	33,3%	24,4%	30,4%	35,5%	43,8%	37,5%	31,3%
Accurate	Count	20	18	5	11	4	7	65
	% within Country	26,7%	22,0%	21,7%	35,5%	25,0%	43,8%	26,7%
Highly accurate	Count	3	10	1	7	2	2	25
	% within Country	4,0%	12,2%	4,3%	22,6%	12,5%	12,5%	10,3%
Total	Count	75	82	23	31	16	16	243
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

In my organization, people are too busy to invest time in the improvement of work processes.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly accurate	Count	9	9	3	1	0	0	22
	% within Country	11,8%	10,8%	13,0%	3,2%	0,0%	0,0%	9,0%
Accurate	Count	8	23	0	5	2	1	39
	% within Country	10,5%	27,7%	0,0%	16,1%	12,5%	6,3%	15,9%
Neither accurate nor inaccurate	Count	17	15	9	11	5	2	59
	% within Country	22,4%	18,1%	39,1%	35,5%	31,3%	12,5%	24,1%
Inaccurate	Count	41	30	10	7	8	11	107
	% within Country	53,9%	36,1%	43,5%	22,6%	50,0%	68,8%	43,7%
Highly inaccurate	Count	1	6	1	7	1	2	18
	% within Country	1,3%	7,2%	4,3%	22,6%	6,3%	12,5%	7,3%
Total	Count	76	83	23	31	16	16	245
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Despite the workload, people in my organization find time to reflect on past performances.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	0	1	0	1	0	0	2
	% within Country	0,0%	1,2%	0,0%	3,2%	0,0%	0,0%	0,8%
Inaccurate	Count	6	13	2	1	1	0	23
	% within Country	8,0%	15,7%	8,7%	3,2%	6,3%	0,0%	9,4%
Neither accurate nor inaccurate	Count	17	18	3	4	1	0	43
	% within Country	22,7%	21,7%	13,0%	12,9%	6,3%	0,0%	17,6%
Accurate	Count	45	36	16	22	9	11	139
	% within Country	60,0%	43,4%	69,6%	71,0%	56,3%	68,8%	57,0%
Highly accurate	Count	7	15	2	3	5	5	37
	% within Country	9,3%	18,1%	8,7%	9,7%	31,3%	31,3%	15,2%
Total	Count	75	83	23	31	16	16	244
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

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The staff members of my organization have rather homogeneous educational backgrounds.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly accurate	Count		0	5	0	1	3	0	9
	% within Country		0,0%	6,4%	0,0%	3,2%	18,8%	0,0%	3,8%
Accurate	Count		14	15	2	21	3	1	56
	% within Country		18,4%	19,2%	8,7%	67,7%	18,8%	6,7%	23,4%
Neither accurate nor inaccurate	Count		10	12	1	4	4	5	36
	% within Country		13,2%	15,4%	4,3%	12,9%	25,0%	33,3%	15,1%
Inaccurate	Count		39	30	11	3	3	5	91
	% within Country		51,3%	38,5%	47,8%	9,7%	18,8%	33,3%	38,1%
Highly inaccurate	Count		13	16	9	2	3	4	47
	% within Country		17,1%	20,5%	39,1%	6,5%	18,8%	26,7%	19,7%
Total	Count		76	78	23	31	16	15	239
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

If discrepancies between performances and goals are detected, my organization will take action in order to reduce these discrepancies.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count		1	3	0	1	0	0	5
	% within Country		1,3%	3,7%	0,0%	3,2%	0,0%	0,0%	2,1%
Inaccurate	Count		3	9	1	1	0	0	14
	% within Country		4,0%	11,0%	4,3%	3,2%	0,0%	0,0%	5,8%
Neither accurate nor inaccurate	Count		12	18	4	1	4	2	41
	% within Country		16,0%	22,0%	17,4%	3,2%	25,0%	12,5%	16,9%
Accurate	Count		43	41	18	27	8	10	147
	% within Country		57,3%	50,0%	78,3%	87,1%	50,0%	62,5%	60,5%
Highly accurate	Count		16	11	0	1	4	4	36
	% within Country		21,3%	13,4%	0,0%	3,2%	25,0%	25,0%	14,8%
Total	Count		75	82	23	31	16	16	243
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization has a quality management system that systematically strives for continuous improvements throughout the entire organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	3	8	0	2	1	0	14
	% within Country	3,9%	9,9%	0,0%	6,5%	6,3%	0,0%	5,8%
Inaccurate	Count	7	24	8	3	1	2	45
	% within Country	9,2%	29,6%	34,8%	9,7%	6,3%	12,5%	18,5%
Neither accurate nor inaccurate	Count	14	24	5	3	3	3	52
	% within Country	18,4%	29,6%	21,7%	9,7%	18,8%	18,8%	21,4%
Accurate	Count	32	17	6	16	2	3	76
	% within Country	42,1%	21,0%	26,1%	51,6%	12,5%	18,8%	31,3%
Highly accurate	Count	20	8	4	7	9	8	56
	% within Country	26,3%	9,9%	17,4%	22,6%	56,3%	50,0%	23,0%
Total	Count	76	81	23	31	16	16	243
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization regularly evaluates whether or not the existing organizational goals and objectives are still appropriate.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	1	1	0	1	0	0	3
	% within Country	1,3%	1,2%	0,0%	3,2%	0,0%	0,0%	1,2%
Inaccurate	Count	4	15	0	1	1	0	21
	% within Country	5,3%	18,1%	0,0%	3,2%	6,3%	0,0%	8,6%
Neither accurate nor inaccurate	Count	14	11	6	2	4	0	37
	% within Country	18,4%	13,3%	26,1%	6,5%	25,0%	0,0%	15,1%
Accurate	Count	33	47	16	21	6	9	132
	% within Country	43,4%	56,6%	69,6%	67,7%	37,5%	56,3%	53,9%
Highly accurate	Count	24	9	1	6	5	7	52
	% within Country	31,6%	10,8%	4,3%	19,4%	31,3%	43,8%	21,2%
Total	Count	76	83	23	31	16	16	245
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization has access to learning platforms that allow (public) organizations to share knowledge and experiences with other (public) organizations.

			Country					Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	2	3	0	1	1	0	7
	% within Country	2,8%	3,8%	0,0%	3,2%	6,3%	0,0%	3,0%
Inaccurate	Count	8	25	1	3	2	2	41
	% within Country	11,3%	31,3%	4,5%	9,7%	12,5%	12,5%	17,4%
Neither accurate nor inaccurate	Count	5	5	2	9	1	0	22
	% within Country	7,0%	6,3%	9,1%	29,0%	6,3%	0,0%	9,3%
Accurate	Count	40	33	15	17	9	11	125
	% within Country	56,3%	41,3%	68,2%	54,8%	56,3%	68,8%	53,0%
Highly accurate	Count	16	14	4	1	3	3	41
	% within Country	22,5%	17,5%	18,2%	3,2%	18,8%	18,8%	17,4%
Total	Count	71	80	22	31	16	16	236
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization shares its knowledge and experience with other (public) organizations.

			Country					Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	0	2	0	0	0	0	2
	% within Country	0,0%	2,4%	0,0%	0,0%	0,0%	0,0%	0,8%
Inaccurate	Count	3	7	1	1	0	1	13
	% within Country	4,1%	8,5%	4,3%	3,2%	0,0%	6,3%	5,4%
Neither accurate nor inaccurate	Count	6	5	0	4	4	1	20
	% within Country	8,1%	6,1%	0,0%	12,9%	25,0%	6,3%	8,3%
Accurate	Count	46	45	13	18	12	9	143
	% within Country	62,2%	54,9%	56,5%	58,1%	75,0%	56,3%	59,1%
Highly accurate	Count	19	23	9	8	0	5	64
	% within Country	25,7%	28,0%	39,1%	25,8%	0,0%	31,3%	26,4%
Total	Count	74	82	23	31	16	16	242
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization learns from the experiences of other (public) organizations.

| | | | Country | | | | | |
			Belgium	France	Netherlands	Romania	Slovakia	UK	Total
Highly inaccurate	Count		0	1	0	0	0	0	1
	% within Country		0,0%	1,2%	0,0%	0,0%	0,0%	0,0%	0,4%
Inaccurate	Count		2	5	0	2	0	0	9
	% within Country		2,7%	6,0%	0,0%	6,5%	0,0%	0,0%	3,7%
Neither accurate nor inaccurate	Count		11	9	2	4	4	1	31
	% within Country		14,7%	10,8%	9,1%	12,9%	25,0%	6,3%	12,8%
Accurate	Count		45	50	12	20	10	11	148
	% within Country		60,0%	60,2%	54,5%	64,5%	62,5%	68,8%	60,9%
Highly accurate	Count		17	18	8	5	2	4	54
	% within Country		22,7%	21,7%	36,4%	16,1%	12,5%	25,0%	22,2%
Total	Count		75	83	22	31	16	16	243
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization has an obligation to report about its performances to a higher authority.

| | | | Country | | | | | |
			Belgium	France	Netherlands	Romania	Slovakia	UK	Total
Highly inaccurate	Count		1	5	0	0	0	0	6
	% within Country		1,3%	6,0%	0,0%	0,0%	0,0%	0,0%	2,4%
Inaccurate	Count		3	15	0	1	2	1	22
	% within Country		3,9%	18,1%	0,0%	3,2%	12,5%	6,3%	9,0%
Neither accurate nor inaccurate	Count		3	9	2	2	2	2	20
	% within Country		3,9%	10,8%	8,7%	6,5%	12,5%	12,5%	8,2%
Accurate	Count		33	36	13	11	5	6	104
	% within Country		43,4%	43,4%	56,5%	35,5%	31,3%	37,5%	42,4%
Highly accurate	Count		36	18	8	17	7	7	93
	% within Country		47,4%	21,7%	34,8%	54,8%	43,8%	43,8%	38,0%
Total	Count		76	83	23	31	16	16	245
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization has the opportunity to explain and justify its conduct towards this higher authority.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count		1	4	0	0	0	0	5
	% within Country		1,3%	4,9%	0,0%	0,0%	0,0%	0,0%	2,1%
Inaccurate	Count		2	12	0	1	1	3	19
	% within Country		2,7%	14,6%	0,0%	3,2%	6,3%	20,0%	7,9%
Neither accurate nor inaccurate	Count		5	11	3	5	2	3	29
	% within Country		6,7%	13,4%	13,0%	16,1%	12,5%	20,0%	12,0%
Accurate	Count		43	38	14	13	8	4	120
	% within Country		57,3%	46,3%	60,9%	41,9%	50,0%	26,7%	49,6%
Highly accurate	Count		24	17	6	12	5	5	69
	% within Country		32,0%	20,7%	26,1%	38,7%	31,3%	33,3%	28,5%
Total	Count		75	82	23	31	16	15	242
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

This higher authority has the possibility to penalize my organization for failing to achieve stated goals or expected performance standards.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count		1	4	0	2	1	1	9
	% within Country		1,4%	4,9%	0,0%	6,5%	6,3%	6,3%	3,8%
Inaccurate	Count		7	22	3	0	3	2	37
	% within Country		9,7%	27,2%	13,0%	0,0%	18,8%	12,5%	15,5%
Neither accurate nor inaccurate	Count		17	22	6	5	6	2	58
	% within Country		23,6%	27,2%	26,1%	16,1%	37,5%	12,5%	24,3%
Accurate	Count		36	24	11	13	5	5	94
	% within Country		50,0%	29,6%	47,8%	41,9%	31,3%	31,3%	39,3%
Highly accurate	Count		11	9	3	11	1	6	41
	% within Country		15,3%	11,1%	13,0%	35,5%	6,3%	37,5%	17,2%
Total	Count		72	81	23	31	16	16	239
	% within Country		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

In general, the people of my organization feels responsible for the performance of the organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	1	3	0	1	0	0	5
	% within Country	1,4%	3,6%	0,0%	3,2%	0,0%	0,0%	2,1%
Inaccurate	Count	2	7	1	0	0	0	10
	% within Country	2,7%	8,4%	4,3%	0,0%	0,0%	0,0%	4,1%
Neither accurate nor inaccurate	Count	10	9	3	1	6	1	30
	% within Country	13,5%	10,8%	13,0%	3,2%	37,5%	6,3%	12,3%
Accurate	Count	45	40	15	23	7	8	138
	% within Country	60,8%	48,2%	65,2%	74,2%	43,8%	50,0%	56,8%
Highly accurate	Count	16	24	4	6	3	7	60
	% within Country	21,6%	28,9%	17,4%	19,4%	18,8%	43,8%	24,7%
Total	Count	74	83	23	31	16	16	243
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Towards external stakeholders, my organization is very transparent about its results.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	3	2	0	1	0	0	6
	% within Country	4,0%	2,4%	0,0%	3,2%	0,0%	0,0%	2,5%
Inaccurate	Count	6	12	2	0	0	0	20
	% within Country	8,0%	14,5%	9,1%	0,0%	0,0%	0,0%	8,2%
Neither accurate nor inaccurate	Count	17	12	6	2	2	2	41
	% within Country	22,7%	14,5%	27,3%	6,5%	12,5%	12,5%	16,9%
Accurate	Count	31	43	12	21	8	7	122
	% within Country	41,3%	51,8%	54,5%	67,7%	50,0%	43,8%	50,2%
Highly accurate	Count	18	14	2	7	6	7	54
	% within Country	24,0%	16,9%	9,1%	22,6%	37,5%	43,8%	22,2%
Total	Count	75	83	22	31	16	16	243
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Does your organization have an ombudsman institution assigned to it?

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
No		Count	26	70	10	12	14	8	140
		% within Country	37,7%	93,3%	50,0%	46,2%	93,3%	57,1%	63,9%
Yes		Count	43	5	10	14	1	6	79
		% within Country	62,3%	6,7%	50,0%	53,8%	6,7%	42,9%	36,1%
Total		Count	69	75	20	26	15	14	219
		% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Does your organization have an external audit office assigned to it?

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
No		Count	20	50	4	18	7	5	104
		% within Country	27,0%	64,1%	19,0%	60,0%	43,8%	31,3%	44,3%
Yes		Count	54	28	17	11	9	11	130
		% within Country	73,0%	35,9%	81,0%	36,7%	56,3%	68,8%	55,3%
Total		Count	74	78	21	30	16	16	235
		% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Please indicate the extent to which it receives attention from your external audit office: Compliance with laws and regulations

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Receives no attention	Count	1	0	0	1	0	0	2
	% within Country	2,0%	0,0%	0,0%	8,3%	0,0%	0,0%	1,6%
Receives a little attention	Count	1	3	2	0	0	0	6
	% within Country	2,0%	11,5%	12,5%	0,0%	0,0%	0,0%	4,9%
Receives moderate attention	Count	3	5	2	1	0	2	13
	% within Country	5,9%	19,2%	12,5%	8,3%	0,0%	18,2%	10,6%
Receives moderate to much attention	Count	16	4	7	0	0	2	29
	% within Country	31,4%	15,4%	43,8%	0,0%	0,0%	18,2%	23,6%
Receives very much attention	Count	30	14	5	10	7	7	73
	% within Country	58,8%	53,8%	31,3%	83,3%	100,0%	63,6%	59,3%
Total	Count	51	26	16	12	7	11	123
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Please indicate the extent to which it receives attention from your external audit office: Accuracy and reliability of financial statements

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Receives no attention	Count	0	1	0	1	0	0	2
	% within Country	0,0%	4,0%	0,0%	8,3%	0,0%	0,0%	1,6%
Receives a little attention	Count	1	1	1	0	0	0	3
	% within Country	2,0%	4,0%	6,3%	0,0%	0,0%	0,0%	2,4%
Receives moderate attention	Count	2	4	0	0	0	1	7
	% within Country	3,9%	16,0%	0,0%	0,0%	0,0%	9,1%	5,6%
Receives moderate to much attention	Count	10	4	5	0	0	2	21
	% within Country	19,6%	16,0%	31,3%	0,0%	0,0%	18,2%	16,9%
Receives very much attention	Count	38	15	10	11	9	8	91
	% within Country	74,5%	60,0%	62,5%	91,7%	100,0%	72,7%	73,4%
Total	Count	51	25	16	12	9	11	124
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Please indicate the extent to which it receives attention from your external audit office: Performances and proper management

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Receives no attention	Count	0	0	0	0	1	0	1
	% within Country	0,0%	0,0%	0,0%	0,0%	14,3%	0,0%	0,8%
Receives a little attention	Count	1	2	1	0	0	0	4
	% within Country	2,1%	7,7%	5,9%	0,0%	0,0%	0,0%	3,3%
Receives moderate attention	Count	12	6	6	1	0	1	26
	% within Country	25,0%	23,1%	35,3%	9,1%	0,0%	9,1%	21,7%
Receives moderate to much attention	Count	19	9	6	4	2	4	44
	% within Country	39,6%	34,6%	35,3%	36,4%	28,6%	36,4%	36,7%
Receives very much attention	Count	16	9	4	6	4	6	45
	% within Country	33,3%	34,6%	23,5%	54,5%	57,1%	54,5%	37,5%
Total	Count	48	26	17	11	7	11	120
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization encourages staff members to express their concerns, ideas and suggestions about the functioning of the organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	1	2	0	0	0	0	3
	% within Country	1,3%	2,4%	0,0%	0,0%	0,0%	0,0%	1,2%
Inaccurate	Count	4	9	1	1	1	0	16
	% within Country	5,3%	11,0%	4,3%	3,2%	6,3%	0,0%	6,6%
Neither accurate nor inaccurate	Count	9	15	3	3	3	0	33
	% within Country	11,8%	18,3%	13,0%	9,7%	18,8%	0,0%	13,5%
Accurate	Count	40	36	14	19	9	8	126
	% within Country	52,6%	43,9%	60,9%	61,3%	56,3%	50,0%	51,6%
Highly accurate	Count	22	20	5	8	3	8	66
	% within Country	28,9%	24,4%	21,7%	25,8%	18,8%	50,0%	27,0%
Total	Count	76	82	23	31	16	16	244
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The feedback information from staff members is discussed and assessed by our managers in regular meetings.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	1	4	0	1	0	0	6
	% within Country	1,4%	5,1%	0,0%	3,2%	0,0%	0,0%	2,5%
Inaccurate	Count	9	13	1	1	2	0	26
	% within Country	12,2%	16,5%	4,3%	3,2%	12,5%	0,0%	10,9%
Neither accurate nor inaccurate	Count	9	24	8	2	4	2	49
	% within Country	12,2%	30,4%	34,8%	6,5%	25,0%	13,3%	20,6%
Accurate	Count	38	30	10	20	5	5	108
	% within Country	51,4%	38,0%	43,5%	64,5%	31,3%	33,3%	45,4%
Highly accurate	Count	17	8	4	7	5	8	49
	% within Country	23,0%	10,1%	17,4%	22,6%	31,3%	53,3%	20,6%
Total	Count	74	79	23	31	16	15	238
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

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The feedback information from staff members has great impact on the strategic decisions made by the organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	2	5	0	2	1	0	10
	% within Country	2,7%	6,2%	0,0%	6,5%	6,3%	0,0%	4,1%
Inaccurate	Count	12	13	5	1	2	0	33
	% within Country	16,2%	16,0%	21,7%	3,2%	12,5%	0,0%	13,7%
Neither accurate nor inaccurate	Count	23	29	13	4	4	1	74
	% within Country	31,1%	35,8%	56,5%	12,9%	25,0%	6,3%	30,7%
Accurate	Count	34	26	4	17	5	8	94
	% within Country	45,9%	32,1%	17,4%	54,8%	31,3%	50,0%	39,0%
Highly accurate	Count	3	8	1	7	4	7	30
	% within Country	4,1%	9,9%	4,3%	22,6%	25,0%	43,8%	12,4%
Total	Count	74	81	23	31	16	16	241
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

How often does your organization organize a customer satisfaction survey?

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Never	Count	5	13	1	3	0	2	24
	% within Country	7,4%	18,8%	4,5%	10,3%	0,0%	13,3%	11,0%
Less than once every five years	Count	10	10	1	3	0	1	25
	% within Country	14,7%	14,5%	4,5%	10,3%	0,0%	6,7%	11,5%
At least once every five years	Count	18	12	3	4	2	0	39
	% within Country	26,5%	17,4%	13,6%	13,8%	13,3%	0,0%	17,9%
At least once every two years	Count	13	8	2	3	1	0	27
	% within Country	19,1%	11,6%	9,1%	10,3%	6,7%	0,0%	12,4%
At least once a year	Count	22	26	15	16	12	12	103
	% within Country	32,4%	37,7%	68,2%	55,2%	80,0%	80,0%	47,2%
Total	Count	68	69	22	29	15	15	218
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The feedback information from customers is discussed and assessed by our managers in regular meetings.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	0	0	0	1	0	0	1
	% within Country	0,0%	0,0%	0,0%	3,2%	0,0%	0,0%	0,4%
Inaccurate	Count	4	16	1	1	2	1	25
	% within Country	5,8%	21,6%	4,3%	3,2%	12,5%	6,3%	10,9%
Neither accurate nor inaccurate	Count	12	10	5	4	2	2	35
	% within Country	17,4%	13,5%	21,7%	12,9%	12,5%	12,5%	15,3%
Accurate	Count	33	36	14	18	6	7	114
	% within Country	47,8%	48,6%	60,9%	58,1%	37,5%	43,8%	49,8%
Highly accurate	Count	20	12	3	7	6	6	54
	% within Country	29,0%	16,2%	13,0%	22,6%	37,5%	37,5%	23,6%
Total	Count	69	74	23	31	16	16	229
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The feedback information from customers has great impact on the strategic decisions made by the organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	1	0	0	1	1	0	3
	% within Country	1,4%	0,0%	0,0%	3,2%	6,3%	0,0%	1,3%
Inaccurate	Count	4	9	4	1	1	0	19
	% within Country	5,6%	11,8%	18,2%	3,2%	6,3%	0,0%	8,2%
Neither accurate nor inaccurate	Count	16	14	4	7	7	2	50
	% within Country	22,5%	18,4%	18,2%	22,6%	43,8%	12,5%	21,6%
Accurate	Count	31	43	11	16	3	7	111
	% within Country	43,7%	56,6%	50,0%	51,6%	18,8%	43,8%	47,8%
Highly accurate	Count	19	10	3	6	4	7	49
	% within Country	26,8%	13,2%	13,6%	19,4%	25,0%	43,8%	21,1%
Total	Count	71	76	22	31	16	16	232
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Does your organization have an internal audit office?

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
No		Count	22	62	6	11	4	7	112
		% within Country	29,3%	74,7%	26,1%	35,5%	25,0%	43,8%	45,9%
Yes		Count	53	21	17	20	12	9	132
		% within Country	70,7%	25,3%	73,9%	64,5%	75,0%	56,3%	54,1%
Total		Count	75	83	23	31	16	16	244
		% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization systematically screens and assesses the feedback information obtained from this ombudsman institution.

			Country						Total
			Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate		Count	0	0	0	1	0	0	1
		% within Country	0,0%	0,0%	0,0%	11,1%	0,0%	0,0%	1,4%
Inaccurate		Count	1	1	0	0	0	0	2
		% within Country	2,6%	20,0%	0,0%	0,0%	0,0%	0,0%	2,9%
Neither accurate nor inaccurate		Count	5	1	0	2	1	0	9
		% within Country	12,8%	20,0%	0,0%	22,2%	50,0%	0,0%	13,0%
Accurate		Count	23	1	5	4	1	3	37
		% within Country	59,0%	20,0%	62,5%	44,4%	50,0%	50,0%	53,6%
Highly accurate		Count	10	2	3	2	0	3	20
		% within Country	25,6%	40,0%	37,5%	22,2%	0,0%	50,0%	29,0%
Total		Count	39	5	8	9	2	6	69
		% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

How would you describe the complaint management system of your organization?

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Non-existent	Count	0	5	1	1	1	0	8
	% within Country	0,0%	6,6%	4,5%	3,2%	7,1%	0,0%	3,5%
Premature	Count	8	17	2	1	1	3	32
	% within Country	11,0%	22,4%	9,1%	3,2%	7,1%	20,0%	13,9%
Moderately mature	Count	24	35	6	3	3	3	74
	% within Country	32,9%	46,1%	27,3%	9,7%	21,4%	20,0%	32,0%
Mature	Count	41	19	13	25	9	9	116
	% within Country	56,2%	25,0%	59,1%	80,6%	64,3%	60,0%	50,2%
Total	Count	73	76	22	31	14	15	231
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The reports and recommendations from this ombudsman institution have great impact on the strategic decisions made by the organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	0	0	0	1	0	0	1
	% within Country	0,0%	0,0%	0,0%	11,1%	0,0%	0,0%	1,5%
Inaccurate	Count	3	1	0	0	0	0	4
	% within Country	7,9%	20,0%	0,0%	0,0%	0,0%	0,0%	5,9%
Neither accurate nor inaccurate	Count	11	1	2	2	1	0	17
	% within Country	28,9%	20,0%	25,0%	22,2%	50,0%	0,0%	25,0%
Accurate	Count	23	1	3	4	1	5	37
	% within Country	60,5%	20,0%	37,5%	44,4%	50,0%	83,3%	54,4%
Highly accurate	Count	1	2	3	2	0	1	9
	% within Country	2,6%	40,0%	37,5%	22,2%	0,0%	16,7%	13,2%
Total	Count	38	5	8	9	2	6	68
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Please indicate the extent to which it receives attention from your internal audit office: Compliance with laws and regulations

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Receives no attention	Count	0	0	0	0	0	2	2
	% within Country	0,0%	0,0%	0,0%	0,0%	0,0%	22,2%	1,6%
Receives a little attention	Count	2	2	0	0	0	0	4
	% within Country	3,9%	10,5%	0,0%	0,0%	0,0%	0,0%	3,2%
Receives moderate attention	Count	5	6	1	2	0	0	14
	% within Country	9,8%	31,6%	5,9%	10,5%	0,0%	0,0%	11,1%
Receives moderate to much attention	Count	22	5	8	4	0	1	40
	% within Country	43,1%	26,3%	47,1%	21,1%	0,0%	11,1%	31,7%
Receives very much attention	Count	22	6	8	13	11	6	66
	% within Country	43,1%	31,6%	47,1%	68,4%	100,0%	66,7%	52,4%
Total	Count	51	19	17	19	11	9	126
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Please indicate the extent to which it receives attention from your internal audit office: Accuracy and reliability of financial statements

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Receives no attention	Count	0	0	0	0	0	1	1
	% within Country	0,0%	0,0%	0,0%	0,0%	0,0%	11,1%	0,8%
Receives a little attention	Count	1	2	0	0	0	0	3
	% within Country	2,1%	10,0%	0,0%	0,0%	0,0%	0,0%	2,4%
Receives moderate attention	Count	6	5	0	0	0	0	11
	% within Country	12,8%	25,0%	0,0%	0,0%	0,0%	0,0%	8,9%
Receives moderate to much attention	Count	19	7	6	5	0	2	39
	% within Country	40,4%	35,0%	35,3%	26,3%	0,0%	22,2%	31,5%
Receives very much attention	Count	21	6	11	14	12	6	70
	% within Country	44,7%	30,0%	64,7%	73,7%	100,0%	66,7%	56,5%
Total	Count	47	20	17	19	12	9	124
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Please indicate the extent to which it receives attention from your internal audit office: Performances and proper management

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Receives no attention	Count	0	0	0	1	0	1	2
	% within Country	0,0%	0,0%	0,0%	5,6%	0,0%	11,1%	1,6%
Receives a little attention	Count	4	3	0	0	1	0	8
	% within Country	7,7%	15,0%	0,0%	0,0%	8,3%	0,0%	6,3%
Receives moderate attention	Count	9	6	3	0	3	0	21
	% within Country	17,3%	30,0%	17,6%	0,0%	25,0%	0,0%	16,4%
Receives moderate to much attention	Count	22	6	11	7	4	4	54
	% within Country	42,3%	30,0%	64,7%	38,9%	33,3%	44,4%	42,2%
Receives very much attention	Count	17	5	3	10	4	4	43
	% within Country	32,7%	25,0%	17,6%	55,6%	33,3%	44,4%	33,6%
Total	Count	52	20	17	18	12	9	128
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The reforms in my organization are periodically subjected to evaluations.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	0	0	0	1	0	0	1
	% within Country	0,0%	0,0%	0,0%	3,3%	0,0%	0,0%	0,4%
Inaccurate	Count	8	18	2	0	1	0	29
	% within Country	11,0%	24,0%	8,7%	0,0%	6,7%	0,0%	12,6%
Neither accurate nor inaccurate	Count	17	24	8	4	3	2	58
	% within Country	23,3%	32,0%	34,8%	13,3%	20,0%	13,3%	25,1%
Accurate	Count	37	30	11	19	5	8	110
	% within Country	50,7%	40,0%	47,8%	63,3%	33,3%	53,3%	47,6%
Highly accurate	Count	11	3	2	6	6	5	33
	% within Country	15,1%	4,0%	8,7%	20,0%	40,0%	33,3%	14,3%
Total	Count	73	75	23	30	15	15	231
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization systematically screens and assesses the feedback information obtained from its internal audit office.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Inaccurate	Count	2	3	0	0	0	0	5
	% within Country	3,8%	14,3%	0,0%	0,0%	0,0%	0,0%	3,9%
Neither accurate nor inaccurate	Count	5	2	2	1	1	1	12
	% within Country	9,6%	9,5%	11,8%	5,3%	9,1%	11,1%	9,3%
Accurate	Count	33	12	9	10	2	3	69
	% within Country	63,5%	57,1%	52,9%	52,6%	18,2%	33,3%	53,5%
Highly accurate	Count	12	4	6	8	8	5	43
	% within Country	23,1%	19,0%	35,3%	42,1%	72,7%	55,6%	33,3%
Total	Count	52	21	17	19	11	9	129
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The audits (and recommendations) from this internal audit office have great impact on the strategic decisions made by the organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Inaccurate	Count	1	5	0	0	0	0	6
	% within Country	1,9%	23,8%	0,0%	0,0%	0,0%	0,0%	4,6%
Neither accurate nor inaccurate	Count	17	3	1	1	3	1	26
	% within Country	32,1%	14,3%	5,9%	5,3%	27,3%	11,1%	20,0%
Accurate	Count	27	10	10	6	0	6	59
	% within Country	50,9%	47,6%	58,8%	31,6%	0,0%	66,7%	45,4%
Highly accurate	Count	8	3	6	12	8	2	39
	% within Country	15,1%	14,3%	35,3%	63,2%	72,7%	22,2%	30,0%
Total	Count	53	21	17	19	11	9	130
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization systematically screens and assesses the feedback information obtained from its external audit office.

			Country						
			Belgium	France	Netherlands	Romania	Slovakia	UK	Total
Inaccurate		Count	1	1	0	0	0	0	2
		% within Country	2,0%	3,7%	0,0%	0,0%	0,0%	0,0%	1,6%
Neither accurate nor inaccurate		Count	0	2	0	1	0	1	4
		% within Country	0,0%	7,4%	0,0%	8,3%	0,0%	9,1%	3,2%
Accurate		Count	33	12	8	4	1	3	61
		% within Country	67,3%	44,4%	47,1%	33,3%	11,1%	27,3%	48,8%
Highly accurate		Count	15	12	9	7	8	7	58
		% within Country	30,6%	44,4%	52,9%	58,3%	88,9%	63,6%	46,4%
Total		Count	49	27	17	12	9	11	125
		% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The audits (and recommendations) from this external audit office have great impact on the strategic decisions made by the organization.

			Country						
			Belgium	France	Netherlands	Romania	Slovakia	UK	Total
Inaccurate		Count	1	2	0	0	0	0	3
		% within Country	2,0%	7,4%	0,0%	0,0%	0,0%	0,0%	2,4%
Neither accurate nor inaccurate		Count	5	4	1	1	1	2	14
		% within Country	10,0%	14,8%	5,9%	8,3%	11,1%	18,2%	11,1%
Accurate		Count	29	11	11	4	0	3	58
		% within Country	58,0%	40,7%	64,7%	33,3%	0,0%	27,3%	46,0%
Highly accurate		Count	15	10	5	7	8	6	51
		% within Country	30,0%	37,0%	29,4%	58,3%	88,9%	54,5%	40,5%
Total		Count	50	27	17	12	9	11	126
		% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

My organization systematically screens and assesses the feedback information obtained from these evaluations.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	0	0	0	1	1	0	2
	% within Country	0,0%	0,0%	0,0%	3,3%	6,7%	0,0%	0,9%
Inaccurate	Count	9	18	1	0	0	0	28
	% within Country	12,5%	24,7%	4,3%	0,0%	0,0%	0,0%	12,3%
Neither accurate nor inaccurate	Count	18	20	8	4	2	2	54
	% within Country	25,0%	27,4%	34,8%	13,3%	13,3%	14,3%	23,8%
Accurate	Count	34	31	13	20	8	8	114
	% within Country	47,2%	42,5%	56,5%	66,7%	53,3%	57,1%	50,2%
Highly accurate	Count	11	4	1	5	4	4	29
	% within Country	15,3%	5,5%	4,3%	16,7%	26,7%	28,6%	12,8%
Total	Count	72	73	23	30	15	14	227
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

These evaluations (and their recommendations) have great impact on the strategic decisions made by the organization.

		Country						Total
		Belgium	France	Netherlands	Romania	Slovakia	UK	
Highly inaccurate	Count	0	0	0	1	1	0	2
	% within Country	0,0%	0,0%	0,0%	3,3%	6,7%	0,0%	0,9%
Inaccurate	Count	8	15	2	0	1	0	26
	% within Country	11,1%	21,4%	8,7%	0,0%	6,7%	0,0%	11,6%
Neither accurate nor inaccurate	Count	18	23	6	7	2	2	58
	% within Country	25,0%	32,9%	26,1%	23,3%	13,3%	13,3%	25,8%
Accurate	Count	36	28	13	16	7	10	110
	% within Country	50,0%	40,0%	56,5%	53,3%	46,7%	66,7%	48,9%
Highly accurate	Count	10	4	2	6	4	3	29
	% within Country	13,9%	5,7%	8,7%	20,0%	26,7%	20,0%	12,9%
Total	Count	72	70	23	30	15	15	225
	% within Country	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Annex II – Factors of Learning, Accountability and Feedback

Learning

Concept	Dimensions	
Cybernetics	Single-loop learning	Active measurement of a wide spectrum of performance
	Double-loop learning	Questioning the appropriateness of the goals and objectives
	Deutero learning	Institutionalized capacity to learn
Individual cognitive learning & social learning	Cognitive dissonance and confrontation of viewpoints	General openness that encourages questioning, inquiry and constructive criticism
		Openness for feedback information, for alternative opinions and perspectives
		Tolerance for uncertainty: allowing cognitive dissonance
	The arousal of reflection and debate	Internal platforms, arenas, forums to discuss and debate
-Psychological safety -Defensive routines -Error/risk-avoidance	Tolerance for errors	Sense of safety about making errors and discussing them openly
		No-blame culture
		Trust-based culture
Organizational memory Knowledge management	Organizational memory	Archives
		Documentation of procedures
	Knowledge management	Making tacit knowledge explicit
		Recording, conservation and retrieval of knowledge and experience
		Creating, acquiring, capturing, aggregating, codifying, sharing and using knowledge
Exploitation vs. exploration	Exploration	Large variety of relevant skills and knowledge that can be exploited
		Personnel turnover
	Exploitation	Focus on routinisation, refinement, reliability
		Focus on the elaboration of existing experiences and skills
Inter-organizational learning	Institutional arrangements to exchange experiences and knowledge	Arenas for exchange of experiences
		Learning forums
	Motivation to share information	Overall context of competition vs. collaboration
	Composition of the network	Homogeneity vs. heterogeneity
	Absorptive capacity of the recipient	Prior knowledge and skills, including shared language and technical knowledge
	Trust between the learning partners	

Feedback

Open system/organism metaphor	Adaptiveness, alignment
Autopoiesis	Perception filter
	Closing off from impulses from outside in order to shield itself from excessive turbulence and complexity
	Closing off from impulses from outside after a period of adaptation and innovation
Cybernetics/self-regulation	Clear performance goals and objectives
	Monitoring and comparing
	Corrective action
	Questioning the appropriateness of the goals and objectives
Organizational locus of informational subsystems	The necessity of an informational subsystem
	The optimal place for reporting intelligence
Source of the feedback	Staff – stakeholders – monitoring – policy evaluations – ombudsmen reports – (performance) audits – …
	Variety of sources
Focus of the feedback	Goal-seeking vs. goal-changing feedback (cf. single-loop vs. double loop learning)
	Internal design vs. relationship with the environment
	Functioning of a subsystem vs. functioning of the total system

Accountability

Who is held accountable?	The organization as a whole – the senior civil servant – the individual civil servant – …
To whom?	To administrative superiors – to the minister, parliament, voters – to ombudsmen, auditors, inspectors, … – …
About which aspect of the administrative performance?	Legal compliance – financial correctness – efficiency and efficacy – …
Nature of the obligation	Formal obligation vs. voluntary
Degree of publicness	Discrete and behind closed doors vs. open or at least accessible to citizens and the general public
The functions of accountability mechanisms	Democratic control and oversight – integrity – learning and improvement
The dysfunctions of accountability mechanisms	Accountability overload: number of accountability mechanisms & conflicting expectations
	Focusing too harshly on mistakes and sanctions => perverted behaviour, window dressing, error- and risk-avoidance,…
	Systematically focusing on certain aspects, while ignoring others => tunnel vision and sub-optimization

Annex III – Survey Questions

LEARNING	Survey item		Type of survey item
Psychological safety & Transparency & Culture of adversarial debate and openness for alternative perspectives	Q10.a	My organization is characterized by a culture of adversarial debate and openness for constructive criticism.	Five-point scale
	Q10.b	Within my organisation, people are usually comfortable talking about problems, disagreements and differences in opinion.	Five-point scale
	Q10.c	My organisation encourages productive conflict and debate during internal discussions.	Five-point scale
	Q10.d	Within my organisation, well-established perspectives and assumptions are never challenged or questioned.	Five-point scale
Tolerance for errors, risk-taking and experimentation	Q11.a	My organization is characterized by a tendency to avoid risks.	Five-point scale
	Q11.b	My organization encourages experimentation and alternative ways of getting work done.	Five-point scale
	Q11.c	If a creative attempt to solve a problem fails, the responsible staff members are penalized.	Five-point scale
	Q11.d	My organisation has a formal process for conducting and evaluating experiments or new ideas.	Five-point scale
Time for reflection – slack learning	Q12.c	In my organisation, people are too busy to invest time in the improvement of work processes.	Five-point scale
	Q12.d	Despite the workload, people in my organisation find time to reflect on past performances.	Five-point scale
Diversity of staff	Q12.e	The staff members of my organization have rather homogeneous educational backgrounds.	Five-point scale
Systematic knowledge management	Q12.a	My organisation systematically keeps records and archives to document past experiences.	Five-point scale
	Q12.b	My organisation has formal procedures to ensure that lessons learned in the course of a project are passed along to others doing similar tasks.	Five-point scale
	Q14.a	My organisation has access to learning platforms that allow (public) organisations to share knowledge and experiences with other (public) organisations.	Five-point scale
	Q14.b	My organisation shares its knowledge and experience with other (public) organisations.	Five-point scale
	Q14.c	My organisation learns from the experiences of other (public) organisations.	Five-point scale

Deliberate measurement practices & Disciplined analysis and interpretation to identify and solve problems	Q13.a	My organisation has monitoring systems that allow it to monitor a wide spectrum of performances and to compare those performances with the stated goals and objectives.	Five-point scale
	Q13.b	If discrepancies between performances and goals are detected, my organisation will take action in order to reduce these discrepancies.	Five-point scale
	Q13.c	My organisation regularly evaluates whether or not the existing organizational goals and objectives are still appropriate.	Five-point scale
	Q13.d	My organisation has a quality management system that systematically strives for continuous improvements throughout the entire organisation.	Five-point scale

ACCOUNTABILITY	Survey item		Type of survey item
Information and reporting	Q15.a	My organisation has an obligation to report about its performances to a higher authority.	Five-point scale
Debate, explanation and justification	Q15.b	My organisation has the opportunity to explain and justify its conduct towards this higher authority.	Five-point scale
Possibility of sanctions	Q15.c	This higher authority has the possibility to penalize my organisation for failing to achieve stated goals or expected performance standards.	Five-point scale
Responsibility for performance	Q15.d	In general, the people of my organisation feel responsible for the performance of the organisation.	Five-point scale
Transparency about performance	Q15.e	Towards external stakeholders, my organisation is very transparent about its results.	Five-point scale
Subject to ombudsman review	Q20	Does your organisation have an ombudsman institution assigned to it?	Yes / No
Subject to external audit	Q25	Does your organisation have an external audit office assigned to it?	Yes / No
Focus of external audit	Q26.a	Degree of attention for compliance with laws and regulations	Five-point scale
	Q26.b	Degree of attention for accuracy and reliability of financial statements	Five-point scale
	Q26.c	Degree of attention for performances and proper management	Five-point scale

FEEDBACK			Survey item		Type of survey item
Active search for and processing of feedback information	From staff	Q16.a	My organisation encourages staff members to express their concerns, ideas and suggestions about the functioning of the organisation.		Five-point scale
		Q16.b	The feedback information from staff members is discussed and assessed by our managers in regular meetings.		Five-point scale
	From customers	Q17	How would you describe the complaint management system of your organisation?		Multiple choice
		Q18	How often does your organisation organize a customer satisfaction survey?		Multiple choice
		Q19.a	The feedback information from customers is discussed and assessed by our managers in regular meetings.		Five-point scale
	From ombudsmen	Q21.a	My organisation systematically screens and assesses the feedback information obtained from this ombudsman institution.		Five-point scale
	From internal audit	Q22	Does your organisation have an internal audit office?		Yes / No
		Q23.a	Degree of attention of internal audit office for compliance with laws and regulations		Five-point scale
		Q23.b	Degree of attention of internal audit office for accuracy and reliability of financial statements		Five-point scale
		Q23.c	Degree of attention of internal audit office for performances and proper management		Five-point scale
		Q24.a	My organisation systematically screens and assesses the feedback information obtained from its internal audit office.		Five-point scale
	From external audit	Q27.a	My organisation systematically screens and assesses the feedback information obtained from its external audit office.		Five-point scale
	From evaluation	Q28.a	The reforms in my organisation are periodically subjected to evaluations.		Five-point scale
		Q28.b	My organisation systematically screens and assesses the feedback information obtained from these evaluations.		Five-point scale

Annex IV – Ombud- and Audit Factors

Overview of factors

Characteristics of the forum		
- Reputation (in the eyes of the actor) - Credibility (in the eyes of the actor)		Van Loocke & Put (2011); Morin (2001); Leviton & Hughes (1981)
- Has sufficient resources		Lonsdale (1999)
- Has sufficient expertise to critically assess the information and/or to convert its judgment into powerful lessons for the administration		Bovens et al.

- Legal powers and institutional position
    o Power to impose sanctions or to coerce public managers into compliance?
    o Rights of access
    o Presence / absence of a specific parliamentary committee to consider the forum's reports
    o Independence
       ▪ Financial independence (human resources, reporting)
       ▪ Substantive independence
		Van Loocke & Put (2011); Bovens et al.; Lonsdale (1999); Johnston (1988); Gill (2011)

▪ Ability to pick problem and time for the audit		
	o Reacting to complaints or ability to launch investigations on their own initiative? o Ability to carry out broad audit-style investigations	

o Competence
       ▪ Is the auditor also competent to evaluate 'policy' or only 'good administration'?
	o Competence
	       ▪ Which aspects of the administrative conduct is the ombudsman allowed to evaluate?	

- Selects policy-relevant issues o Are the issues chosen for investigation relevant for the actor, given its current priorities and concerns?		Van Loocke & Put (2011); Weiss & Bucuvalas (1980); Leviton & Hughes (1981); Morin (2001)

- Focus on
    o Accountability: democratic control and oversight
    o Detecting systemic failures and suggesting improvements
	- Focus on
	    o Redressing individual grievances
	    o Detecting systemic failures and suggesting improvements
		Gill (2011); Bovens et al.

Characteristics of the relationship between forum and actor		

- Confrontation vs. cooperation
    o Confrontation
       ▪ Outcomes (findings, conclusions, recommendations) are solely produced by the forum
       ▪ Outcomes are unilaterally imposed by the forum
    o Cooperation
       ▪ Outcomes follow from (informal) communication, cooperation,
		Van Loocke & Put (2011); Morin (2001); Leviton & Hughes (1981); Gill (2011); Hertogh (2001)

negotiation and consultation between the forum and the actor ▪ Forum and actor behave like partners; absence of power relation		
- Climate of trust vs. distrust between forum and actor		Van Loocke & Put (2011); Gill (2011)

Characteristics of the research		

- Technical aspects of the quality of the research
    o Good methodology?
    o Reliability of sources?
    o Presence of quality control?
		Van Loocke & Put (2011);
		Weiss & Bucuvalas (1980);

	- The number of decisions reviewed o When few complaints are filed (for example: little contact with citizens, ombudsman is not known or hard to reach,…), the ombudsman is denied the opportunity to generate impact	Gill (2011)

Characteristics of the results (findings, conclusions, recommendations)		
- Congruence between values - The degree to which the recommendations match the repertoires of the actor o Arguments and recommendations based on overlapping repertoire elements are likely to be taken up by the actor		Van der Meer (1999); De Vries (2000); Gill (2011)

- The nature of decisions / recommendations ('policy tension')
    o The more existing policy is required to change, the greater the policy tension and the greater the likelihood that non-compliance will occur
- Feasibility of recommendations / type of change put forward by the forum
    o Behaviour – rules – structures – purposes
    o Probability of acceptance decreases from changes in behaviour (highest probability of acceptance) to changes in purpose (lowest probability of acceptance)
		Van Loocke & Put (2011);
		Johnston (1988);
		Gill (2011);
		Hertogh (2001)

- Conformity with expectations; plausibility given prior knowledge		Van Loocke & Put (2011); Weiss & Bucuvalas (1980)
	- Consistency of decisions	Gill (2011); Gill (2012)

Characteristics of the reporting		

- Clarity and accessibility
    o Clarity of conclusions and recommendations: well-formulated, well-motivated and easy to understand
    o Accessible language
    o Logical structure
    o Presence of executive summary
		Van Loocke & Put (2011);
		Leviton & Hughes (1981);
		Gill (2011);
		Hertogh (2001);
		Gill (2012)

- Guidance for action o Presence of recommendations		Van Loocke & Put (2011); Weiss & Bucuvalas (1980);

- Timing
    o In time to influence the decision-making
    o At a time when media coverage is guaranteed (cf. Luck)
      ▪ Other news?
      ▪ Topic fashionable at the time?
		Van Loocke & Put (2011);
		Van der Meer (1999);
		Leviton & Hughes (1981);
		Lonsdale (1999);

o Just before a change of senior personnel (cf. Luck)		Morin (2001)
- Dissemination and communication		Van Loocke & Put (2011); Lonsdale (1999); Gill (2011); Gill (2012)
o Using a whole range of media (formal and informal communication)		
o Addressing a whole range of stakeholders		
o Communication tailored to the addressee		
▪ For example: thematic and context-specific publications		
	o Analytical publications (not focusing on individual cases but on patterns and systemic failures)	

Characteristics of the relationship between the forum and the legislative and/or the executive branch	
- Presence / absence of a specific parliamentary committee to consider the forum's reports - Mechanisms that ensure that the forum's work is given consideration in the legislative and/or the executive branch - Presence / absence of strong networks with decision-makers	Gill (2011); Lonsdale (1999) Vanlandingham (2006); Johnston (1988)

Characteristics of the relationship between the forum and the media	
- In their dealings with the press, the forum is helped by the fact that it is seen as an official and independent carrier of what is often bad or scandalous news o Since the press is hungry for dramatic stories, this status may enhance publicity for the forum's reports o However, the press will most likely not bring a balanced story, but will rather focus on the dramatic parts of the reports o The actors may respond best to careful and balanced messages o Therefore, the search for media coverage must be balanced with a need to avoid antagonizing those with whom they must maintain an ongoing relationship, the actors	Johnston (1988); Lonsdale (1999)

Follow-up activities	
- Systems to track whether or not recommendations are being accepted and/or implemented	Johnston (1988)

The structure of the interview protocol

Dependent variables

	Document analysis	Interviews with members of the organisation under scrutiny	Interviews with ombudsmen / auditors
Degree of acceptance		QO.I.4	
Degree of implementation		QO.I.5	QF.I.1 QF.I.2

Independent variables

		Document analysis	Interviews with members of the organisation under scrutiny	Interviews with ombudsmen / auditors
Feedback	Provision, clarity and accessibility of feedback information	DA.I.1 DA.I.2 DA.II.A	QO.I.1 QO.I.2 QO.II.1	QF.II.1 QF.II.2
	Active search for and processing of feedback information		QO.II.8 QO.II.9	
Accountability			QO.II.4 QO.II.5 QO.II.6 QO.II.11 QO.II.12 QO.II.13	QF.II.6 QF.II.7 QF.II.8 QF.II.9 QF.II.11 QF.II.12 QF.II.13
Learning			QO.II.8 QO.II.9 QO.II.10	QF.II.10 QF.II.13
Culture			QO.II.10	QF.II.10
Power relationships			QO.II.4 QO.II.5 QO.II.6	QF.II.6 QF.II.7 QF.II.8 QF.II.9
Media attention			QO.II.2 QO.II.3	QF.II.3 QF.II.4 QF.II.5
Economic incentives			QO.II.7	
Types of change and the probability of acceptance			QO.I.3	QF.II.15
Reputation of the source of influence			QO.II.14	QF.II.14
Autopoiesis			QO.II.15 QO.II.16	
Investigation on own initiative				QF.II.16

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Annex V – Country Report Belgium and the Netherlands

1. Introduction

This country report is divided into two parts: the first half concerns our research findings on Belgium, the second half focuses on the Netherlands. After briefly introducing the cases, and a short description on the respective SAI and Ombudsmen, we quickly move to the presentation of our results and the analysis of our findings.

For each case we interviewed both the auditor and a respondent from the auditee side. Both respondents had to be directly involved in the audit-process for the respective report, which we accomplished for all cases. Further on in this report, we will refer to the cases in an anonymized way by numbering them and randomly shuffling their order. For the Dutch case, we already mentioned that the cooperation of the SAI was achieved too late to be incorporated into this document. This means that, thus far, we have realized two interviews on the audit side; namely those with the Ombudsmen. It would seriously damage the guarantees of anonymity for these respondents if we reported on the findings of these two interviews. Therefore we only focus on the auditee side of the Dutch cases. This means that we need to be careful not to make hasty judgments or draw too stark conclusions from the Dutch cases. A full analysis will be done in a working paper which will be published as soon as the other interviews have been conducted. Finally, one of the Dutch audited organizations was unwilling to participate. We therefore have to leave one line per table blank.

2. Belgium

Belgium, together with the United Kingdom, is one of the non-unitary states in our sample of European countries. We therefore decided to not only look at the federal level, but also pay considerable attention to the regional level. Our investigation focusses on the Federal Supreme Audit Institution, the Federal Ombudsman and the Flemish Ombudsman. In choosing our cases for the SAI, we made sure to also include reports it had published on regional audits in Flanders. The following table sums up the cases we investigated for Belgium:

Belgium	Organization under scrutiny	Topic	Year of Audit
SAI	Flemish Employment Bureau	HR Policy	2011
SAI	Tax Inspection Bureau	Organization and Functioning	2010
SAI	Federal Ministry of Justice and Penitentiary Institutions	HR Policy	2010
SAI	Agency for the European Social Fund	Use of Resources	2010
Federal Ombudsman	Federal Ministry of Justice and Penitentiary Institutions	Complaint Reports on Prisoner's Rights	2009-2012
Flemish Ombudsman	Flemish Tax Collecting Agency	General Annual Complaints Report	2006-2013
Flemish Ombudsman	De Lijn (Public Transport)	General Annual Complaints Report	2009-2012
Flemish Ombudsman	Flemish Agency for Housing	General Annual Complaints Report	2010-2011

The Supreme Audit Institution

Named in Dutch the 'Rekenhof' and in French the 'Court des Comptes', is a constitutionally established institution with the task of performing external audits on the financial and budgetary proceedings as well as the accountancy of the federal, communal and regional governments, together with the related institutions and provinces[27]. Its organizational layout is rather different from other SAIs, since it is designed largely around the two most important languages in Belgium: Dutch and French. At the hierarchical top resides a 'College' of twelve members; six Dutch speaking and six French speaking. The College is then divided into two chambers, again according to language, with a president, four councilmen and a clerk. The longest residing chair and clerk will be the first chair and first clerk of the entire college.

The tasks of the SAI can be described in more detail as follows[28]:

- It subjects the operations of the federal government, the community and regional governments and the deputation of the provinces to an audit, a review of legality and a check on the proper use of public funds. The audits consider both the expenditures and the revenues;
- It reports the results of the audits to the respective parliaments and provincial councils;
- It controls the accounts of the general administration and those who are financially accountable to the state.

The Ombudsmen

Belgium recognises, in total, six ombudsmen (not including local ombudsmen or the ombudsmen for government-owned companies): two at the federal level, one for the German speaking community, one for the French speaking community, one for the Walloon region and one for both the Flemish region and Dutch speaking community. For our research, we focus on the Federal Ombudsman and the ombudsman responsible for the Flemish region and Dutch speaking community (hereafter called 'Flemish ombudsman').

The position of Federal Ombudsman is held by two persons: one French speaking and one Dutch speaking. Both are mandated by the Federal Chamber of Representatives and report to that same legislative body[29]. The federal ombudsman has the following tasks[30]:

- S/he investigates complaints about the federal administration;
- S/he investigates the workings of the federal administration which are directed to her/him by the chamber of representatives (hence the federal ombudsman does not have the right to initiate its own investigations);
- S/he submits recommendations for improvement to the chamber or representatives;
- S/he reports about its investigations to parliament;
- S/he investigates reports of assumed violations of integrity within the federal administration.

The Flemish Ombudsman was initially appointed by the Flemish government and had to report to the former as well. However, in 1998 this role was transferred to the Flemish Parliament, after which the

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[27] https://www.ccrek.be/NL/Voorstelling.html, visted on 15/02/2015.
[28] Translated from "Evaluatie van het Nationale Integriteitssysteem: België", Transparency International, 2012, p. 179.
[29] "Evaluatie van het Nationale Integriteitssysteem: België", Transparency International, 2012, p. 165.
[30] Paraphrased and translated from http://www.mediateurfederal.be/nl/de-federale-ombudsman/opdrachten/wat-doet-hij, visited on 15/02/2015.

Ombudsmen became a parliamentary ombudsman like its Federal colleague[31]. Its task can be summed up as follows[32]:

- Investigating and mediating in complaints against the acts and workings of the Flemish administration and the administration of the Dutch speaking community;
- Investigating and mediating reports of breaches of the code of ethics of Flemish parliamentarians;
- Investigating reports of negligence, misconduct or criminal acts by personnel of the Flemish administration or the Dutch speaking community whilst carrying out professional tasks.

Besides investigating complaints and reports of misconducts, the Ombudsman also has a duty to articulate and propose cross-cutting recommendations to improve the Flemish administration[33] in its yearly report to parliament. For this research we focused on these yearly reports, since they contain the most performance related recommendations, instead of focusing on individual complaint-cases. Finally, like the Federal Ombudsman, the Flemish Ombudsman does not have the right to initiate its own investigations.

3. The Netherlands

In the Netherlands, finding our relevant audit organizations was an easier task. Besides having a more straightforward structure and organization, there are one single SAI and one single 'National Ombudsman' at the national level. Both are 'Higher Councils of State', meaning that they have a constitutionally arranged independent position, at the same footing as the chamber of representatives and the senate.

Unfortunately, because there were only a limited number of suitable Ombudsman reports available, the balance of cases has shifted to the side of the Supreme Audit Institution. As an overview, the following table shows our cases:

Netherlands	Organization under scrutiny	Topic	Year of Audit
SAI	DNB: National Bank	Stability of Banks	2011
SAI	Ministry of Economic Affairs	European Procurements	2012
SAI	Ministry of Economic Affairs	Tariff Regulations for the Energy Market	2009
SAI	Ministry of Finance	Evaluation of Subsidies	2011
SAI	ProRail (Railway Infrastructure)	Use of Funds	2011
SAI	Ministry for Health and Sports	Online Medical Care	2009
Ombudsman	Social Security Agency	Anti-Fraud Policies	2010
Ombudsman	Inter-Provincial Network	Child Welfare	2010

The Supreme Audit Institution

The Dutch SAI (Algemene Rekenkamer, or simply AR) is responsible for the external audits of the national governmental level. Other audit organizations are responsible for the audits of the provinces,

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[31] "Burgers en Bestuur", Schram, F., 2009 (p. 434), Politeia, Brussels: Belgium.

[32] *Ibid.,* (p. 436)

[33] http://www.vlaamseombudsdienst.be/ombs/nl/dienst/onze_taken.html#taak3, visted on 15/02/2015.

municipalities and water authorities. Its board consists of three persons, one of whom is the president of the SAI[34]. As can be read in the 2011 report by Transparency International:

> "The (SAI) aims to audit and improve the regularity, efficiency, effectiveness and integrity with which the State and associated bodies operate. (...) The (SAI) is part of a comprehensive audit system whereby first of all a financial audit is carried out by the internal audit service of a ministry. In its audits the AR assesses independently whether there are sufficient safeguards in these internal audits. Based partly on this, the (SAI) determines the points which require its own investigation."[35]

This means that the Dutch SAI has a wider task than 'only' looking at the accountancy of the State's financial statements. Performance, recommendations, and consequently innovation, lay directly in its scope of work. Organizations who have been granted more independence in carrying out their tasks (so called ZBO's) are under the scope of the SAI.

The Ombudsman

The principal of the Ombudsman is the Dutch Chamber of Representatives (the 'Tweede Kamer'). The Ombudsman reports to this Chamber and its Committees on a regular basis, including an annual report. The 2012 report by Transparency International gives a clear description of the Ombudsman's responsibilities, from which it is immediately clear that these tasks go beyond mere handling of citizens' complaints: "The National Ombudsman is an independent and impartial administrative body responsible for assessing the performance of public authorities and the lawfulness of their decisions and promoting citizens' rights."[36] Recommendations in the realm of performance (and hence efficiency and effectiveness) are a concrete part of the Ombudsman's task description. This makes it a very suitable actor for our research focus.

4. Results

After conducting a total of 16 interviews, eight on either side of the audit/investigation, we can present the following table with regards to the implementation of recommendations made in the chosen reports by the SAI, Federal Ombudsman and Flemish Ombudsman.

Belgium	1 - Implemented[37]	0 - Not Implemented[38]	Total
Case 1	2	4	6
Case 2	0	8	8
Case 3	8	4	12
Case 4	2	8	10
Case 5	8	3	11
Case 6	3	2	5
Case 7	3	4	7
Case 8	2	5	7
Total	28	38	**66**

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[34] "National Integrity System Assessment: the Netherlands", Transparency International, 2012, p. 184.

[35] *Ibid.*

[36] *Ibid.*, p. 165.

[37] 'Implemented' means: fully implemented, partially implemented, implemented by different solution, in the process of being implemented, etc.

[38] 'Not implemented' means: Doesn't agree with diagnosis or solution, requires political decision, lack of resources for implementation, etc.

Netherlands	1 - Implemented	0 - Not Implemented	Total
Case 1	2	0	2
Case 2	2	2	4
Case 3	3	2	5
Case 4	5	0	5
Case 5	3	0	3
Case 6	3	2	5
Case 7	4	2	0
Case 8	1	1	2
Total	23	9	32

Why certain recommendations where implemented, whilst other weren't, depends strongly on the respective cases. Many factors seemed to contribute to the acceptance of the recommendations and these factors differed strongly between the three institutions and between the reports within the institutions. We summarize our findings in tables, each focusing on a different factor we consider to be potentially influential according to the literature and with regards to its influence on the FAL-model, as explained previously in the opening chapter and the chapter on the influence of Ombudsmen and SAIs on social innovation.

Communicative and Cooperative process
Good, informal and intensive communication, together with a close collaboration between both parties during the audit will contribute to the 'L' in the FAL-model. It will start or intensify the learning processes in an organization under scrutiny. Second, exit meetings provide for a great feedback opportunity, where the organization under scrutiny can be confronted in a collaborative and more or less informal setting with the Ombudsman or SAI's conclusions and recommendations. Our results on these three factors are the following:

On the side of the auditors:

Belgium	Communication	Exit Meeting	Relation/Collaboration
Case 1	No strategy, lot of informal communication 'behind the scenes'	Continuous dialogue	Good, are taken seriously
Case 2	Informal and efficient	Yes, just before the end	Very informal
Case 3	Mostly diplomatic communication	Yes, but no negotiation	Professional
Case 4	Commutation strategy only at the end of the process	Yes, after every chapter that is finished	Difficult at times, but usually ok
Case 5	Informal, besides from the start and end of the process	Yes, purely for factual check	Usually good
Case 6	Structural and informal	Continuous dialogue	Very open and trusting
Case 7	Informal	Continuous dialogue	Good, but organization is allergic for a hint of 'controlling'
Case 8	Informal and outside of the formal process	Continuous dialogue	Good

On the side of the auditees:

Belgium	Communication	Exit Meeting	Relation/Collaboration
Case 1	Open and correct	Don't know	
Case 2		Yes	Constructive
Case 3	Good	No	Good, but fragile
Case 4	Good, but too slow	No	Ok
Case 5	Good	Yes, but only at the very last, when the many factual mistakes led to frustration	
Case 6	Informal and direct	Continuous	Good
Case 7	Informal	Continuous	Good
Case 8	Informal	Don't know	Ok, but fragile

Netherlands	Communication	Exit Meeting	Relation/Collaboration
Case 1	Started informal, turned formal when relationship worsened	Yes	Good at first, later it became more tense
Case 2	Reasonably informal	Yes	From okay to bad in a later stage
Case 3	Professional and good	Yes, but this was insignificant	Distrusting, felt criminally investigated
Case 4	Good, but too formal	Don't know	Difficult
Case 5	Was better at executing level than managing level	Yes	Professional
Case 6	Open and informal	No	Good
Case 7			
Case 8	They only received a press release when the investigation was finished	No	Bad

First of all, it is interesting to see that there are significant differences between the respondents on both sides. Where all auditors told us there were exit meetings, two of the Belgian respondents on the

auditees' side declared there was no such meeting. This could mean that the auditor's lied, but it is more likely that the auditees simply didn't experience the exit meeting in the same way as the auditors did or as the auditors intended. Many auditors told us that the exit meeting is nothing but a statement of the conclusions and not in any way a platform for feedback, let alone negotiations about the recommendations. These cases do not form factors which can enforce the organization's FAL-structures and are therefore not promotors for social innovation. The cases with a continuous dialogue, on the other hand, offer a more promising picture. These cases constitute examples of a more collaborative process, where there is a genuine exchange of views and where feedback from one to the other side is a constant fact. These cases can form a great generator for learning processes and feedback loops in the organizations under scrutiny (as well as the SAIs and Ombudsmen themselves), in turn enforce the FAL-model in these organizations and consequentially become promotors of sustainable social innovation.

Overall the cooperative and communicative process seems to have been implemented rather well, considering the above stated answers. However, there is a notable difference between the Relation/Cooperation category in Belgium and the Netherlands. When we compare the auditee's side of the interviews, the Dutch respondents paint a more negative picture than their Belgian counterparts. It is hard to isolate a single factor to explain this difference. Certain processes became toxic after there were legal disputes about the rights of the auditor to view certain documents. After these disputes were settled, the relationship for the rest of the audit was battered. For the other cases, it is unwise to articulate any explanations or conclusions, since many of the auditor-side interviews still have to be conducted.

Perception of Role, Relationship and Expertise

Whether the organizations perceive their relationship as based on trust or distrust, cooperation or confrontation can influence their relationship from the get go. How an audit organization sees itself (as controller or advisor) determines its attitude towards the organization under scrutiny. Vice versa, the role the organization under scrutiny ascribes to the audit organization determines the former's attitude towards the latter: cooperative and open, or defensive and closed? This, in turn, will influence the learning processes in the organization under scrutiny. If the feedback is perceived as an attack, the chance is small that learning processes will be kick started by Ombud- and Audit recommendations.

On the side of the auditors:

Belgium	Role perception[39]	Perception of relationship[40]
Case 1	3	4
Case 2	3	4
Case 3	1	3
Case 4	2	2
Case 5	2	4
Case 6	4	5
Case 7		4
Case 8	3	

On the side of the auditees:

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[39] Likert scale: 1 – Controller → 5 – Advisor
[40] Likert scale: 1 – Based on distrust and confrontation → 5 – Based on trust and cooperation

Belgium	Role perception	Perception of relationship	Expertise[41]
Case 1	3		4
Case 2	3		4
Case 3	3	4	3
Case 4	2	3	1
Case 5	2	4	?
Case 6	4	4	5
Case 7	5	4	4
Case 8	4		4

Netherlands	Role perception[42]	Perception of relationship[43]	Expertise[44]
Case 1	2	4 at the start, 2 in the end	2
Case 2	2	2	4
Case 3	2		2
Case 4	2	2	4
Case 5	2	3	3
Case 6	3	4	3
Case 7			
Case 8	2	1	4

As can be seen in the tables, the perceptions of the auditor's role do not differ that much, but there are strong differences between cases in the same audit organization. This implies that much depends on an auditor's personal perception of his/her job and on the specific experience of the respondents on the auditees' side. Overall, however, the perception on the side of the auditees is one of moderation: the auditors are seen as being both a controller and an advisor. The accountability culture in Belgium, at least concluding from our sample, seems to be rather mature. The auditees accept and respect the controlling role of the SAIs and Ombuds, but interpret their reports as advice, more than as directives. This means that the recommendations don't influence the organizations learning processes as effectively as possible, but they do have a de facto influence as their recommendations are taken seriously. This is further enforced because the expertise of the auditors is perceived as relatively high in almost all audit cases. In only one case was the audit organization seen as being completely unaware of many of the workings of the field it was investigating, which seriously limited the quality of its recommendations. Furthermore, and perhaps more worryingly, this worsened the relationship between the respective organization and auditor, perhaps for the coming decade.

The differences between the Netherlands and Belgium most profoundly lie in the auditees responses to the 'Role perception'. In the Netherlands, the organizations under scrutiny see the audit organizations significantly more as controllers, instead of as advisors. This implies that they experience the audit organizations as controllers. Logically, the audited organizations would answer 'advisor' because they want them to be advisors and would answer 'controller' because they've experienced them behaving as such. This perception could be an explanation for the relatively

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41 Likert scale: 1 – Low reputation on expertise → 5 – High reputation on expertise
42 Likert scale: 1 – Controller → 5 – Advisor
43 Likert scale: 1 – Based on distrust and confrontation → 5 – Based on trust and cooperation
44 Likert scale: 1 – Low reputation on expertise → 5 – High reputation on expertise

negative view of the relationships between the organizations under scrutiny and their auditor, discussed earlier.

Media and Parliamentary pressure
The media attention on Ombud- and Audit reports are often stated as important for the effectiveness of the recommendations in these reports. We found, however, a different reality through our interviews.

On the side of the auditors:

Belgium	Amount of attention	Impact	Strategy
Case 1	Little	No, but working outside the spotlight brings them more results	Only used as last resort
Case 2	Little	Little to nothing	
Case 3	Little	Little, but only for media savvy topics	Minimal: press release
Case 4	None	Yes, but only for media savvy topics	Minimal: press release
Case 5	None	No, but has impact on discourse and relationship with organization	Minimal: press release, try to avoid media attention
Case 6	None	None	Extensive strategy, but focus is on positive findings
Case 7	Very little	None, too technical	Not hesitant to seek media attention, but focus on positive findings
Case 8	None	Sensitive for media attention, but does not affect implementation	More and more conscious

On the side of the auditees:

Belgium	Amount of attention	Impact
Case 1	None	Yes
Case 2	A lot	None
Case 3	A little	None, needs political attention too
Case 4	None	None, needs political attention too
Case 5	A lot	Yes, but doesn't change attitudes in administration
Case 6	None	Yes
Case 7	A little	None
Case 8	None	Yes

Netherlands	Amount of attention	Impact
Case 1	Little	Yes
Case 2	Little	Depends on Report/Area
Case 3	Little	Yes
Case 4	A lot	Not unless combined with political attention
Case 5	None	Not unless combined with political attention
Case 6	None	Possibly
Case 7		
Case 8	None	No

First of all, most media seem rather uninterested in most of the ombud- and audit reports. Even when they do report on them, their influence is very limited. Only when the media attention generates parliamentary attention, can it cumulate in significant pressure to actually influence the implementation.

Second, the auditors seem to be divided into two camps: one with an extensive media strategy, and one with a rather minimalistic strategy towards the media. The latter group stated that it intentionally wanted to avoid media attention, even though it (at least potentially) could influence the acceptance of its recommendations. The fact that the media always focusses on the negative parts of a report, even though the vast majority of findings were (very) positive, can seriously deteriorate its relationship with the organization under scrutiny. This group of auditors declared they would rather have a good, productive relationship with the auditees, than to try to influence the implementation of recommendations through brute force.

After the above mentioned findings it is perhaps not surprising that parliamentary influence, on its own, was also regarded as rather insignificant with regards to implementation.

On the side of the auditors:

Belgium	Amount of attention	Impact	Strategy
Case 1	Don't know	Usually not	No
Case 2	A lot, reports go straight to committees to be dealt with	Not a lot	Very ad hoc
Case 3	None	Yes, but implementation is at management level who don't feel pressure from parliament	No strategy
Case 4	None	Yes, creates extra attention in media	No strategy
Case 5	Yes, just as all other reports	Yes, especially if media takes note of it	Yes, want to be a partner in discussing the topic and report
Case 6	Reports are always talked about in committees where he/she is partner	Differs per topic, only if media picks it up	Close ties that are maintained
Case 7	Every report is discussed in parliament	Yes	
Case 8	Yes, discussed in parliament with him/her as partner	Sometimes when the problems are exceedingly large	

On the side of the auditees:

Belgium	Amount of attention	Impact
Case 1	Don't know	Depends on media attention
Case 2	A little	None
Case 3	Don't know	Don't know
Case 4	A little	None
Case 5	A little	Yes
Case 6	Yes	None
Case 7	Don't know	Don't know
Case 8	A little	None

Netherlands	Amount of attention	Impact
Case 1	None	Yes
Case 2	None	Not unless combined with media attention
Case 3	None	Not unless combined with media attention
Case 4	Don't know	Don't know
Case 5	Yes	None
Case 6	None	Not unless combined with media attention
Case 7		
Case 8	None	None

The most obvious finding here is that the Dutch parliament seems to be focusing a lot less on the Ombud- and Audit reports than its Belgian and Flemish counterparts. Furthermore, the same link was found between the influence of parliamentary and media pressure. It remains to be seen, however, which of the two causes the other: does media attention trigger parliamentary pressure? Or will the media only focus on audit reports which gather political attention?

Overall, it was clear for most respondents that coalition politics and the coalition agreement limit almost all parliamentary pressure, with the exception of scandals and crises. The audit organizations, some of which have a very close and intensive relationship with parliament, stated that trying to collaborate or influence parliament is very risky business. The worst thing that can happen to a SAI or Ombudsman is to be accused of partisanship, so they have to be very careful in their relations with parliament. However, trying to be a partner at the discussion of a specific report was universally considered to be a justified way of engaging with parliament.

All in all, it can be said that media and parliamentary pressure are not being put to use by the audit organizations, sometimes for good reasons. To a large extent it is dependent on chance; parliament and the media simultaneously focusing on the same report or findings. This means, however, that the 'Accountability' factor is not being tapped into by the audit organization, causing the FAL-structure in organizations to be partially paralyzed. However, this is done because the relationship (influencing the 'L' and 'F' dimension in the FAL-model) with the organizations under scrutiny is seen as more important than the potential use of pressure through media and/or parliament.

Finally, as a part of the factors influencing the learning process in the organizations under scrutiny, the audit criteria and the chosen subjects of investigation can be viewed, by the auditees, as either relevant or irrelevant. When the criteria are seen as irrelevant or the subject that has been chosen by the audit office for investigation is seen as irrelevant, the organization under scrutiny is unlikely to learn from its recommendations. When the criteria are unknown, it is harder for the organization to understand why an auditor has come to a certain conclusion, making it, again, harder to learn from the recommendations and conclusions. With regards to these issues, we found the following results amongst our sample:

Belgium	Criteria used	Subjects of investigation
Case 1	Don't know	Very relevant
Case 2	Don't know	Relevant
Case 3	Don't know	Relevant
Case 4	Don't know	Relevant
Case 5	Don't know	Not relevant
Case 6	Are suitable	Relevant
Case 7	Are suitable	Relevant
Case 8	Suitable but vague	Don't know

Netherlands	Criteria used	Subjects of investigation
Case 1	Criteria are not suitable	Chosen for political reasons
Case 2	Don't know	Should focus more on policies which can actually be influenced
Case 3	Criteria are not suitable	
Case 4	Don't know	Should focus more on future challenges
Case 5	Rather vague and general	Relevant
Case 6	Criteria are not suitable	Relevant
Case 7		
Case 8	Criteria are not suitable	Not relevant

This paints a rather grim picture for the influence of the first factor on the FAL-structure within the organizations under scrutiny. Most organizations said that the criteria were unknown and for the Dutch cases even unsuitable, making it harder for them to learn from the recommendations. It is also easier for the politically responsible minister to claim that the recommendations do not apply correctly to his/her organizations when the criteria used remain vague or in the dark.

5. Conclusion

Each of the investigated organizations has a certain score in our FAL-model. There are, to a greater or lesser extent, Feedback loops, Accountability mechanisms and Learning processes at work in all of these organizations. The question is, however, whether the Dutch and Belgian SAIs and Ombudsmen are able to strengthen these dimensions, in order to create a higher probability of sustainable innovation in the future. We found that there are a number of factors which diminish the potential role of the audit organizations in doing so.

In the Netherlands, the biggest problem, at least concluding from the auditees interviews, lie at the perception of the auditors' role (controller), the lack of transparency of the criteria used by the auditors, and the overall relationship which is often perceived as bad. These factors reduce the potential impact which audit recommendations can have on the innovative potential amongst public sector organizations. In Belgium, on the other hand, whilst sharing some of the same problems as the Netherlands (most notably the transparency of the used criteria), it is the process of cooperation and the use of exit meetings which needs more attention. The FAL-model within the Belgian organizations under scrutiny is left untapped for a large extend because of the previous mentioned problems. However, it must also be said that the accountability culture in these two cases seems to be seasoned. The organizations have respect for the SAIs' and Ombudsmen's role and do usually appreciate their

feedback. The problem remains, however, that much of this feedback is being disregarded because the Feedback loops, Accountability mechanisms and Learning processes are not triggered enough.

Annex VI – Country Report Romania & France

Analysis of reports and interviews related to the Court of Audit (Romania and France), Ombudsman (Romania) and Defenseur des Droits (France)

The analysed reports were released by the Court of Audit (Romania and France), Ombudsman (Romania) and Defenseur des Droits (France) over the last 5 years and aimed to audit or improve the regulation of important areas of social innovations (efficient administration of taxes, reducing corruption, maintaining the natural patrimony, assessing the performance of public institutions, improving social conditions, etc.), public policies or administrative innovation by improving and extending the legislative and institutional framework.

This Annex presents the analysed reports.

DA I.1; DA.I.2

Most reports were accompanied by explicit or implicit recommendations designed to contribute to the improvement of activities, which represent the object of the reports within a medium term.

In synthesis, for the 25 documents analysed, the state of the recommendations is as follows:

Table 1: Presenting and listing the recommendations

Report/proposal	The recommendations and conclusions are presented distinctly	The conclusions and recommendations are presented in a joint chapter	Each chapter ends with a separate paragraph for recommendations	The recommendations are spread throughout the body of the text	The report does not contain any recommendation	Number of recommendations	Observations
0	1	2	3	4	5	6	7
RO_CA_01	x	-	-	-	-	4	Recommendations are listed by bullet-points
RO_CA_02	x	-	-	-	-	4	Recommendations are listed by bullet-points
RO_CA_03	x	-	-	-	-	3	Recommendations are listed by bullet-points
RO_CA_04	x	-	-	-	-	5	Recommendations are listed by bullet-points
RO_CA_05	x	-	-	-	-	3	Recommendations are listed by bullet-points
RO_CA_06	x	-	-	-	-	5	Recommendations are listed by bullet-points
RO_CA_07	x	-	-	-	-	4	Recommendations are listed by bullet-points
RO_CA_08	x	-	-	-	-	6	Recommendations are listed by bullet-points
RO_CA_09	x	-	-	-	-	9	Recommendations are listed by bullet-points
RO_CA_10	x	-	-	-	-	5	Recommendations are listed by bullet-points
RO_DD_01	-	-	-	x	-	2	Recommendations are not listed
RO_DD_02	-	-	-	x	-	3	Recommendations are not listed

RO_DD_03	-	-	-	x	-	2	Recommendations are not listed
FR_CA_01	x	-	-	-	-	6	Recommendations are listed by a numbering-system
FR_CA_02	-	-	x	-	-	58	Recommendations are listed by a numbering-system
FR_CA_03	x	-	-	-	-	6	Recommendations are listed by bullet-points
FR_CA_04	x	-	-	-	-	8	Recommendations are listed by a numbering-system
FR_CA_05	x	-	-	-	-	4	Recommendations are listed by a numbering-system
FR_CA_06	-	-	x	-	-	23	Recommendations are listed by a numbering-system
FR_CA_07	x	-	-	-	-	9	Recommendations are listed by bullet-points
FR_DD_01	-	-	-	x	-	1	Recommendations are not listed
FR_DD_02	-	-	-	x	-	3	Recommendations are not listed
FR_DD_03	-	-	-	x	-	3	Recommendations are not listed
FR_DD_04	-	-	-	x	-	1	Recommendations are not listed
FR_DD_05	-	-	-	x	-	2	Recommendations are not listed

We note that the modalities for presenting and listing the recommendations are specific to each institution. There is, however, some similarity, though not on the whole, between the reports of the Courts of Audit in Romania and France.

For the Ombudsman and the Defenseur des Droits, the recommendations are presented implicitly in the contents of each report/proposal and are not clearly outlined; most of them have a normative character.

DA.II.1

Concerning the institution targeted by each recommendation, the reports analysed reveal a great diversity of approaches.

For the reports of the Courts of Audit, the recommendations often take into consideration the norms, procedures, institutions from the respective public entity.

On the other hand, for the other two institutions – the Ombudsman, the Defenseur des Droits – the proposals and recommendations also target other institutions which have a connection with the policy area of the recommendation.

Table 2 presents the institutions targeted by recommendations.

Report/proposal	Responsible administration	Responsible minister	Legislative branch	Combination of the above-mentioned actors	It is not made clear which actor is the addressee	Observations
0	1	2	3	4	5	6
RO_CA_01	2	1	-	1	-	It takes into consideration the interoperability of the central and local structures
RO_CA_02	2	1	-	1	-	The civil associations, citizens are also targeted.
RO_CA_03	-	1	1	1	-	It includes cooperation with numerous central institutions
RO_CA_04	4	-	-	-	-	Strengthening the relationship and communication with the citizens
RO_CA_05	3	-	-	-	-	-
RO_CA_06	5	-	-	-	-	-
RO_CA_07	3	-	1	-	-	-
RO_CA_08	4	1	1	-	-	It also intends a governmental intervention for reorganisation
RO_CA_09	5	2	1	1	-	It aims to evaluate the impact of specific activities

						in society
RO_CA_10	2	2	1	-	-	Two recommendations have strategic character
RO_DD_01	1	1	-	-	-	Also specialised local organizations are targeted
RO_DD_02	2	1	-	-	-	It also addresses local government
RO_DD_03	1	1	-	-	-	It also addresses local government
FR_CA_01	3	1	1	1	-	-
FR_CA_02	22	10	10	16	-	It targets several national public institutions
FR_CA_03	3	3	-	-	-	It also targets international institutions
FR_CA_04	3	1	2	2	-	-
FR_CA_05	1	1	1	1	-	It targets civic organizations
FR_CA_06	13	-	3	7	-	-
FR_CA_07	4	1	2	2	-	It targets various actors with projects in the field
FR_DD_01	-	-	1	-	-	-
FR_DD_02	2	1	-	-	-	-
FR_DD_03	-	2	1	-	-	-
FR_DD_04	-	1	-	-	-	-
FR_DD_05	1	1	-	-	-	-

We note the fact that most recommendations (48%) even take into consideration the institutions themselves, as administrations responsible for the respective topic. It is worth mentioning that only 15% of recommendations are addressed directly or indirectly to the legislative branch, while 18.5% of recommendations are addressed both to the ministers responsible or a combination of the above-mentioned actors.

1. Interview questions for the organization under scrutiny

QO.I: At the level of the individual recommendations

The concrete results indicated by respondents are presented in Annex 2.

A global analysis of the responses provides the following conclusions:

- The level of specificity and concreteness of the recommendations is average (3.4) (on a scale of 1 through 5), with a difference between the Romanian institutions (2.77) and the French institutions (4.08).

- The level of clarity and ease of comprehending the recommendations is also average (3.76), with a significant difference between Romania (3.31) and France (4.08).
- The degree of change induced by recommendations is also average (3.00), with some difference between Romania (2.92) and France (3.08).

QO.I.4:

Most respondents highlighted that the activities of the audit are comprehensive and target, for the period analysed, aspects of substance and details connected with the objectives of the audit.

Referring to the audits of the Courts of Audit, all respondents revealed the fact that the diagnostic at the foundation of the recommendation represents the object of negotiation between the two parties and that eventual litigations are solved and made compatible by specialized bodies of the Courts of Audit.

Concerning the recommendations of the Ombudsman or Defenseur des Droits, they are also mediated between the two organizations. The modalities of implementing the recommendations are generally determined on the basis of legislation or amendments with specific provisions. Within the analysed context, mediation between the organizations consists of achieving, through cooperation and negotiation, a procedural framework for implementing the recommendations that is agreed upon and acknowledged by both organizations.

QO.I.5:

The recommendations received are compulsory for the beneficiary organization. After receiving them in their final version, the beneficiary organization draws up and submits a detailed plan of measures to apply the recommendations.

The plan is agreed upon by both parties and is then implemented.

Periodically, usually annually, reports are submitted concerning their accomplishments. There is also the possibility that sanctions are imposed on behalf of the auditor.

Over 90% of respondents stated that they appreciated the good relationships between the auditor and audited institution.

QO.II: At the level of the report & at the level of the organization
QO.II.1:

Communication and dissemination by the Ombudsman/Court of Audit is done through formal documents which, as previously mentioned, are subject to a process of negotiation. These documents also provide the modalities and channels for communication of the manner in which the recommendations will be implemented.

Media attention

QO.II.2:

Most respondents avoided respond concretely to this question. We may note that the level of interest of media was related to the topic analysed.

In general, the reports of audit which received greater attention in the media were those reports targeted financial aspects – the level of receipt of taxes and charges, the accomplishment of objectives of major social interest – for which media published articles focused on the negative aspects.

On the scale proposed in the interview, they could be scored at level 4.

QO.II.3:

The respondents unanimously appreciated the role of media for a successful implementation of recommendations. In the situations previously mentioned, this was also considered an additional pressure for implementing the recommendations.

Attention of the legislature
QO.II.4:

In general, increased attention by Parliament for the reports/proposals of the Ombudsman and Defenseur des Droits was mentioned.

From the 8 interviews, it resulted that in 6 situations the Parliament analysed the proposals and established the necessary legislative measures. In the other 2 situations, measures of a normative nature were established by other bodies.

Concerning the reports of the Court of Audit, they, usually, had the objective of providing information to the specialized commissions of the Parliament.

QO.II.5:

Parliamentary attention and the Parliament's intervention are constantly expressed. The respondents do not consider it an additional pressure, it was rather considered as a situation of normality in their relationship with the specialized parliamentary commissions.

Power relationships
QO.II.6:
The analysis of the documentation made available by the Ombudsman/auditor revealed each time that governmental bodies with projects in the field were notified.
In the case of audit reports, the auditor transmits the formal report containing both the findings and the recommendations to the responsible ministry.
All the organizations audited revealed the fact that the periodical reports concerning the implementation of recommendations are also transmitted to the responsible ministry.

For the reports/proposals of the Ombudsman and Defenseur des Droits, they provide the corresponding assignments for some ministries and central bodies.

Pressure, as debated during the interviews, was considered functional in nature, aimed at facilitating the implementation of recommendations.

Economic incentives
QO.II.7:

Economic incentives were the subject of discussion only in the situations where the recommendations necessitated additional funds.

Those situations were found most often in the reports of the Ombudsman and Defenseur des Droits and they involved additional financial funds for covering the expenditure established by the respective regulation.

Active search for and processing of feedback information by the organization under scrutiny
QO.II.8:
From this perspective, the most relevant preoccupations were identified at the Ombudsman and Defenseur des Droits, which, in the case of new regulations, check the whole jurisprudence from the respective field.
In other situations, it was mentioned that the discussion of other recommendations could only be occasional and depended on the topics currently discussed in the organization.

QO.II.9:

Managers' openness to different recommendations was noted as relevant, though not as a daily preoccupation.

Learning culture within the organization under scrutiny
QO.II.10:

The attitude of the organizations audited was, in general, one of responsiveness towards those recommendations. We were unable to ascertain if this attitude was determined by obligations enforced by law or the effect of a process of internalizing the values imposed by the respective recommendations.

In general, in all the organizations, the final report of audit is discussed in various departments of the organization and the most effective modalities for achievement are searched for.

Characteristics of the relationship between auditor /ombudsman and the organization under scrutiny
QO.II.11:

The judgements were diverse, with the prevailing responses coming from those which perceived these bodies as a watchdog (in the case of Court of Audit) or as an advisor (in the case of Ombudsman).

A separate distinction should be made for the reports of the Court of Audit of France, where most topics targeted several important public policies. As such, it had the opportunity to exert a larger advisor role.

The results of the quantitative assessment are presented in Annex 2.

QO.II.12:

None of the situations revealed a relationship based on distrust and confrontation.

For this question, the responses varied, but for the Ombudsman and Defenseur des Droits, a majority of responses expressed trust and good mutual understanding.

These differentiated responses are justified by respondents and the nature of the reports, which in the case of Court of Audit of Romania, mainly targeted financial aspects.

Annex 2 presents the quantitative responses of the organizations interviewed.

QO.II.13:

The process of elaboration and finalization of the public report involves, in a mandatory way, the consultation of the audited organizations or beneficiaries.

Reputation of the auditor/ombudsman in the eyes of the organization under scrutiny QO.II.14:

The responses differ for Romania and France.

The more profound justification, deduced by us, relates to the history of the institution, which in the case of Romania has undergone contradictory transformations over the last decades, these do not yield a high level of reputation.

There were no observed subjective views originating from conflicts, which could have led to a lower appreciation of the reputation of the respective bodies.

The results in Annex 2 reveal an average credibility of 3.15 for Romania and 4.75 for France.

Others

QO.II.15:

For most audit actions, the Court of Audit of Romania uses a system of indicators of performance, agreed to by the central specialized bodies. The interviews highlighted different preoccupations between the Courts of Audit in Romania and France. More specifically, the Romanian Court of Audit is focused on auditing performance, while the French Court of Audit is focused on auditing public policies.

The instruments used are traditional and take into consideration the detailed historical financial context.

QO.II.16:

For Romania, the Court of Audit has a periodical program of performance audit for the central institutions. Other topics/themes revealed by the public, and which indicate a violation of law, can also be audited.

2. Interview questions for the ombudsmen/auditors
QF.I: At the level of the individual recommendations

The recommendations made by the Ombudsman/Auditor may be classified in several categories related to their contents and modalities for implementation.

In most cases the Ombudsman/Auditor indicated, directly or indirectly, the solutions for solving the identified problems. These can be synthetized as follows:

Category of recommendation / Report/proposal	A new procedural and managerial framework	Internal periodical analyses, measures to correct dysfunctionalities	Introducing or updating the system of performance indicators	Improving the infrastructure and interoperability	Transparency, increasing the trust of citizens and civil society	Completing the actual normative framework	Cooperation with other public institutions	Emphasising the risks, vulnerabilities and eliminating them	Drawing up adequate strategies and plans of measures	New organisational/ administrative structures	Budgetary and fiscal measures
0	1	2	3	4	5	6	7	8	9	10	11
RO_CA_01	1	1	1	1	-	-	-	-	-	-	-
RO_CA_02	2	-	-	-	1	1	-	-	-	-	-
RO_CA_03	1	-	-	-	-	1	1	-	-	-	-
RO_CA_04	1	1	1	-	1	-	-	-	-	-	-
RO_CA_05	1	1	1	-	-	-	-	-	-	-	-
RO_CA_06	1	1	3	-	-	-	-	-	-	-	-
RO_CA_07	1	1	1	-	-	-	-	1	-	-	-
RO_CA_08	2	1	2	-	-	-	-	1	-	-	-
RO_CA_09	1	1	2	-	-	-	-	-	3	1	1
RO_CA_10	2	-	-	1	-	-	-	-	2	-	-
RO_DD_01	-	-	-	-	-	2	-	-	-	-	-
RO_DD_02	-	-	-	-	-	3	-	-	-	-	-
RO_DD_03	-	-	-	-	-	2	-	-	-	-	-
FR_CA_01	1	-	-	1	-	1	-	-	1	2	-
FR_CA_02	-	-	-	-	1	13	-	-	13	18	21
FR_CA_03	1	-	-	-	1	1	1	-	1	-	1
FR_CA_04	1	-	-	1	-	1	-	-	1	2	2
FR_CA_05	-	-	1	-	-	1	-	-	2	-	-
FR_CA_06	3	4	2	-	-	12	-	-	-	1	1
FR_CA_07	1	1	1	-	4	-	-	-	-	-	2
FR_DD_01	-	-	-	-	-	1	-	-	-	-	-
FR_DD_02	-	-	-	-	-	3	-	-	-	-	-
FR_DD_03	-	-	-	-	-	3	-	-	-	-	-
FR_DD_04	-	-	-	-	-	1	-	-	-	-	-
FR_DD_05	-	-	-	-	-	2	-	-	-	-	-

We note that most recommendations describe: "completing the actual normative framework" (26%), "budgetary and fiscal measures" (15%), "new organizational structures" (13%).

QF.II: At the level of the report & at the level of the organization

Communication and dissemination by the ombudsman/audit institution

QF.II.1:

All institutions analysed have strategies for communication and dissemination, containing specific mandatory procedures and disseminate results of the reports/proposals according to the provisions of special laws.

QF.II.2:

Concerning the Courts of Audit, the reports show that the objective of negotiations between the parties is afterwards officially communicated.

The Ombudsman and Defenseur des Droits publish the reports and proposals in official publications (Official Bulletin).

Media attention

QF.II.3:

Special situations of communication did not emerge in the interviews. Media institutions have access to the usual informational resources (websites, newsletters, etc.).

QF.II.4:

The reports show that the objectives of interviews have been diversely reported by media. The greatest media impact related to reports concerning taxes and charges, building transit infrastructure, public policies concerning the fight against smoking, and public sports programmes.

QF.II.5:

Media attention is most often focused on the findings of reports from the Court of Audit and towards provisions and new regulations proposed by Ombudsman/Defenseur des Droits.

Pressure may emerge only related to the institutions audited and from those which benefit from the new regulations proposed.

Attention of the legislature

QF.II.6:

The connections with the Parliament are substantiated by legal provisions contained in the documents of organisation and operation of the respective institutions. Special consultations are arranged with parliamentary committees when reports or recommendations aimed at public policies are expected to have a high impact on society.

QF.II.7:

The discussion of reports by the parliamentary commissions depends on the priorities of their activities. However, all reports are transmitted to the specialized commissions of the Parliament.

QF.II.8:

The attention of the Parliament imposes an active and responsible behaviour within the audited organizations. In special cases, the Court of Audit or Ombudsman (Defenseur des Droits) informs the Parliament concerning the modality of implementing the recommendations.

Power relationships

QF.II.9:

The responsible ministries play an active role with the Court of Audit or Ombudsman (Defenseur des Droits) only in the cases when they themselves are audited or benefit from the proposals of the Ombudsman (Defenseur des Droits). The respondents did not reveal situations of pressure on behalf of any public authority.

Learning culture within the organisation under scrutiny

QF.II.10:

The Court of Audit analyses the feedback of the audited institutions by means of periodic reports established by joint agreement or by new audits. Taking into consideration the compulsory character of recommendations and modalities established by common agreement for implementation, responsiveness is a given.

Differentiation emerges in the degree and compliance of the measures undertaken to implement the recommendations. Divergent opinions emerged in several cases but only during the initial stage and they were solved according to procedures established by law.

Characteristics of the relationship between auditor/ombudsman and the organisation under scrutiny

QF.II.11:

Annex 3 presents the quantitative evaluations of the respondents.

Predominantly the characteristic of a watchdog are assigned to the Courts of Audit and the characteristic of advisor are assigned to Ombudsman (Defenseur des Droits).

The respondents from the Court of Audit (Romania) revealed that in the last years their preoccupations have increasingly focused on counselling with a view on improving performance, identifying weaknesses, etc.

Comparatively analysing the quantitative responses of this relationship in the perspectives of auditor/audited, we note a higher appreciation for and shift towards the quality of counselling.

QF.II.12:

The consultation is compulsory and therefore it has been achieved in all situations.

QF.II.13:

The cooperation and availability of members of the audited organization are based on legal obligations. In general, the audits and period for audit are communicated ahead of time to provide an opportunity for the audited organization to organize its activities in order to respond to all the requirements.

Reputation of the auditor/ombudsman in the eyes of the organization under scrutiny

QF.II.14:

Concerning the Court of Audit of Romania, reputation was often connected to financial control and to measures addressing law breaking. The last decade brought about major changes in its objectives, which were reoriented towards auditing and counselling.

The Courts of Audit are recognized in the political, administrative and economic spheres as a "guardian" enforcing the law of finance and efficient use of public money.

The quantitative evaluations are presented in Annex 3.

Types of change and the probability of acceptance

QF.II.15:

Most respondents supported the feasibility of the recommendations, justifying that they are based both on the experience and expertise of auditor as well as good knowledge of the audited institution. In fact they are accepted by the audited institution.

For the Ombudsman (Defenseur des Droits), the feasibility of proposals is based on previous agreements with the responsible institutions (finance, health) and on the guarantee to support them after the approval of the proposal.

The ability to launch investigation on own initiative

QF.II.16:

The respondents' responses were affirmative.

The Ombudsman in Romania commented on the fact that the law enables its intervention in many situations, with the condition that situations involve real problems requiring an improvement of the legal or procedural framework.

List of reports

Romania

Code	Name of report	Year	Organization under scrutiny
Court of Audit			
RO_CA_01	Collection of taxes and charges due to the public budget for the period 2007-2010	2012	National Agency for Fiscal Administration
RO_CA_02	Identification of vulnerabilities of the administration and control system of taxes and charges enabling the facts of corruption	2012	National Agency for Fiscal Administration
RO_CA_03	Patrimony situation of the forestry fund in Romania, during the period 1990 - 2012	2013	National Company of Forests - ROMSILVA
RO_CA_04	Romanian Radio broadcasting company (2012)	2012	Romanian Radio broadcasting company
RO_CA_05	Romanian Television Company (2012)	2012	Romanian Television Company
RO_CA_06	Accomplishment of revenues and their use during the period 2007-2011	2012	National Authority for Administration and Regulation in Communication
RO_CA_07	National Company of Highways and National Roads in Romania and its specific activity for the national roads (2012)	2012	National Company of Highways and National Roads
RO_CA_08	Building and maintaining the highways during the period 2005-2010	2012	National Company of Highways and National Roads
RO_CA_09	Evaluating the academic and administrative management in managing the public funds allocated to higher education for the research activity	2013	Ministry of National Education
RO_CA_10	Implementing and using the IT system at the National Chamber of Pensions and other rights of social security	2011	National Chamber of Pensions

Ombudsman

Code	Name of report	Period	Organization under scrutiny
RO_DD_01	Special Report on the rights of war veterans, war widows and unmarried widows of war veterans	2009	National Union of Veterans
RO_DD_02	Special Report on the transport of pupils from the rural environment	2013	Ministry of National Education
RO_DD_03	Special Report on protection of persons with disabilities	2013	National Authority for persons with disabilities

France

Code	Name of report	Period	Organization under scrutiny

Court of Audit

Code	Name of report	Period	Organization under scrutiny
FR_CA_01	La sécurité des navires et de leurs équipages : des résultats inégaux, un contrôle inadapté	2012	Conseil général de l'environnement et du développement durable
FR_CA_02	Rapport sur l'application des lois de financement de la sécurité sociale	2011	Ministères chargés de l'économie et du budget Ministere du Travail, de la Formation professionnelle et du Dialogue social Ministère des Affaires sociales et de la Santé
FR_CA_03	Les politiques de lutte contre le tabagisme	2012	Ministère des Affaires Sociales et de la Santé Ministères chargés de l'économie et du budget
FR_CA_04	La politique de développement des énergies renouvelables	2013	Ministère de l'Ecologie, du Développement Durable et de l'Energie
FR_CA_05	Sport pour tous et sport de haut niveau : pour une réorientation de l'action de l'État	2013	Ministère de l'Éducation nationale, de l'Enseignement supérieur et de la Recherche
FR_CA_06	Les musées nationaux après une décennie de transformations 2000 – 2010	2011	Ministere de la Culture et la Communication

		2012	Conseil général de l'environnement et du développement durable
FR_CA_07	Évaluation d'une politique publique : la politique d'aide aux biocarburants		

Defenseur des Droits

		2011	Ministère de l'Intérieur
FR_DD_01	Conditions de taille minimale pour l'accès aux concours de la gendarmerie		
FR_DD_02	Indemnisation des sapeurs pompiers vaccinés contre l'hépatite B avant l'arrêté du 29 mars 2005 (clôture en satisfaction de la proposition de reforme07-P053)	2010	Ministère du Travail de la Formation professionnelle et du Dialogue social Ministère des Affaires sociales et de la Santé
FR_DD_03	Droit d'action contre l'employeur des marins dépendant de l'ENIM victimes d'un accident du travail ou d'une maladie professionnelle (Proposition de réforme 10-R019)	2010	Ministère du Travail de la Formation professionnelle et du Dialogue social Ministère des Affaires sociales et de la Santé
FR_DD_04	Extension aux fonctionnaires RQTH du droit à un départ anticipé en retraite (Proposition de réforme 11-R010)	2010	Ministère de la Fonction Publique
FR_DD_05	Règlement des amendes pour contraventions au code de la route traitées par le contrôle sanction automatisé (clôture en satisfaction de la proposition de réforme 09-R005)	2009	Ministère publics

Quantitative evaluations of responses at questions: QO.I.1- QO.I.3, QO.II.11- QO.II.12; QO.II.14

	QO.I.1	QO.I.2	QO.I.3	QO.II.11	QO.II.12	QO.II.14
RO_CA_01	2	4	4	2	2	3
RO_CA_02	3	3	3	1	3	2
RO_CA_03	4	4	4	3	4	3
RO_CA_04	2	3	3	2	3	3
RO_CA_05	3	4	2	2	2	3
RO_CA_06	4	4	2	1	4	4
RO_CA_07	2	3	3	2	3	3
RO_CA_08	2	2	3	1	4	2
RO_CA_09	3	3	4	1	3	3
RO_CA_10	2	2	2	2	4	3
RO_DD_01	3	3	2	4	4	3
RO_DD_02	3	4	3	4	4	5
RO_DD_03	3	4	3	5	4	4
FR_CA_01	5	5	3	3	4	4
FR_CA_02	5	5	4	4	5	5
FR_CA_03	3	4	3	4	4	5
FR_CA_04	4	4	3	5	4	5
FR_CA_05	3	4	3	5	5	4
FR_CA_06	5	4	4	4	4	5
FR_CA_07	3	4	3	5	4	4
FR_DD_01	5	5	3	5	5	5
FR_DD_02	5	4	3	5	4	5
FR_DD_03	3	4	2	4	5	5
FR_DD_04	4	4	3	5	5	5
FR_DD_05	4	4	3	5	5	5

Quantitative evaluations of responses at questions QF.II.4, QF.II.11, QF.II.14

	QF.II.4	QF.II.11	QF.II.14
RO_CA_01	4	3	2
RO_CA_02	4	3	2
RO_CA_03	3	3	2
RO_CA_04	3	4	3
RO_CA_05	2	3	3
RO_CA_06	2	4	3
RO_CA_07	2	4	4
RO_CA_08	2	3	4
RO_CA_09	2	3	3
RO_CA_10	2	3	4
RO_DD_01	1	4	4
RO_DD_02	1	5	5
RO_DD_03	1	4	4
FR_CA_01	1	3	3
FR_CA_02	1	4	4
FR_CA_03	2	4	4
FR_CA_04	1	4	3
FR_CA_05	2	4	4
FR_CA_06	1	4	3
FR_CA_07	1	5	4
FR_DD_01	1	5	5
FR_DD_02	1	4	4
FR_DD_03	2	5	5
FR_DD_04	1	5	5
FR_DD_05	1	5	5

Annex VII – Country Report Slovakia

1. Introduction

LIPSE Working Paper No.1, entitled "Social innovation in the public sector: A conceptual framework" (Bekkers et al, 2013) provides the overall framework for this concrete part of the project's research. It describes the concept of social innovation and relates this to the public sector context. Furthermore, it identifies numerous potential drivers and barriers for public sector innovation. These drivers and barriers have been ordered according to three main dimensions: the innovation environment, the innovation process, and the adoption of innovation. Figure 1 provides a schematic overview of the identified potential drivers and barriers.

Figure 1 Framework of potential drivers and barriers for public sector innovation
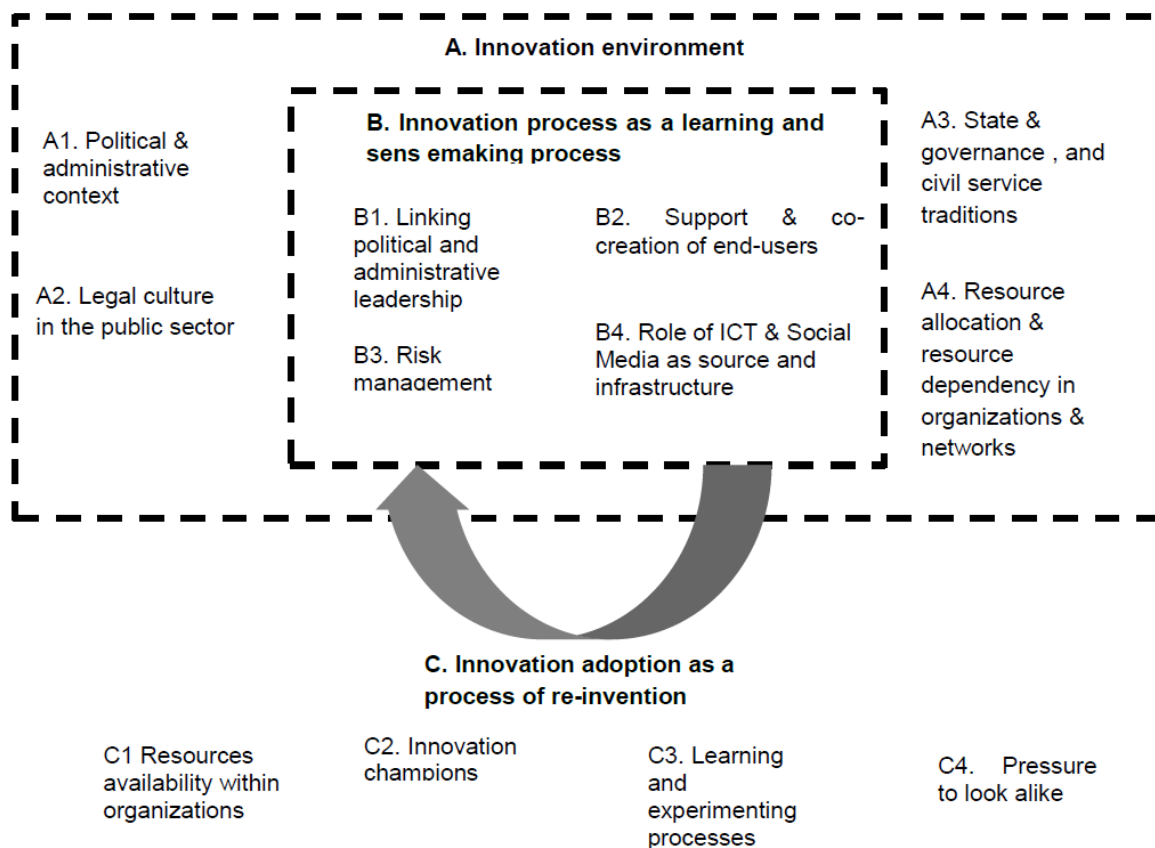
Source: Bekkers, Tummers, Stuijfzand, & Voorberg, 2013, p. 28.

In the following text we focus on reports and recommendations made by two selected accountability mechanisms – the Supreme Audit Office (SAO) and the Ombudsman – in the Slovak Republic. The goal is to assess the potential contribution of these accountability arrangements to the anchoring of social innovation in the public sector (Figure 2).

Figure 2 The role of accountability arrangements in social innovations

Feedback loops (accountability mechanisms such as ombudsmen and audit offices) $\longrightarrow$ Organizational learning

The general hypothesis is that accountability mechanisms such as ombudsmen and audit offices, if organized in an appropriate way and if well respected, can generate feedback loops through which organizational learning can occur. These learning processes may, in turn, increase the likelihood that innovations are anchored. Relevant questions to be answered are:

- Which accountability and feedback mechanisms are in place and how are these mechanisms organized: Do the Slovak SAO and Ombudsman function in such a way that organizational learning can occur?

- Does this lead to the institutionalization of certain innovations? If not, or if in very limited scale, what are the purposes?

2. Research methodology

To be able to respond to our research questions we decided to follow a five step research design:

1. Defining the sample of SAO and Ombudsman reports to be analysed.

2. Content analysis of selected SAO and Ombudsman reports.

3. Selection of cases for in-depth research and interviews.

4. Interviews.

5. Summarising results.

SAO

Concerning the SAO, all audit protocols are available on the SAO website. We decided to check all reports published during the 2007 – 2011 period (and 2014 to obtain information on if the SAO practice has improved). The titles of all reports for this period (about 120 - 150 reports annually) were screened and reports with titles indicating that a performance audit was delivered were selected. All selected reports were analysed in-depth using a content analysis method. This analysis showed to us that many so-called performance audits are in reality just compliance audits and that very few real performance audits with effective recommendations are produced by the Slovak SAO (Annex 2). On this basis we selected three performance audits for detailed investigation:

1. SAO combined performance and compliance audit report Banovce and Bebravou (performance proposals in the area of waste management): report published in 2009.

2. SAO combined performance and compliance audit report City transport enterprise Zilina (performance proposals for public transport organisation): report published in 2011.

3. SAO performance audit on separation of waste published in 2011. For this report we investigated the situation in the following five municipalities: Raslavice, Huncovce, Druzstevna pri Hornade, Helpa, and Spissky Stiavnik.

For each of these reports we interviewed the responsible person on the side of the audited body. On the side of the SAO we were able to realise only one interview, with the director of the section responsible for performance auditing – Slovak law does not allow auditors to speak about audits without a special permit (see section on SAO legal foundation). A total of 10 interviews were realised.

Ombudsman

Similarly, on the Ombudsman website it is possible to find and download all reports. Two types of reports are published: annual reports and specialised reports. Because the number of reports was limited, we applied a content analysis method on all of them – see Annex 1. On this basis we selected one issue (mentioned in several reports): the possibility of electronic voting from abroad. For this issue we conducted two interviews – one with the Ombudsman and one with the head of department for elections at the Ministry of Interior of the Slovak Republic.

3. General characteristics of the Slovak SAO and Ombudsman

Characteristics of the Supreme Audit Office of the Slovak Republic[45]:

VISION:

The development of the Supreme Audit Office of the Slovak Republic as an independent and a flexible institution which supports optimal use of public resources and significantly contributing to more effective public finance in accordance with legislation of the European Union and the Slovak Republic.

MISSION:

The improvement of the quality and efficiency of independent auditing activities, as well as internal control systems through the bodies, employees and optimally distributed network of regional offices in mutual support and co-operation with other audit institutions and also contributing to transparency and responsibility of government, public administrations and territorial self-government resulting in better management of public means and property.

KEY VALUES:

- *Facilitating sound and effective management of public means and public property and providing both the National Council of the Slovak Republic, other interested subjects including the general public with objective information on findings ascertained during performance of audits.*

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[45] This section is taken directly from: http://www.nku.gov.sk/en/web/sao

- *Strengthening the position of the Office within the INTOSAI and EUROSAI structures and further enhancement of bilateral and multilateral co-operation with the supreme audit institutions (hereinafter referred to as the "SAI") both in Europe and the world.*

- *Adapting and implementing the European Implementation Guidelines for the INTOSAI Auditing Standards up to the conditions in the Slovak Republic.*

- *Performing high quality auditing activities independently, economically, efficiently and effectively.*

- *Improving performance and responsibility of both auditors and other employees, as well also the incentives; taking care of their personal and professional development, strengthening their pride and loyalty to both their work, and the Office and improving the working environment of the Office.*

The legal basis for the SAO's functioning is the "Act of the National Council of the Slovak Republic No 39/1993 Coll. of Laws on the Supreme Audit Office of the Slovak Republic as amended by Act No 458/2000 Coll. of Laws, Act No 559/2001 Coll. of Laws, Act No 385/2004 Coll. of Laws, Act No 261/2006 Coll. of Laws, Act No 199/2007 Coll. of Laws, Act No 659/2007 Coll. of Laws and Act No 400/2009 Coll. of Laws." The core relevant parts of this law are as follows[46]:

Article 2: Scope of competence of the Office

(1) The Office shall audit the management of:

a) budgetary funds approved under the law by the National Council of the Slovak Republic or by the Government of the Slovak Republic (hereinafter referred to as the "Government")1),

b) property, property rights, funds, obligations and claims of state, public law institutions, the National Property Fund of the Slovak Republic, municipalities, upper-tier territorial units, legal entities with capital participation of the State, legal entities with capital participation of public law institutions, legal entities with capital participation of the National Property Fund of the Slovak Republic, legal entities with capital participation of municipalities, legal entities with capital participation of upper-tier territorial units, legal entities established by municipalities or legal entities established by upper-tier territorial units1b),

c) property, property rights, funds and claims provided to the Slovak Republic, legal entities or natural persons under development programmes or for other similar reasons from abroad,

d) property, property rights, funds, claims and obligations, for which the Slovak Republic has assumed guarantee,

e) property, property rights, funds, claims and obligations of legal entities carrying out activities in the public interest.

Article 3: The Office shall carry out audits with regard to compliance with generally binding legal regulations, the economy, effectiveness and efficiency.

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[46] This section is extracted from: http://www.nku.gov.sk/documents/10272/98328/xact_on_sao_sr.pdf

Article 13:

(2) The Office may make recommendations to audited entities and to relevant bodies on how to deal with weaknesses and shortcomings identified during the exercise of its competence.

Article 20:

(1) The Office shall inform on any weaknesses and shortcomings identified by the audit the authority acting on behalf of the State in relation to the activities of the audited entity. Any weaknesses and shortcomings identified in the activities of state administration authorities shall be communicated to the competent authority of the state administration. Any weaknesses and shortcomings identified in the activities of central bodies of the state administration shall be communicated to the Government through the Prime Minister.

(2) The authority to which weaknesses and shortcomings identified by the audit have been communicated by the Office shall be obliged, within the scope of its competence and within the time period specified by the Office, to ensure removal of the identified weaknesses and shortcomings and to submit, without delay, to the Office a written report thereof.

The SAO is one of the most active Slovak CAF participants and it received two national prizes for its quality management system. The latest financial and HRM data about the SAO are provided by a 2012 annual report. According to this report, in 2012 the SAO employed 290 persons, of which 278 were civil servants. Its 2012 budget was 7,785,243 EUR. The organisational structure consists of 6 sections (four audit delivering sections, a section for economy and informatics and a strategic section) and the SAO has 8 satellite offices, one in each region.

Characteristics of the Ombudsman of the Slovak Republic (www.vop.gov.sk)

The website of the Slovak Ombudsman (Public Defender of Rights) is less comprehensive than the SAO website and does not include a mission or vision statement. Instead it just provides links to the main legal documents and descriptions of activities.

The scope and scale of the rights and responsibilities of the Slovak Public Defender of Rights (Ombudsman, www.vop.gov.sk) are defined by the Article 151a of the Slovak Constitution, core parts follow[47]:

(1) The Public Defender of Rights is an independent body which in the scope and in manner laid down by a law protects the fundamental rights and freedoms of natural persons and legal entities in the proceedings, before public administration bodies and other public bodies, if activities, decision making or inactivity of the bodies are inconsistent with legal order. In cases laid down by a law the public defender of rights can participate in calling the persons acting in public bodies to responsibility, if the persons have violated fundamental right or freedom of natural persons and legal entities. All public power bodies shall provide the public defender of rights with needed co-action.

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[47] This description is taken directly from : http://www.vop.gov.sk/constitutional-grounds-of-the-institution

(2) The public defender of rights can apply the Constitutional Court of the Slovak Republic for commencement of proceedings according to Art. 125, if fundamental right or freedom acknowledged for natural person or legal entity is violated by a generally binding legal regulation.

(3) The public defender of rights shall be elected by the National Council from among the candidates proposed by at least 15 members of the National Council for a term of office of 5 years. A person, who can be elected as public defender of rights, must be a citizen of the Slovak Republic who can be elected as member of the National Council of the Slovak Republic and has reached the age of 35 years by the day of election. The public defender of rights may not be a member of a political party or political movement,

(6) Details of the election and recall of the public defender of rights, his competence, conditions of execution of the function, manner of legal protection, and on presentation of proposals for commencement of proceedings before the Constitutional Court of the Slovak Republic according to Art. 130 sect. 1, lett. f) and on application of rights of natural persons and legal entities shall be specified by law.

In 2014, the Office of the Ombudsman employed 28 civil servants; of this, 24 directly participate in professional investigations. It also employed 12 administrative staff. The 2014 approved budget was 1,117,770 EUR, from this more than approximately 800,000 EUR were for salaries.

4. Does the Slovak SAO function in such a way that organizational learning can occur?

As indicated above, the Slovak SAO is a CAF user and for its quality initiatives it has received several awards. The representatives of the SAO are very proud of the quality of their audit activities – the interviewed director felt that the functioning of the SAO was excellent. However, the reality is very different, as our research and other sources indicate. The interview at the SAO already revealed several major problems, particularly:

- Before 2011 there was no mechanism in place to archive performance recommendations (without archiving it is rather difficult to follow implementations).

- This is not the case for recommendations from performance audits. According to our interview with the director at the SAO, recommendations from performance audit are archived for only three years; neither audited bodies nor the SAO follows them afterwards.

- Since 2011 performance recommendations are also archived, but there is no system in place to tract if any implementation actually happened. So reports may include certain, in some cases even important proposals, but no one from the SAO monitors the results.

- The director is very much of the opinion that the SAO's role is one of a watchdog.

Our content analysis clearly documents that the qualification of SAO auditors to deliver performance audits is rather different: we may state that the SAO investigates the right cases

(because of a number of controls, public sector performance is thoroughly investigated by the SAO) but not always with the right criteria. First, many audits officially considered compliance and performance audits are just compliance audits. When checking performance audits (the performance parts of audits) we were able to find few excellent reports and also several reports with major deficiencies. We can quote from two reports to highlight the lack of qualification of auditors:

"The city purchased cars for the lowest price. This means that economy, efficiency and effectiveness are secured."

"For each audited university we randomly selected an area for economic evaluation. In UKF Nitra we found that there was no exact paper evidence of the presence of staff in their offices."

The main principles for communicating SAO findings are prescribed by law. Draft reports must be discussed with audited bodies in joint meetings. Audited bodies must sign the final protocol (with the right to provide statements). Management (elected) bodies of audited organisations shall discuss SAO reports at regular meetings. SAO reports have full access to the Parliament. The SAO also has one special department for communication with media and public.

The positive finding is that there is some potential for the establishment of a learning loop – all interviewed organizations indicated that SAO proposals in our three selected cases are factual and helpful. Unfortunately, the number of performance audits with these types of proposals is still rather limited (of more than a hundred analysed performance reports, maybe ten have this character).

5. Does the Slovak Ombudsman function in such a way that organizational learning can occur?

According to the legislation indicated above, the core role of the Ombudsman is to act **upon a complaint** of a person or legal entity or **on his/her own initiative** in cases **where fundamental rights and freedoms were infringed** contrary to the legal order or principles of the democratic state and the rule of law in relation to the activities, decision-making or inactivity of a public administration body. This legislative environment means that the main role of the Ombudsman has an ex-post character and the chance to cover all problems is limited (the capacities of the Ombudsman for their own initiatives are limited).

However, the Ombudsman also states on their website that the role of the office is also to improve public sector functioning – so some space for innovative proposals exists:

*"I wish the state would function for the people and in terms of democratic principles of good governance. I consider it very important and accordingly **I would also like to markedly contribute to improving the operation of the public administration bodies**. I will devote my energy and time above all to make our country a really good place for life and to make people feel better here."*

<div align="center">

JUDr. Jana Dubovcová, Public Defender of Rights

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The analysis of Ombudsman reports (see annex) indicates that a standard part of these reports are recommendations. Most of these recommendations have a basic defensive or organisational character, but some of them may serve as motivation for public sector innovation. However, we

have to mention that the Ombudsman does not have a sufficiently proactive communication strategy, especially concerning innovative proposals. All proposals are reported through two basic channels:

- annual regular reports – submitted to Parliament

- extraordinary specific reports on its own initiative – with the right to move this document forward to be discussed in Parliament

Findings and proposals may be, but must not be, discussed with the bodies involved – all this depends on the Ombudsman's discretion (the Ombudsman also stressed that even in cases when she wants to discuss some issues, it is rather difficult to find a real partner – particularly the Ministry of Labour and Social Work is not open for such communications). One employee of the Ombudsman Office is responsible for the contact with media, but the effectiveness of such efforts varies case by case.

All the findings above indicate that there is a relative potential for establishment of learning loop on the basis of Ombudsman recommendations. The Ombudsman is ready to serve in this direction, as our interview shows (our interviews with the Ombudsman seemed to serve as a tool to strengthen this mechanisms), but a lot depends on the willingness of responsible public bodies.

6. What is the real impact of the Slovak SAO and Ombudsman on public sector innovations?

The responses from the eight interviewed organisations do not provide a very optimistic picture concerning the level of implementation of SAO and Ombudsman recommendations.

Concerning the SAO, only in one case (Helpa) did the mayor state that all recommendations were welcomed and fully implemented (however, our 'cross-check' indicated that his statements were not fully accurate, just 'overly positive' – for example the municipality does not have the data needed to assess the level of separation and such data are not part of the program's budget). In other investigated cases respondents mentioned partial or zero implementation – the main excuse was financial constraints.

Another question is if SAO recommendations were the main (or at least an important) reason for changes. If we look at our cases:

- changes in the public transport system in Zilina are result of project conditions financed by EU funds, not an SAO report (no impact);

- improved separation of waste at the municipal level is mainly the result of new stricter EU legislation, setting legal requirements for recycling (SAO reports might play some role, but they are not the dominant factor for changes);

- new system of heating in Banovce also cannot be directly connected with SAO recommendations (SAO reports might play some role, but they are not the dominant factor for changes).

Municipalities do not screen SAO reports as a source of new ideas and innovations. For them, the SAO is a watchdog, controlling details of their actions and not a partner helping them to improve local democracy and local public services.

From the point of view of costs and benefits in the form of real impacts of SAO audits on public administration innovation, we cannot be very positive. From several hundred reports (see annex) only very few include real recommendations with innovative potential and in most cases even this rather limited innovative feedback loop is neglected by audited bodies.

Concerning Ombudsman our research indicates that innovative proposals by Ombudsman are not realised at all.

To summarise, we may argue that the impact of the SAO and Ombudsman on public innovations via effective feedback learning loops is rather limited because of the character of both institutions (perceived as controllers) and the general political environment (politicisation of the public administration system – especially with regard to the Ombudsman). The following section explains additional problems in this direction.

7. Selected barriers limiting the chance for effective feedback loop to support innovations (with focus on local level)

The previous section argues that the SAO and Ombudsman impact on public innovation are rather limited because of the character and capacities of these bodies. Beyond these factors, analysed above, our research as well as existing data also reveal other reasons for the rather limited quality of the feedback loop for innovations in this area. We have to stress the following aspects:

1. Limited absorption (implementation) capacity on the side of addressed organisations.
2. Difficult Slovak environment, characterised by a lack of accountability and responsibility.
3. Over-politicisation of public life and the role of the media.

Absorption capacity

The problem of absorption capacity includes several dimensions, but the best visible issue is territorial fragmentation. Local governments not only feel that the SAO and Ombudsman are just controllers and they have doubts about the capacity of the SAO to control and advise, but in most cases they do not have sufficient financial and human capacities for improving and implementing interesting recommendations. This situation is the result of too much fragmentation on the level of municipal government. Slovakia has 5.5 million inhabitants, but almost 3,000 municipalities, most of them below 1,000 inhabitants. Such small units have problems handling basic daily tasks of municipal life and their internal innovative capacity and absorption capacity for handling external innovation inputs is close to zero.

The absorption capacity (for positive performance suggestions) by larger public sector bodies is also limited, as our cases show (Zilina has almost 100,000 inhabitants) and the main purpose is described in the following text.

Accountability and responsibility

The second, regions specific problem – lack of accountability and responsibility – is well described by Vesely, 2013, as well as other sources. According to the existing theory (see, for example, Stiglitz, 1989) elected politicians may serve the public but also their own private interests. In the Slovak condition the second choice is rather frequent – and rent-seeking officials do not normally deliver innovations to improve administrative and public services (though in cases where innovations are costly and related firms may benefit, the situation can be different).

The study by Pavel (2009) clearly shows that because of the low level of accountability, Slovak public bodies frequently do not correct mistakes found by SAO controls – if clear problems are not reflected, it is difficult to imagine that performance proposals would be.

Politicisation

The Slovak public sector is clearly over-politicised. The SAO and Ombudsman can serve as interesting examples. The SAO has been rather popular with the current and previous governments (the current president of the SAO's term ended three years ago and a new president has still not been elected by Parliament; no political party cares about this). We can propose one reason for this: for many years the SAO did not initiate investigations of any major top level scandal.

On the other hand, the reputation of the SAO, as evaluated by external experts, it is not very high. A lot is already visible from our content analysis and from interviews. In 2012, the SAO was reviewed by Transparency International (part of a large project on CEE countries). It scored relatively high in global figure, but the lowest scores were for following indicators:

"To what extent does the audit institution provide effective audits of public expenditure?"

"To what extent is the SAO effective in improving the financial management of government?"

The scores for auditors by interviewed representatives of audited bodies is also quite low – all of them see the SAO as a watchdog, auditors not able to work on the basis of trust and understanding. The average mark for the SAO's reputation in terms of credibility and expertise by this group is 3 (with 7 as maximum).

Concerning the Ombudsman, its position is rather different. The Ombudsman stated during the interview that:

"Political support can bring more openness of Parliament to the suggested changes".

Because the Ombudsman criticised several actions of the current government, she is "persona non grata" today for the governing coalition with a clear majority in the Parliament. The fact that the Ombudsman did not receive space for her requested interventions in the programmes of recent Parliamentary sessions is clear documentation of the current antagonistic relations between the coalition government and the Ombudsman office (see, for example, Pravda, 30. 1. 2014: http://spravy.pravda.sk/domace/clanok/306921/).

The Ombudsman also stated:

"The Public Defender of Rights is expected to be the eyes and ears of Parliament. (However)… The Public Defender of Rights is perceived by the institutions more like the control institution and the primary reaction is to defend".

Role of media

The role of the media reflects the situation in today's society. The media are ready to spread information about negative issues, scandals ('boulevard' media approach), but not so much on positive performance – such information does not create sufficient attention. Slovakia does not have any really investigative and independent daily or weekly (most journals belong to two owners). This situation is mentioned by the Ombudsman:

"Practical experience indicates that if some specific and unique issue is detected – the solution of such an issue is much quicker compared to an issue which requests systematic change. It is much more difficult."

8. Conclusions

The theory expects that accountability mechanisms, like SAO and Ombudsman activities may create feedback loops supporting public innovations. This report checks the concrete situation of the Slovak Republic. On the basis of the comprehensive set of data reviewed, interviews and general knowledge, we can state that such feedback loops almost do not function in the Slovak reality and we also provide certain explanations of why.

Changes on many levels are necessary to make this feedback loop effective – particularly improvement of performance audit capacity at the SAO level, less politicisation of the public administration in the country and better absorption/implementation capacity by public bodies responsible for innovations.

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Annex VIII – Country Report United Kingdom

Learning, Innovation, Anchoring and Auditing In UK Government and Public Sector Accountability

LIPSE: Report on UK Work Package 3 – Mapping and Analysis of the Recommendations of Ombudsmen, Audit Offices and Others

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1. Introduction

The LIPSE project is focussed on what can be learnt about social innovation in the public sector. Specifically it concentrates on what encourages innovation, and what retards it – in other words: drivers and barriers. Innovation in this context is broadly defined as a process that involves the development and implementation of new ideas that make "a substantial difference to an organisation's understanding of the needs it is addressing and the services it delivers. Hence innovation is seen as the process of bringing in something new that breaks the existing practice and routines" (Lewis et al. 2014, p.8).

Work Package 3 concentrates on accountability procedures. If properly organised and implemented these procedures can generate feedback loops that may lead to organisational learning. This may involve innovation, and the continued operation of the feedback mechanism may help to anchor the innovation in the organisation`s repertoire.

Two questions naturally arise. First, what are the accountability mechanisms that operate in the UK public sector? Second, do their activities naturally give rise to feedback mechanisms that might lead to and institutionalise innovations? If the answer to the second question is negative, or is usually negative then a further question naturally arises: is this an intended result or does it involve a failure of institutional design or operation?

In the UK there are a range of organisations that fulfil accountability functions. We chose to look at some of the key ones at a national level: the Committee of Public Accounts (PAC), the National Audit Office (NAO), and the Parliamentary and Health Service Ombudsman (PHSO). To complement these national actors we chose to study the relatively recently introduced local government system of Scrutiny and Overview. These institutions are described below in Section 3, along with the Local Government Ombudsman which is included because the two ombudsmen are increasingly cooperating to resolve disputes and undertake investigations.

After a brief description of our methodology the rest of this paper tries to answer a series of important questions given the limited evidence from our nine national and local case studies. These questions are:

- Do audit and scrutiny foster learning institutions?
- Are auditors watchdogs or advisors?
- Does media pressure accelerate implementation?
- Why are recommendations accepted?

A brief summary concludes.

2. Research methodology

The research methodology we used involved five stages:

1. Choosing the reports for analysis.

2. Analysing the reports' contents.

3. Selecting cases for in-depth interviews.

4. Applying questionnaires.

5. Summarising results.

Choosing the reports to analyse involved finding reports that had clear recommendations for change. In auditing terms we were looking more for performance audits than for compliance audits. To test whether a recommendation has been implemented it helps if the recommendation is clear. But testing for implementation means that the report probably has to have been issued some years earlier. For even if an auditee agrees to implement a recommendation immediate compliance may be infeasible. But the passage of time can also mean the audit team has disbanded and left the audit organisation, making it impossible for us to interview them. This prevented us from completing a second PAC case study.

The content analysis of the report helps to decide its importance for our purposes and can throw extra light on the issue of whether or not there is evidence of feedback loops between the two parties. It can also suggest policy changes that may encourage innovation by the auditee.

If the report is of some significance and enough time has passed for a sensible evaluation of whether its recommendations were adopted, then we set about collecting detailed evidence about the relationship between the auditor and auditee using an extensive questionnaire. This was achieved by face-to-face interviews or by email and telephone contact. We selected nine reports as case studies. We obtained information from eight auditors and two auditees. Thus auditees are significantly underrepresented, and this needs to be borne in mind when interpreting our findings.

The results of the process are summarised to facilitate comparisons across countries and to draw conclusions from our range of case studies for the UK. It should be noted that although in many respects the UK is a highly centralised state it has devolved significant powers to Scotland, Wales and Northern Ireland. Thus operating on behalf of Parliament the NAO scrutinises all central government spending, but excludes spending by devolved governments in the rest of the UK. This latter

expenditure is examining by Audit Scotland, the Wales Audit Office and the Northern Ireland Audit Office.

3. Key institutions

THE NATIONAL AUDIT OFFICE

The NAO and the PAC are the most important parts of the central government state-audit system in the UK and England. The NAO is completely independent of government and is tasked with examining public expenditure on behalf of Parliament, to whose Committee of Public Accounts (PAC) it reports. Its head, the Comptroller and Auditor General (C&AG) has the right to examine and audit government and public body accounts, and is an Officer of the House of Commons. Neither he nor any of his staff of 822 (2013-2014), most of whom are accountants, is a civil servant. The NAO is overseen by a parliamentary committee, the Public Accounts Commission. This body appoints the auditors for the NAO and considers and presents the estimated expenditure requirements of the NAO to Parliament. It also appoints non-executive members to the NAO's board.

In 2013-2014, the NAO certified 427 accounts for 355 organisations, so assuring £1 trillion of income and expenditure, and by its own account saving the government an estimated £1.1 billion. 67% of audited bodies agreed that that the NAO "improves their approach to financial management and control". It produced 66 Value for Money (VFM) reports and 4 reports on local services. The PAC held 60 hearings based on NAO work, and the government accepted 86% of PAC recommendations.

The priorities of the NAO are to help government base its decisions on reliable comprehensive and comparable data, to improve its financial management and to help departments better understand the process and costs of delivering their services. "We define good value for money as the optimal use of resources to achieve the intended outcomes. Our role is not to question government policy objectives, but to provide independent and rigorous analysis to Parliament on the way in which public money has been spent to achieve those policy objectives" (http://www.nao.org.uk/about-us/what-we-do/value-for-money-programme/what-is-a-value-for-money-study?/ accessed 27/01/2015).

In trying to achieve its priorities the NAO aims to use the best available techniques and, where appropriate, to be innovative approaching the investigations. They may employ outside specialists and an investigation generally takes from 3 to 12 months. The investigation commonly uses financial and management analyses, document and literature reviews plus information from departmental and other staff, from practitioners and service users, and benchmarking with other organisations at home or abroad. The full VFM cycle is consistent with the introduction and anchoring of social innovation in the public sector and is summarised on the NAO website as follows:

- C&AG decides what subjects to examine on the basis of advice from NAO teams.
- The study team scopes the study and plans what methods will be most appropriate to deliver the study's objectives.
- The study team carries out the study to an agreed timetable and budget.
- The study team drafts a report including a conclusion on value for money and recommendations for improvements.

- The factual content of the report is discussed ("cleared") with the audited body.
- The report is laid in the House of Commons and published.
- The report is the basis for a hearing of the Committee of Public Accounts (PAC) which publishes its own report and recommendations. NAO staff assist with drafting this report. Only the more important reports lead to PAC hearings.
- The Government responds formally to the PAC report, indicating what it will do to implement the committee's recommendations.
- The NAO assesses what action has been taken in response to each of the PAC's reports and, where appropriate, may undertake a follow-up study to scrutinise the response in detail.

The VFM process is itself subject to quality assurance through internal peer review and external independent expert review. The intention is that the finished review is the product of a robust methodology, and so has clear defensible conclusions, and that NAO recommendations will drive improvements in public service.

The NAO summarises its accountability process in the following five steps:

- Government requests and Parliament grants funds
- C&AG audits accounts and examines spending and reports to Parliament
- PAC session and report
- Government response
- NAO monitoring of government action and follow-up

PUBLIC ACCOUNTS COMMITTEE

The PAC was created in 1861 at the behest of the then prime minister W. E. Gladstone. It has long been one of the key scrutiny committees of the UK parliament. It currently comprises fourteen backbench members of parliament, whose political affiliations reflect the number of seats won by the various parties at the most recent General Election. In February 2015 there were eight Conservatives, five Labour members and one Liberal Democrat. As it was created to examine government finances it is logical that a Treasury minister sits on the committee. But by convention the minister does not normally attend its meetings, presumably to preserve the appearance of the penultimate auditee, the Treasury, not influencing the decisions of a key auditing body. The Chair of the Committee is elected by the Committee, and again by convention, to signal the independence of the Committee, it is normally a senior opposition politician. The Deputy Chair is normally a non-ministerial member of the governing party or coalition.

The House of Commons appoints the PAC to examine "the accounts showing the appropriation of the sums granted to Parliament to meet the public expenditure, and of such other accounts laid before Parliament as the Committee may think fit" (Standing Order No 148). Its focus is thus on the VFM reports of the NAO, and at its about sixty meetings a year it takes oral and written evidence from the senior civil servants, especially Permanent Secretaries and Accounting Officers, and other senior public employees. Its secondary focus is any serious financial issues arising from NAO financial audits of ministries and other public bodies.

Apart from the public business of the Committee, its Chair has two very sensitive functions that are constitutionally significant but either secret or very rarely publicised. The secret function is to receive reports from the NAO on the financial management and progress on contracts for much of the UK's

defence and intelligence budgets. The sensitive and rarely noted function is to deal with certain failures in financial management, accusations of corruption or conflicts of interest. The NAO may carry out confidential investigations and commonly the results are discussed solely by the PAC Chair and the C&AG (Dunleavy *et al.* 2009 p.15).

As in the investigations of the NAO the PAC confines itself to questions of economy, efficiency and effectiveness. The PAC website defines *economy* as "the minimising of costs of resources used for an activity, having regard to appropriate quality"; *efficiency* is "the relationship between the output in terms of goods, services or other results and the resources used to produce them"; and *effectiveness* is "the relationship between the intended impact and the actual impact of an activity or product."

Any attempt to consider how policy was made or question whether it should have been different is vigorously rejected by the Government. Such questions are the concern of the Parliamentary select committees, not the PAC. As intended this prohibition is hard wired into the NAO's behaviour. Here the influence of the Treasury is considerable and in this area derives from the fact that it is responsible for controlling public expenditure. So in a sense when the NAO carries out a VFM study on a ministry, the Treasury is also being audited, as is the Government.

The PAC is a key part of the process of guaranteeing the transparency and accountability of government financial transactions. The Committee is assisted by the Comptroller and Auditor General who is present and available to give evidence at Committee meetings, and by his NAO staff. The NAO staff also assist the Committee with writing its reports, and provide it with briefings. As one of our NAO informants wrote, the PAC "takes our highest profile reports and questions witnesses from the government with questions arising."

In 2013-14 the PAC held 60 hearings based on NAO reports. The questioning can be vigorous and the performances of the PAC, and especially of its chair, can verge on the flamboyant. Few witnesses can relish the experience, especially as the language of the subsequent PAC reports can be more hard-hitting than that of the original NAO reports. Unlike the latter the PAC reports are not shown to the auditees in advance of publication. The reports are adopted by the PAC after internal discussions – it is very rarely divided.

Finally, the government is obliged to reply to PAC recommendations within two months, which it does in what is called a Treasury Minute. In fact over 90% of recommendations are adopted, and we discuss the reasons for this high proportion in a later section.

PARLIAMENTARY AND HEALTH SERVICE OMBUDSMAN (PHSO)

The first UK ombudsman, the Parliamentary Commissioner for Administration, was created in 1967. The office and its powers were loosely based on Scandinavian practices. Originally it was designed to investigate complaints of unfair treatment or inadequate service by UK central government departments and certain agencies. But there were significant limitations to the scope of its inquiries. For example, section 4, schedule 2 of the Parliamentary Commissioner Act 1967 excluded personnel and commercial actions from investigation.

At the time of its creation access to its complaints mechanism was and, somewhat controversially, still is through a complainant's member of Parliament. In effect this means that the PHSO cannot conduct investigations into the central government on its own initiative, and that significantly weakens its power and effectiveness. This limitation was created in part to reflect the concern of the elected

members of Parliament that their role in dealing with their voters' complaints in this area of state activity should not be removed. This access limitation was not extended to health complaints when in 1973 the Ombudsman`s role was extended to the National Health Service, but neither was the existing access limitation abolished, then or subsequently, and the current Ombudsman has recently raised this issue again. The extension of Ombudsman powers into the health service continued under the Health Service Commissioners Act 1993, and in 1996 they were further extended to take in complaints about clinical judgements. Health complaints now form 80% of enquiries.

The different access routes for complaints were somewhat confusingly reflected in the fact that ombudsmen have held the two separate posts of Health Service Commissioner and Parliamentary Commissioner for Administration simultaneously. The issue is now further complicated by the creation of local government Health Scrutiny Panels, partly in keeping with a desire to devolve some powers, and partly to reflect recent reforms in the National Health Service.

In the PHSO's view its work is part of the administrative justice system and accountable directly to Parliament. Their investigation of people's complaints, they argue, gives people a voice and some power. It can recommend how organisations should remedy errors, for example by an apology or by paying compensation, and can ask them to produce action plans to do so. But although the PHSO's decisions carry considerable weight it cannot enforce them. However it can report significant large or recurring maladministration issues to Parliament, which can hold the responsible organisation to account. The accepted practice is to implement the Ombudsman's judgement. For example, in 2010-11 more than 99% of individual recommendations were accepted.

To access the PHSO's complaints procedure, the applicant must show that the organisation they wish to complain about has been given a chance to put things right. Our case study organisation raises an important doubt about PHSO's application of this provision.

If an applicant can satisfy the PHSO that they can surmount this hurdle, and the PHSO conducts an investigation, then it can deploy some formidable legal powers. For example, in gathering evidence and examining witnesses it has the same authority as the High Court. Any attempt by the subject of the investigation to defy these powers may be a contempt of court.

The Ombudsman's "Annual Report and Accounts 2013-14: A voice for Change" reported that in 2012-13 it had received 27,566 enquiries that had resulted in 2,199 investigations, six times more than in the previous year. Of those investigations 49 were conducted jointly with the Local Government Ombudsman (LGO, see below). 854 of the complaints were upheld. Its budget was £35 million, and it published 22 reports, including 6 with the LGO. It expected that by 2014-15 it would have the capacity to investigate 4000 cases a year. By the end of March 2014 it had the equivalent of 427 full time staff. As it works jointly with the LGO, whose head has recently joined the PHSO's board, we include a brief account of that organisation. It may be a harbinger of the future structure of this area of audit in the UK that the heads of the two organisations recently argued for the creation of a combined Health and Local Government watchdog, with powers to initiate investigations.

LOCAL GOVERNMENT OMBUDSMAN

Over the last half century the Ombudsman system has evolved by expanding to cover wider areas of administration, often by the creation of new ombudsmen covering more specialised areas of activity. The Local Government Ombudsman was created in 1974. In 2013-14 it registered 20,306 new complaints and enquiries, of which 11,725 were considered, and 5,680 of those eventually passed to

an investigation team. Of those, 70% were dealt with in 13 weeks, 90% in 26 weeks and almost 100% within 52 weeks. 46% of the complaints dealt with in detail were upheld and 60% of the customers were satisfied or very satisfied with the service. The operating expenditure of the service in 2013-14 was £12.2 million and there were 161 staff.

Since April 2013 the Commission has published all of its decisions, save for those where publication might reveal the complainant. Publication increases the transparency of the decision making process and the accountability of the service.

Apart from parish and town councils, which have their own arrangements for dealing with complaints, the jurisdiction of the commission includes all local authorities, police and crime bodies, school admission appeal panels and many other bodies providing local services. The vast majority of complaints concern the decisions of local authorities. Central government administration is covered by the separate Parliamentary and Health Service Ombudsman, although both ombudsmen sit on each other's boards and conduct joint inquiries where a complaint falls under both competences. They are concerned to investigate maladministration and injustice and to encourage appropriate remedies. "Although we cannot make bodies do what we recommend, they are almost always willing to act on what we say" (http://www.lgo.org.uk/about-us/ accessed 28.1.15).

From the viewpoint of the LIPSE study perhaps the most interesting aspect of the Local Government Ombudsman's work is their focus on promoting best practices. This objective has been partly met by their recent decision to publish every decision they reach. Even more importantly, in 2013-14 58 detailed reports of investigations were published because the cases involved issues of wider public interest. "By publishing such cases we seek to ensure that all local authorities apply the lessons to their own councils and learn from the experiences of people in one area to inform service improvement in another" (ibid.).

OVERVIEW AND SCRUTINY IN LOCAL GOVERNMENT

"Overview and Scrutiny committees were established in English and Welsh local authorities by the Local Government Act 2000. They were intended as a counterweight to the new executive structures created by that Act (elected mayors or leaders and cabinets). Their role was to develop and review policy and make recommendations to the council" (Sandford 2014). Current committees operating in England draw their powers from the Localism Act 2011. Other regions operate under different legislation or in the case of Scotland no legislation, though many local authorities there have such committees.

In addition to committees scrutinising the operation of local administrations there are also local authority managed scrutiny committees covering activities that lie outside the local authority's responsibilities. In England they have the power to scrutinise health bodies, crime and disorder partnerships, Police and Crime Commissioners, and also flood risk management bodies. In recent years the number of such scrutiny bodies has expanded along with the policy to devolve powers away from the central government. One such policy has seen the Audit Commission, which dealt with local government audit, closed from 1st April 2015, and local authorities freed to engage private auditors. Some have argued this strengthens the case for the creation of Local Public Accounts Committees to examine the whole range of publically financed activities in an area, mirroring the national PAC. If such committees are created, and that is not the present government's intention, though it is the policy of

the opposition, then there is a strong case for either extending the NAO's remit, or creating a similar body to advise local PACs.

Before the Local Government Act 2000 local authorities conducted their business through committees or meetings of the whole council. After the act all local authorities had to have at least one "overview and scrutiny officer" though there was no provision to finance the post. Finance has remained a problem to the present day. While larger authorities were to introduce a range of scrutiny panels, district councils in England and Wales with fewer than 85,000 inhabitants could opt for a "streamlined committee system" with at least one overview and scrutiny committee. With the passage of the Localism Act 2011 this option was extended to all English local authorities and many have reverted to the government by committee system. In Wales the Act mandated the opposite choice and required all councils to have either an elected mayor or a leader and cabinet system. The upshot of the Act and others covering Northern Ireland and Scotland is a great variety of local government models across the country, and a range of scrutiny models.

The scrutiny system's structures and outcomes are thus varied and sometimes complex, which makes generalisation difficult. The Centre for Public Scrutiny (www.cfps.org.uk) an independent charity has produced over 200 reports and other publications since 2004 and is the most important source for research on the system. It also produces practical guides to accountability, transparency and involvement. It also produces good practice advice and makes annual Good Scrutiny Awards, as well as less frequent surveys of the field. Common problems in the system reported in surveys are a shortage of resources, lack of access to information, insufficiently robust criticisms of leadership, and senior managers who do not value the scrutiny's efforts and evade challenges (Crowe, 2014; CfPS, Annual Survey of Overview and Scrutiny in Local Government: 2013-14 (http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/CfPS_Survey_LG2013_14_WEB.pdf) Assessed 06/03/15.

In Bath and North East Somerset (BANES), a local authority in the west of England with an estimated population of 178,000, the Overview and Scrutiny system is referred to as Policy Development and Scrutiny and is operated by six panels. This is our local government case study area for scrutiny. The panels are:

- Early Years, Children and Youth
- Economic Community Development
- Housing and Major Projects
- Planning Transport and Environment
- Resources
- Wellbeing

The panels' membership is drawn from elected councillors who are not Cabinet members. The "Overview" part of their remit is to help with policy development, comment on issues raised by the Cabinet, input into the early stages of major reviews of services, and comment on draft budget and service plans. The "Scrutiny" activities include using performance management information to check that targets are being met and action plans followed, to question certain Cabinet or officer decisions that have not yet been implemented, to check that certain Cabinet decisions are consistent with Council policies and plans, and to evaluate the effects of Council or Cabinet policies and decisions.

The Overview and Scrutiny panels are thus not decision-making, but recommendation-making. They can co-opt extra non-elected members for specific investigations, and can engage the public in their work. But they do not deal with individual citizens' queries or with their complaints: these are handled by other council services. Neither do they cover regulatory or quasi-judicial decisions such as planning or licensing. Finally, there is a separate Health Scrutiny Panel that now operates under powers derived from the Health and Social Care Act 2012, to make recommendations to improve health care delivery.

The reason that BANES calls the panels "Policy Development and Scrutiny" rather than the legislatively accurate "Oversight and Scrutiny" is interesting. An informant with extensive Cabinet level experience including the time when the Scrutiny system was set up said that the "Policy Development" part of the title was an "add on" made because it was felt that "If the panel has some expertise then it would a waste to omit their insights". This suggests that there was significant commitment in BANES to make the system effective. It should be placed alongside CfPS's 2013-14 Annual Survey finding that "Responses to the survey suggest that when an authority places little value on scrutiny, the effectiveness of the function is less than it would be otherwise. It appears that this is a mutually reinforcing vicious circle" (p.5).

We investigated five of the reports produced in recent years, gathering information from those who participated in their production.

The annual reports of BANES's Policy Development and Scrutiny panels are available at http://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13203&path=0. The reports are collected in a review archive at http://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13202&path=0. The review archive also contains the Cabinet's responses to the reports' recommendations. These have to be delivered within two months of receipt of a report. On average a panel will produce a report about every eighteen months.

It is interesting to note that the CfPS 2013-14 survey reports that "70.30% of [the 273] councils [that provided a response] reported having a formal system for monitoring recommendations: an improvement on last year's figure of less than 50%....[and] [t]here is evidence that councils with monitoring systems have a more positive view of the impact scrutiny is having...and are more likely to view scrutiny as fulfilling its potential" (p.5).

4. Does audit and scrutiny foster learning organisations?

We tackle this question by looking for evidence in the reports of the audit and scrutiny organisations whose activities were outlined in the previous section, and in our questionnaires to those who worked on the audits or had knowledge of them. Unless otherwise indicated, direct quotations are from questionnaire answers. We begin with the NAO, and then the PAC, PHSO, and BANES PDS panels. We draw some final conclusions in the next section.

The NAO

The first report we considered was for the Ministry of Justice, entitled "Financial Management Report 2011" (http://www.nao.org.uk/wp-content/uploads/2011/11/10121591es.pdf). Recommendation 1 suggests the need to improve the collection of fines, fees and assets under confiscation orders. There is strong evidence of an effective feedback loop here because after the Ministry accepted the need to act

the NAO found significant remaining problems and highlighted them in its December 2013 report on "Confiscation Orders". The Ministry then responded with further measures but "It is too early to know if this will provide a solution to the problem." The NAO feels that Recommendation 2, to improve its accounting management process, has been dealt with satisfactorily.

The process by which the original NAO report was dealt with is worth noting. The PAC felt this value for money report was sufficiently important to hold a hearing on it. Their report incorporated the NAO's suggestions and was accepted by the government in a Treasury Minute. The minute included a target implementation date. There are publically available documents that describe the process and hearings and give the results at each stage of the process. This is a standard procedure. Our NAO informant wrote "Our conclusions and recommendations are published in reports that are laid in Parliament. Our reports are accompanied by press releases to alert the media to our work. We discuss our conclusions and recommendations with our clients and they form part of the Committee of Public Accounts hearing on the report." We "want to offer expertise and respond to requests from the client…We do not generate media coverage in order to put pressure on the organisations being audited."

We noted above that the NAO makes a bright line distinction between investigating matters of administration and avoiding matters of policy. This distinction is reflected in the work of the parliamentary committees. While the administrative activities of the Ministry of Justice, in so far as they affect expenditure, are dealt with by the PAC, policy issues are discussed in the Home Affairs Select Committee, and it is interesting to note that the NAO states it also "engages" with this committee.

The NAO's view of its role on the spectrum Watchdog – Advisor is clearly the former. But it does try "to build productive working relationships with organisations to help drive beneficial change. [For] we hold government departments and bodies to account for the way they use public money, thereby safeguarding the interests of taxpayers. [But] in addition our work aims to help public service managers improve performance and service delivery."

The second report we considered was the NAO's report on the Department for Environment, Food and Rural Affairs (DEFRA) "Managing Front Line Delivery Costs" (http://www.nao.org.uk/wp-content/uploads/2011/07/10121279es.pdf). Our investigation involved collecting evidence from the NAO group that dealt with this ministry, and the general impression of the NAO's role and culture was consistent with that from the Ministry of Justice report. This report was less high profile and the PAC did not choose to hold a hearing on it. The Treasury Minute confirmed the Government's acceptance of the recommendations and set out a timetable for their implementation. DEFRA informed the NAO that implementation had been completed by 31/03/13.

The NAO informant reported their view of DEFRA's learning culture as "fairly tolerant" and their cooperativeness as "ultimately…high". The NAO undertakes what they call a clearance exercise when they agree on all the key facts in their report with the client. "We also discuss tone and content where applicable. The Financial Director and Accounting officer both have an opportunity to comment." This process is clearly part aimed at building the good working relationship that will facilitate change, noted by our informant on the Ministry of Justice report. However it is worth noting that the decision to implement change lies with government. Ultimately responsibility is political. This is a pattern that repeats across the institutions we studied.

COMMITTEE ON PUBLIC ACCOUNTS

Our report by this key audit organisation was their June 2014 report "BBC Digital Media Initiative" (52nd Report of the session 2013-14, HC 985). A second agreed study had to be abandoned because all of its authors had moved on from the PAC.

The BBC project was an expensive failed investment project. The BBC failed to use competitive processes before signing a contract that later had to be no-fault terminated. An anticipated £18 million benefit was transformed into a £38 million loss. The NAO identified very significant management weaknesses, but its investigation was delayed for eight months by the BBC's refusal to provide certain data on the grounds of financial confidentiality. The public body responsible for the running of the BBC is the BBC Trust, an independent non-departmental organisation. So the BBC Trust rather the BBC itself was the auditee.

The NAO report was sufficiently high profile for the PAC to schedule a hearing, and the resulting report recommended that the BBC make changes in the governance of major projects and improve arrangements for challenging project performance. The PAC informant confirmed that parliamentary attention had helped produce a positive response from the BBC. The PAC to some extent tailored its recommendations to their feasibility, and the BBC response was characterised as a "good solution". As part of this agreement the Treasury Minutes make it clear that in future the NAO would have an enhanced role in accessing and assessing BBC data and performance. This would include access to confidential contracts with third parties. The outcome thus involved significant innovatory change that was anchored in the auditing culture of this independent public corporation.

PARLIAMENTARY AND HEALTH SERVICE OMBUDSMAN

The investigated report was "A False Economy: Investigations into how People are Recompensed for Government Mistakes" (http://www.ombudsman.org.uk/reports-and-consultations/reports/parliamentary/a-false-economy-investigations-into-how-people-are-compensated-for-government-mistakes/10). Here the auditee was the Planning Inspectorate, and our informant works for them.

In 2010 the Planning Inspectorate was forced to look for savings because it faced a 35% cut in its budget by 2014-15. The cut amounted to £9 million. They decided to drop an ad hoc compensation scheme that they had previously operated to compensate people who had suffered losses because of their mistakes. The annual saving would have been £250,000. The PHSO investigated a series of similar individual complaints and, realising that they had a pattern, issued a report that had a much larger potential audience than just the Planning Inspectorate.

The PHSO judgement was that "The Planning Inspectorate were acting contrary to HM Treasury guidance Managing Public Money and contrary to the Ombudsman's Principles when they decided that they would routinely refuse to pay compensation for the impact of their mistakes on users of their service."

Although PHSO did not specifically make the suggestion to the Planning Inspectorate, the latter had already decided to reinstate the original compensation scheme. In addition the PHSO, as it does for all its reports, issued a Learning Points document on its website, aimed at Permanent Secretaries – the most senior civil servants in ministries, Boards and Senior Managers. The Learning Points warn about the dangers of false economies, and the importance of fairness and equity when cutting expenditure.

They urge these senior officers to consult the PHSO's Principles of Good Administration, Principles of Good Complaint Handling and Principles for Remedy when they are considering budget cuts. This was a timely reminder in the face of continuing and intensifying austerity.

The report directly resulted in a limited positive change, and reinforced the importance of good communication across auditors and auditees. The PSHO clearly demonstrated its ability to effect change, and to generalise that change across its whole remit of organisations. There is evidence of learning and the opportunity for innovation.

BANES POLICY DEVELOPMENT AND SCRUTINY REPORTS

We selected five reports from four different panels. There were three participant informants, two of whom had served on two panels. The reports were:

- Boat Dwellers and River Travellers Review 2013
- Home Care Review 2011
- Home to School Transport Review 2012
- Community Assets 2013
- A Review of the Council's use of Consultants 2011-12

Here we try to give an assessment of the five reports taken as a whole, particularly from the angle of learning, innovation and anchoring change.

For four reports the Cabinet accepted almost all the recommendations and when not accepted a recommendation was usually just deferred. The informants were less likely than those at the national bodies we have already assessed to say that their recommendations were made with a view to their feasibility. However, one noted that "Usually we have an idea from officers how Cabinet are likely to respond…but this does not change the process."

The remaining report was the Boat Dwellers and River Travellers Review. This was a very innovative review into the significant minority community of boat dwellers who live on the rivers and canals of the area. Bath is unusual in having about one per cent of its population living on boats. They face rather different challenges to other householders. The review had 13 recommendations or parts of recommendations. Four were agreed, seven were deferred and two were rejected. The large number of deferrals was caused by the fact that some decisions will have to wait on river safety improvements, and others were delayed because it was necessary to develop joint policies with other organisations with responsibilities for waterways. A new policy officer will be employed from January 2015 and this should help move forward the report's recommendations. The issues will need to be revisited in 2016 and 2017 and will require an evaluation framework to measure need and success, for example, including families' state of health and access to schools.

The experiences of participants on the panels were generally positive. Our informants noted that Cabinet members were "very helpful and willing to cooperate at all stages" and they had "good working relationships and criticisms were taken seriously". There was "respect" between the participants. However, one informant noted that the level of tolerance was "Not great. It varies with the cabinet member, age and experience." But the panels felt they had some power because "Panels have an input into budgets, and that gives them some influence. The reputation of the chair is important, but how the reputation is perceived depends on both sides' personnel." Our information from the Cabinet side is consistent with these views.

Getting a recommendation accepted depended on cost: zero cost recommendations are more likely to be accepted. "Changes are linked primarily to budget, political impact and timing – nothing too drastic before an election!"

It was clear that the panels have significant potential to introduce small alterations and changes in administration, and even innovations as defined by LIPSE. In one case the relevant Cabinet member confirmed this, saying "The issue of the changes [the panel was scrutinising] was so initially contentious that the small changes [the panel suggested] were sensibly accepted."

But what stands out from reading the reports and talking to participants is that lasting changes require updates. We have noted that for the Boat Dwellers report, but it is more widely true. For example, The 2010 Home Care Review is an impressive piece of work. BANES switched from council to private provision of home care some years earlier and the Healthier Communities and Older People Panel, which had monitored the situation since then set out to discover "whether the five Home Care providers … are achieving the Council's stated objectives for the service." An update on this review and its recommendations was produced in 2014, and a further update is planned for 2017. Such updating is a good indicator of the learning and anchoring potentials of the PDS panels' work.

Overall our view of the BANES scrutiny procedures is that they perform well and generate significant value added for its citizens. The whole area of Overview and Scrutiny across the UK has great potential and we suspect very significant achievements. But because of the wide variations in resources dedicated to it across local governments and the variations in scrutiny arrangements that can be operated, there is a very strong case for a national evaluation "of the operation, impact and effectiveness of overview and scrutiny" (Crowe, 2015) especially since there has not been one since 2004.

5. Watchdogs or advisors?

Our questionnaires included items intended to explore how the auditors viewed their roles, and how they were viewed by their auditees; specifically whether the role was as a watchdog or an advisor. The results are interesting. The national level auditors we questioned, the NAO and the PAC clearly and unsurprisingly see themselves as watchdogs. But one of our NAO informants spelt out that organisation's dual function, saying "We hold government departments and bodies to account for the way they use public money, thereby safeguarding the interests of taxpayers. In addition our work aims to help public service managers improve performance and service delivery."

The national level auditee, the Planning Inspectorate, audited by the PHSO, sees the latter as "more watchdog than advisor." This is because the PHSO "act as the external independent review of our complaints handling." The Planning Inspectorate reinstituted its previous ex gratia compensation scheme because they "largely accepted the [PHSO's] diagnosis leading to the recommendation." Interestingly the PSHO did not specifically recommend the previous scheme's reinstatement, and the reinstatement preceded the PHSO's report. Neither did the PHSO have the power to enforce its recommendations. The Planning Inspectorate acted because "We believed it was the right thing to do given the findings on the individual complaints."

The picture is more complicated when we look at the five scrutiny reports of the local authority BANES. Here the fact that for this unitary authority policy change recommendations can be allowed, even encouraged, is likely to lead to a less uniform impression of the role of the auditor. With the

Home Care Review report our panel informant saw the panel's role as a watchdog, because every [monthly] cabinet meeting has an item where any panel chair can bring up a topic. In other words act as a watchdog, advocating for the panel's conclusions. However, our cabinet informant on this report saw the role as advisory. The Cabinet could accept a recommendation, but did not have to. For the other four reports we had informants only from the panel side. On a scale of 1-7, where 1 was Watchdog and 7 was Advisor, there was one 1, one 5 and two 4s. Our impression was that different panel members had their own individual views of a panel's role, and because policy and scrutiny were both possible their variation in views might also have reflected the reality of their different investigations.

6. Does media pressure accelerate implementation?

We wanted to explore the influence of media coverage on implementing recommendations, and whether auditors used the media to try to influence outcomes. The PAC is the one auditor that can be sure that its hearings, which are inquisitorial and sometimes almost theatrical, will attract considerable attention and its reports and attendant press releases will put auditees under additional pressure to implement recommendations. Our PAC informant confirmed that this was the case with the BBC Trust investigation.

The NAO on the other hand, is keen to dispel any suspicion of media manipulation. Both our NAO informants gave the statement that "The National Audit Office has a press office the role of which is to promote the NAO and its audit findings in the media. Our overriding aim in publicising our work is to generate balanced, good quality coverage of our findings. We do not generate media coverage in order to put pressure on the organisations being audited." Neither did the informants feel that in our case studies either the Ministry of Justice or DEFRA would have been influenced by any coverage. Both have their own press offices, and especially for the former "Given the [considerable] level of coverage the Ministry of Justice attracts it is not likely that they would have felt particularly pressurised."

We have already noted in the previous section that the Planning Inspectorate reinstated their ex gratia compensation scheme before the PHSO published their report, so it was not a direct consequence of media coverage. However, our informant did note that "the impact [of four negative PHSO investigations] on our reputation was a factor."

The BANES policy and scrutiny reports are issued through the council's website and press releases are issued through the Communications and Publicity Department. One panel informant remarked that this meant in effect the communications policy used would be the public relations strategy of the Cabinet. Another added that the Communications and Publicity Department "obviously like to pitch stories from a positive angle." A different panel informant thought that while their panel could have no specific media strategy different from the Cabinet's, political parties could use their own communications systems if they disagreed with policies.

All informants thought the media coverage, where there was some, was either balanced or neutral, or at least more in that direction than dramatic and negative. But they did not agree on whether it influenced decisions. The one Cabinet informant denied it did, while the panel informant for the same report thought it possibly put some extra pressure on the Cabinet to agree to implement the recommendations. Another panel informant thought it was "pressure …from individual councillors pressing for action that got implementation" of the Boat Dwellers and River Travellers report, rather

than public reaction to media reports. However the same person did suggest that the recent decision to webcast Cabinet proceedings "adds somewhat to the pressure."

7. Why are recommendations accepted?

The following table shows the number of recommendations in each report and the decision of the political authorities on implementation.

CASE STUDY	IMPLEMENTED	NOT IMPLEMENTED
BBC Trust	7	0
Ministry of Justice	2	0
DEFRA	5	0
Planning Inspectorate	1	0
BANES Boat Dwellers	4	7
BANES Home Care	14	1
BANES School Transport	5	0
BANES Community Assets	4	1
BANES Consultants	5	0
Totals	47	9

The table shows that all the recommendations made by national auditors were accepted, and as far as we can tell implemented. All 9 recommendations that were not accepted were for BANES Scrutiny reports. However, our "not implemented" category includes both rejection and deferment – where a decision will be made at a later date. In fact there were only 3 rejections, all for the Boat dwellers report. So generally the pattern of local decisions is different from national ones, but a detailed breakdown of the pattern of non-implementation reduces the difference. Overall the level of acceptance and implementation is high and the natural question is why?

First, for national auditors we are dealing mostly with VFM recommendations, and there may be a feeling that it would be difficult to reject a well-qualified and respected agency's recommendations on the sensible use of public funds. With the NAO and hence with the PAC the facts of the matter are agreed with the auditee in advance. There can be disagreement about interpretation but not facts. This reduces the grounds for dispute but does not eliminate them. In addition there should be no dispute over policy, as that is excluded in the terms of reference of the auditors. Policy issues are for the departmental parliamentary select committees. The audit and ombudsmen only consider administration.

Second, those making recommendations will have a good idea about what the political authorities will accept. Put another way they should or could know what is feasible. We asked our informants whether their institutions "consider the practical feasibility of its recommendations." Both our NAO informants said yes, always. The PAC informant said "Yes, to some extent."

Third, rather similar considerations clearly operate with local government Scrutiny panels, but there is a wider range of views across the investigators and certainly in BANES they can discuss some policy

changes. One panel informant denied they considered feasibility, but admitted that before publishing their report they consulted with the Cabinet to see what they felt about the conclusions and recommendations. Another also denied they considered feasibility, but added that if there were no cost implications the recommendations were more likely to be accepted. The Cabinet informant for this report gave the impression that the more specific, concrete and clear the recommendation the better the chances of acceptance. But they also said that because the issue behind the report was very contentious the Cabinet felt it would be sensible to accept some small changes. Another panel informant said they had not consulted the Cabinet before publishing "but usually we have an idea from Officers how Cabinet are likely to respond … but this does not change the process…We can also work out from members of the same party as Cabinet members if that party has a particular position it would like us to recommend, but that does not always work to their advantage!! (*sic)* …I try to ensure our recommendations are clearly evidence based and answer the initial brief set." This informant said their panel considered feasibility and that the acceptability of changes was primarily influenced by the budget, their political impact, and timing – "Nothing too drastic before an election."

8. The audit experience; cooperation or conflict?

What is the audit experience for the auditee? What is it for the auditor? Are their views the same or different? Is it a cooperative endeavour or is it conflictual? Does that affect outcomes or just stress levels? We would like to know the answers to these questions. Unfortunately sample size and composition limit our evidence and thus our conclusions. We noted at the start of this paper that we have nine case studies, but we have answers from only two auditees, and in only one case were we able to get both auditors and auditees to answer our questions. There may be good reasons for these sample weaknesses, but that is of little help in answering the questions just posed. What follows is therefore an accurate reflection of our data, but cannot be a complete answer to our questions. We know something useful about the auditor side and the auditors' views of the auditees. We know too little about the auditees' views to form a reliable view about them.

If the views of auditors and auditees differ it might seem likely that this is rooted in an asymmetry of power – auditors have statutory rights to audit, and auditees must comply. In fact it is much more complex. Many of the large auditees are powerful institutions, while their auditors have budgets that in public finance terms are only small change. Their power comes from their reputations and particularly their power to determine others' reputations. But then again none of the auditors can enforce their recommendations. With these caveats this section sketches what we think we know about the audit experience.

The relations between the NAO and the organisations it audits are, as the NAO sees them, cooperative. One of our informants injected a note of caution when they said "Ultimately [cooperation] is high, given our statutory powers." But facts are, as we have seen, agreed with the auditees. Draft reports are discussed with them, and they can comment on the contents. But as another informant said when asked what they thought the auditees felt towards them "respect, fear, gratitude – all three at one time or another."

If the NAO's VFM report is the cause of a hearing before the PAC then fear is likely to be the dominant feeling of the auditee. The BBC Trust case study is an example. On cooperation our PAC informant noted that "[The BBC Trust] are formally accountable to us for public spending and therefore have to engage formally, although in practice they could be more cooperative in providing material etc." As we

have seen one consequence of the hearing was that the NAO now have significantly more power over the BBC.

The one audited national body from which we have evidence is the Planning Inspectorate. "Our attitude {toward the PHSO] is one of cautious respect." "[I]t is normal practice for draft reports into individual complaints to be shared with …[us] enabling comments to be made." But [c]hanges in staffing at the PHSO impact on the level of understanding of our organisation's remit to set complaints in appropriate context." Communication is generally sufficient "However certain recent changes to the PHSO's general remit have become and remain unclear. E.g. it was our understanding that they would refuse to take on cases which are still being actively pursued with us by the complainant. However, this appears to no longer be the case, and it is difficult to know how we should treat open and ongoing investigations which have effectively been escalated [by the complainant involving the PHSO]."

The BANES scrutiny panels' case studies reveal an audit experience that is perhaps based more on cooperation than the national audit experiences, though still subject to some tensions, if only because as one panel informant said "Panels have an input into budgets and that gives them some influence." A Cabinet informant claimed that it is very receptive to feedback, constructive criticism and different opinions "because it gives us the confidence we have made the correct decision." They felt that the relationship between the Cabinet and the panels was based on trust and good understanding rather than distrust and confrontation. Another panel chair noted that "… the Cabinet member was present for much of the evidence gathering. As Chair I am more than happy for this to happen." "Generally I think we had a good working relationship and criticisms were taken seriously…the final Cabinet decision was better than our Panel's recommendation." The remaining panel informants' views were similar.

9. Concluding remarks

The evidence suggests that the UK audit, scrutiny and ombudsman system has very significant learning, innovation and anchoring functions, potential and actual. Some conclusions are:

- Routine, repeated audits improve the chances of change, of anchoring change, and the chances of discovering dysfunctional behaviour.
- Parliamentary attention and Council attention can drive change.
- The national bodies in this area are probably better than local ones at spotting and acting on the more general applications of a particular finding.
- The different models of local government and local government scrutiny suggest that there could be a wide range of responses across local authorities to the same problem. It is not obvious why such variation might be optimal.
- Being able to conduct joint investigations across organisations increases the scope for change. For example, the Parliamentary and Health Services Ombudsman and the Local Government Ombudsman can conduct joint investigations. There may be scope for considerable benefits with more inter-local authority joint investigations.
- There is a strong case for allowing Ombudsmen to initiate investigations in any area of their competence.
- The more authorities and other organisations monitor and publicise change the better the chance of change and of anchoring it.

- Most auditor recommendations are accepted, especially if they promise better VFM, are clearly minor administrative changes, obviously feasible, and costless.
- It is worth noting that the UK system, at central and top tier local level, reserves to politicians the decision-making power for adopting recommendations. Powerful audit, scrutiny and ombudsmen organisations make suggestions, but ultimately defer to Parliament or councils. The NAO may now get ready access to the BBC's financial contracts, but only politicians will decide if the subsequent recommendations are adopted. It is consistent with democracy, but it is not the only way of managing such systems.
- The Watchdog – Advisor distinction is more applicable at a national than a local level. The PAC and the ombudsmen are clearly watchdogs, but the NAO sees itself as fulfilling both functions simultaneously. If forced to choose they opt for Watchdog, but their language, and especially the use of "client" for auditee, suggests Advisor as well. At a local level, scrutiny panel members and Cabinet members hold a variety of views which reflect the more flexible or more varied local practices.
- The conventional wisdom is clearly that cooperation is desirable in the audit and scrutiny process. Our evidence suggests that national level auditors aspire to cooperation and sometimes achieve it. But at a local level provided the Leader and Cabinet see advantages in the process of scrutiny cooperation is more likely to be achieved.

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