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Historical Perspective on Performance Budgeting

Performance Budgeting in the United States before 1960

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Performance Budgeting in the United States before 1960

Abstract

With the assistance of A. E. Buck, Herbert Hoover coined the term Performance Budget in 1949 to rebrand cost data budgeting. Cost data budgeting originated in 1912 in Richmond County (Staten Island), New York. It is strongly associated with the National Commission on Municipal Standards and the Committee on Uniform Street Sanitation Records, which are both direct derivatives of Clarence Ridley’s original work in making sense of performance measurement under the title Means of Measuring Municipal Government, his 1927 dissertation at Syracuse University. Ridley subsequently led the International City Managers Association for nearly 30 years. He teamed with A. E. Buck, Donald Stone and Gustave Moe to perform the work of these two task forces. Buck later wrote the Hoover Commission report in which the term “Performance Budget” is coined. Buck also brought his knowledge of cost data budgeting first to Ridley’s task forces and later to the first Hoover Commission. By the end of the 1950s, performance budgeting was eclipsed by program budgeting. The examination of productivity emerged as a separate activity. This is a story both of development and drift and provides at least one important lesson for the present: the link to performance is about inputs as well as outcomes.

Keywords: History of performance measurement, History of performance budgeting, cost data budgeting, cost accounting, Hoover Commission, Clarence Ridley, A. E. Buck, Donald Stone, Herbert Simon, Frank Sherwood, Louis Head, William Munro, National Commission on Municipal Standards, Committee on Uniform Street Sanitation Records.
Performance Budgeting in the United States before 1960

Some members of the public administration community ask whether it is even worthwhile to examine the early twentieth century history of performance measurement and mid-twentieth century history of performance budgeting. What they say amounts to “that was then, this is now.” As a practical applied field, they only want history that immediately can be converted into practical application.

That severe limitation of history is not applied here. History has value for many reasons. Not all of them convert immediately to practical prescriptions. While this paper may offer a few practical insights, reaching those insights is the lesser aim of this project. The larger aims are to: help determine the context of the whole practice in which we perform our activities; help us determine the values and value choices that have led us to our current practice; and prepare us for further, even deeper, examination of the political, moral and conceptual basis for our practices.

Topical Introduction

As the events of the 1990s and 2000s have shown, members of the public administration and public management professions are all too prone to reinvent their profession. When this term was first chosen by Osborne and Gaebler (1992), one assumes they were trying to communicate the idea of a fresh start in a new direction. However, their lack of awareness of the past lead them to propose a hodgepodge of ideas that were neither a fresh start nor a new direction, instead they offered up a recapitulation of some old ideas with little critical insight into past failures (Williams 2000). That situation sets the
context of this paper. Performance budgeting is on the agenda again. Before we go too far down this road, it is worth knowing what happened before. This paper shows the long gestation and short life of performance budgeting in its past incarnation.

The preconditions necessary for performance measurement were not met until the late 1800s, so the practice arose in the late 1800s or early 1900s (Williams 2002). While other developments are relevant, the most specific beginning of performance measurement is the beginning of government research at the New York Bureau of Municipal Research. The practice narrowed substantially in the late 1920s and became associated with proto-performance budgeting in the early 1930s, while it became associated with the specific practice of performance budgeting in 1949.

The 1950s is the golden era of performance budgeting. Also, it is the post-war generation of academic social scientists, which is roughly the second generation of statistical social science within the United States. This is the period of expanding program evaluation and, later, in the 1960s there is growth of policy analysis.

This paper examines the particular aspect of performance measurement culture that led to the rise of performance budgeting, particularly in the late 1940s and the decade of the 1950s. This historical analysis is focused on the intellectual developments underlying the practice, not especially the diffusion of that practice. It is based primarily on the intellectual literature. Related research focused on earlier periods has examined all of the identified performance measurement literature. For this more modern period, such
a comprehensive scope is unachievable. Most of the literature examined here comes from the United States public administration discipline focused on the Municipal Finance Officers Association (MFOA, now Government Finance Officers Association, GFOA), the International City Managers Association (ICMA, now the International City/County Management Association), the American Society for Public Administration (ASPA), the United States federal Government, and RAND. While other literature is not deliberately excluded, it is not comprehensively sought out.

**Literature Review**

The history of performance measurement is reported by Bouckaert (1990; 1992), Lee (2003), and Williams (2002; 2003; 2004). Williams discusses the period prior to the period addressed in this paper. Bouckaert discusses related material on pages 53-56 and again with a little more detail on pages 73 to 79 (1990). Bouckaert (1992) covers essentially the same material. He provides an overview of the developments from Ridley (1927a) to Ridley and Simon (1938b, 1943) and provides a graphic (figure 1) which shows the systems concept of performance which he compares with another graphic (figure 2), which he labels the modern version of the same concept.

Figure 1

expenditure—effort—performance—result.

Figure 2

input—throughput—output—outcome.
Lee (2003) has discussed the origin of Ridley and Simon (1938c) in a series of articles in the Public Management, edited by Ridley, in 1937 and 1938 (1937a, b, c, d, e, f, g, h, i, j, 1938a, b). Lee does not explore the relationship between these articles and the earlier work by Ridley in 1927. Bouckaert takes note of Ridley and Simon’s initial interest in outcomes (results), but then says they fall back to outcomes in most cases. He also discusses an interest in cost accounting, but leaves the matter unexplored.

General histories of public administration seem to take almost no notice of these activities. For example, Fredrick Mosher’s, *Democracy and the Public Service* (1982) brings up this period on pages 73 through 80, but does not mention the key people discussed below, such as A. E. Buck or Clarence Ridley, who are not listed in his name index. In his collection of essays, *American Public Administration: Past, Present, Future* (Mosher 1975), neither Alice and Donald Stone, James Fesler, nor Allen Schick mention the matters under discussion here in more than the most cursory manner in the relevant chapters.

Another approach is from the perspective of budget history. Schick’s “Road to PPB” (1966) is thought to be the most authoritative work in this area. His discussion related to the material discussed in this paper is found principally on pages 248 to 253 and cites 13 unique sources. He provides a synopsis of some of the broader developments during this period. Schick reports that the period ending in the 1920s or 30s focused on budgets as strictly a control device. While a more robust budget concept had developed as early at the first decade of the twentieth century, it had been discarded in the 1910s. He labels
the period beginning in the 1920s or 30s as the managerial period, where budgets were used for management of the organization. He cites, Lent Upson as a central figure in this development.

Next he moves forward to the early 1950s with the developments of program and performance budgeting, which seem very interactive in his discussion. In common discussion some people question whether there is a difference between program and performance budgeting, and those questions may arise in part from the discussion in this section of Schick’s work. Schick discusses some key members of the program budgeting literature such as Novick and Mosher, but leaves out similarly key members of performance budgeting literature such as Ridley and Buck; Ridley is not even cited.

In conclusion, the history of the first occasion of performance budgeting has yet to be told. By relaying these events, I expect to correct some misconceptions and better explain the context of our modern practices.

**Context**

What happens in the primordial idea soup before a discipline forms any strong paradigm? Do the same two or three proto-paradigms churn around in endless variation? Do proto-paradigms get introduced, entertained and tossed out? Does the para-discipline grope through quasi-existence as it introduces practical ideas that are nonetheless not united in any discipline-wide theory? In the Public Administration discipline there is a literature of idea faddism and a hint of some form of idea cycling. Faddism might reflect a groping
through a series of quasi-paradigms that never quite fit the bill. Cycling, on the other hand, looks a little like churning through variations of the same handful of proto-paradigms.

During the 1990s the analytic subdiscipline of Public Administration has offered up a couple of fads, or have they been a new iteration of a very old a cycle? What I am talking about, of course, are performance measurement and performance budgeting, all wrapped in New Public Management. These techniques look a bit like fads because they follow on to the Total Quality Management business of the late 1980s. But their link to New Public Management and its theme of management discretion also suggests a recombination of the early- to mid-twentieth century proto-paradigms in the United States, particularly those that promoted executive discretion and, ultimately, city manager style government. The modern reader may mistakenly believe that pre-1960s public administration is entirely about suppressing discretion. Not so. Frank Goodnow and Woodrow Wilson, two of the “founders” of twentieth century public administration, intended to carve out broad executive discretion with sharp limits when exercised by non-elective officials.

The current era of performance measurement has been incubating since the 1970s with critical threshold events including the popularity of *Reinventing Government* (Osborne and Gaebler 1992), the associated *National Performance Review* (NPR, 1993) and the *Government Performance and Results Act of 1993/1997* (GPRA). In a slightly delayed phase, modern popularity of performance budgeting is entirely post-NPR/GPRA. It is, in
fact, reasonable to ask to what degree modern performance budgeting is in fact the same as performance budgeting of the 1950s.

The first era of performance measurement and performance budgeting in the United States stretches back to the beginning of the twentieth century. There is scant evidence of substantial modern developments prior to then. If one suspected they were any, the place to look would be Germany or possibly France. However, some of the technical antecedents of performance measurement are not substantially older than performance measurement itself. The building blocks of performance measurement are found primarily in cost accounting, the “social survey,” government statistics, scientific management, pragmatism, and the individuation of political science (Williams 2002). These antecedent practices arose in the United States and in Europe, principally Germany (Prussia), France and England. Performance measurement and, particularly the early theory of performance budgeting, served a useful political device to answer the question: How can the executive act with broad discretion and still be subject to legislative oversight (Goodnow 1912)? This question was of special interest in the United States, which may contribute to the reason performance measurement and performance budgeting arose here.

A typical account of early United States budgeting shows a succession of practices beginning with line item control budgeting promoted by the New York Bureau of Municipal Research, followed later by a decision focused budget, and later yet, around 1950, the creation of the first performance budget (Kelly and Rivenbark 2003). While
this account is broadly correct, it leaves out a lot. The Bureau of Municipal Research implemented a variant of budgeting that was first developed by Frederick Clow and promoted by the National Municipal League and at the local government division of the Census Bureau (Fox 1972; Rubin 1998). This was a rationalization of budgeting, not the invention of it. Budgeting, or at least appropriating with some prior deliberation, had been in the United States for centuries (White 1965). However, there is some evidence that many legislatively dominated appropriating bodies were focused on local interests for many years prior to 1900 (Maxey 1919). Local interest is my term; Maxey’s title is “A Short History of Pork.” In his, and general opinion of the time, pork depended on logrolling, a behavior found in legislatures, but not the executive. Pork was not corruption; it was unwise spending. Budgeting was a reform aimed at controlling such foolishness.

The literature of the Bureau of Municipal Research makes it very clear that the line item budget (the segregated budget) did not begin its life as a control budget. This function was a secondary use. Its primary use was as a universal cost accounting device, which is another way of saying as a performance budget. The objective of the line item budget was to align costs with the functions of government, which could then be used to decide on which functions of government to fund. Segregating the budget soon got out of hand, partly because the cost accounting device was also serving as the control device and in less than a decade the Bureau of Municipal Research proposed a second form of the budget known as the Executive Budget, which was again aimed at focusing attention on the purposes of government. How it fared at the state and local level is outside the scope
of this paper, at the federal level it did not fare too well because the first director of the Bureau of the Budget took more of a cost cutting approach (Mosher 1984).

Performance measurement incubated in the 1910s and 1920s (Williams 2004). In the late 1920s it gained a critical champion in Clarence Ridley, who soon became the executive director of the International City Managers Association (ICMA, now International City/County Management Association) and a professor at the University of Chicago. At that time, “international” meant the United States and Canada (Vogel 1967). Ridley wrote the first doctoral dissertation on performance measurement (Ridley 1927a), developing close ties to Lent Upson, who himself had close ties to the Henry Bruère, Frederick Cleveland and William H. Allen, the originators of the practice and the original leaders of the Bureau of Municipal Research. Upson’s connection to them was through his attendance in the Training School at the Bureau of Municipal Research in 1911 and 1912 ("An Annotated Roster of the Governmental Research Association" 1933). The ICMA was attracted to Chicago by Charles Merriam who obtained support from the Spelman Fund, an offshoot of the Rockefeller Foundation, through Louis Brownlow and who was able to offer the director (Ridley) a professorship at the University of Chicago (Vogel 1967). ¹ With the resources of the Spelman fund and the connections of Louis Brownlow and Charles Merriam behind him, Ridley developed performance measurement during the late 1920s and continued through the early 1950s. But first, let us consider some antecedents.
Core Antecedents

Ridley’s associates are the who’s who of performance measurement and performance budgeting from 1920 to 1950. First, there is Lent Upson, who was active in performance and productivity from the late 1910s until the early 1940s. He was the director of the Detroit Bureau of Municipal Research where he conducted a number of studies that would now be considered government-wide performance audits (Leonard and Upson 1934; Upson 1924a). Two of the staffers on the 1924 audit of Cincinnati were William Mosher, the dean at Syracuse University when the training school at the New York Bureau of Municipal Research transferred its academic program there, and Luther Gulick, the last head of the training school at the Bureau of Municipal Research, which became the Institute of Public Administration (IPA) in the early 1920s and continued to be headed by Gulick until the late 1960s. This audit was a government survey, a more developed version of the device innovated by Henry Bruère in 1906. It is later cited by Ridley as one of the best sources of criteria for government (Ridley 1927a).

Upson’s special interest was police work and he served on the committee of the International Chiefs of Police that originated the monthly Uniform Crime Report that is used in the United States. This report was initiated in 1930 (Bledsoe 1930; Committee on Uniform Crime Records of the International Association of Chiefs of Police 1929, 1930; Rutledge and Smith 1939; Smith 1929; Upson 1928). Ridley’s 1927 dissertation shows a familiarity with the rationale behind the final decisions in this report process. Thus, Ridley was aware of the committee’s work before it became public. In 1927, Ridley
found only two broad areas of public activity that had better quality performance measurement than police work: health and fire protection (Ridley 1927a).4

Out of Uniform Crime Report task force, Ridley gained another associate, Donald Stone. Stone worked with Ridley on a number of task forces related to sanitation and street cleaning reporting (Ridley 1929; Stewart 1950; Stone, Moe and Ridley 1930; Stone, et al. 1931a, 1931b; Stone 1939). These projects were eventually taken over by the American Public Works Association. In any history of performance budgeting these reports are of critical interest, so I return to them below. Stone went on to become a Deputy Director of the Bureau of the Budget in charge of management (Sherwood 2004). Prior to coming to these activities, Stone worked with Upson on Uniform Crime Reporting.

Another associate in the task forces on sanitation and street cleaning was Arthur Eugene (A. E.) Buck (Ridley 1929; Stewart 1950; Stone, Moe and Ridley 1930; Stone, et al. 1931a, 1931b). Buck was the representative from IPA. Ridley had worked at the IPA briefly before becoming the director of the ICMA (Vogel 1967). Through Buck and the IPA, Ridley is, of course, associated with Luther Gulick, who through longevity if nothing else, became the face of traditional American Public Administration. Buck was a co-author of The Budget and Responsible Government with Frederick Cleveland and a frequent author of budget texts from the 1920s through the 1950s (Buck 1921, 1925, 1926, 1929, 1931, 1934, 1949c, 1951; Cleveland and Buck 1920). Most importantly, Buck was a principal author of the budget section of two major reports, that of the Brownlow Commission (although he dissented to the recommendation to put the budget...
office in the Executive Office of the President), and the first Hoover Commission (Buck 1937b; Buck 1949b).

Back at the ICMA, Ridley had two other performance measurement related associates. First, there is Orin Nolting. Nolting was Ridley’s assistant director for nearly 30 years and became the director on Ridley’s retirement. He and Ridley wrote a number of government efficiency texts together, particularly during the Depression years. One of these is *How Cities Can Cut Costs* (Ridley and Nolting 1933) published in the height of the Depression. While there is adequate evidence that Ridley was interested in efficiency even before the Depression, its occurrence during his watch as the executive director of the ICMA appears to have increased his interest in management efficiency initiatives during the 1930s.

The last associate is Herbert Simon. Simon was Ridley’s student at the University of Chicago and followed the age-old path of protégé with mentor. This relationship led to a series of 13 joint articles published in *Public Management*, which Ridley edited (Ridley and Simon 1937a, 1937b, 1937c, 1937d, 1937e, 1937f, 1937g, 1937h, 1937i, 1937j, 1938a, 1938b, 1938c). These articles were then collected into *Measuring Municipal Activities* (Ridley and Simon 1938c), which is an update and expansion of Ridley’s dissertation. *Measuring Municipal Activities* was the state of the art in 1938 and was still the state of the art when reissued in 1943. The ICMA published a scaled down version of this text in 1948 under the title *Specifications for the annual municipal report: suggestions for the content, preparation, design, publication and distribution of the*
annual municipal report (Ridley and Simon 1948). This last title reflects a refocusing on reporting rather than measuring.

The first two chapters of Measuring Municipal Activities concern general issues of measurement and reflect more sophisticated thought on the general issues raised of the first two chapters, but particularly chapter two, of Ridley’s Measuring Municipal Government. The next four chapters cover the same four service categories that Ridley discussed in 1927: fire, health, crime, and public works. Here Measuring Municipal Activities is somewhat less detailed and less sophisticated than Measuring Municipal Government; however, it is more up-to-date, reflecting the developments of the intervening decade. These developments include the work of International Chiefs of Police and the Federal Bureau of Investigation in uniform crime reporting, the work on public works discussed in a following section, work of national membership bodies related to public health concerning health services delivery standards, and updated standards from the National Board of Fire Underwriters. Thus, the first six chapters of Measuring Municipal Activity are a more up-to-date and somewhat less academic version of Measuring Municipal Government.

Measuring Municipal Activity continues by expanding the categories of municipal services discussed to include recreation, welfare, education and libraries. These areas reflect some development in measurement, but not as much as those of the original four areas explored in Measuring Municipal Activity. It also adds a new type of measurable: staff services including personnel, finance and city planning. These are services that
function to make government itself operate well rather than to meet specific public
service needs. The measurement of these services remains primarily an area for future
development. Significantly, Measuring Municipal Activity is about measurement: what
to measure and how to do it.

The principal point is that what Ridley and Simon do in 1938 is extend Ridley’s work
from 1927. The important matter for the development of performance measurement is
the concepts of inputs, effort, outputs, outcomes, effectiveness and adequacy. These
words are not always the ones used, but the constructs are recognizable in the words that
are used. For example, the term “outcomes” never appears, but the term “results” is
generally used for the same purpose, although the term is not always used consistently.

Efficiency is used to refer to the “ratio of the effects actually obtained with the available
resources to the maximum effects possible with the available resources” (Ridley and
Simon 1943, 3 (Italics in the original)).” The unwary may not realize that this is a very
sophisticated double ratio, (Effect/Resources)/(Maximum Effect/Resources). Resources
can be cancelled; Ridley and Simon seem to hold resources constant thereby justifying
this cancellation. So the ratio becomes Effect/(Maximum Effect). But, that does not
change the origin of the construct. Today the more common notion of efficiency is the
ratio Effect/Resources and one might think of one process as more efficient than another
if the ratio is larger, but the public administrator would not normally work with the
double ratio with its implied maximum value of one.
This assumption of a maximum value focuses our attention on standards. If efficiency is simply a matter of doing better than before – which is the current notion of economic productivity used in the overall economy – standards are unnecessary. One simply needs to know what she or he did last year to determine how to do better this year. However, to use a teleological approach, one must know the goal. The goal is not set as an arbitrary promise nor is it an accident of history; it is set based on the maximum possible. While Ridley and Simon compromise and examine “relative efficiency” (p. 3) they first set out in a different direction. This direction, the “maximum possible,” is the heir of the scientific management. It is the conceptual twin of the time and motion study. Frederick Taylor used time and motion studies and observation to determine the actual achievable work in the factory, and paid piece-rates based on achieving these “scientifically established” work standards. He specifically rejects benchmarks (prior levels of accomplishment) as unscientific and easily manipulated (Taylor 1895; Taylor 1947 (1903)). In Measuring Municipal Activity, Ridley and Simon adopt the same conceptual frame. However, they move to “relative efficiency” and compromise Taylor’s demand for empirical standards. 5

Ridley and Simon also raise the issue of the six kinds of efficiency:

“The term effect as used here includes any effort, performance, or result. The term resource as here used comprehends money expenditure, effort, or performance considered as productive of effect. The efficiency of accomplishment can therefore be measured in its relationship to several factors: expenditure, effort, and performance. These may be illustrated with reference to
street cleaning. [1] There is an efficiency of accomplishment of results relative to expenditure (could cleaner streets have been obtained with the same expenditure?); [2] relative to effort (could cleaner streets have been obtained with the same number of man-hours and equipment-hours of effort?); and [3] relative to performance (could cleaner streets have been obtained by performing the same number of curb-miles of sweeping?). [4] There is also an efficiency of performance relative to expenditure (could more curb-miles have been swept with the same expenditure?); [5] and relative to effort (could more curb-miles have been swept with the same number of man-hours and equipment-hours?) [6] Finally, there is efficiency of effort relative to expenditure (could more man-hours and equipment-hours of effort have been obtained at the same expenditure?) In dealing with specific problems it is necessary to specify which type of efficiency we are attempting to measure” (page 3, numbers added, Italics in original).

Ridley and Simon do not give us much to go on about all these types of efficiency except to be careful that we know which one we are measuring before we start. But, of course, they are substantially different. Efficiency$_1$ (subscript to correspond to the numbers inserted into the quote above) is overall efficiency or how well our economic resources managed to get the sort of thing society wanted. It seems to comprise Efficiency$_2$, Efficiency$_5$ and Efficiency$_6$, or Efficiency$_3$, Efficiency$_4$, and Efficiency$_5$. This is a little confusing. It seems illegitimate to get, for example, more performance, Efficiency$_4$, and more effort, Efficiency$_6$, for the same dollars, but Ridley and Simon do not clear this up. The likely upshot is that relationships of all these efficiencies need to be worked out and
the manager needs to understand which ones serve, like primary colors, as the ones that take precedence in thought. *I have found no literature that provides a critical examination of these ideas.*

The alert reader will have noticed another word that is no longer commonly used in the literature of performance measurement, “adequacy,” which refers to “the absolute measure of accomplishment” (page 3). Having first defined adequacy, Ridley and Simon do little more to examine it. Their message is that measurement is about efficiency. Elsewhere, however, Ridley, the editor of *Public Management*, makes his position clear through an editorial. Issues of adequacy are reserved for political decision makers: “[One] must still ask on what basis the specialists determine for any community how many books it wants to read, how many parks it books it wants to read, how many parks it wishes to have, or how low it wishes to keep its fire loss” (Ridley 1943). As the chief spokesman for the principal form of municipal executive throughout the United States, Ridley is directing the subject matter specialist such as the librarian, director of recreation or the fire chief to leave matters of level of service desired to his or her political superior, beginning, of course, with the city manager. The city manager’s role in this resource allocating matter is left unaddressed, but it is in fact problematic. The pragmatic political theory that justified the city manager would provide for the manager to propose an allocation, which the city council could then revise. This theory initially embraced a strong mayor model of government but quickly transferred the presumed virtues of the mayor to the city manager in the mid-1910s. Thus, Ridley’s editorial amounts to telling employees one or two levels below the city manager to stop meddling in the city
manager’s affairs. To this day, City managers refuse to admit they have accreted the role of political decision makers.\(^6\)

This brief review of Ridley and Simon in 1938, which is essentially unchanged in 1943, shows us that performance measurement had become a technical management concern about getting the most out of the government dollar in a scientific management framework. The earlier framework was much more about determining public needs and assuring that they were met, while also addressing the efficiency of government services (Williams 2003).

**Collateral antecedents**

The activities I have just reviewed constitute the core antecedents of more recent performance measurement because they are directly linked to the performance budgeting of the 1950s, PPB and productivity of the 1960s and a refocusing on productivity and performance measurement after 1970. In this section I briefly discuss seven collateral antecedents of modern performance measurement and performance budgeting, primarily the earlier. They are worth brief mention because they help us *reject historical determinism by revealing the variety of choices that have been available.* Also, from many of these antecedents there is some spillover into the practices we have adopted, although the spillover is not necessarily direct or apparent.

**Government and Governance:** William Munro, a Harvard political scientist and one time president of the American Political Science Association, and Louis Head, a
journalist, are the end of the line for an effort to measure the performance of government broadly. This effort also traces back to William H. Allen of the New York Bureau of Municipal Research and has some link to Charles Beard and even Lent Upton, who is the most direct antecedent of the path taken. Early performance measurement is entangled with other activities that the Bureau of Municipal Research called government research and the survey (a multidimensional study using both primary and secondary data sources, not to be confused with a modern survey). This entanglement, at least with the survey as it attenuated into a program audit, continued into the 1920s and was practiced by Beard in 1923, Upson in 1924, and, in fact, Leonard and Upson in 1934 (Beard 1923; Leonard and Upson 1934; Upson 1924a).

Clarence Ridley was not the only one who tried to tease out of these practices a set of guidelines for governmental measurement. William Munro proposed 25 criteria for the judgment of government, only one of which is the efficient performance of government service (Munro 1926). Louis Head implemented these criteria for Dallas, Texas in a series of newspaper reports (Head 1927), demonstrating in principle that Munro’s guidelines were usable. Although a journalist, Head’s earlier work on city managers was treated seriously by Clinton Woodruff (Woodruff 1928).

What is of interest here is not the Dallas story; it is the availability of a broad scope alternative to Ridley’s narrow government services oriented measurement agenda. While it is dangerous to engage in counterfactual reasoning in history, we might wonder what sort of performance measurement system Louis Head would have championed had he
been the executive director of the ICMA for nearly 30 years. The Munro criteria specifically address how well government governs, not merely how well government delivers service. This is a substantially different question from the one Ridley promoted in his tenure at the ICMA.

Since 2000, governance has been on the agenda again, and it was on the agenda in the 1960s and 1970s, although primarily from the perspective of those without power. The distinction of measurement of government broadly as represented by Munro and Head, or measurement of government service narrowly as represented by Ridley, reflects a definitive choice for the direction of government throughout the twentieth century.

**Indexing Performance:** William Bracy, Edison Cramer and Mabel Walker represent the effort to compare governments on service delivery and, perhaps, quality of life (Bracy 1924; Cramer 1929, 1934; Walker 1930). Bracy and Cramer were with the Colorado Municipal League. They conducted three successive comparative studies of principal Colorado towns and cities at five-year intervals. Their goal was to set a single index that combined information from a variety of services report one indicator that could be used to compare the principal Colorado municipalities. They also sought to combine information on service provision and cost of service. For service provision, they were interested in both effect, usually output, and efficiency, usually dollar per capita. Because the Bracy-Cramer series began in 1924, before Ridley’s first publication, it reflects the broader concerns of the earlier period as discussed above. Specifically, Bracy addressed the cost of the electoral process and in 1929 Cramer addressed voter
participation, reflecting interest in governance. However, by 1934, this concern had been dropped. There is no evidence that this index was continued or replaced after 1934.

Mabel Walker had a career that is somewhat parallel to Ridley’s; she was the executive director of a tax association centered near Princeton University. That career was not, however, focused on public performance or productivity. Before then, however, she wrote a dissertation on productivity and performance at Johns Hopkins University at the end of the 1920s. Her dissertation was a study of the expenditures all substantial cities in the United States. Like Bracy and Cramer, she tried to establish an index of government service based on government performance data. Her study is more sophisticated than the Braey-Cramer study. It is directly influenced by Ridley in that it is a study of the effect of government service provision, rather than of broader governmental concerns.

Walker attempts to capture the results of government; however she uses this term equivocally, sometimes capturing output and sometimes coming closer to outcome. She was interested in performance, not cost. She ranked 250 cities throughout the United States on 12 different categories, primarily from the same categories as Ridley examined, but also including schools, parks and libraries. Her work had some technical difficulties that needed overcoming, but was, in general, very promising. There is, however, no evidence, that anyone pursued this reasoning beyond her efforts. She was briefly influential; she is cited by V. O. Key as the only American author before himself who paid any attention to the distribution of expenditures to expenditure categories (Key 1940).
Although rudimentary and needing further development, there is nothing particularly
defective about the Bracy-Cramer-Walker line of reasoning. It simply seems to have died
out for lack of further champions.

**Reporting:** Herman Beyle and Wylie Kilpatrick took special interest in government
reporting (Beyle 1928b; Kilpatrick 1928; Kilpatrick and Stone 1928). Interest in
government reporting can also be traced back to William H. Allen. Kilpatrick was
associated with IPA and with Donald Stone, while Beyle completed graduate work at the
University of Chicago before taking a teaching appointment at Syracuse University.
They are, therefore, reasonably close to Ridley. Their work is somewhat later in time
than Ridley’s and reflects his influence, particularly Kilpatrick who tried to implement
Ridley’s advice in public finance reporting. Beyle’s book on reporting is much larger
scope and based on his University of Chicago dissertation, but it is backwards looking,
helping build the historical record and specifically critiquing the patchwork of reporting
practices in the Chicago area. Its great value is in setting out guidelines for municipal
reporting, which, of course, included an expectation of reporting on governmental
performance.

Beyle and Kilpatrick’s important work on reporting was during the late 1920s through the
1930s. Reporting is important to performance measurement because of the linkage to
including performance or other accomplishment data in public reports. Both Beyle and
Kilpatrick addressed this matter at some stage in their work. However, reporting had
many other tasks, such as selling the work of government. There is evidence that Beyle originated the practices that led to the citizen satisfaction survey (Beyle 1928a). Beyle moved on to public opinion research within a few years. Kilpatrick went to the federal government then to Florida where he continued to work in public finance, but appears to have lost any interest in reporting. Subsequent work on reporting was carried on by the ICMA, particularly Ridley, Simon, Nolting and others (Nolting 1943; Ridley 1927b, 1937; Ridley and Simon 1938c, 1948; Wall 1963). Their publications in the late 1950s and early 1960s are much more oriented to report format and the attractiveness of the annual report. For a better understanding of the developments in municipal reporting see Mordecai Lee (Lee 1999, 2002, 2003, 2004a, 2004b, 2005a, 2005b, 2005c)(2006).

**Sociological Studies:** A type of study very similar to the work of Bracy, Cramer and Walker was the sociological study. In the early days of performance measurement, William Ogburn led a study by Reed College students, which led to a set of indexes preliminary to the sort of index later developed by Walker (Ogburn 1917). However, this index differed in one substantial way; it was not focused on governmental service. Instead it was focused on the community as a whole. In this respect it was more like an index rating the community on its moral worth. Ogburn continued as a sociologist for many years, but did not repeat this particular study. The work did continue in the 1930s and 1940s through the effort of such individuals as Edward L. Thorndike whose works included *Your City* and *144 Smaller Cities* (Thorndike 1939, 1940). However, they tended to move further and further away from the objectives of early social reformers and
took on the mantle of comparative social science without normative information that is
used in typical performance reporting.

**Citizens Surveys:** The original meaning of “citizens survey” was not a survey of citizen
opinion, but a survey (study) by citizens of governmental or community activities and
quality. In the 1910s, they were supported by books such as *Knowing One’s Own
Community* (Aronovici 1912). These books listed questions that citizens, sometimes
“women’s clubs,” should use in checking into the conditions of the community. This
business continued on into the 1950s (Colcord 1939; Meyer 1922; National League of
Women Voters 1923, 1927; Warren 1955; Williams 1931; Wisconsin Conference of
Social Work 1927). In general these guides got longer and longer without attaining a
central focus. In 1923, it was ten sets of 20 questions, a comprehensible, if not
necessarily focused list. In 1955, Warren listed 267 questions about health care alone,
one of 16 chapters containing questions. While this approach was closely allied with
social reform in the 1910s and 1920s, it was a specialized sector of social work with little
apparent impact in the 1950s. I have found no evidence the practice survived beyond the
1950s.

**Competitions:** Another distant antecedent is the practice of governmental competitions.
In the United States, this practice is known as the All American Cities competition. The
National Municipal League created this competition in 1950 under the leadership of
Alfred Willoughby, a relative of WW and WF Willoughby. Its aim is to recognize the
best governed cities in America ("All American City: History" 2004). It goes on today
and is at least vaguely associated with many other comparative practices such as the business of magazines that compare the livability of various communities. It bears a weak resemblance to the work of Bracy, Cramer and Walker. However it is a juried competition, nothing else, and cannot be put on the same level as measurement and indexes however constructed.

**Program evaluation:** The last distant antecedent is early program evaluation. It arose in parallel with performance measurement during the 1920s (Moley 1928). This is not the given view, which attributes the formulation of this practice almost single-handedly to Ralph Taylor (Alkin and Christie 2004). However earlier evaluation practice, can be found in the same “government research” tradition in which performance measurement arose (Allen 1907), and rudimentary program evaluation can be found as far back as the 1840s (Williams 2002). There is evidence that the early use of the term “evaluation” in its modern role is associated with education research (Mills 1935; Reeder 1941); Alkin and Christie attribute it to Ralph Taylor. M. C. Elmer used “evaluation” in a transitional form in 1924 within the social survey literature that is closely allied with the government research literature (Elmer 1924). From early on, the term appears to imply a social science design in looking into questions of government or program performance. How this fact interacts with the language of government management and its “science” requires further examination.

**Analysis:** All these practices arose, developed, and sometimes faded in the period of the 1920s through the 1950s. All bear on performance measurement and the broader goal of
holding government accountable. Except for program evaluation, none substantially influence modern performance measurement practice. Proponents of program evaluation hold themselves apart, whether the practice is genuinely distinct is not the subject of this paper. However, modern themes are found in many of these practices: openness in reporting, comparability, governance, an effort to reduce information to a single index – all seem very modern. While many of these efforts did not survive, they reflect cultural norms that continue.⁹

**Municipal Standards**

In 1924, 1925 and 1926 the annual National Conference on the Science of Politics of the American Political Science Association called for the development of rating municipal government (Cottrell 1925; Gulick 1926; Upson 1924b). In 1928 this task was taken up by a joint committee of the National Municipal League, the ICMA, and the Government Research Conference and was chaired by Clarence Ridley (White 1929). This taskforce was staffed by Donald Stone, A. E. Buck, and Gustave Moe. It ultimately led to core technical documents on cost accounting of the American Public Works Association (APWA). Moe makes little mark beyond this taskforce, but Ridley, Stone and Buck have been discussed above.

The taskforce began as the National Committee on Municipal Standards (NCMS) and soon became the Committee on Uniform Street Sanitation Records (CUSSR), which by 1931 was subtitled “International Association of Public Works Officials” (Ridley 1929; Ridley and Shenton 1928; Stone, Moe and Ridley 1930; Stone, et al. 1931a, 1931b).
Frank Stewart says the work was subsequently taken over by the ICMA (Stewart 1950, 140). However, the APWA’s subsequent publications show the most direct continued interest in this line of thought. The reports of NCMS and CUSSR exhibit two very telling factors. First, there is the critical role of Ridley and the very direct link to his dissertation. In his dissertation he discusses the measurement of four types of public service in depth: fire, health, police, and public works. He concludes that the measurement of fire and health work is on the way to where it should be and that there is significant progress in the measurement of police work. He specifically cites public works as the area that is most in need of development. Thus, the direction this committee takes is straight from Ridley.

Second, the reports themselves are technical reports on cost accounting, linkage of physical activity to costs, and budgeting for these activities. In the earlier reports, there is extensive consideration of what units to measure and how to measure them. In the later reports, there is a detailed technical explanation of using unit cost to produce a budget and forms for this purpose. These reports are, therefore, the foundation of the original form of performance budgeting. The degree to which this committee developed performance budgeting can be seen in the Figure 3, which is a work program taken directly from Exhibit A of *Manual of Street Sanitation Records for Cities of 10,000 to 50,000 Population as installed in Brunswick, Georgia* (Stone, et al. 1931a, 13-14).10
Figure 3

As figure 3 shows, the Committee for Uniform Street Sanitation Records had worked out the basic elements of the form of budgeting later labeled Performance Budgeting not in 1949, but no later than 1931. This work was performed at the municipal level in public works. Critical participants included Ridley, Buck and Stone. The National Committee on Municipal Standards and its direct and indirect descendents are worthy of their own study.

New Developments

By 1950, the ICMA had been pushing performance measurement and management efficiency programs for 20 years. These were constant themes of Public Management and the Municipal Yearbook. The typical city manager, who was the *sine qua non* of
Public Administrator in 1950, could hardly have missed the topic. Leonard White’s third edition of *Introduction to the Study of Public Administration* specifically reviews the work of Ridley and Simon (White 1949, 67-68) and Simon, Smithburg and Thompson’s just out *Public Administration* contained a chapter “Evaluating Administration: Efficiency” (Simon, Smithburg and Thompson 1950, 488-512).

These, of course, were overshadowed by the big development, the 1949 Hoover Commission Report, which recommended performance budgeting. Exactly what was performance budgeting? The most likely candidate to tell us this is the author of this portion of the report, A. E. Buck. He says there is nothing new to performance budgeting except the name. He first tried performance budgeting in Richmond County (Staten Island), New York in 1912 and would have continued developing it had it not been for a change in the political climate (Buck 1949a, 33):

“Performance budgeting is not a new idea. It has been a matter of experiment almost from the time budgeting was first applied in this country some forty-odd years ago. A scheme for this type of budgeting, known at that time as a ‘cost data’ budget, was devised in 1912 and applied to the public works activities of the Borough of Richmond in New York City. The new budget operated for only three years, or until there was a political change in the city’s administration.

In spite of the fact that the Richmond experiment was discarded, the idea caught the imagination of some budgeteers and was later applied in modified form in other cities and states. Although considerable progress has been made in the
development if the idea, not all of its potentials are yet clearly indicated. The reason perhaps lies in the fact that most of the experiments with program budgeting have been conducted in governments with fairly simple structures and functions.”

So, performance budgeting of 1949 is just budgeting where you have analyzed the sources of your program’s costs. With a little more examination, you learn that A. E. Buck’s, that is, the Hoover Commission’s, performance budget is a budget that is built out of a fully developed cost accounting system. Costs are driven by cost sources, that is service units, which are analytically overlaid onto programs to determine program needs.

Curiously, this is the idea that William H. Allen, Henry Bruère, and Frederick Cleveland thought they had brought to the New York City Department of Health in 1907 (Bureau of Municipal Research 1907), which they tout as the serious introduction of budgeting in the United States. Buck claims that Hoover labeled this form of budgeting “performance budgeting” in order to give it a distinctive title (Buck 1949a, 33). Thus, in 1949, Herbert Hoover and A. E. Buck conspired to bring to the world’s attention the fully cost justified budget under the name “performance budget.” Few people outside the federal government, if they, can place their finger on anything else brought to life by the first Hoover Commission. Performance budgeting, or at least its name, is with us to stay.

The year 1950 brought something else, as well. It brought a change of the guard. Upson had died. Ridley’s focus changed to providing information services to the membership of the ICMA. Simon moved on to other research. Beyle and Kilpatrick moved out of the
business of reporting. Buck neared retirement. Nolting stayed on as a loyal second to Ridley, following him into information services. Stone had the whole federal budget to work with.

Principals of the new guard included Frank Sherwood (Sherwood 1954a) Frederick Mosher (Mosher 1954) and David Novick (Novick 1954). Sherwood represents the continuation of the performance measurement and performance budgeting trend. He is the principal, but hardly the only voice in the effort to implement performance budgeting at the municipal, state and international levels. There is little evidence that he was involved at the United States national level, which should not be surprising because in the very first year of federal implementation, performance budgeting failed due to the lack of Congressional interested (Egger 1950, 24).

What did happen was that municipal governments attempted to implement performance budgeting despite their lack of adequate cost accounting systems. Sherwood worked through MFOA and ICMA to try to help state and local governments with performance budgeting under these hash circumstances. Work hour information was used as a substitute for full cost accounting. This effort continued through the decade, Boston, Los Angeles, Richmond, Cincinnati, the states of Virginia, Michigan, Maryland and New York, the Philippines, and the United States Department of Agriculture implemented or attempted to implement performance budgets during the 1950s. Excepting for the Philippines, which was controversial, they all claimed success when they had the
opportunity (Anderson 1955; Elmore 1955; Koch 1960; Lally 1955; Parsons 1957, 1958; Roberts 1960; Sykes 1951; Zimmermann, Kroeger and Stene 1958).

According to Sherwood, this effort essentially began in the Philippines in response to the Bell Commission, an American commission led by Daniel W. Bell, one-time acting Budget Director and one-time Under-Secretary of the Treasury. Bell is listed as a collaborator with A. E. Buck on Part 2 of the *Task Force Report On Fiscal, Budgeting and Accounting Activities [Appendix F] Prepared for the Commission On Organization of the Executive Branch of the Government*. Part 2 is on reorganization of the Treasury. Part 3 of the same report is the previously cited report on federal budgeting in which Buck and Hoover invent performance budgeting. Bell’s very next assignment is the Bell Commission. The commission recommended that the Philippines get their financial house in order by, among other things, adopting performance budgeting. According to Sherwood, the Philippines sent representatives to the United States to observe the practice in action, and could not find it, except in San Diego (Sherwood 2004). Sherwood attributes his own interest in performance budgeting to Buck’s persuasive presentation and to performance budgeting’s management focus (Sherwood 2004).

The other thing that happened in the 1950s was the rise program budgeting. At the beginning of the 1950s program budgeting could very well have been indistinguishable from performance budgeting. According to Sherwood, it was the term selected by New York City to describe its budget process in 1951 (Sherwood 1954b). However, the term soon came to refer to the approach dominated by RAND and the United States
Department of Defense (DOD). While that approach was linked to the Hoover Commission recommendations, which itself needed programs to assign costs to the activities of government, it tended to move away from the Hoover approach. According to Schick, the proponents of program budgeting had broader planning objectives in mind while the proponents of performance budgeting were focused on managerial data (Schick 1966). That this is the distinction is bizarre considering that RAND and the DOD of the 1950s were the most expert operations research organizations in the world. Mosher’s introduction to program budgeting reads like performance budgeting on steroids.

By the end of the 1950s “program budgeting” became the usual term, this change reflected both rebranding and refocusing. I suggest rebranding of performance budgeting because, with one possible exception, the two types of budgeting rely on the same underlying accounting “cost data.” The possible exception is that Novick, but not necessarily Mosher, allowed data to be aggregated to a much more abstract level than was called for in performance budgeting. The aggregated data allowed for true “program” focus, forcing more attention on allocative decisions, according to Novick. Keeping the operations research recommendations from Mosher in mind, it is not apparent that this was a clear signal within the program budgeting literature.

While program budgeting may have pulled away from the managerial focus of performance budgeting by aggregating data to the level of allocative decisions, performance budgeting did not just die. At roughly this time, the term “productivity” entered the public administration literature (Kendrick 1963; Lauterbach 1964; Lytton
1961). From this beginning, productivity has been used equivocally across its principally economics meaning, ratio of output to input across massive sector sized entities, and its managerial meaning, also a ratio of output or outcome to input, but at the work unit or the individual level. Interest in managerial productivity, however labeled, has been with public administration literature from the early 1900s (Williams 2003). The significance for this discussion is that as productivity became sidelined in program budgeting, it did not fade away; it became diverted into its own track.

**Discussion and Analysis**

By 1960 the thrust into performance budgeting inspired by the first Hoover Commission had run its course. Program budgeting had supplanted it and the student of government analysis will know that PPBS (Planning Programming Budgeting System) was just around the corner. Performance budgeting did not go away, as it had become embedded into many budgetary systems, but it frequently became submerged, with budgeting pulled apart from productivity and both subordinated or interacted with other matters in PPBS, MBO, ZBB, and other management fads of the 1960s and later. Performance measurement took on the name productivity measurement in the 1970s and continued to be pursued by a faithful, if small, group of scholars into the present. Performance budgeting, or at least the name, reemerged in the late 1990s.

One question I set out is whether performance budgeting of the Hoover Commission era is the same as performance budgeting of today? The answer to this turns out to be more complex than one might expect. On the face of it, the two are starkly different. Looking
at a typical text by Kelly and Rivenbark, one sees performance budgeting of today largely linked to performance measurements, outcomes, benchmarks and other matters directly involved in governmental performance (Kelly and Rivenbark 2003). Terms like cost, cost accounting, etc., do not appear in the book at all, or at least not in the appendix. On first blush, one might suspect that the only part of the Hoover Commission’s performance budgeting that remains is the name.

However, a deeper reading leads to a different conclusion. Hoover, presumably with the aid of Buck, chose the label “performance budgeting” to emphasize the idea that “cost data” budgeting, as Buck alternatively called it, was budgeting for performance. From the 1910s to the 1950s, budgeting for performance meant allocating money to performance categories. Budgeting, after all, is inherently about inputs. What Buck and his colleagues on the Committee for Uniform Street Sanitation Records wanted to do was get the inputs for performance planned right. Their link to achieved performance was weak. That is not to say that it did not exist. Ridley and Simon were authors of the main text in performance measurement of that era (Ridley and Simon 1943), and the ICMA was then, as it is now, a driving force behind the continued development of performance measurement.

Another consideration here is the use of standards and the motivation behind them. Lately I have had the opportunity to arrange a talk on the Office of Management and Budget’s Program Assessment Rating Tool (PART) by Paul Posner and Robert Shea (Posner and Shea 2006). Shea is the OMB official who manages PART, which is widely
recognized as the federal government’s current – 2003 - 2006 and continuing – implementation of performance budgeting. Shea’s remarks show a renewed interest in maximum effect,\textsuperscript{11} connecting back to ideas that have been dormant since the 1940s.

The informed scholar will also know that there is renewed interest in cost accounting in the air. ICMA, the North Carolina group and others have been trying to work these practices out for a decade now. It is remarkable that these are some of the same groups that have shown long interest in performance measurement.

On this view, performance budgeting of today is continuation of the same practice as discussed here, adding linkage to the accomplishment element of performance. In fact, the Hoover period performance budgeting provides advice to performance budgeteers of today: do a better job planning for performance. Benchmarks are not enough. The linkage of funding to cost drivers needs to be stronger. Rivenbark has shown that modern public administration education pays little attention to cost accounting (Rivenbark 2001). Recent work by Ammons and colleagues strongly suggests that this problem extends to the practice (Ammons, Coe and Lombardo 2001), not merely a matter of educational shortcoming that might somehow be repaired on the job. In the 1950s the MFOA and ICMA supported workarounds for this problem. It is unfortunate that that it remains with us today.

Another question I ask is whether there is aimless paradigm drift, paradigm faddism, or perhaps paradigm development? The answer I offer does not address the period post-
1960. In the period before 1950 there is evidence of both paradigm drift and paradigm development. The drift is found in the slippage between the approach offered by Bracy, Cramer and Walker on the one hand and the approach offered by Upson and his protégé’s on the other. It is also found in the uncertain meaning of results and in the shift between a focus on governmental performance painted broadly by a line of thought including Upson, Munro, Bracy and Cramer, compared with one on government service alone in the thought of Ridley, Walker and the later Cramer. In addition, there is the early introduction of the evaluation-performance measurement paradigm competition, which suggests yet another form of drift.

Paradigm development is found within the Upson-Ridley framework. The narrowing of focus, which I have just suggested as drift (partly because the issue of governance has returned in the modern era), could be thought of as developmental. Ridley certainly builds on Upson and Ridley-Simon build on Ridley alone. Ridley-Buck-Stone build on Ridley and Buck separately and lead to Buck AKA the Hoover Commission. And this development provides opportunity for program budgeting. However, the inability to integrate input with output or outcome performance budgeting at that time led to the separation of productivity thought again, which suggests drift rather than development. The simultaneous career shifts of so many key members of this intellectual thread certainly undermined the paradigm development. Sherwood essentially stumbled in and rescued what could otherwise have become completely lost scholarship.
Is public administration/public management thought drifting or developing? Certainly if the popularizers (Osborne and Hutchinson 2004) are an indication, it is all drift. However, this history has been a story of considerable development unable to completely escape the powers that force it into drift when its internal drive is too weak.

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1 According to Vogel, the motivator for the movement was Brownlow. This was at a time of general reorganization of the ICMA. Ridley was selected as a step towards greater professionalization. University of Chicago was selected (sought out) after the Institute of Public Administration proved unable or unwilling to provide as much support as Brownlow thought the ICMA needed. Vogel’s full account is worth reading.

2 In looking at how performance measurement got to be what it is today, it is worth noting how much of its early development is associated with a handful of specific personal linkages.

3 The IPA still exists as an institute of New York University.

4 For these two areas, there was some agreement on, and ability to measure, outcomes. For fire, it was fire loss, essentially, fire insurance rates. For health, it was mortality rates, particularly, infant mortality rates.
The reason for this compromise, which they do not discuss, is obvious. The maximum possible is unknown and may be unknowable, even in principle. Simon is, allegedly, a logical positivist. Ridley’s work develops out of the tradition of pragmatism. Neither would be comfortable with a construct that is unknowable in principle. Thus, their scientific management tradition needs a pragmatic resolution, the compromise is relative efficiency, but it is second best.

The following is from an email posted by Terry Cooper to the Ethtalk listserv. “A decade ago I was invited to spend a weekend with 50 or so city managers. My part of the program was to lay out my ideas about public administrators as fiduciary citizens, a concept I began developing in the early 1980s and then presented in more complete form in one of my books, An Ethic of Citizenship for Public Administration. As I talked about administrative discretion the howl went up from around the room rejecting the notion that they had any real power or discretion. They insisted that they were just servants of the city council and lived very tenuous lives (’3 votes out of 5 and I am out of a job...’) I engaged them around this dispute at length, but gained only very reluctant admission that they are more than neutral technical managers. However, that evening around the fireplace in the lodge, and after a few drinks, they began telling the usual war stories about how they put one over on the council in various ways. There were stories about manipulating the agenda, preparing reports in the ‘right way,’ and how they worked privately with members of the council to secure their votes for a particular measure. I listened to these stories for a long time that evening and then pointed out to them that the experiences they had just enjoyed sharing and laughing about proved my point much better than I could have ever done as an academic. They had been admitting their power and discretion in the policy process and enjoying it considerably. The room became very quiet and people started drifting off to their rooms. I guess I spoiled their evening by confronting them with their own admissions of power. So, I deeply believe the perpetuation of the politics-administration dichotomy and the refusal to admit discretion and policy making power is just a convenient mask we should not allow to remain unchallenged whether it is being advanced by the reinventing crowd or by practitioners like city managers.” Cooper, Terry L. 2004. RE: [Ethtalk] Fwd: Research Question. Ethtalk Listserv

Dollar per capita is a poor measure of efficiency because it confuses taxpayer burden, a public policy issue, with worker productivity, a management issue. However, it continues to be used today.

In a personal communication, Frank Sherwood, who promoted performance budgeting in the 1950s, says he never heard of Beyle, with respect to performance measurement practices.

An important question one might ask is why the collateral antecedents are collateral rather than core. Although this paper does not directly address that issue, the role of the Spelman fund is intriguing. Another study focusing on specifically this issue would be worthwhile.

The modern reader, unfamiliar with early performance budgeting, may not be adequately impressed by this image because there are no data on it concerning what the program has accomplished. However, in its first iteration, performance budgeting was about budgeting to perform work units, where the work units were linked to the way the public organization served the public.

This talk has is not yet available in reviewable media so quotation is not yet available.