

MONITORING AND EVALUATING ORGANIZATIONAL PERFORMANCE

by James W. Davis, Jr.*

I. Introduction

The purposes of this article are to discuss the administrative activity of monitoring and evaluating organization performance, and to suggest some of the special problems that such activity may confront in the Thai environment.

First, what does the phrase "organization performance evaluation" mean? Today in public administration and economics, the phrases project evaluation and program evaluation are common. The concept of project seems generally clear enough--dams, irrigation networks, highways, and bridges are all examples of projects. Project evaluation means most commonly a comparison of the costs and benefits of alternative projects to determine which ones deserve support. A program may seem somewhat vaguer than a project, but it usually refers to a particular governmental (or agency) activity intended to accomplish a particular goal or cope with a particular program. Thus there are such varied activities in the developing countries as English language training programs, malaria control programs, teacher training programs, and so on. Any program may contain several projects--as a teacher training program may involve the construction of colleges. Program evaluation refers to the analysis of alternative ways of achieving the same goal or coping with the same problem---and it may also refer to the critical study of what has been accomplished. It is not clear that there is any way to distinguish neatly between projects and programs, but in common usage a project often involves construction and often a definite schedule; thus, it is likely to have a clear beginning and an end. A program is less discreet than a project and may be more continuous.

In any event, both program and project can be distinguished from organization performance---which is a much broader concept. Its broadness is shown by the answer to the question "what do organization do?" The following is but a partial answer.

*James W. Davis, Jr. is an Associate Professor of Political Science at Washington University, St. Louis, Missouri. He has an A.B. degree from Harvard University (1957) and M.P.A. and Ph.D. degrees from the University of Michigan (1962 and 1964). He has written several articles and is the co-author of *Little Groups of Neighbours: The Selective Service System*, the editor of *Politics, Program and Budgets: A Reader in Government Budgeting*.

Organizations may:

recruit, socialize, train, and utilize members
reward, sanction, evaluate, and promote members
develop goals, missions, policies
develop programs and projects
obtain and allocate resources among alternative uses
provide services to a variety of clientele
implement programs and projects
collect and analyze information

This list, hardly a complete one, suggests the multi-activity nature of organization performance. Of course it is possible to think of numbers of other activities that go on inside organizations---communication, supervision, control, and decision making all come to mind immediately. These too can be included in the meaning of the concept organizational performance.

Given the breadth of the concept, how can one evaluate organization performance---or even talk sensibly of doing so. It is useful to think in terms of a functional profile that might be developed for any formal organization. Such a profile, perhaps similar to the list above but much more detailed, could serve as a guide to the monitoring and evaluating of an organization's performance. Using the profile an analyst attempting to evaluate an organization's performance might focus on one or another of the organization's activities or functions, or the analyst might strive to evaluate total organizational performance. Alternatively an analyst might prefer to look at an organization as a system with a number of components interacting with one another and with elements in the environment to perform a number of functions. With such a systemic view an analyst might focus on the performance of one function, or on the functions of one component, or on the performance of the system as a whole.

In the literature of policy economics a common phrase is cost benefit analysis or cost utility analysis. This is obviously one form of evaluation and it is a useful tool for comparing alternative projects or programs. Organizational performance evaluation, however, means a good deal more than cost benefit analysis. Organization performance evaluation means to me the careful empirical description of specific organizational functions or activities (what is actually happening?), and a comparison of what is with what is intended and with what ought to be. Not drawing just on economic theory and research tools but rather on the whole field of social research, organization performance evaluation amounts to evaluative research on what an organization is doing and how well it is doing it.

It is worthwhile to emphasize the obvious: the importance of organizational performance evaluation. It is important because a major purpose of evaluation is to detect what Anthony Downs has termed "performance gaps" ---that is gaps between actual and desired performance.¹ Such gaps may exist in any area of organizational performance. An organization

¹Anthony Downs, *Inside Bureaucracy* (Boston: Little Brown and Company, 1967) pp. 191-193.

may not be able to recruit enough employees with the requisite skills. It may not be able to retain members. An organization may do a poor job of planning or it may allocate resources uneconomically. It may be constantly surprised because it does an inadequate job of intelligence collection and analysis. (This can be fatal to an army; it can be embarrassing to a school system caught without schools because it did not know how many children were coming.) It may have ill-defined or undefined missions or goals. It may simply be falling behind schedule in the accomplishment of its tasks. This list could be extended, but it is clear that the phrase "performance gap" is or may be relevant across the whole spectrum labeled organizational performance. In every activity there is at least potentially a gap between the actual and the desired.

Of course, an administrator is not likely to be interested in detecting performance gaps simply as an intellectual or detective exercise. Evaluation is useful, indeed essential, as a first step in informed modification and adjustment. The evaluation of past and present performance is a first step toward the achievement of appropriate future performance. Professor Milton Esman emphasizes that evaluation and modification are part of implementation, and that evaluation is also necessary for future planning. Though this study singles out and stresses the importance of evaluation it is the case as Professor Esman writes "Any attempt to distinguish sharply between planning, implementation, and evaluation can be quite misleading."²

To emphasize further the importance of evaluation, another point is important. Organization structures and government programs can be and often ought to be viewed as hypotheses. A hypothesis represents a statement that we are willing to assume is the case, are willing to assume is true---but we also know that it may not be, so we strive to test it, indeed to falsify it. The structure of government organizations and the design of government programs are often based on little more than the assumption (often the hope) that they will work. But all too often they are not evaluated and adjusted, though they ought to be. All too often administrators (and politicians) keep on with programs once started because they are committed to them and because they "just know" they are working.

It would be nice indeed if, when organizations were created and programs started, though was given immediately to the simultaneous and continuous collection of data that would show whether the organization or program or activity were working as intended. Thus, it is important to determine what data is necessary to show if the program is working as intended: The collection of that data should be made a part of the program implementation. And do not just settle for what is easy. In trying to evaluate the work of an English Language Institute, for example, it would be easy to count the faculty and the number of graduates each term. But to evaluate thoroughly the work of such an institute one should know among other things the level of English competence of incoming students, and the competence level of graduating

²Milton J. Esman, "The Implementation of Development Plans," *That Journal of Development Administration*, ix (April 1969), p. 281

students. With such information it might be possible to make inferences about the level and quality of instruction; without such information one could do little more than assume English was being taught. This, to be sure, is what is common, but it is not ideal.³

II. Monitoring Organizational Performance

The comments above on the need for data bear on an important point. The beginning of organizational performance evaluation is the collection of information relating to organizational performance. In other words, monitoring organizational performance must precede evaluation. This may seem obvious, but the collection of information related to performance is so important that it is worth particular attention.

While information may be basic to organizational performance evaluation it is by no means easy to obtain. Consider the obstacles---or at least the necessary conditions. First, collecting and analyzing information costs money. The lack of money is a common problem, and a particularly pressing problem in the developing countries. Yet when there is no money for information collection there can be no evaluation. Collecting information also takes time. This is especially true when the collection is not routine or the data not readily available and a study to collect the necessary data must be especially designed and carried out. Studies of public opinion about a particular issue, employee attitudes, the impact or effects of a particular program take time. Sometimes there may seem to be no time for study when government action is involved. And in any case studies must be designed to fit the time available just as they must be made to fit the funds available.

Collecting information takes people with skill and imagination. The collection and analysis of information absorbs trained manpower resources, and their lack may be an obstacle to the collection of information. Data collection may also require (at least be facilitated by) the presence of a literate, articulate, and cooperative population---something many developing countries lack.

³One of my favorite illustrations of the failure of government organizations to collect evaluative data is given by Elizabeth Drew: "Those who picture Washington as one mass of files and computers containing more information than they would like will be comforted by the experience of program planners in attempting to evaluate on-going programs. Whatever the files and computers do contain, there is precious little in them about how many and whom the programs are reaching, and whether they are doing what they are supposed to do. If the purpose of an adult basic education program is to teach people how to read and write, the Office of Education might reasonably be expected to know how many people thereby actually learned how to read and write, but it does not. The higher education study was delayed because there simply was too little information about who was receiving federal scholarships, or what happened to all those who had been receiving National Defense Education Act loans since 1958. Did they finish college? Did it effect their subsequent careers? No answers. The Public Health Service might be expected to know whether its various health services are in fact making people healthier, but it does not. The study of disease control was to have encompassed more diseases, but so little was known about the effective treatment of alcoholism and heart disease that these components had to be dropped. Those working on the income maintenance study found that the Welfare Administration could not tell them very much about the public assistance caseload--- who was on welfare, where did they come from, why were they on it, what they needed in order to get off." HEW Grapples with PPBS," *Public Interest*, Summer 1967, p. 11.

There are a number of other obstacles to the collection of data on organizational performance. Government secrecy or perhaps government discretion may hinder or completely prevent the collection of necessary information. Not only may officials be hostile toward or at least not candid with the press, academics, and other observers---they may not even be open with each other. A budget examiner, for example, may really have to dig to find answers to his questions and even then he may not be successful. In Thailand the Ministry of Defense gets a lump sum budget. Until recently this was also true of the Police Department.

Fear of criticism may hinder monitoring. Officials may be insecure, defensive, or just not want their activities exposed to public view. A lack of publication may also make monitoring difficult. Government documents may represent only the piece of the performance iceberg that is out of the water, but they are often useful nonetheless. In the United States the issuance of government documents can be conveniently followed through regular perusal of the catalog of government publications and documents can be found in deposit libraries. In many developing countries by way of contrast, much is not published and much that is is hard to find. In Thailand there is no central catalog of publications and printing is decentralized. It is very difficult to keep track of what is published and to secure copies.

On a rather different level a weak transportation and communication system may make performance monitoring difficult. This is particularly true in the case of wide spread organizations with a substantial field apparatus. If units in the field cannot be easily and regularly contacted and inspected, then it is hard to know what they have done in the recent past or are doing now.

A final obstacle to monitoring government agency performance is a lack of curiosity. Monitoring starts with questions and perhaps with skepticism. If an administrator does not ask questions there will be little monitoring, and its lack will be reinforced if he is unsympathetic to others asking questions.

Another important question is, who monitors? The answer in the end must depend on both the society and the organization in question, but there are a number of possibilities. Clearly, there may be many official monitors---a legislative body (and of course its individual members and committees), courts, perhaps an ombudsman, the Chief Executive, what I call central staff agencies (budget bureau, civil service commission, central auditing office), and of course the organization's managers themselves and their staffs. In some countries or in some organizations there may be special monitoring bodies. Some organizations, for example, have an Inspector General. In addition to such official monitors there may also be a variety of unofficial monitors of governmental organization performance---interest groups, party leaders, the press, professional groups, academic researchers.

Primary emphasis here is on the monitoring done by managers and their staffs not only because that subject is most relevant today, but also because nothing can replace systematic

monitoring of organizational performance by an organization's own management.⁴ Managerial monitoring is critical if a manager is to be able to evaluate the performance of his organization. Monitoring and evaluation go hand in hand. More than this, without adequate, accurate, timely information, no manager can be said to be in control of his organization. Control is impossible without monitoring. But what kind of and how much information does a manager need? There are no formulae to answer these questions. The general answers are that the manager needs information about the functioning of his organization and he needs information about the relevant environment. As for how much---the only answer is that he should get as much as he can afford and use, but he must avoid information overload.

In principle it would be possible for a manager to generate much information about both the performance of his organization and its environment. There are numbers of questions a manager might ask and try to get answers to --- recall the breadth of the concept "organizational performance." Yet a manager cannot ask everything. His time is limited, his funds are limited, the ability of the organization to generate information while accomplishing other missions is limited. An important task for the manager is therefore to decide what he needs to know---and then to try and get it. It is not enough for a manager to simply take information that comes his way randomly thanks to thoughtful subordinates, a critical press, or testy intellectuals. He must think systematically about his information needs (perhaps using something like the functional profile mentioned earlier) and take steps to get the information he requires.

Within any organization it is clear that men in different positions will have different information needs. A budget officer will not need what the personnel officer needs, and the purchasing officer will need still different information. The chief executive may need summary information in a wide variety of areas. It is also obvious that men in different organizations will have different information needs. A man in the Ministry of Education needs data on such things as advances in educational technology and the number of children in the school age population. A man in the Ministry of Public Health may need information on the incidence of various diseases---both in his country and neighboring countries---and he may need continuing information on changes in medical technology. The point is that a manager needs information on the problems that his organization is supposed to cope with and on the tools available as well as information about his organization and how well it is performing.

For some time there has been an interest in the collection of economic indicators---that is, data on such variables as level of employment, construction, orders placed with firms and so on---and their use in economic policy. There is now growing interest in social indicators---that is, statistical indicators of social conditions.⁵ Data on crime rates, the educational level of

⁴According to Esman, "...reducing the monitoring of a development plan to manageable dimensions means that most of the job must be done, activity by activity, by the decentralized implementors." "The Implementation of Development Plans," *op. cit.*, p. 282n.

⁵See for example Raymond A. Bauer (ed.), *Social Indicators* (Cambridge: MIT Press, 1967)

the population, school drop-out rate, and family size are all examples. It seems obvious that managers of organizations should be aware of the various statistical series routinely collected in their governments and know which ones are relevant for their organizations. Changes in the data may suggest inferences about the performance of their organizations as well as about the problems their organizations face. Managers may also have to try to see that some additional data are collected or that available data is analyzed in different ways so that it will be of most use to them in monitoring the performance of their organizations. It may be put down as a rule that if information is not asked for it is not likely to be collected or provided. And of course managers may have to collect their own specific indicators of organization performance.

Let me shift vocabularies now and for the word monitor substitute the word search.⁶ With this substitution comes the notion that the manager, in trying to evaluate the performance of his organization, must search for appropriate or relevant information. But his search may be affected by a number of factors. The ideology of the organization or the manager's own preconceptions and biases may limit search activity. If everything appears to be going smoothly why look for trouble? Satisfaction limits search. A manager may have an interest in justifying his own program or making it look good. The search for examples of poor performance may thus be limited. (Superiors are well advised to keep this in mind when getting performance data from subordinates.) A manager's own training and abilities may limit the questions he asks or the kind of data he appreciates or is able to understand. Naturally time, cost, and lack of staff may all limit search activity. Finally, resistance to search, more precisely resistance to evaluative research, by those who may be adversely affected by the results may also limit search.⁷

Obstacles aside, it is clear that in principle search can take many forms. For example, it may be continuous or sporadic. It probably should be both since a manager may be best served by getting routinely a few indicators of organization performance (perhaps concentrating on functions or activities where he has most reason to predict trouble) and spot checking, perhaps on a random sample basis, performance in other areas. Occasionally special studies of particular conditions or suspected problems may be undertaken. Whether this happens and how often it happens is partially a question of resources but also a question of managerial

⁶For a discussion of search see James G. March and Herbert A. Simon, *Organizations* (New York: John Wiley and Sons, 1958), pp. 115-116 and also 194 ff.

⁷Additional material relevant to search behavior in organizations (intelligence seeking) can be found in Harold L. Wilensky, *Organizational Intelligence* (New York: Basic Books, 1967.) The following quotations are illustrative: "The more an organization is in conflict with its social environment or depends on it for the achievement of its central goals, the more resources it will allocate to the intelligence function..." (p. 10) "The more an organization depends on the unity and support of persons, groups, factions, or parties within its membership for the achievement of its central goals, the more resources it will devote to the intelligence function..." (p. 13) "The more an organization sees its external environment and internal operations as rationalized--that is, subject to discernible, predictable, uniformities in relationships among significant objects --the more resources it will devote to the intelligence function..." (p. 14)

attitude. Does the manager have an empirical bent, an appreciation of systematic and quantitative data---or does he operate on the basis of judgement and intuition? Also, the data collected is a function of the questions asked. It is possible to imagine questions being put that will make practically any program or organization look good.

The discussion thus far is of managerial monitoring; this may also be thought of as internal monitoring. But as mentioned earlier several other institutions may perform a monitoring and evaluative function---legislatures, the press, pressure groups, and soon. (These can be thought of as external monitors; the class of external monitors can be divided into official and unofficial monitors.) Overall, the attention given government organizations by such institutions and organizations is likely to be beneficial, but it is also true that monitoring by such groups is likely to be intermittent, perhaps accidental, and not systematic. Such monitoring may supplement but cannot replace systematic monitoring by organization managers.

Aside from this observation there are other points to be made about external monitoring. One is that the more monitors there are in a society, or the more monitors an agency has, and the more unrestrained they are, the more monitoring and evaluation and criticism and change there will be. The reverse of course is that the fewer monitors there are, and the more restrained and cautious they are, the less monitoring there is likely to be. Basically in a pluralist society there is more monitoring and evaluation of government organization performance than in a nonpluralist society. The implication of this for Thailand is obvious; managerial monitoring would seem to be supremely important---who else is there to do it. But, to introduce a further complication if there are few external monitors---if in other words no one is looking what incentive has a manager to monitor his own organization?

Both in Thailand and the United States there are of course organizations that receive more attention than others. In neither country does every agency have an equal number of monitors or an equally attentive public. In the United States, for example, until just a few years ago hardly anyone paid much attention to police forces. The result was that they largely went their own way. When I began a study of the United States Selective Service System a few years ago I found that it was practically a virgin forest. In contrast, many evaluative studies dealing with such fields as public welfare and urban renewal were available, though to be sure they were of varying quality. In Thailand there are some organizations and functions practically unlooked at and perhaps some that have received a good deal of attention.

Why do some organizations attract more attention than others? There are likely to be several reasons. Their openness, their need for support, their public visibility, the size of their budget - all these may be important and there may be other reasons as well. It should be clear, however, that even organizations that attract a good deal of attention may not attract it continually, and only some aspects of their performance may attract attention or comment. The dramatic is more likely to be monitored and evaluated than the everyday and humdrum.

The performance of troops in battle attracts more attention than the readiness of the reserves. The performance of a fire department at a fire may receive more comment than the manner in which it carries out a fire prevention program. In sum, much organizational monitoring---especially that carried out by monitors external to an organization---is hit or miss. This emphasizes again the importance of managerial monitoring.

A number of occurrences may affect organizational performance, occurrences that the administrator, the organization analyst, the monitor should be aware of. Internal personnel changes and turnover may certainly affect the performance of an organization. Changes in workload or in demands for an organization's services are important and must be recorded. Changes in the external political context may affect the access of an organization to decision makers and may bring to power men more or less sympathetic to an organization's programs. Advances in technology are important. Some advances (or changes) may enable an organization to do its job more effectively and some may allow it to compensate for a lack of sufficient manpower or a lack of skilled manpower. Some advances in technology may, however, present new problems that must be coped with; water pollution arising from the use of DDT is an example. All of these changes are likely to be seen in Thailand, which suggests that constant monitoring, evaluation and modification is and will be necessary. Otherwise an organization may continue on course long after a change in course is indicated. My impression is that search in or by Thai government agencies is extremely limited---no doubt for many of the reasons which we have reviewed. At the same time, self monitoring of performance has also been lacking in many American bureaucracies.

III. Evaluating Organizational Performance

Data collection, monitoring, search, research or whatever it is called precede evaluation, but it is not evaluation. Evaluation is rather the analysis and interpretation of the information that is collected. How well is a task being performed? Is work proceeding on schedule? How qualified is the staff to carry out its responsibilities? Do changes need to be made in what the organization is doing and if so what changes? What impact are the programs of the organization having? Are they doing what was intended? Do intentions need to be altered? These are all evaluative questions. They are important though often neglected questions.⁸ Organizations often do not collect, as a matter of course, information that will allow such questions to be answered. Yet, evaluation is an important part of planning and implementation. Informed planning and implementation is impossible without continuous evaluation.

⁸"Sustained evaluation, however, is often neglected. Performance information is often hard to obtain. When obtained, it may prove unreliable. If reliable, it may prove tedious or unpleasant, particularly in comparison with the more heady exercise of concocting new plans. If fully analyzed, the evaluation data may stay in the offices of technical personnel and never get to the more responsible planners." Bertram Gross, "Activating National Plans," in *Action Under Planning: The Guidance of Economic Development* (New York: McGraw Hill, 1967), p. 196 To these observations may be added the additional ones that data on organizational performance may not reach an agency head if it is unpleasant, and if it does reach him he may ignore it.

Given the importance of evaluation it is well to be aware of the problems associated with it. The preeminent problem is often a lack of useful data, but enough has been said of that already. Another problem is a lack of standards or benchmarks or precedents with which to interpret the data that is collected. Particularly in developing countries where what is being done is often unprecedented, how can one evaluate performance? At the least it is extremely difficult. Even if there are definite targets established in a plan it is always possible that if they are not met the fault lies with the targets and not with the performance. And many aspects of organizational performance may not be covered by goals set down in an economic and social plan. Some whole organizations may not even be mentioned in it. Evaluation is not impossible, but certainly the establishment of targets or standards or goals that are meaningful in a particular social, political, and economic context is not easy. Standards or evaluative criteria cannot be simply pulled out of thin air or straight from another country. To do so is to risk failure and frustration. Perhaps a solution lies in generating and maintaining records that allow continuous comparison of present performance with past performance and continuous comparison with the performance of other organizations. (Perhaps one path to evaluation is through comparative administration.) At any rate it seems clear that meaningful evaluation must take into account performance norms of one kind or another and not simply arbitrary standards. Perhaps such standards may have to be a starting point, but they must be adjusted in the light of actual performance.

Another problem in the evaluation of organization performance is the multiplicity of goals or standards that an organization must meet. The problem is even more complicated when the goals conflict with one another. Were an organization evaluated in terms of just one standard it might appear to be performing poorly, but it is important to remember that often more than one standard or goal is relevant. Consider a police department; in the United States police are expected to catch criminals, but not bother the innocent, and observe everyone's constitutional rights. And they should do all this with a maximum of courtesy and a minimum of violence. School systems are expected to educate well everyone that enrolls---and this can require everything from special education for the retarded to vocational education for future mechanics and carpenters to college prep programs that will qualify students for advanced standing in ivy league colleges. A system doing reasonably well in all these areas may well leave something to be desired in each. But resources cannot be concentrated, they must be spread.

Another important problem associated with evaluation is bias. Data on organizational performance can often if not always be interpreted in many ways. Agency heads, budget officials, legislators members of the press and academic researchers may all look at the same body of data and draw different conclusions. It takes, for example, a rather flexible and secure official to look at data dealing with his organization and the problems it copes with and conclude either that his program is having no impact or that what his organization is doing is not working. Perhaps the word bias is too strong, but it is surely true that officials are likely to see in data

what they want to see and what they are prepared to see; they are unlikely to find what they are not looking for.⁹ There is no way to avoid completely bias in interpretation and evaluation, but it may pay for the same data to be interpreted by different actors with different interests. (In a hierarchical non-pluralistic society this may be harder to arrange than in the American political system.)

In addition to bias there is also the problem of limited evaluation. Earlier it was noted that organizational performance evaluation can be partial or total. Total evaluation is taxing and time consuming; perhaps it is impossible. But a danger of partial evaluation is that a problem may be found that is not really a problem. For example, there are individuals who have physical infirmities or defects of one sort or another, but they compensate for them and function satisfactorily. It pays for organizational evaluators to have in mind some knowledge of overall organizational operation and effectiveness. Another way of saying this is to say that the evaluator, even if he is interested in only one problem or one function or one organization needs a systemic view. He should know where the subsystem he is studying fits in. It may be helpful also in thinking about organizational performance evaluation to keep in mind the useful distinction Robert Merton has made between manifest and latent functions.¹⁰ Briefly, Merton emphasizes that things are not always what they seem, that an organization may not be doing only what the formal statement of purpose, the conventional wisdom, and the myths would lead you to believe.

The purpose of organizational performance evaluation is to detect performance gaps. But some gaps are found so frequently in the performance of formal organizations that it is possible to speak about certain inevitabilities in formal organizations. Inevitably there will be a lack of coordination, a lack of control, poor planning, some waste, some duplication, problems in communications, and indeed inadequate monitoring and evaluation. It is possible to walk into the headquarters of practically any organization and find this much without a single interview.

You may surmise that I do not take such problems seriously. That would not be entirely correct, but I do not take such problems seriously automatically. Administrators must be interested in reasonable overall effectiveness, not theoretical perfection. The challenge is not to get rid of all problems---that might be too costly in terms of other values---but to keep problems within tolerable limits. To be sure these limits may change over time in any particular organization and may vary among organizations. By analogy, the tolerances in a watch

⁹"In all complex social systems, hierarchy, specialization, and centralization are major sources of distortion and blockage of intelligence. The quality of intelligence is also shaped by the problems to be confronted, the stages of growth of the organization, and the economic, political, and cultural contexts of the decision." Wilensky, *op. cit.*, p. 42.

¹⁰See his essay in Robert Merton, *Social Theory and Social Structure* (New York: The Free Press of Glencoe, 1956)

must be closer than in an automobile engine, in a missile for the moon closer than in a locomotive. It would be nonsense and wasteful of resources to make all these things to the same standard and it would be nonsense to demand the same level of performance in every organization. Performance standards are not absolutes. The task then for the evaluator is not only to detect performance gaps, but also to assess their dimensions, their significance, their seriousness. An organizational analyst ought to be able not only to find out what is wrong, but also to assess what ought to be changed and what ought to be tolerated.

In addition, Evaluation and evaluative research is often resisted by those about to be evaluated. We see this in American students who resist the notion of grades and we see it in bureaucrats who resent inspections, investigations, and required reports and who positively abhor the idea of a citizen or academic making his own independent inquiries. Such resistance is perhaps natural; at any rate it is hardly surprising. In the face of resistance it will not do simply not to evaluate, but certainly the need for evaluation must be balanced against other needs—like organizational cohesion and the need for continued functioning.

Thus, important as evaluation is it is not all that is important and, like many modern medicines, an overdose can be positively harmful. On this point an observation by Bertram Gross is relevant:

“An overdose of evaluation or control may unwittingly serve to undetermine plan implementation. Evaluation and control may divert an undue amount of time and energy from concrete implementation steps to the filling out of forms, the conducting of endless studies, and exhausting appearances before evaluative boards or investigating commissions. This may provoke a debilitating sense of resentment and antagonism against the evaluators, undermine the initiative of the evaluatees, and—what is still worse—even destroy their sense of responsibility for their own actions.¹¹

Gross also argues that subordinates may give what is being evaluated the preponderance of their attention, to the detriment of other activities. (This may be another disadvantage of focussed or narrow research or evaluation.) If subordinates know they are being evaluated they may in one way or another distort the information they provide. And, according to Gross “the sheer bulk of information collected through evaluation activities may clog the communication channels of the central planning machinery.” Surely this latter danger is a reason for emphasizing—as Esman has—decentralized evaluation.

Problems enough have been mentioned. Perhaps now I should tell how to evaluate organizational performance, but there are no formulae. As previously stated, “Organization performance evaluation means to me the careful empirical description of specific organizational

¹¹Gross, *op. cit.*, pp. 197–198 for this and following points.

functions or activities (what is actually happening?), and a comparison of what is with what is intended and with what ought to be." Boiled down, the essence of evaluation is research-and the essence of research is asking and trying to answer questions. What is the organization doing? How well is it doing it? Why is it doing it? The answers to such questions do not lie in official statements and organization charts. They lie rather in observation, conversation, and interview combined with wide reading and perhaps formal surveys. And imagination is required. Organizational performance evaluation is not a matter of mechanical routine.

IV. The Results of Evaluation

Assume that evaluation has taken place and a performance gap has been detected--that students studying English are not really learning it, that crime rates are going up despite the efforts of the police, that numbers of potential students cannot find seats in the universities. The question then is not whether a performance gap exists but rather why and what can be done about it. There are likely to be a variety of explanations and suggested solutions. After all, various participants in the discussion have different interests and are likely to interpret available data in very different ways. Some may not even look at any data.

The result is that some will say that the solution is more money. If the Budget Bureau would just grant more money then everything would be all right. Others may say that there is plenty of money, but it is being wasted and that agency management must be improved. Perhaps some will say that the organization needs to be reorganized and a brave soul or two may say that the answer is the replacement of the Director General or the Minister. Doubtless some will point to the civil service regulations and low civil service pay as the root of all evil.

Too often the explanations of performance gaps and the suggested solutions rest mainly on judgement, intuition and personal interest. We have already seen that information in conflict with values, preferences, or interests is likely to be ignored. It is clear also that explanations of performance gaps or "short falls" are often grossly oversimplified. Performance gaps are likely to have many causes and any explanation that points to only one is likely to be much too simple.

Even assuming that the causes of a performance gap can be accurately assessed what can be done? What is likely to be done? There are an array of possible (and common) solutions ranging from more money to reorganization to new equipment. What is in fact done depends on the costs of the gap and the costs of the possible actions that might close it. The word costs, of course, includes political as well as economic costs. And the opportunity cost must also be considered. If we work on this problem then we use up resources we might devote to the solution of another problem.

Because of the costs involved in solving a problem it may be decided to accept a performance gap. That is any attempt to lessen the gap between desired and actual performance involves change and change is costly. More money may have to be spent, new patterns of behavior may have to be learned, new rules and regulations may have to be drawn up morale may suffer, personnel turnover may go up--these are some of the more obvious costs. Another possible cost of change is that political support may be weakened. During a period of change there is also likely to be a good deal of confusion and chaos and perhaps an even lower standard of performance; an administrator may well have to decide what his organization can endure. In some circumstances, perhaps especially in developing countries, operating with performance gaps may be more rational than bringing on chaos. The lost performance may be cheaper than the cost of change.

It was earlier suggested that performance gaps might have to be accepted if they were within tolerable levels. Moreover, some performance gaps may serve useful functions. Lack of control or lack of coordination may mean that subordinates are acting independently, autonomously, and to stay in the organization they may require some feeling of independence. Achieving more control might increase employee dissatisfaction and turnover. Increasing control might, in other words, be dysfunctional. Some apparent waste of resources may be necessary to motivate employees. The "waste" may be a necessary part of an incentive system. Another word for waste may be slack which may give a manager the flexibility he needs to accomplish his mission. Duplication is another administrative horror; but another more neutral word is redundancy and redundancy is sometimes useful or necessary. Redundancy is a way of protecting an organization from the consequences of failure. These points suggest that solutions may bring their own problems, that apparent performance gaps may sometimes just have to be accepted.

Even if it is decided to do something about a performance gap, alternative measures may be evaluated not only in terms of their money costs, but also in terms of their political cost and the amount of change they require. A change affecting 10 people may be easier than one that affects 100. It may be easier to change a commanding officer than a whole division. A change requiring the assent of a Director General may be tried before one requiring Cabinet Approval. A change that does not require more money may be tried before one that does.

In the end the performance gap may be lessened a bit, but not closed--it may not even be lessened. The result of evaluation may be no action. This is not meant as an argument against monitoring and evaluation--but only as an explanation of why evaluation may not always bear immediate fruit.

V. Some Special Problems in Thailand

Throughout I have made the point that monitoring and evaluation are important; perhaps they are especially important in a developing country like Thailand where-by definition--the environment is changing rapidly. Structures, activities, and programs which were

appropriate yesterday may not be tomorrow. Problems not present yesterday may be serious next week. Yet, there are several obstacles in the way of monitoring and evaluation. There is no need to summarize them here. But it may be useful to draw together the contents of several books on Thailand and suggest the characteristics that seem most likely to hinder organizational monitoring and evaluation.

We may start with the commonplace observation that Thailand is a bureaucratic polity. This may be beginning slowly to change. Certainly some of the Member of Parliament are trying. But today power is located in the bureaucracy. To be sure it is not evenly distributed throughout the bureaucracy, but the point is that other political institutions have not achieved control over the bureaucracy. This means "that the arena of politics, the focus of rivalry, and the struggle for power, wealth, and other public values" are within the bureaucracy.¹² This has consequences for the performance of government organizations. Among the most important is that bureaucrats and bureaucratic organizations may be importantly if not primarily interested in their own advantage and well-being. Both the status quo and proposed modifications in it may be viewed from this perspective. Bureaucratic self interest may dominate both monitoring and evaluation.¹³ As the economy develops, other interests will probably develop, but today the bureaucrats' interests seem most important. Today there is a lack of external monitors and not a great deal of criticism. Acquiescence and passive acceptance are common; the manager may have small incentive to carefully monitor evaluate and modify his own program. If no one else is likely to criticise his organization and its performance why should he?

There is another point to be made that flows from the Thai political system. If the center of rivalry is the bureaucracy, if this is where the power struggle is, then it is easy to imagine that bureaucrats will resist being monitored and evaluated by their rivals or potential rivals. In addition, managers themselves may resist collecting data on their own organizations for fear it may be used against them. Here the point is that monitoring and evaluation may open a Pandora's box; unless it is merely formal or ritualistic it may be hard to predict what will be turned up. The whole operation thus may appear risky and better avoided.

The effect of politics on monitoring and evaluation is also seen in an observation made by Daniel Wit:

¹²Fred W. Riggs, *Thailand: The Modernization of a Bureaucratic Polity* (Honolulu: East West Center Press, 1966), p. 197. Similarly, "Although many of the devices found in representative governments for enforcing accountability exist nominally, they are not accepted and used as such." James N. Mosel, "Thai Administrative Behavior" in William J. Siffin (ed.), *Toward the Comparative Study of Public Administration* (Bloomington: Dept. of Government, Indiana University, 1957), p. 316.

¹³Riggs makes a related observation: "But in a bureaucratic polity must we not assume that the organization of government is shaped by the interests of the bureaucrats themselves? Insofar as Thailand had a bureaucratic polity we would therefore expect its public organization to reflect the needs and purposes of its official beneficiaries." p. 348.

*In contemporary Thailand, Political considerations which reflect the interests of the ruling military oligarchy often have been more important than rational government programs, effectiveness in problem solving, or administrative efficiency. Since Thai politics is characterized by an elitest competition for power and spoils unrelated to substantive policy considerations, the victorious clique seeks administrative benefits in the form of jobs for the faithful and for friends.*¹⁴

If policy (and by extension organizational performance) is not important, then it is simply unrealistic to expect that resources will be devoted to monitoring and evaluating organization performance. This will happen only when and if policy and its implementation is perceived as important.

A number of other obstacles to monitoring and evaluation can be briefly mentioned. Siffin has pointed to the small importance attached to rationality, efficiency, and productivity and the lack of reliance on systematic management.¹⁵ The values of the bureaucracy and its habits thus do not support monitoring and evaluating organizational performance. It may also be relevant to mention the importance placed on personal communication rather than manuals, memoranda, and other sorts of impersonal contact. Also worth noting is Mosel's observation that influence and communication has traditionally been from the top down, but that there is usually little feed back in the upward direction.¹⁶ The tradition of influence from the top down is responsible, according to Mosel, "in part for the expectation of leaders that the way to get something done is merely to ask that it be done. The question of implementation is secondary."¹⁷ Surely this attitude is an obstacle to monitoring and evaluation. As long as implementation is assumed there will be little if any monitoring and evaluation. The *raison d'être* of monitoring and evaluation is that proper implementation is not automatic and indeed not likely. And this assumption appears uncommon in the Thai bureaucracy. Perhaps, if policy is perceived as unimportant, evaluation is not even relevant.

Another obstacle to monitoring and evaluation is the desire to avoid embarrassing either subordinates or friends.¹⁸ Since the results of monitoring and evaluation might prove embarrassing these activities perhaps should be avoided. Also relevant is the desire to look good "in the eyes of others-- even though it is only outward and superficial."¹⁹ This desire certainly could result both in the distortion of data and resistance to careful monitoring and evaluation. And finally, if it is true that duping the unwary or incompetent is acceptable and

¹⁴Daniel Wit, *Thailand: Another Viet Nam?* (New York: Charles Scribner's Sons, 1968), p. 126.

¹⁵William J. Siffin, *The Thai Bureaucracy* (Honolulu: East West Center Press, 1966), pp. 209-211. See also p. 162. In commenting on the effect of Buddhism wit notes: "Man's physical labor or the application of human intelligence to the solution of worldly problems is not culogized or even considered to be the means to a better life," p. 57.

¹⁶Mosel, "Thai Administrative Behavior," p. 281. See Siffin, *op. cit.*, pp. 235 ff. for comments on communications.

¹⁷*Ibid.*, p. 282.

¹⁸*Ibid.*, p. 302.

¹⁹*Ibid.*,

perhaps admired, careful monitoring and evaluation might be resisted both by those doing the duping and others who might regard monitoring as in some sense unsporting.²⁰

It is clear even from this brief review that problems are plentiful. Still the need for the monitoring and evaluation of organizational performance is also clear. Indeed, many of the conditions that serve as obstacles to it, also make it necessary. By way of conclusion let me suggest a few observations about the use of evaluation in Thailand.

Improving the standard of evaluation is certainly going to be slow. But it will improve. Monitoring and evaluation will develop as the political system develops and political participants become both more numerous and more articulate. More questions will be asked and there will be more criticism, and if only in an effort to avoid surprise bureaucrats are likely to follow more closely events in their own organizations. On this point the practice of interpellation in the Assembly may be relevant. It is uncertain what the end result of it will be, but an analogous device--the question period in the British Parliament--serves the purpose of keeping administrators on their toes.

Monitoring and evaluation is also likely to improve in Thailand thanks to the demonstration effect--and to the requirements of loan and aid agencies. Administrative practices spread and the notion of monitoring and evaluation is no exception. If it has not come very far in Thailand it is important to remember that it was only recently that in the United States administrators began to think systematically about what it was their organizations were doing. And today there are still a number of bureaucracies in the United States that could only be described as underdeveloped. Evaluation will also develop in Thailand for the same reason that it has in the United States--the size of the budget and the bureaucracy and the necessity and complexity of government programs demand it. When failure makes a difference, a big difference, means of lessening the risk of failure are likely to develop. Moreover, monitoring and evaluation will increase and improve as more and more students trained in administration come back to Thailand to work in the bureaucracy and teach future administrators. Eventually I think there will be a critical mass of professionally trained administrators and then monitoring and evaluation may be the rule, not the exception.

In the end, however, the standard of monitoring and evaluation will develop in line with and not much faster than the general standard of administration--which itself is limited by the development of the economy and changes in the social and political system. I hope that as you go back to Thailand you will, The importance of evaluation and, yes, criticism, is crucial for Thai administrative scholars. As teachers they can teach the importance of systematic data thoughtfully interpreted, as consultants, they can argue the importance of evaluative research, and as researchers they can in some partial way monitor and evaluate the performance of government organizations.

²⁰*Ibid.*