



Strengthening the Center of Government for Results in Chile

The Experience of the Ministry
of the Presidency and its
President's Delivery Unit (2010–13)

Víctor Dumas, Mariano Lafuente,
and Salvador Parrado

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ABSTRACT^{1*}

This paper analyzes how Chile's Center of Government (CoG) institutions have operated between 2010 and 2013. During this period, the Ministry of the Presidency took on a more prominent role in the strategic management of the overall government program by coordinating government action, monitoring the delivery of government priorities, and enhancing accountability to citizens. This study examines in detail the experience of the President's Delivery Unit (PDU) created in 2010, which has enhanced the strategic coherence of the government program and oriented it towards results. Furthermore, the paper identifies opportunities for improvement in developing the core CoG functions, and gathers lessons learned from other countries in the region that have also shown interest in strengthening these capacities.

JEL Codes: H10, H11

Keywords: Center of Government, strategic planning, coordination, monitoring, accountability, Delivery Unit, Presidency.

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ACRONYMS

AUGE	Universal Access to Explicit Guarantees (Acceso Universal de Garantías Explícitas)
CoG	Center of Government
CONAMA	National Environmental Council (Comisión Nacional de Medioambiente)
DCI	Interministerial Coordination Division (División de Coordinación Interministerial).
DIPRES	Budget Office (Dirección de Presupuestos)
ENUSC	National Urban Survey of Citizen Security (Encuesta Nacional Urbana de Seguridad Ciudadana)
INE	National Statistics Institute (Instituto Nacional de Estadísticas)
OECD	Organisation for Economic Co-operation and Development
NGO	Non-governmental organization
PMG	Management Enhancement Program (Programa de Mejoramiento de la Gestión)
PSU	University Entrance Examination (Prueba de Selección Universitaria)
SEGEGOB	Government General Secretariat (Secretaría General de Gobierno)
SENAMA	Servicio Nacional del Adulto Mayor
SIMCE	Education Quality Measurement System (Sistema de Medición de la Calidad de la Educación)
PDU	President's Delivery Unit (Unidad Presidencial de Gestión del Cumplimiento)



EXECUTIVE SUMMARY

In various countries of the Organisation for Economic Co-operation and Development (OECD), the institutions pertaining to the Center of Government (CoG)¹ are leading or coordinating the four key functions of: (1) strategic planning of the government program, (2) coordinating government actions, (3) monitoring delivery of the government's commitments, and (4) providing public accountability. This has not always been the case, given that countries usually oscillate between more "political" forms of coordination (CoG) and more "economic" or "fiscal" forms, led by the Treasury. In the decades following the restoration of democracy in Chile, this balance has varied according to successive administrations, which have given more or less importance to the Ministry of the Presidency, the Presidential Advisory Unit (*Asesoría Presidencial*, also known as the Second Floor, or Segundo Piso), the Ministry of Finance, or to the Budget Office (Dirección de Presupuestos, or DIPRES).

The main role ascribed to the Ministry of the Presidency in Chile from March 2010 onwards represents one of the most visible efforts in Latin America to endow the CoG with greater capacity to exercise these four core functions. This greater relevance is

channeled by empowering the Interministerial Coordination Division (División de Coordinación Interministerial, or DCI), and by the creation of a President's Delivery Unit (Unidad Presidencial de Gestión del Cumplimiento, or PDU). Three years on from its launch, this case study seeks to document this experience, determine its main contributions and challenges, and draw the lessons learned that might be useful for similar processes, both in Chile and in other countries in the region.

With regard to function (1), planning government action or strategic support to secure coherence for programmatic management, the DCI-PDU's main contribution consisted in grounding the goals and measurable indicators with appropriate verification methods for each axis, and enhancing the connection between plan and budget, so that the budget follows the plan rather than the other way around. The aspects of defining and implementing the methodology, and the process of translating the ideas in the government plan into reality, were supported by a private sector consulting company. The technical aspects were led by the sectors, while the DCI- PDU performed a subsidiary role, working in coordination with the consulting company and sometimes also providing

¹ According to the OECD (2004), the expression Center of Government (CoG) describes the institution, or the group of institutions, that provide direct support and advice to the highest political authority at the head of the Executive or the Council of Ministers. Even if the CoG is comprised only of the Office of the Presidency and its subsidiary secretariats, other institutions, such as the Ministry of Finance and Ministry of Interior or the Chief of Cabinet Office, also play a fundamental role in supporting the CoG in discharging its functions. This level of political coordination, which is perhaps the most essential function of every CoG, lies outside the scope of this paper.

financing. In those limited aspects in which it exercised the strategic support function, creating the PDU and strengthening the DCI seem to have been an attempt to counterbalance, or even to substitute, the responsibility for strategic planning that was previously led centrally from the Second Floor or, to a lesser degree, from DIPRES. The DCI-DIPRES coordination has at least been successful in reducing information asymmetries in the presidential priorities and the budget negotiation process between DIPRES sector specialists and the ministries and services, in order to achieve greater alignment between the plan and the budget.


On the other hand, strengthening the DCI has been helpful to function (2), regarding governmental coordination in the period 2010–13. The introduction of “political” coordination has complemented the use of the budget, which was the only coordinating instrument previously available, and has permitted a greater cross-government approach than was possible under “economic” coordination. The latter was often focused on the budgetary execution level, and exhibited greater information asymmetry with regard to the institutions’ business objectives. The fact that a single minister has been in charge throughout the period has benefited the Ministry of the Presidency and has lent a degree of institutionality to the coordinating task, while the Ministry has divested itself of certain unrelated tasks in order to concentrate solely on coordination.

The CoG-led improvement in coordination was effected via different institutional mechanisms. The number of interministerial committees has been reduced, their meetings have been regularized and the bilateral meeting format has been instated as the definitive decision making forum. Although the President and the Second Floor play a fundamental role in coordinating the ministerial commitments, this role has been reinforced by the DCI, which carries out monitoring once decisions have been made. There may have

been some partial overlapping with the Second Floor with regard to coordination, but the DCI-PDU axis has been characterized by a proactive approach to the government plan, in contrast to the Presidential Advisory Unit’s approach of reacting to circumstances and crisis management. Furthermore, although the Chilean system is fundamentally centralized, the creation of the Regions Unit (Unidad de Regiones) and the drafting of regional plans to adapt the Government Plan constitute significant efforts.

The coordination scheme developed, however, has certain persistent drawbacks, which might constitute an obstacle for future administrations. The bilateral meetings have often led to management that is very close to the President, and this has been made easier by the more technical and less political profile of the ministers, although this is not the best option when it comes to combining presidential and ministerial views. Moreover, the advisers that carry out the coordination schemes often lack established protocols, inhibiting their future institutionalization.

Function (3), PDU monitoring of the achievement of the government’s priority objectives, has been based mainly on obtaining results, with more than half of the strategic government goals classified as an output or an outcome. On top of these goals, the PDU also monitors delivery of the presidential commitments undertaken in the May 21 speeches, as well as of other commitments, which represents a large amount of monitored information in terms of actions, differing from experience in other OECD countries that took a much more selective approach. Although this constant monitoring effort is one of the PDU’s most outstanding contributions, clearly signaling the government’s main priorities throughout the administration itself, it is noteworthy that it really has yet to permeate society as a whole. Finally, despite the fact that the PDU’s impact with regard to results achievement is hard to gauge, its constant focus on, and monitoring of,



the government program, irrespective of daily circumstances, is viewed as an added value by the sectors.

Function (4), accountability, has been the least significant for the PDU. First, because its role is only relative, given that the ministries are, in fact, responsible for results. The delivery reports, which represent an important effort to communicate government results and to make this information available online, do signal an advance in terms of transparency, but their very complexity and the changes introduced over time hamper the delivery of appropriate transparency to citizens. Furthermore, the May 21 speeches have continued to concentrate more on inputs than on results, and in particular on *good* results. The vast majority of ministerial accountability exercises instituted under this administration, while public and mandatory, fail to satisfy some of the key requirements of effective accountability according to the specialized literature, such as focusing on more than the *good* results and on encouraging feedback from the citizens.

Institutionalizing the way the CoG exercises the four aforementioned key functions will be difficult, given that the CoG's role in Chile traditionally depends on the President's will, and that these functions during this period have been performed by either political appointees or by contracted personnel. With regard to the *de jure* aspects, except in the case of coordination via the DCI, none of the functions analyzed above are institutionalized in any particular way within the Chilean system. Some measures that could encourage greater chances of institutionalization include:

a. Establishing protocols regarding how the functions of strategic support, coordination, and results monitoring are carried out, especially: how interministerial committees and bilateral meetings are to operate, what process is to be followed, what results are expected to be achieved, and how these results can be channeled into the formal decision making process.

b. Exploring improvements and designing collaborative protocols for the Second Floor and the Ministry of the Presidency on aspects of coordination (beyond the fact that this changes with each new government, the need to define roles and responsibilities at the beginning of each term can be put forward as a lesson learned), and for the Ministry of the Presidency and DIPRES on strategic support aspects, such as drafting the May 21 speech, and on the budget process.

Some ideas for improvement in the way the CoG and the PDU exercise these four functions include:

- a. Exploring the possibility of changing the DCI-PDU staff profile to include more senior advisers, in particular regarding the strategic support and coordination functions, so as to give more added value to the sectors.
- b. Maintaining the functions of the PDU within the DCI, given that anecdotal evidence shows that monitoring the government program is more efficient and effective when conducted from the CoG, but at the same time, at a certain distance from the turmoil that prevails in the day-to-day business of the Presidential Advisory Unit.
- c. Reducing the quantity of strategic objectives and monitoring commitments to a number that allows them to continue to be truly strategic.
- d. Increasing the proportion of results-based goals, and reducing process-based ones.
- e. Reining in the perception that there is a kind of “monitoring inflation” and of the transaction costs caused by the overlapping of diverse government institutions all searching for data from the ministries/ service-providing agencies.
- f. Exploring the possibility of enhancing the work carried out by the Regions Unit, with the future decentralization agenda in mind.
- g. Agreeing on a standard format and frequency for delivering accountability reports with the participation of other branches of government, institutions, and

civil society, so as to increase external credibility and promote debate between experts and non-experts in the social networks.

- h. Promoting the accountability reports foster debate, and reporting on both the good and the less positive results. Although no government is in the business of “self-flagellation,” this type of approach should help build confidence in public sector institutions, a matter currently of high relevance on the OECD agenda.
- i. Coordinating debate forums that use the government’s experience to reflect on the importance of interministerial coordination and the scope of the presidential goals, focusing on international experiences of institutionalizing coordination and results management that are relevant to a democratic presidential system.

Finally, the paper presents the following lessons learned, which might be relevant for other countries interested in exploring similar models of coordination and results monitoring from the CoG:

- a. Units such as the PDU can generate greater benefits insofar as the country’s prevailing

institutional characteristics tend to encourage the appearance of individual sector-based agendas within the government.

- b. The strategic support function, with regard to making the government program actionable, and monitoring implementation of the government program from a results-based approach, seems to be the main contribution of units such as the PDU, particularly within the government rather than in the relationship with society.
- c. The factors of success have been: the Unit’s empowerment by the President, establishing internal alliances with central agencies, enjoying confidence and credibility, and adding value for the sectors while maintaining a subsidiary role.
- d. Avoid duplicating functions that exist in other institutions, and draft protocols for collaboration between all CoG actors.
- e. A *technocratic* approach—focused on achieving results and detailed reports to the public on progress— to politics, which is based on negotiation between interest groups and values, may not be a source of political gain.

INTRODUCTION

Over the last 15 years, a large number of Latin American countries have made significant progress in strengthening fiscal policy and in results-based management. The introduction of fiscal responsibility laws—fiscal regulations linked to structural surpluses and frameworks for permanent monitoring of public finances—has helped to create more robust and sustainable institutions. The feeling that these advances have been consolidated and are now irreversible means that attention and efforts are now being centered on strengthening other aspects of the public policy cycle. In this regard, various countries in the region have developed performance-measurement instruments for budget programs, drafted results-based budgets or adopted spending reviews, which are all elements that tend to improve the quality of public expenditure.

More recently, and perhaps resulting from the aforesaid fiscal maturity, the need has arisen to go beyond the often “fiscalist” view of the function of results-based management. This is reflected in efforts to strengthen the policymaking process, monitor delivery of the government program, and improve coordination between the ministries and agencies that execute government actions.²

In the OECD countries, the institutions pertaining to the CoG led or coordinated the four key functions of: (1) strategic planning of the government program, (2) coordinating government actions, (3) monitoring delivery of the government’s commitments, and (4) providing public accountability. These institutions provide direct support to the top political authority of the Executive, such as the Ministry of the Presidency or the Prime Minister’s Office. Although the exact functions vary from country to country, most of these four functions are always present. The United Kingdom, for example, has been a pioneer in this area.³ Although progress with regard to adopting innovations in terms of public policymaking and strengthening the CoG has been less significant in Latin America, it has begun to receive growing attention, particularly in Chile.⁴


Since the restoration of democratic government, the CoG in Chile has been largely stable with regard to the make-up of its participating institutions. However, there have been noticeable fluctuations regarding the role and importance of each of its elements.

The main role ascribed to the Ministry of the Presidency in Chile from March 2010 onwards—via the creation of the President’s

² This tendency is reflected, for example, in World Bank (2010).

³ In particular, during the term that began in 2001, when the Prime Minister’s Office was reinforced by the creation of a Strategy Unit, a Policy Unit, a Delivery Unit, and a Communications Unit.

⁴ The growing importance of the role of the CoG is highlighted in publications such as: Consorcio para la Reforma del Estado (2009); Fernández and Rivera (2012); Egaña and Chateau (2011).



Delivery Unit (Unidad Presidencial de Gestión del Cumplimiento, or PDU), and the greater importance given to its Interministerial Coordination Department [División de Coordinación Interministerial, or DCI])—seems to be one of the region’s first visible efforts to give the more “political” members of the CoG greater capacity to monitor results and to carry out coordination work. Although this is not necessarily the only or the best way of strengthening CoG operation or of ensuring that all the inputs it needs are available, it does constitute a highly significant experience in terms of the modernization of the State agenda. Three years on from its launch, this case study seeks to document this experience, establish its main contributions and challenges, and to elucidate the lessons learned that might be useful for other similar processes,

whether in Chile itself or in other countries in the region.

Apart from this introduction, this paper is organized into three additional sections: the case study itself, an analysis of the case study, and lessons learned for other countries. Section 1 describes how the CoG operates in Chile, and the roles and contributions of the PDU and the Ministry of the Presidency’s DCI. Section 2 evaluates this experience in light of comparative evidence from other, mainly OECD, countries, and offers an analysis of the future sustainability of this experience. Finally, Section 3 presents a synthesis of the main lessons learned that the Chilean case might provide for other countries interested in strengthening their CoG functions of results monitoring and coordinating government actions.

1 THE ROLE OF THE CENTER OF GOVERNMENT

What the CoG consists of, what its functions are, and how it is structured organically, are questions to which there is no single, and much less simple, answer. According to its constitutional guidelines, each country establishes the form in which its CoG is to be organized and to operate, at least in its *de jure* form. These functions and *de jure* forms, however, coexist with, or are subject to, the practical reality that determines how the CoG operates, or to its *de facto* form.


In order to frame and to simplify the following discussion, this paper uses a rather wide definition of what is understood by the term CoG. According to the OECD, the expression CoG means the institution, or the group of institutions, that provides direct support and advice to the highest political authority at the summit of the Executive and to the council of ministers (OECD, 2004: 3). At the same time, according to the World Bank (2010), it is important to highlight that the central secretariats (e.g., cabinet offices) and ministries (e.g., the Treasury) provide vital administrative support to the center (World Bank, 2010: 1). In other words, even if the CoG is comprised of only the Office of the Presidency and its subsidiary secretariats, other institutions, such as the Ministry of Finance, the Interior Ministry or the Chief of Cabinet Office (Jefatura de Gabinete) play a fundamental part in supporting the CoG in the exercise of its functions. The next section of this paper will examine in detail how the CoG in Chile is organized and structured.

In the case of Chile, five CoG functions have been identified. One of these is of a

mainly political nature, while the other four are technical (Fernández and Rivera, 2012; OECD, 2004). However, the functions in each country can vary significantly with regard to their purpose and number.

On the predominantly political level, coordinating and securing the coherence of government political management is perhaps the most essential function of any CoG, be it of a parliamentary or a presidential nature, and constitutes the essence of the “art of government.” In its most practical sense, this implies a capacity to interpret popular opinion, link it to the political ideas of the governing coalition (or party), build consensus, and manage relationships with other actors, branches of government, and political institutions (parties, Congress, the media, and so on), and, more especially, to define the government’s impact and legacy clearly, while securing the coherence with and loyalty towards this trademark and legacy. *Analysis of this function, however, lies outside the scope of this paper.* The following four functions concentrate on more technical or public administration aspects.

(i) Providing strategic support to secure coherence for programmatic management or for planning government actions. If the former consists of communicating the government’s vision and mission, the latter corresponds to ensuring correct strategic planning within government, which is particularly important during the initial stage of the term, when it comes to translating the campaign promises into a program and a government plan with specific, sector-based



goals and indicators. This function includes defining the metrics (indicators), the goals (what constitutes achievement), and the appropriate sources of information that will enable permanent monitoring.

(ii) Ensuring coordination within the government, with particular regard to the decision making process, as a fundamental element for promoting complex agendas with a high intersector component, and ensuring that the work carried out by public institutions is coordinated efficiently and effectively. For this purpose, coordination bodies and mechanisms are essential. This function relates to the moments before and after decision making on specific public policies, their design, and the way in which these have to be sequenced and implemented over time. The availability of timely and relevant data thereby becomes crucial for informed decision making. Annex 2 provides a conceptual framework for analyzing the function of government coordination.

(iii) Overseeing delivery of the commitments made, or managing *results monitoring*. After decision making, the process of coordinating implementation also requires certain inputs, instances, and definition of roles and functions. How progress on delivery is to be measured, who will conduct it, according to which indicators, in what instances, and what measures are taken

when there are delivery delays or crises are some examples. This function includes defining all of the tasks, commitments, and goals needed to deliver the strategy and its monitoring over time, in coordination with the corresponding institutions. This function ideally requires awareness of the goal's implementation trajectory, and of each sector's contributions to it. Annex 3 presents a conceptual framework for public sector results monitoring.

(iv) Providing public accountability and acting as a spokesperson. In a global scenario where establishing trust between institutions, and between governments and citizens, is becoming increasingly complicated, transparency with regard to the commitments made, accountability, and access to information seem to be inescapable requirements for all authorities, apart from being a necessary step towards improving the quality of democracy and public policies. This function includes a series of tasks, such as reporting the results of the government program, directly advising the head of government (in, for example, drafting speeches, making public appearances, and developing the agenda), performing spokesperson roles, and ensuring wide-ranging communication with citizens. This case study analyzes only the aspects that relate to accountability, for which a conceptual framework is included in the aforesaid annex.

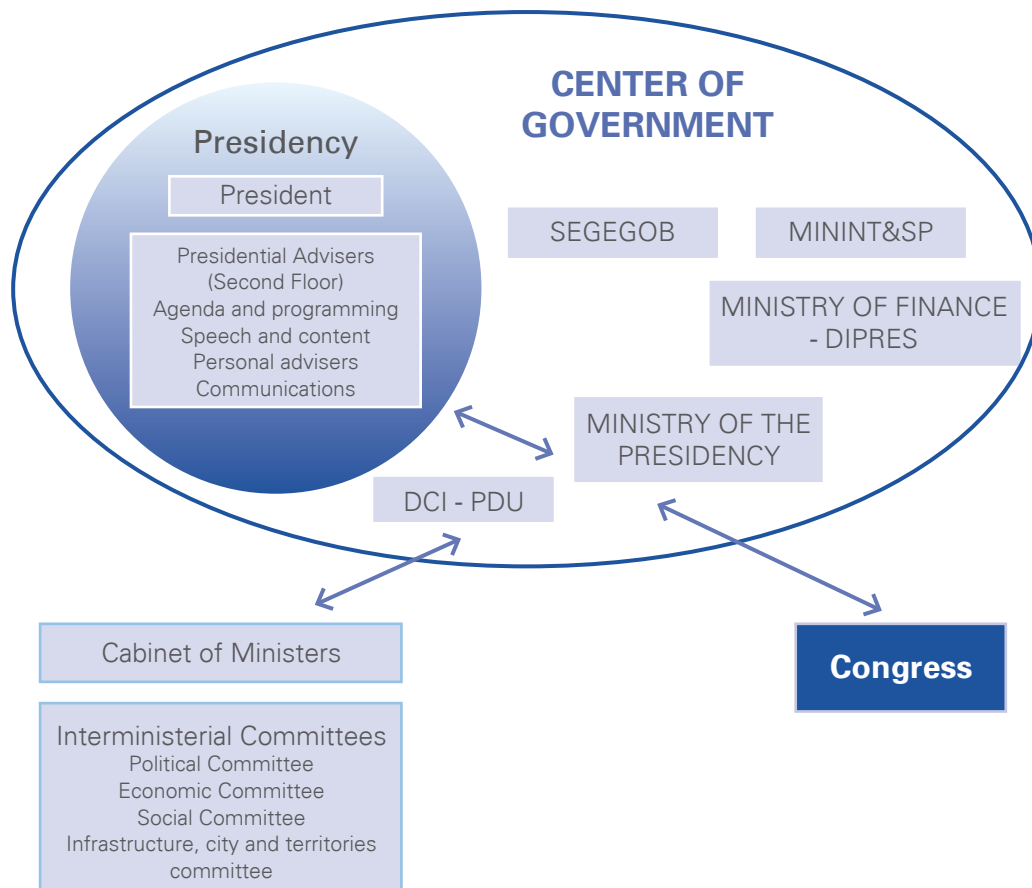
2 CASE STUDY:

The Experience of Chile's Ministry of the Presidency (2010–13)

2.1 The Institutional Framework of the Center of Government in Chile


Figure 1 presents the institutions that traditionally participate in the CoG in Chile, and are described as follows.

Figure 1. The Center of Government in Chile during President Sebastián Piñera's Term



Source: Authors' elaboration.

Note: The structure is similar for previous governments, with the exception of the President's Delivery Unit (created in 2010) and the number and the nature of the interministerial committees, which, as is shown below, varied considerably over time.



The Presidency of the Republic includes the President and his or her personal advisers. The President's personal advisers, also known as the "Second Floor," are organized into five teams: (i) *programming*, which is basically responsible for running and coordinating the presidential agenda, including field trips; (ii) *content*, which covers speechwriting; (iii) *communications and press*; (iv) *citizen management*, responsible for managing the correspondence received by the President and the personal commitments that he or she makes to certain individuals (usually within the context of the field trips) and; (v) the *Personal Advisory Unit* itself, composed of eight to ten professionals organized on a sector basis (e.g.: education, health, poverty, citizen security) and responsible for keeping the President informed about situations that might require his or her attention or knowledge. These communications take place irrespective of the routine communication between the President and each minister.

The Ministry of the Presidency is the ministry responsible for coordinating government programming and providing legal counsel to the President. The Ministry of the Presidency is responsible for the legislative agenda, given that the Chilean constitution establishes that the Executive is a co-legislator alongside Congress, and is empowered to set the priorities for all legislative projects (debate periods). The Ministry of the Presidency also takes responsibility for drafting the May 21 speeches, the main mechanism for presenting the government program and the President's annual accountability report; monitoring the

ministerial commitments; and coordinating the government program. These latter functions are led by the DCI. At the same time, the DCI steers the political relationships (with other parties and organizations), drafts the studies requested by the President, and develops crosscutting initiatives, for example regarding modernization of the State and government transparency.

The Government General Secretariat (SEGEGOB) acts as a government spokesperson, and coordinates the government's communications strategy. *The Ministry of Finance* is responsible for fiscal policy, while the *Budget Office (DIPRES)* is responsible for the budget process, from formulation to execution, and ex post evaluation. *Finally, the Interior and Public Security Ministry* is responsible for territorial management and for the country's internal order and security. Its Minister performs the function of Chief of the Cabinet, and is usually considered to be the political chief within the council of ministers.

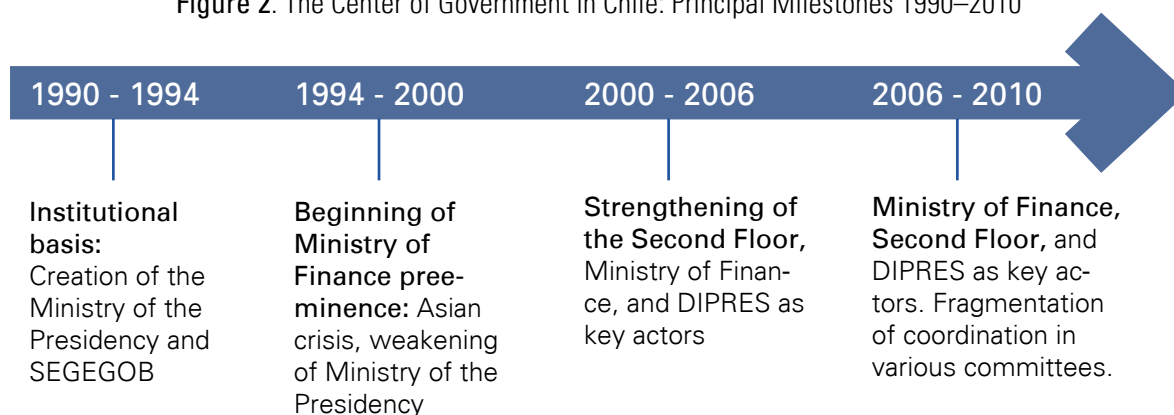
The exercise of the usual CoG functions in Chile is especially reflected in three core political and government programming coordination mechanisms: (i) the Political Committee (Comité Político), (ii) other interministerial sectoral committees, and, (iii) the bilateral meetings between the President and a minister (with the participation of DIPRES, the Ministry of the Presidency, and the Presidential Advisers). Furthermore, two key mechanisms are presented each year: the May 21 speeches that detail the government program and the progress on it, and the annual budget law.

2.2 Antecedents: The Center of Government in Chile (1990–2010)

The CoG is not often determined solely by constitutional and institutional guidelines, such as the legal instruments at its disposal to exercise political and administrative management of the country (*de jure* influence), but also by the management style

or approach taken by successive heads of government (more or less delegation), as well as other factors. These include other capacities and characteristics that the CoG can objectively rely on, such as the experience and cohesion of the political teams that support it, and

Figure 2. The Center of Government in Chile: Principal Milestones 1990–2010



Source: Authors' elaboration.

the existence of networks and personal relationships among the members comprising the CoG.

Since the restoration of democracy, the CoG in Chile, far from being a monolithic entity, has been in a state of permanent flux and adaptation (Fernández and Rivera, 2012). From 1990 until the present, the way in which Chile's CoG has functioned in practice has varied significantly.⁵ Without going into too much detail, the following passage presents the principal features that have characterized the CoG during the period 1990–2010, and some of the milestones that have determined its evolution over time. The period is summarized in Figure 2.⁶

In 1990, the foundations were laid for the CoG by granting ministerial rank to the Ministry of the Presidency and SEGEOB, which, alongside the Ministry of Finance, comprise the President's most immediate entourage.⁷ The ministers that head each of these ministries thereby become the President's closest advisers, meaning there is no difference between the institutional advice (from ministers and their teams) and the personal advice that the President receives (Fernández and Rivera, 2012).

In the first democratic administration following the years of military government, the ministers of the CoG remained in their positions throughout the entire presidential term, thus lending great stability to the CoG (see Table 1). In a multiparty regime like Chile's, the President must watch over the cohesion of the block of parties that make up the governing coalition. This task not only requires maintaining political balances between parties, but also ensuring that the government program adequately reflects each party's ideology. During this period, the parties put their potential ideological differences aside to concentrate on achieving a successful transition to democracy, which undoubtedly helped the CoG work more effectively.

Although there was some continuity in the following presidential term (1994–2000) with regard to the previous period, cabinet reshuffles and external factors, such as the Asian crisis, meant that the Ministry of Finance acquired increased importance, and its minister was the only one to maintain his position throughout almost the entire presidential term (Egaña and Chateau, 2011).⁸ One characteristic that emerges during this

⁵ See Boeninger (2007); Aninat and Rivera (2009); Egaña and Chateau (2011) and Fernández and Rivera (2012).

⁶ It is hard to speak of evolution as such, given that each of the CoG's characteristics do not seem to be determined by a clear line of development over time, but rather by the style of each successive president.

⁷ Law No. 18.993, 21 August 1990, which created the Ministry of the General Secretariat of the Presidency (Ministerio Secretaría General de la Presidencia).

⁸ E. Aninat left the post when just three months of the presidential term of office remained.

Table 1. Ministers at the Center of Government Ministries (1990–2013)

Presidents/ Ministries	Aylwin (1990-1994)	Frei (1994-2000)	Lagos (2000-06)	Bachelet (2006-10)	Piñera (2010-13) ^a
Interior	E. Krauss	G. Correa C. Figueroa R. Troncoso	J.M. Insulza F. Vidal	A. Zaldívar B. Velasco E. Pérez Y.	R. Hinzpeter A. Chadwick
Ministry of the Presidency	E. Boeninger	G. Arriagada J. Villarzú J. Biehl J.M. Insulza	A. García M. Fernández F. Huenchumilla E. Dockendorff	P. Veloso J. Viera-Gallo	C. Larroulet
Segegob	E. Correa	V. Rebolledo J.J. Brunner J. Arrate C. Mladinic	C. Huepe H. Muñoz F. Vidal O. Puccio	R. Lagos W. F. Vidal C. Tohá P. Armanet	E. Von Baer A. Chadwick C. Pérez
Ministry of Finance	A. Foxley	E. Aninat M. Marfán	N. Eyzaguirre	A. Velasco	F. Larraín
Total	4	13	11	10	6

Source: Ministry of the Presidency (undated).

^a Until June 20, 2013.

period is the appearance of the so-called “private ministerial agendas” (Egaña and Chateau, 2011), which might perhaps be the first symptom of greater fragmentation or less cohesion within the parties of the ruling coalition.

During these first two terms, the Ministry of the Presidency made considerable efforts to report and monitor the presidential commitments. The Ministry took on full responsibility for monitoring the government program, and required each ministry to set a series of individual objectives, which were later to become “ministerial commitments.” Based on a new method, these objectives were to be classified according to their type (legislative or managerial) or territorial range (national, regional, and local). The DCI was responsible for gathering the data every six months and organizing meetings with each minister to discuss his or her progress.

However, in 1998, DIPRES led an effort to strengthen the methods to measure public sector performance. DIPRES introduced and institutionalized a set of performance indicators via the Management Enhancement Program

(*Programa de Mejoramiento de la Gestión*, or PMG), although mainly in relation to processes and management.⁹

The CoG’s organization during the period 2000–06 represents a marked change with regard to previous governments, given that the Presidential Advisory Unit or Second Floor was given priority as the strategic planning entity over the CoG ministries, and that DIPRES’s strong leadership in terms of coordination was established. Egaña and Chateau (2011: 48) describe this kind of Personal Advisory Unit as “an actor that is separate from the president and that, as such, takes on strategic and operational functions, makes direct contact with the other government ministries and with regional authorities, influences public policymaking, monitors policy implementation, and intervenes in policy redesigns, and so on.” The political coordination function was still carried out by the CoG ministries under the auspices of the Political Committee, presided over by the Minister of the Interior. This separation of functions between the two entities, however, generated moments of tension between ministers and

⁹ For a detailed analysis of the PMG and the evaluation function, see World Bank (2008) and World Bank (2006), respectively.

presidential advisers. Fernández and Rivera (2012: 44) further argue that a second element that characterized this period was the “consolidation of DIPRES as an alternative for the day-to-day running of the government and for governmental coordination.”

During this same period, the function of monitoring the government program goals from the CoG continued, although it now became shared between the DCI and the Presidential Advisory Unit or Second Floor. The Ministry of the Presidency introduced a data system for use in monitoring commitments, entitled Government Programming (Programación Gubernamental). The data provided by the system was updated every three months and then turned into a report sent to the President and to the appropriate minister, where the state of progress in each commitment was assessed.

The trend towards a strong Ministry of Finance, DIPRES, and Second Floor, combined with a relatively weak Ministry of the Presidency, was maintained during the period 2006–10, and was accompanied by further fragmentation of the coordinating entities. One aspect that characterized government management in this presidential period was the proliferation of interministerial commissions or committees dealing with the widest range of topics, some of them enjoying only a brief lifespan. During this four-year term, more than 39 interministerial coordination entities were in operation (Larroulet, 2012). During the same period, the government programming system

installed at the Ministry of the Presidency was supplemented by another system for monitoring presidential commitments (which are made in speeches or during the election campaign), under the supervision of the Public Policy Management Division (Dirección de Gestión de Políticas Públicas). This was set up under the auspices of the Presidential Advisory Unit after the DCI’s performance was not positively appraised by the Presidency (Egaña and Chateau, 2011: 168–71).


Perhaps as a consequence of the Ministry of Finance’s hegemony throughout the years 2000–10, public policy and strategic planning decisions became more and more centered on an increasingly smaller number of interlocutors, which led to serious problems of government coordination. The contestability of public policies, understood to be the possibility for multiple actors to participate in the process and contribute to policymaking, has been highlighted as one of the key components of the public policy cycle in the most advanced OECD countries (World Bank, 2010). In Chile’s case, and in the opinion of Fernández and Rivera (2012), this “excessive involvement by the Ministry of Finance in sector policy will bring grave consequences for governmental management” (p. 44). Therefore, towards the end of this period, the debate began about creating an independent agency with a degree of autonomy from the Ministry of Finance and DIPRES to oversee the quality of public policies; however, as of February 2014, the agency had not been put into place.

2.3 The Current Context

On March 11, 2010, the first democratically elected center-right government in 50 years took office. One of the central elements of the electoral campaign was the introduction of a new way of governing, focusing on efficiency

and diligence in order to solve peoples’ problems.¹⁰ The President’s successful career as a businessman meant he could present himself as a manager with a clear results-based vocation. This idea constitutes a central element

¹⁰ Fernández and Rivera (2012:155–6) define it as a “new way of governing.” This perception is backed up by numerous press cuttings that bear witness to the style and concept coined by the President, and is also noticeable in how goals and targets were set for returning the areas affected by the earthquake back to normal, and starting classes in all the country’s schools, among other initial measures.



of center-right ideology, and it is a point that the President himself has been at pains to reiterate: “We expect Chileans to judge us on our results, not on our good intentions” (Government of Chile, 2010: 12).

It was with this results-based logic in mind that, during his first speech, the President committed to goals and results that were grouped under seven programmatic priorities, as well as to reconstruction. These programmatic priorities are: (i) economic growth, (ii) employment, (iii) public security, (iv) education, (v) health, (vi) poverty, and (vii) perfecting democracy. During the campaign, a Center for Public Studies (Centro de Estudios Públicos) survey identified three areas that citizens considered should be managed by the State: school education, health and citizen security. Two more essential aspects of center-right ideology were included: economic growth and job creation. These were supplemented, in turn, with these additional areas of concern: ending poverty and enhancing development by the year 2018, raising the quality of democracy in response to low levels of trust in public institutions, and fully reconstructing the zones affected by the February 2010 earthquake. Box 1 summarizes the main objectives of each axis.

In order to ensure delivery of the stated goals, the President announced the creation of the President’s Delivery Unit (PDU), as part of the Ministry of the Presidency. This unit, which was expected to establish a permanent system for evaluating and monitoring the results of the government program, and reports periodically to the President of the Republic on progress, was inspired by the experiences of other OECD countries, particularly in the United Kingdom during Tony Blair’s second term in office, and during Gordon Brown’s administration (2001–10).

The creation of the President’s Delivery Unit (PDU), and expanding the role of the Ministry of the Presidency’s Interministerial Coordination Division (DCI), constitute one of the principal reforms aimed at

strengthening the CoG. For the latter role, the Ministry of the Presidency assumes significant powers in key areas, such as coordinating the interministerial committees and participating in bilateral meetings, which are typically used by the President as a way of working and relating with his ministers, and constitute the typical forum for decision making and for resolving bottlenecks that hinder governmental action.

Finally, two distinctive administrative elements should have a significant impact on strengthening the CoG. In the political field, and particularly during the first year, a number of high-ranking government authorities were named (ministers and deputy ministers) who did not belong to any of the parties in the coalition. It is worth highlighting that nomination of the deputy ministers was made only after consultation with the corresponding minister. This new element contrasts with previous practices, whereby governments would seek to maintain the balance between all political parties when it came to forming ministerial teams. In other words, if the minister belonged to one coalition party, then the deputy minister had to belong to another. Between 2011 and 2013, the makeup of the cabinet began to acquire an increasingly political aspect, but the idea of keeping politically compatible teams within each portfolio was retained.

With regard to managing institutional performance, and strengthened by the above characteristic, programmatic and strategic links have been fortified, as has the hierarchical-organizational relationship between ministries and services via the use of a holding-type model (*Chile Gestiona*), while steps have been taken towards more integrated sector-based strategic planning. In previous governments, the head of sector’s insufficient capacity and insufficient political power to establish sector priorities, or agree on, and monitor delivery of, the pertinent goals in each of its services, meant that a gap developed between the goals reported to DIPRES or to the Presidency and the goals that the services were, in fact, pursuing. The latter developed so-

called “gaming” or “simulation” techniques for the important goals (World Bank, 2011). The new approach, established in 2011 via Chile

Gestiona, sought an improved connection between the presidential goals and the units responsible for service delivery

Box1. The Seven Strategic Pillars of President Sebastián Piñera’s Administration and their Main Objectives

I. GROWTH PILLAR

- Maintain macroeconomic equilibrium and reduce the structural fiscal deficit to 1 percent of GDP by 2014.
- Achieve 6 percent average GDP growth over the period of government.
- Double the investment in science and technology by the end of the term of office, from 0.4 to 0.8 percent of GDP.
- Create 100,000 new enterprises during the period of government.
- Reduce from 27 to only 16 the number of days needed to start a new business.

II. EMPLOYMENT PILLAR

- Create a million new, quality jobs during the period 2010–14, at the average rate of 200,000 per year.
- Improve employment conditions in the country by reducing the rate of accidents in the workplace to 4 percent in 2015, and reducing the rate of fatalities in the workplace to 5 for every 100,000 workers by 2015.

III. CITIZEN SECURITY PILLAR

- Reduce by 15 percent, by 2013, the rate of victimization, which is the number of households that are victims of crime.
- Reduce by 25 percent, by 2013, the offences committed in public places.
- Create a new kind of institutionality, designed to enhance interministerial coordination, in the fight against crime.
- Reduce the incidence of fear among the population.

IV. EDUCATION PILLAR

- Improve the quality of preschool education and extend complete coverage for children of families belonging to the 60 percent of the population existing on lower incomes by the year 2014.
- Improve the quality of education by increasing by 10 points the Education Quality Measurement System, or Sistema de Medición de la Calidad de la Educación (SIMCE) average for 4th grade by 2014.
- Increase fairness in education, reducing by ten points the gap between the families belonging to highest income brackets and the pupils belonging to the lower income families in the SIMCE average for 4th grade by 2014.
- Improve the quality of teachers, doubling the number of students scoring more than 600 points at the University Entrance Examination (PSU) (Prueba de Selección Universitaria) who thereafter embark on teaching careers, with a view to reaching 4,000 in the 2014 intake.
- Improve the quality of public education, opening 60 new schools of excellence throughout Chile, and covering each of the country’s main urban capitals.
- Improve the quality of higher education in Chile, improving access and improving higher education information systems and transparency.

V. HEALTH PILLAR

- Develop instruments aimed at encouraging healthy lifestyles, combating sedentary lifestyles and obesity, and reducing rates of tobacco addiction and alcohol consumption.
- End waiting lists for surgery and Universal Access to Explicit Guarantees (Acceso Universal de Garantías Explícitas, or AUGE) illnesses by November 2011.
- End waiting lists of more than one year for non-AUGE surgery before May 2013.
- Build at least ten new hospitals and 56 new family health centers by the end of the government’s term of office.

VI. POVERTY PILLAR

- Eradicate extreme poverty by 2014, and reduce poverty by 2014 with a view to eradicating it completely by 2018.
- Build the necessary permanent institutions to overcome poverty.

VII. QUALITY OF DEMOCRACY, DESCENTRALIZATION AND MODERNIZATION OF THE STATE PILLAR

- Improve the quality of care given to users of State services.
- Increase citizen participation.
- Improve management of the State and of the persons who work for it.
- Generate mechanisms that work towards progressive administrative, political and fiscal decentralization in the country.

Source: Government of Chile (2010). Available at: http://www.gob.cl/cumplimiento/objetivos_estrategicos.html.

Note: The number of strategic objectives in 2013 reached 40.

2.4 The Role of the Ministry of the Presidency, the Interministerial Coordination Division, and the President's Delivery Unit within the Center of Government, 2010–13

One of this administration's major legislative efforts was to restore the Ministry of the Presidency's original identity as a coordinating and advisory unit, and to take away its role in execution. Article 1 of Law No. 18.993, August 1990, which created the Ministry of the Presidency, establishes that this unit will be responsible for "carrying out interministerial coordination functions and directly advising the President of the Republic, the Minister of the Interior, and all of the other ministers."¹¹ The law establishes that on top of a minister and an undersecretary, the Ministry of the Presidency will be comprised of six divisions: (i) Executive Division, (ii) Judicial-Legislative Division, (iii) DCI, (iv) Political and Institutional Relations Division, (v) Studies Division and, (vi) General Administration

The Interministerial Coordination Division

A second initiative was to enhance the Ministry of the Presidency's coordinating function by strengthening the DCI, in particular with regard the period before and after decision making. Law No. 18.993 (enacted in 1990) also established that the DCI would take responsibility for interministerial coordination and programmatic monitoring of Executive management, in particular in matters

Division. Figure 3 presents the Ministry of the Presidency's organizational chart. After the law that created the Ministry of the Presidency was enacted, further divisions were added: the National Service for Senior Citizens (Servicio Nacional del Adulto Mayor, or SENAMA), the National Environmental Council (Comisión Nacional de Medioambiente, or CONAMA), and the Indigenous Affairs Commission (Comisionado Indígena). The Food Safety Agency (Agencia de Inocuidad Alimentaria) was also set up. After these divisions were incorporated, the role of the Ministry of the Presidency shifted from an advisor to executor. In line with its goal to strengthen its original mandate, the Ministry of the Presidency thereby transferred its responsibilities to other services.¹²

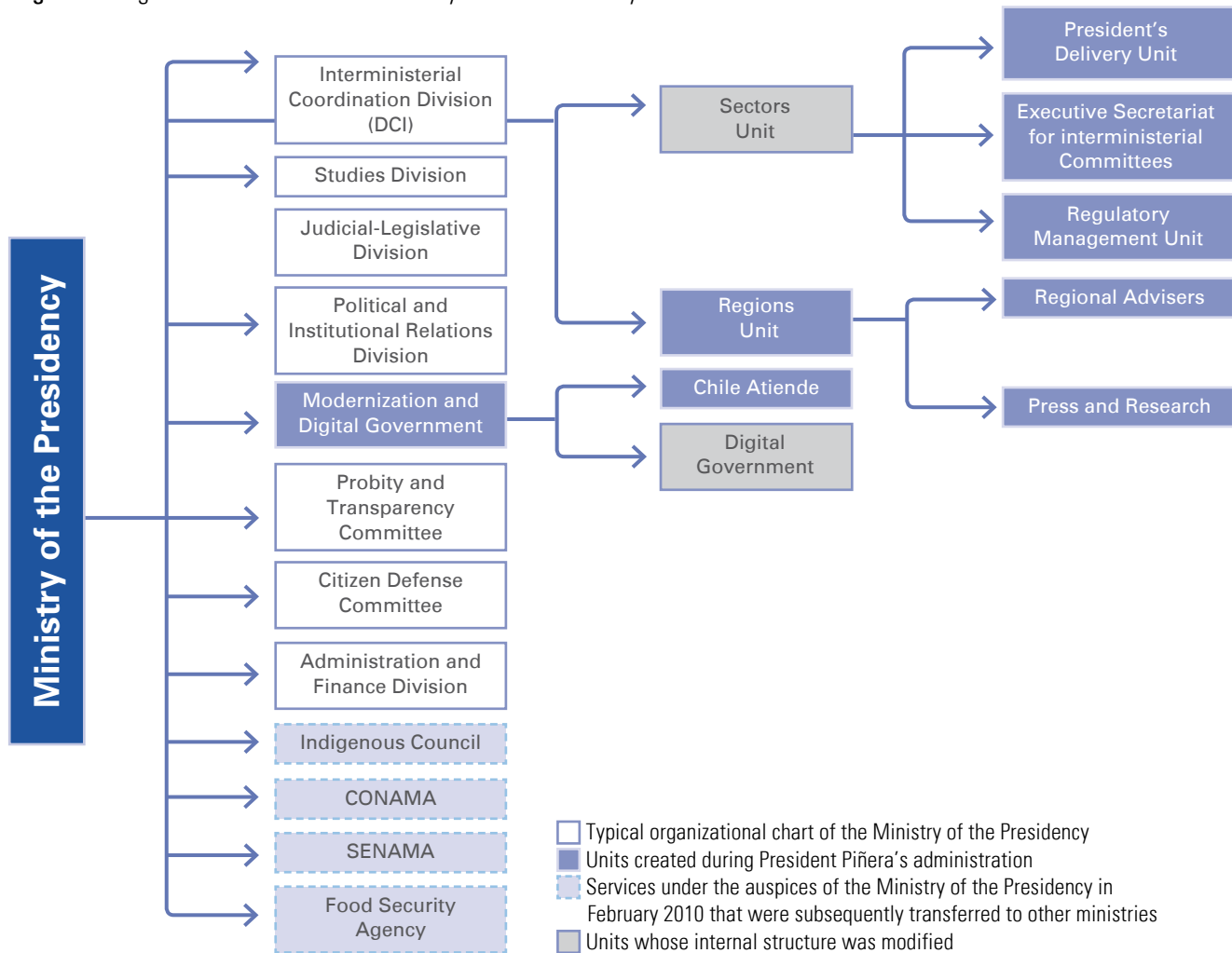
affecting more than one ministry, and provide technical support for the interministerial committees.

The public policy decision making process in Chile during the period analyzed usually took place in two arenas within the CoG: the corresponding interministerial committee and a bilateral meeting. The functions associated with each department and

¹¹ Article 2 enumerates the functions to be carried out by Ministry of the Presidency: (i) advising the President of the Republic, the Minister of the Interior and all other ministers, on political, judicial and administrative matters, as well as advising the President of the Republic, the Minister of the Interior and all other ministers, whenever they so require, on matters regarding the relationship between the Government and the National Congress, and between the political parties and social organization and institutions of national life, in coordination with the Government General Secretariat Ministry; (ii) promoting the achievement of effective general programmatic coordination of government management; (iii) acting, "by order of President of the Republic," in conjunction with other ministries, and through them, with the State Administration's services and agencies; (iv) carrying out short- and medium-term studies and analyses relevant to political decision making, and submit them for consideration by the President of the Republic and the Minister of the Interior, and (v) informing the Minister of the Interior regarding necessary innovations for the State Administration's organization and procedures.

¹² In the case of CONAMA, the Law of the Ministry of the Environment (Ley del Ministerio de Medioambiente) transferred this committee from October 1, 2010 onwards (Law No. 20.417). The Ministry of the Presidency also acted in line with its mandate to move forward with its modernization of the State agenda. A new unit and the Chile Atiende program were oriented to support and advise the different services in their efforts to focus on citizens, with a generic approach, to promote service interoperability, and to be more of a coordinator than an executor.

Figure 3. Organization Chart of the Ministry of the Presidency




Source: Ministry of the Presidency (undated).

decision making process are shared by the Ministry of the Presidency, DIPRES, and the President's Personal Advisory Unit. The interministerial coordination process is not always clear or precise, which inevitably leads to overlapping between the multiple actors involved. This happens especially during the inaugural period.¹³

Although each interministerial committee is presided over by a ministry, from 2010 onwards their executive secretariats were located at the Ministry of the Presidency's DCI, the body responsible for convening the

committees, setting the agenda, and monitoring agreements and tasks. This DCI function marks a change with regard to the practice of past governments, when the secretariat was located within the same ministry that presided over each committee. The reason behind this change is to prevent the presiding ministry from appropriating the agenda to the exclusion of other actors, or deviating from the agenda that the President sets as part of the government plan. With the sole exception of the Political Committee, committees are convened by the DCI and the

¹³ The process that ends in decision making by the Executive begins a long time before a proposal officially reaches the CoG: the line ministry is the institution responsible for drafting the outline proposal which, at the appropriate time, goes before an inter-ministerial committee or a bilateral meeting for decision making.



agenda is set in common agreement between the DCI and the presiding ministry. The committees meet in session once per month (except for the Political Committee, which meets once per week), and always at *La Moneda* (the Presidential Palace). In the sector-based committees (except for the Political Committee), a representative of DIPRES and the President's Personal Advisory Unit always take part.¹⁴ The President does not take part in any of the three sector-based interministerial committees.

Once there is clarity and relative consensus around a new program within the interministerial committee, and the committee has advanced enough to discuss matters with the President, the Presidential Advisory Unit sets a date and convenes a bilateral meeting. The minister or ministers responsible for the proposals take part alongside their respective technical teams, while the President is always present with his own collaborators, including: (i) DIPRES, (ii) the Presidential Advisory Unit, and (iii) the Ministry of the Presidency, which is represented by the Chief of the DCI, accompanied by the coordinator of the President's Delivery Unit in charge of the matter, and the Chief of the Legal Counsel Division (if the case is relevant). During the meeting, a proposal is put forward, aspects that might give rise to disagreement between ministers or CoG members are dealt with, and the following course of action is established.¹⁵

The agencies and actors available to take part in ex-post interministerial coordination are the same as the ones in the previous

stage; however, the use of interministerial committees and bilateral meetings for the purposes of discussing delivery is far less frequent than for decision making. The bilateral meetings and the committee sessions focused on delivery tend to be more frequent around the time of important dates or events, such as the presidential messages delivered every May 21, when the ministerial accountability reports are delivered at the end of each year, or whenever there is a change of minister. Each of these opportunities is taken to analyze the evolution of the execution of priority commitments. Although the DCI and the PDU perform a role in both stages of interministerial coordination, it is in this second stage where the role of the PDU is more active and preponderant.

From 2010 onwards, the DCI has been organized into two units: the Sectors Unit (Unidad Sectorial), which acts as executive secretariat for the interministerial committees and includes the President's Delivery Unit (PDU), and the Regions Unit.¹⁶ The PDU is responsible for monitoring the government program and all the presidential commitments. In contrast to previous administrations, no separate *ministerial* commitments coexist, thereby reducing the room for sector-based agendas, at least with regard to programmatic content. Furthermore, the Regions Unit was set up some months after its sector counterpart, and its creation was a response to the need to devolve the presidential priorities, fixed under the seven programmatic priorities, to the territorial level. Box 2 presents the functions and tasks of the Regions Unit.

¹⁴ The format of these meetings is very similar. There is normally a group of participating ministers, some with full rights according to the kind of committee, and others invited according to the issues under discussion. The meetings last about two hours and approximately four issues might be discussed.

¹⁵ The frequency of these meetings varies according to the ministry. In principle, all 22 ministers will have held bilateral meetings with the President, but the timing and frequency of the meetings depends on the matters to be discussed and of the proximity of the particular ministry's responsibilities with the President's strategic goals. For example, there might be more than one meeting per month with the Ministry of Education (more than 15 in March 2013), whereas the Ministry of National Goods (Ministerio de Bienes Nacionales) held only two meetings between 2010 and 2013. The President's bilateral meeting agenda can be rather crowded depending on the number of meetings scheduled for each month. For example, in 2012, 18 bilateral meetings were held in August, 13 in October and 21 in November. At these bilateral meetings, the Second Floor would have a more important role than the Ministry of the Presidency.

¹⁶ The Regulatory Management Unit (Unidad de Gestión Regulatoria) was still in its infancy at the beginning of 2013.

Box 2. Adapting the model towards a territorial approach: the Regions Unit

Towards the end of 2010, and in part due to the conflict with the indigenous peoples that started in September and which led to an overhaul of the *Plan Araucanía*, the Ministry of the Presidency realized there was a need to add a territorial dimension to the seven programmatic priorities defined by the government, and created the Regions Unit, with a mandate to advise and support regional governors in drafting and implementing their Regional Government Plans (*Planes Regionales de Gobierno*).

The first step in drafting these plans was to convene all of the regional governors and explain to them what the work consisted in. A methodology was established for plan preparation, according to which each governor selected four of the government's seven central priorities, and adapted them to the regional level. Two or three additional priorities could be added to these four, which were not necessarily on the list of the original seven. For example: there was a connectivity pillar, linked to improving citizen access to transport services (ports, routes, roads, and so on), and a communications axis (telephone, Internet, and so on).

Once this presentation had been made, the Head of the Regions Unit spent time visiting each of the regions, and worked on each regional plan with the corresponding Regional Ministerial Secretaries.^a In general, the Regional Government Plans centered exclusively on public investment initiatives (which did not imply the creation of special programs or initiatives, which are the responsibility of central organisms or, in other words, ministries and services). Once the plan had been agreed upon, a bilateral meeting between the President and each governor was programmed. Once each proposed plan was approved, a date was set for its official launch, a ceremony in which the President took part.

As is the case with the PDU, the Regions Unit is also responsible for monitoring progress and delivery of each plan, and for helping to solve interministerial coordination failures that can hinder the progress on the commitments included in these plans. Given that the plans almost exclusively commit to investment projects, the work of interministerial coordination is key, as the approval and financing of investment projects in Chile requires the agreement of various institutions.^b

Source: Ministry of the Presidency (2013).

^a The Regional Ministerial Secretaries are the sector authorities in the region and preside over the decentralized office or entity of the corresponding line ministry. They are designated in agreement with each local governor and the line minister.

^b The process usually requires the agreement of the Ministry of Social Development of the corresponding line ministry and of the regional political authorities, which include the governor and the rest of the regional government.

The President's Delivery Unit (PDU)


Once the creation of the PDU had been announced in the May 21 2010 speech, there followed a process of reflection about how this unit should be structured and set up, and what functions it should fulfill. The experience was fundamentally based on the model implemented in the United Kingdom, and during this process the Ministry of the Presidency had the support of McKinsey & Co., who, alongside ex-United Kingdom civil servants, had provided support for similar processes in other countries.

The following functions were ascribed to the PDU: (i) strategic support to secure the coherence of programmatic management or planning government action; (ii) interministerial coordination, mainly exercised through the DCI; (iii) monitoring and adjustment; and (iv) accountability, according to the PDU mandate defined by the President himself when he announced its creation during his first May 21 message: "[to

establish] a permanent evaluation and results monitoring system that regularly reports to the President of the Republic on the state of progress." These functions are described in the following section.

i) Strategic support

This function, carried out during the initial stage, consisted in helping the priority line ministries to structure their plans of action such that they were aligned with the government's strategic priorities and contained actionable goals and indicators. Although the think tank Grupo Tantauco had worked on developing the government program before the presidential election campaign, the strategies had not been developed to the necessary degree of detail for many of the sectors. To this end, the PDU financed consultations with international experts who contributed to define the strategy and the



initiatives that comprise it, but also recognized that the unit's role was to accompany the process, make sure that it was actionable, and tried to contribute comparative experiences and best practices. In practical terms, this function included, first, providing the necessary support to respond to the following questions: How are results to be measured? Do adequate sources of information for measurement exist? Should indirect indicators be defined? If so, which are the most appropriate? Second, this function also consisted in developing a methodology comprised of delivery-based "routines" that were accepted by the line ministries, and which could be institutionalized, particularly with regard to data-gathering, drafting internal and external reports, and the meetings or forums for exchanging information and/or cross-examination.¹⁷

This phase called for technical expertise in service delivery to provide support for the sectors. On top of helping with setting up the unit (its functions, structure, powers and professional profiles, and how it should relate to the line ministries), McKinsey also offered support in generating the programmatic content of each strategic pillar or, in its absence, in defining the methodologies to determine the aforesaid strategic content.¹⁸ It trained members of the PDU to conduct so-called "performance dialogues," a working methodology that reveals the real causes hindering results-achievement and compliance with targets, instead of accepting superficial explanations. It also contributed the following elements to the aforesaid process: (i) providing international experts (in particular in the areas of education, health and public security); (ii) gathering comparative evidence and best practices, and (iii) defining the actionable indicators, and identifying the necessary sources of information.

At the beginning, the PDU's initial working model with each line ministry meant that the

strategic coordinators worked while installed in the offices of the line ministry requiring support (often within the minister's or undersecretary's own office), but this way of working did not prosper. The lack of corporate spirit within the PDU and the potential sources of conflicts associated with the kind of "dual dependency" to which the coordinators were subjected led to the practice being abandoned.

Exercising strategic support and drafting the government plan also includes working in interministerial coordination with other core central agencies, particularly the Presidential Advisory Unit and DIPRES. In this initial phase, most of the work seems to have been done with DIPRES, whose active participation in the process of drafting the first May 21 speech and the government plan laid the basis for formulating the administration's first budget for 2011.

Despite a long tradition of measuring processes, outputs and outcomes in the Chilean public sector, in some key areas of the government plan there was no measuring instrument or source of information capable of measuring progress in this sphere. For example, there was no baseline or direct indicators to quantify the number of days needed to set up a business. Similarly, although a survey of hospital service users did exist, each establishment applied this independently, thereby reducing the legitimacy and credibility of the information obtained by that means. This obliged the teams in each ministry, in conjunction with the PDU and the McKinsey team, to identify indicators and sources of information that would effectively reveal the progress made in the presidential commitments under each strategic pillar. The difficulty of hitting on an appropriate or, in other words, timely, objective, actionable and value-for-money indicator (cost-benefit relationship) led to deciding to use indirect indicators in many spheres.

¹⁷ The second aspect within this function is what Barber (2008) entitles "Deliverology" (see Chapter 3).

¹⁸ McKinsey used a team of four full-time members and an international expert in each field to offer support on strategic content (education, health and public security). The work was carried out over five months: during the first three months the support was more comprehensive and involved the entire team, whereas in the final two months the work was lighter and consisted in the director of each project joining a committee at the DCI throughout the period.

Table 2. Classification of Strategic Objectives

	Input	Process	Output	Outcome	Total		Input	Process	Output	Outcome	Total
Growth	-	1	-	5	6	Growth	0%	17%	0%	83%	100%
Employment	-	-	1	3	4	Employment	0%	0%	25%	75%	100%
Citizen security	1	1	-	4	6	Citizen security	17%	17%	0%	67%	100%
Education	3	1	2	3	9	Education	33%	11%	22%	33%	100%
Health	1	3	1	-	5	Health	20%	60%	20%	0%	100%
Poverty	-	3	-	1	4	Poverty	0%	75%	0%	25%	100%
Quality of Democracy	-	-	1	4	5	Quality of Democracy	0%	0%	20%	80%	100%
Reconstruction	-	-	1	-	1	Reconstruction	0%	0%	100%	0%	100%
Total	5	9	6	20	40	Total	13%	23%	15%	50%	100%

Source: Ministry of the Presidency (2013).

Notes: The classification of objectives and actions was carried out in accordance with the criteria established by the authors. The inputs are the human and monetary resources, and other assets. The activities constitute the actions and processes carried out by the authority in order to transform the inputs into outputs. The outputs are those that can be directly attributed to government activity. Finally, the outcomes are the effects of the outputs of the authority, as well as of other interests groups in society.

Although some of the presidential commitments are results-based (e.g., economic growth, employment or security), others are process-based, which means that the link to results in these cases is indirect, and on some occasions, irrelevant. An example of this second type of goal occurs when there is an agreement to present a bill to Congress. Although this achievement is a step in the right direction, it says nothing about the possibility of the law being finally approved, and offers even less help for estimating with any degree of precision the contribution that that law might make to citizen welfare. Table 2 is a breakdown of the 40 strategic objectives, grouped under the eight priority priorities, which are primarily outcomes-based (50 percent of the total). Furthermore, the delivery report submitted after three years of government identifies 271 actions, many associated with inputs and processes needed to achieve the 40 strategic objectives described. The latest version of the delivery website, launched in May 2013,¹⁹

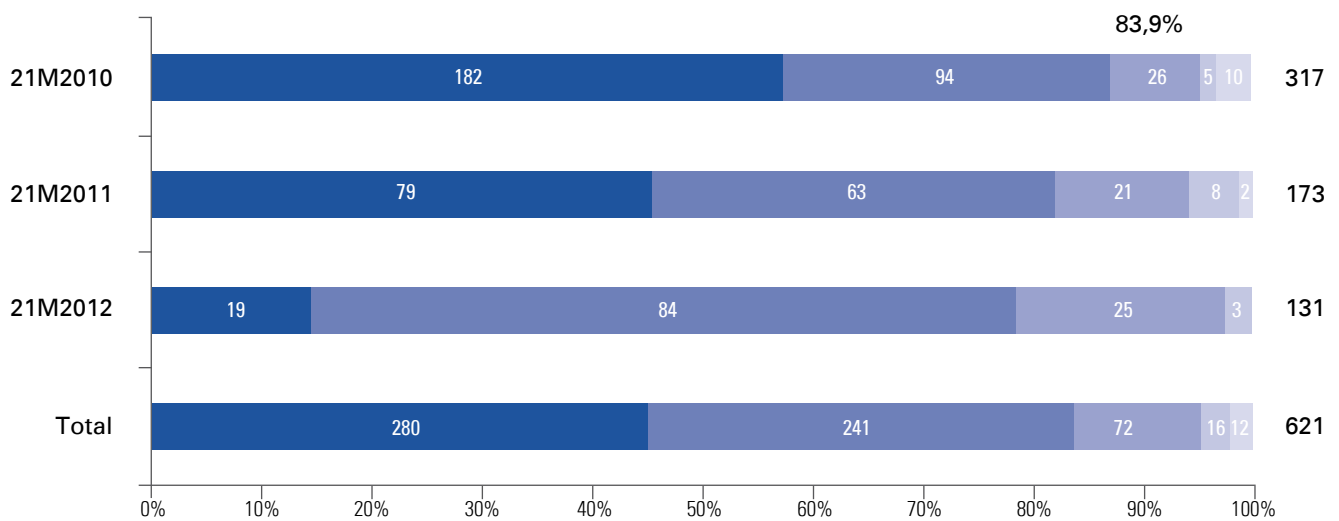
enables drawing a distinction between each type of commitment, that is, between those focused more on outcomes (the 40 strategic objectives) and those placing greater emphasis on inputs and processes (the 271 actions).

Once the government plan was drafted, with its ranked priorities, strategic objectives and actions, and its precise indicators and goals identified, the plan was far from being a static instrument with the number of committed and monitored actions rising year by year. Figure 1 indicates the number of commitments made in the May 21 presidential speeches during the three years of government (2010–12) and their status. The total number of commitments rose from 317 in 2010 to 621 in 2012.²⁰ One of the reasons behind this increase is the dynamic nature of politics and the need to incorporate new, previously overlooked objectives into the strategic plan (e.g., commitments linked to higher education that were partly a response to student demonstrations that took place throughout 2011).

¹⁹ See www.presidencia.cl/cumplimiento.

²⁰ The total number of commitments is higher than the ones mentioned here, because they also include commitments announced in speeches and statements made separately from the May 21 speech. Furthermore, there exists a set of ministerial commitments that are not made public, agreed to at the bilateral meetings, or within some other internal government organ.

Figure 4. Presidential Commitments Made in the May 21 Speeches: Progress up till December 2012



■ Achieved: completed as promised
■ On time for achievement: still within time limits for achievement
■ Need attention: achievement at risk
■ Delayed: have not been completed according to public deadline established by the President
■ Discarded: have been discarded for technical or budgetary reasons, or for changes in priorities
 Source: PDU-Ministry of the Presidency

(ii) Interministerial Coordination

This function consists in helping to address failures in interministerial coordination that limit the progress made on government commitments, helping to detect their presence and working to mitigate them, and providing backing for the interministerial decision making coordination process. To this end, the DCI-PDU team is part of the executive secretariat of the interministerial committees and attends the bilateral meetings, and is therefore a key component for fulfilling this function, as previously analyzed.

(iii) Monitoring and Adjustment

This function oversees the integrity and focus of the programmatic strategy outlined by the government via permanent monitoring of the commitments organized under the eight ranked priorities of the government plan. In other words, to make sure that agenda's focus did not waver and that resources were not rerouted towards commitments and objectives outside the government plan, due to contingencies. Or that if a contingency is of such an overwhelming nature, to adjust the strategy to meet it (e.g., with regard

to higher education in response to the student demonstrations throughout 2011). Moreover, whenever the results obtained are worse than expected, the PDU is charged with supporting or helping to modify the strategy, or the activities that comprise it, as the case may be. In the same way as strategic plan preparation, this function is carried out by supporting the technical leadership exercised by the experts in each ministry, and not from the PDU, which lacks the capacity to provide technical sector-based advice. This monitoring, oversight and adjustment function includes the responsibility to provide solutions to possible crises in delivery. The adverse outcome obtained in the area of security at the end of 2011, for example, led to a crisis of this nature (see Box 3).

The relationship between the Ministry of the Presidency (in particular the DCI and the PDU) and DIPRES was consolidated during this monitoring phase, by combining contributions to the two most important events of annual government management: drafting the May 21 speech and drafting the Budget Law. In its ideal version, the Ministry of the Presidency leads the preparation of content for drafting the May 21 presidential message, and the process is

Box 3. Managing a “Delivery Crisis”: the Citizen Security Pillar

The citizen security pillar contained the commitment to reduce by 15 percent the rate of victimization in households by 2014. The indicator is based on the National Urban Citizen Security Survey (Encuesta Nacional Urbana de Seguridad Ciudadana, or ENUSC). The *Chile Seguro* Plan, launched in August 2010, committed to a series of actions and programs aimed at achieving the aforesaid goal. In April 2011, the National Statistics Institute (Instituto Nacional de Estadísticas, or INE) presented the results for 2010, indicating that the percentage of households that had been victims of crime had been reduced from 33.6 percent in 2009 to 28.2 percent (equivalent to a 15.9 percent reduction). In other words, the goal established for the four years of government has been achieved after only the first year.

Twelve months later, the ENUSC 2011 revealed that the percentage of households that were victims of crime had risen from 28.2 percent to 31.1 percent. This 10 percent increase with respect to the previous year called into question both the *Chile Seguro* Plan and the government-led strategy to combat crime. At this point, a series of working meetings was organized, led by the Presidency, in order to decide how to tackle the situation provoked by the ENUSC results. The Ministry of the Interior and Public Security (the unit mainly responsible for this strategic pillar) led the efforts to elucidate the causes of the increase and evaluate possible courses of action, and a series of working meetings was organized in which, along with the sector experts, members of the Ministry of the Presidency (DCI and PDU) and the Presidential Advisory Unit team also participated.

After evaluating the ENUSC data and the possible courses of action, the government team opted to maintain *Chile Seguro* and the actions committed to therein, but to complement it with the launch of further plans for the areas of: i) prison policy, ii) border control policy (Plan *Frontera Norte*), and iii) the Safe Stadium Plan (Plan *Estadio Seguro*). The perception of a strong increase in victimization in 2011 was the consequence of a natural rebound following the marked decrease registered the year before. During the period of evaluation and decision making, the PDU took on the role of coordinator and provided strategic support for management, in a similar way to the role it undertook during the strategic plan preparation stage at the beginning of 2010. In March 2013, the INE released the figures for 2012, indicating that the percentage of households subjected to a criminal act had fallen to 26.3 percent, a figure that was even better than the 28.2 percent announced by the 2010 survey.

Beyond the outcomes achieved and their evolution over time, this situation is a fair reflection of the challenges peculiar to results-based management, in other words: effective establishment of the goals, whether there is a causal relationship between the actions taken and the results achieved (attribution), and the difficulties of explaining short-term changes in areas in which public policies require time and maturity in order to achieve the desired results.

Source: Authors' elaboration.

accompanied by DIPRES, which ensures that no promises are made that lack the necessary budgetary support. On the other hand, DIPRES directs the Budget Law formulation process, with the assistance of the Ministry of the Presidency, thereby ensuring that the government's strategic decisions (President) are prioritized and can be financed from the budget (see Box 4). This process is advantageous, in the first place, because the strategic objectives are fixed and, in the second place, because the budget requirements are assessed. Or, in other words, the budget follows the strategic plan and not vice versa, even when there are contrasting points of view.²¹

Furthermore, the relationship between the Ministry of the Presidency (in particular the DCI) and the Presidential Advisory Unit (Second Floor) with regard to the monitoring function also had to pass through the necessary adjustment period in order to reduce the degree of overlapping that existed at the outset, in particular, when clearly defining who has led the progress on and delivery of, the presidential commitments, and—for this reason—who should demand information from the line ministries. In the beginning, both the Second Floor advisers and the PDU coordinators demanded the same data in different formats from

²¹ Some academics and think-tanks argue that relegating the DIPRES to a secondary role would have led to excessive growth in expenditure, which is unsustainable (see, for example, <http://diario.latercera.com/2013/02/08/01/contenido/opinion/11-129415-9-malas-noticias-2-responsabilidad.shtml> in *La Tercera*, 8 February 2013). However, according to the Treasury (2012), the “strong increase in spending” occurred under the previous administration, when public expenditure grew, in real terms, by more than 8 percent percent between 2006 and 2008 (before the international financial crisis), and 10.3 percent percent between 2006 and 2009, which includes the countercyclical efforts made in the final year of the period (p. 57).

Box 4. The Presidential Commitments and Formulating the Budget

DIPRES takes part in all the bilateral meetings between the President and his ministers in order to ensure a good connection between the government's strategic plan and budget formulation. In the bilateral meetings, DIPRES fulfills two essential roles: (i) providing elements of judgment and evidence that enable the budgetary impact of the actions discussed to be quantified, and signaling the way in which the additional expenditure has to be financed (reallocation within the actual budget, or an increase in expenditure) and, (ii) taking note of the decisions reached and priorities agreed between each minister and the President.

However, the presence of a high-ranking official from DIPRES (political appointee) is a necessary, but not in itself sufficient, condition to allow adequate integration of the presidential priorities with the national budget. This is due to the fact that the budget formulation process in Chile has its roots in the interaction between the technical teams of DIPRES (sector specialists, career civil servants), and the heads of the Administration and Finances Division in each service.

While the budget was being drafted, and in order to exploit the possible information asymmetry within DIPRES, some services deliberately decided not to include the resources for the presidential priorities in the initial budget application, and to bet on the fact that these would be allocated via future budget increases. In other words, the original budget was aimed at meeting only the needs of the sector, as it was expected that financing for the presidential priorities was assured and would be made available at a later date.

In an attempt to limit such opportunistic behavior by the services, DIPRES had to establish an internal procedure to make sure that the information and the agreements made during the bilateral meetings reached the technical teams (sector specialists). The designation within DIPRES of a coordinator charged with the exclusive responsibility for participating in the bilateral meetings with the President helped reduce information asymmetries both within the organization itself, and with the Ministry of the Presidency.

DCI recorded the minutes after each meeting and sent them to the Ministry of the Presidency, the Budget Office, the relevant heads of division at the Ministry of the Presidency, and the DIPRES coordinator for the bilateral meetings, in order to ensure that both DIPRES and the Ministry of the Presidency concurred with regard to what had been agreed to in the meeting, and that relevant and timely information could reach each of the technical teams in DIPRES (sector specialists). Moreover, the latter was given access to the commitments database.

Other interministerial mechanisms of coordination between plan and budget include the Ministry of the Presidency's review and approval of the strategic service definitions (*Formulario A1*), of the budget results indicators (*Formulario H*), of the PMGs associated with remuneration, and of the performance agreements with the senior executive service (according to legally-established criteria).

Source: Authors' elaboration, based on information gathered from interviewees.

the same sector counterparts. The situation became clearer over time, and the PDU assumed responsibility for monitoring and gathering information on commitments, although in special circumstances due to immediate contingencies, or a crisis situation that may or may not be associated with a commitment or a strategic pillar, the Presidential Advisory Unit can enter into direct contact with each minister or undersecretary, the heads of cabinet, or teams of advisers.

Despite Ministry of the Presidency-DIPRES collaboration and coordination, and the understanding with the Presidential Advisory Unit, there is an unavoidable feeling that the sectors face high transaction costs associated with sa-

tisfying the demands for information from various government departments, or what might be termed "monitoring inflation."²²

The process of managing delivery of the presidential commitments in each strategic pillar rests on basic management tools and on the relatively junior staff at the PDU. The management methodology, analysis of indicators, delivering periodic reports, preparing spreadsheets and presentations, and developing technological platforms (web-based tools), among other resources, were of a relatively low degree of complexity, in line with the minimum necessary to develop these functions.²³ Box 5 summarizes the Unit's organizational aspects and human resources.

²² These petitions include occasional requests from the Presidential Advisory Unit and the PMG, the management commitments undertaken by the DIPRES, the indicators for the Treasury's Chile Gestiona program and the data for evaluating the social programs, a field which is usually led by the Ministry of Social Development (Ministerio de Desarrollo Social), among others.

²³ Annex 5 contains a blank copy of the spreadsheet originally used to gather information regarding compliance, as well as a screen display of the web-based platform that subsequently replaced it.

Box 5. Organizational and Human Resources Aspects of the PDU

Staffing and structure. This unit is composed of approximately 10 people, all of whom work under temporary contracts. The PDU is structured with a general coordinator and a coordinator for each of the seven strategic priorities, as well as a coordinator responsible for reconstruction. These coordinators are also responsible for monitoring other matters alongside the ministry in charge of their particular pillar (e.g., the coordinator of the education pillar with MINEDUC, or the health pillar coordinator with MINSAL). At the same time, some of these strategic priorities coordinators act as executive secretaries within the interministerial committees in support of the head of the DCI.

Staff profile. The vast majority of the civil servants are relatively junior, have between three and five years work experience and, above all, a private sector background. Practically none of them had prior experience in the public sector. The general rule is that their training should have been in either business administration or in engineering, with a clear emphasis on strategic management. This staff profile was molded by two factors: (i) by the high costs involved in hiring a more senior team, with post-graduate formation overseas and technical knowledge of the associated thematic area, and, (ii) due to the scarcity of persons with the aforementioned senior description, combined with the risk of competing with the line ministries for the services of a small number of possible candidates.

On the other hand, none of the members has been politically active in any of the parties that comprise the ruling government coalition. This profile of the Unit personnel, which is also applied to other high-ranking officials at the Ministry of the Presidency, has become one of this administration's characteristic idiosyncrasies, something hitherto unknown in Chile, with all its consequent advantages and disadvantages.^a

Principal challenge (and virtue?): high staff turnover. Three years after the PDU was set up, only two of its original members are still at the unit (one of whom is now head of division). The rest have migrated to higher-ranking positions in their counterpart ministries, to other areas of the administration, or they have left to follow post-graduate studies overseas. The close working relationship between the coordinators of each pillar and their sector counterparts, the mutual confidence-building, the technical know-how, and the contacts acquired over time has meant that a significant number of PDU members have been headhunted to become advisers to work directly in the cabinets of ministers or sector under-secretaries. Although this turnover did, on the one hand, throw up the fresh challenge of recruiting suitable new personnel, training them and building confidence once more with their counterparts, it also, on the other hand, increased the critical mass of officials who were closer to political power.

Source: Authors' elaboration, based on information provided by the Ministry of the Presidency.

^a This material is based on interviews carried out in 2013. Neither the head of the DCI, nor of any of the other divisions of the Ministry of the Presidency, and not even the Minister of the Presidency himself, are members of any of the parties that comprise the ruling government coalition.

(iv) Accountability

Timely reporting to citizens on government progress towards fulfilling the presidential commitments. The desire for the government to be judged on its results contains the implicit wish to communicate to citizens both what has been achieved and what still remains undone. The PDU contributes to wider government efforts to deliver accountability by publishing various delivery reports.


This accountability is exercised at different instances. On top of the May 21 speeches, which are already a fixture in the Chilean public administration calendar, there are annual accountability reports by ministries and governorships, the annual accountability report delivered by the PDU concerning reconstruction

efforts (every February 27 and August 27), accountability with regard to the seven pillars every March 11 (the anniversary of when the government took office), and even specific reports for each pillar in other periods. The launch of the 2.0 version of the website, in May 2013, was a significant step forward in making this continuous accountability mechanism clearer²⁴

(v) Applicable to all its functions

Finally, two characteristics became fundamental to the exercise of the four aforesaid functions: their subsidiary role, and the fact that the President empowers them. Given that the exercise of power generates by itself endless opportunities for internal strife, it was very important for the DCI-PDU to be perceived

²⁴ For example, in October 2011, 18 months after the Government took office, compliance reports were published for each of the axes. At the time of this paper's publication, the Government of Chile Report (2013) was the most recent, and claimed a significant degree of progress towards goals in all of the strategic pillars.



as an invisible partner, rather than a competitor for the limelight.²⁵ This notion of subsidiarity was emphasized from the outset, but it required confidence building among the unit members and their sector counterparts (see a list of those interviewed in Annex 1). Furthermore,

a necessary condition enabling the DCI-PDU to fulfill its mission was that it was empowered by the President and participated in all the interministerial and bilateral meetings dealing with government strategic and programmatic management.

²⁵ The first minister of the SEGPRES, Edgardo Boeninger, has often emphasized this point. Michael Barber (2008) is also very clear on this point, as well as on the importance of creating so-called win-win relationships with other ministries and collaborators.

3 AN ANALYTICAL VIEW:

Conclusions from the Case Study

This section is based on the case study presented in the previous chapter, in which the role played during the period 2010–13 by the Ministry of the Presidency, particularly the DCI and the PDU, was analyzed in the light of the specialized literature, of previous experiences in Chile, and of the comparative international experiences in other OECD countries. This chapter is structured on the basis of the key questions that attempt to reveal the

main achievements and challenges pending with regard to how the aforesaid principal CoG functions are exercised: (i) strategic support, (ii) interministerial coordination, (iii) results monitoring, and (iv) accountability. A conceptual framework in the case of the last three functions complements this analysis (see Annexes 2, 3, and 4). The final section of this chapter examines the degree of institutionalization reached by the DCI and the PDU in the different functions they perform, and future challenges.

3.1 Strategic support

3.1.1 What role has the DCI-PDU played when it comes to preparing quality strategic plans, choosing sector priorities, setting realistic goals that bring benefits for citizens, defining implementation trajectories and correcting potential deviations?

The DCI-PDU assumed a subsidiary role, relying on the support of McKinsey to develop an actionable methodology and process, thereby leaving the sectors to undertake technical aspects—which themselves stemmed from the President’s government plan. This same approach was adopted during the results crisis, for example by adjusting the citizen security goals after the deviation had occurred (see Box 3). The Chilean Delivery Unit has a limited technical experience, which is one of the main characteristics that differentiates it from the United Kingdom model, and from the latest efforts undertaken in Australia (for a

comparative analysis focusing on delivery units, see Annex 6).

However, the PDU has demonstrated a clear capacity to ground the priorities in measurable goals and indicators, with appropriate verification methods for each pillar. Whether or not these goals were realistic, and quite how they were established, is not so clear. With regard to the latter, the results achieved after three years in office would seem to indicate that the goals were challenging but, at the same time, reasonable, in most of the priorities, as there have been no significant overachievements or shortfalls.

3.1.2. Has strengthening the strategic support function of the DCI and the PDU replaced or overlapped with strategic planning functions carried out by other government units?

In the limited aspects in which it performed the strategic support function, establishing PDU and reinforcing the DCI seems to have been an attempt to balance or almost substitute the strategic planning power hitherto led centrally from the Second Floor or, to a lesser extent, from DIPRES. After some initial adjustments due to partial overlapping with these two central actors, a balance seems to have been struck in which the Ministry of the Presidency played a more important part, for example, in identifying indicators and sources of information that would enable advancement and

progress in the presidential commitments of each programmatic pillar to be measured, in validating the strategic definitions according to ministry and service, and in aligning the institutional priorities with the government program. This change has enabled a move from a more fiscal or budgetary view of strategic planning towards an approach with greater strategic coherence with the government program. Furthermore, overlapping with the Second Floor seems to have been greater at the beginning of the government term of office, but thereafter converged towards better collaboration.

3.1.3 Have the DCI and the PDU been better able to link priorities and goals with the budget?

Coordination between the Ministry of the Presidency and DIPRES has at least been successful in reducing the information asymmetry between the presidential priorities and the process of budget negotiations between DIPRES sector specialists and the ministries and services. Under previous governments, the connection between programs and budgets on the one hand, and the presidential goals on the other, was fundamentally formal. The role of the Ministry of the Presidency during the period 2010–13 con-

sisted in providing information to DIPRES sector specialists so that the budget followed the plan, and not the other way around, and to approve some key management instruments, including the results indicators in the budget and in the PMG, although the main vehicle for achieving this aim seems to have been DIPRES participation in all the bilateral meetings, after which an interministerial coordination mechanism was established between the Ministry of the Presidency and DIPRES, in order to ensure the consistency of the agreements.

3.2 Interministerial Coordination

3.2.1 Have the DCI and the PDU contributed to better governmental coordination? In what respects?

During the period 2010–13, the Ministry of the Presidency regained the coordinating role it had previously exercised only in 1990–94 (Siavelis, 2012), but this does not in itself imply an improvement in governmental coordination. Many of the interviewees linked to the administration indicated that the greatest achievement of Center of Government restructuring was to have “given the capacity to strategically manage the government back to *La Moneda* (Presidential Palace).” This implies that management coordination was previously exercised from outside of the Presidency via the Ministry of Finance, or else was

delegated to various ministries depending on the subject matter. However, this statement should be qualified in the sense that *La Moneda* has also played an important role via the Second Floor or Presidential Advisory Unit, especially during the period 2000–06 (Siavelis, 2012: 152-55; Egaña and Chateau, 2011).

Based on the analysis carried out and the available information, strengthening the DCI alongside the work carried out by PDU have contributed to improving governmental coordination, both in procedural aspects (with interministerial committees and bilateral

meetings) as well as in aspects of achievement (results-based approach). As described in the conceptual framework for the interministerial coordination function (see Annex 2), various levels of governmental coordination can be distinguished, ranging from total ministerial autonomy (the lowest level) through to a good level of interministerial communication, with consultations between them to avoid discrepancies, to achieve agreements, conduct interorganizational arbitration, establish government priorities and to deliver on those priorities (the highest level) (OECD, 2004). The Chilean Presidency has established, in the past, the government priorities and entrusted their monitoring to diverse units according to the period (DIPRES, Second Floor, Ministry of the Presidency). Although the Chilean Executive's decision making system has traditionally contained elements from all coordinating levels, it seems that the exercise of all these different levels has not been carried out systematically or regularly, and has been rather anecdotal, depending on the individual president, even during the period 2010–13.

The Ministry of the Presidency's coordinating function, compared with the part played by this same ministry in the past, has been developed thanks to a new results-based approach to coordination, and with 50 percent of the strategic objectives focused on impact. Its priorities or objectives have been expressly set out as impacts to be achieved. This forces ministries to align their strategies in the light of presidential priorities, which means that information and consultation between ministries is sometimes shared whenever the goal is shared.


Coordination thereby reaches its highest level (results achievement) in order to align each ministry's individual strategies not just from the decision making perspective, but also in the perspective of public policy implementation. However, as previously mentioned (see Table 2), only a portion of presidential commitments have been proposed as results (as either impacts or outcomes), and partially process-based coordination has continued, in particular with regard to committed actions, which numbered more than 600.

Furthermore, the Ministry of the Presidency has institutionalized coordination by regularizing, rationalizing and simplifying interministerial committee meetings, wherein information is exchanged and consultations can be held with various ministries on cross-cutting issues; this is not, however, a decision making forum. Furthermore, the four committees that have always existed throughout different governments have been maintained (Political, Social Development, Economic Development and Infrastructure, City and Territorial). In addition, the number of times that these committees meet has been regularized, so that the Political Committee now meets once per week whereas the other committees meet on a monthly basis. Finally, the executive secretariat of these committees has been located within the Ministry of the Presidency's DCI. All of these decisions have undoubtedly helped to institutionalize coordination, and the fact there has been only one Minister of the Presidency throughout the period analyzed can be seen as a positive factor.

3.2.3 How does the governmental coordination of decision making in Chile during the period 2010–13 compare with similar initiatives in other OECD countries?

The coordination function differs notably according to country, whether it has a presidential system (as in the case of Chile) or a parliamentary system (as in most other OECD countries). In other countries, the interministerial committees are institutionalized with regard to their nature and the regularity of their meetings, albeit with a certain degree of flexibility. In Spain, apart from having a

Council of Ministers (a collegial decision making unit that includes all of the government ministers), there have always been government delegate committees (ministerial committees), whose number and composition have remained roughly unchanged since 1996. Some of these committees meet weekly (such as Economic Affairs), and follow an already institutionalized decision making process,



which feeds into the formal decisions taken in the Council of Ministers. This does not mean that the decisions are debated again in the Council of Ministers, rather that they are simply taken to this higher unit for approval and ratification.

In Chile, during the period under analysis, due both to its presidential nature and to the President's own personal style, the interministerial committees have not taken decisions, while the bilateral meetings have provided the main decision making mechanism. Therefore, there seems to be a lack of coordination in terms of a joint decision making perspective, but it exists only at the lower levels of coordination, such as when it comes to exchanging data. The Presidency seems to play an important role in arbitration, either personally or else through the Second Floor or the Ministry of the Presidency (legal counsel and/or the DCI), and acts as an instance of validation over the ministers in the decision making process.²⁶

Although the President and the Second Floor carry out a fundamental role in coordinating the ministerial commitments, this role has been reinforced by the DCI, which coordinates information and carries out monitoring once the decisions have been reached. Apart from the unit's intervention in the interministerial committees, its part in these bilateral meetings is fundamental, as most coordination efforts are aimed at aligning the ministries' strategies behind the presidential promises on the results to be achieved. However, rather than horizontal coordination of governmental activity, there seems to be an alignment between the individual organizations and the presidential agenda, which often dominates the meeting and practically announces the decisions to be adopted and executed by the corresponding minister. Beyond this characteristic, the DCI has been a fundamental coordination instrument for facilitating the decisions taken by the President.

3.2.4. Has strengthening the DCI and the PDU regarding the coordination function replaced or overlapped existing functions in other government units?

Although there might have been partial overlapping with the Second Floor regarding coordination, the DCI-PDU is characterized by taking a proactive approach to the government plan, whereas the Presidential Advisory Unit's approach is often a reaction to emergencies and contingencies. The PDU supports coordination via the daily contact between its members and their ministerial counterparts, which facilitates rapid identification of bottlenecks and coordination failures. For its part, the Presidential Advisory Unit usually intervenes only when spurred by a newspaper headline or an exogenous event.

At least four types of actors take part in government coordination tasks in Chile, and their relative importance depends on the moment in time. These four actors are the Ministry of the Presidency, the Treasury, DIPRES and the Presidential Advisory Unit (the Second Floor), on top of the line ministries, which are part of the interministerial committees. Chile's recent democratic history shows that there is still no one predominant actor in the system to support the President in coordination. In the first place, although there is clearly a ministry with this very mandate (Ministry of the Presidency-DCI), in reality

²⁶ At these meetings, the President may set out an opening position on one or various issues that concern the ministry and, at the same time or later, put forward a proposal to be followed. The DIPRES can intervene by communicating how the budget stands in relation to the matters requiring future economic valuation, or that already have a budgetary allocation committed to them. On occasion, the minister attending the meeting might not state a position, given that the position might already be incorporated into the President's decision. Therefore, the bilateral meetings do not always establish the position of the minister (responsible for that particular area) followed by the President's feedback, but rather produce the opposite process. In this process, the President exerts a high degree of control over the ministerial agenda, which may have something to do with the President's personal style. This is unusual in other systems, and also under previous presidents in Chile itself (Fernández and Rivera, 2012). The current President seems to pay more attention to ministerial management than did previous office holders, thereby reinforcing his results-based, hands-on approach. This is probably due to the fact that ministers are from a more technical background, and the traditional partisan "quota" policy has not been followed, by which the coalition parties would gain more influence and would make this style of management much more difficult.

Box 6. Political Coordination versus Economic Coordination in OECD Countries

The struggle between a unit with an economic capacity (to control public expenditure) and another with more of a political ability to control the coordination of governmental activities also takes place in other systems, such as the United Kingdom's (between the Treasury and the Cabinet Office) or the Spanish model (between the Ministry of the Presidency and the Treasury). Over time, institutionalizing coordination in these two systems can operate in both directions. There is no natural evolution.

In Spain, from the beginnings of democracy the relative weight of political coordination has grown at the expense of economic coordination, via various mechanisms, which include the creation of a second Vice-Presidency of the Government in charge of political coordination, as well as of coordinating the collegial decisions made by the Council of Ministers, as it occupies the presidency of Undersecretaries Committee, which meets weekly to debate the issues decided by the Council of Ministers. In times of crisis, economic coordination has become more important, especially bearing in mind that the President of the Government himself has begun to chair the interministerial Committee on Economic Affairs, a coordinating role that was traditionally fulfilled by the Treasury or Ministry of the Economy and Treasury.

In the United Kingdom, the Cabinet Office, which includes the Prime Minister's inner circle, has accumulated a considerable number of coordination functions. Furthermore, the aforesaid government unit acts as secretariat for collective government meetings. At the same time, when Tony Blair decided to embrace the results-based approach to coordinating government strategies, the Delivery Unit was finally located within the Treasury (after an initial period at the Cabinet Office), and took charge of monitoring the results of other goals not included in the Prime Minister's strategy.

Source: Authors' elaboration.

it has not always delivered, because it has always depended on the President, primarily—according to each case—on the Ministry of the Presidency or the Presidential Advisory Unit. The most significant type of oscillation arises when the Treasury's weight (of an economic nature) is pitched against the Presidency's (much more political). The struggle between "political" and "economic" coordination, however, is apparent in other countries as well (see Box 6).

In the United States, another OECD country with a presidential system, the most important coordination mechanism is exercised via the

President's team of advisers. The Executive Office of the President of the United States is an organization with a strong organizational capacity and includes other organizations that assist it in this task, such as the Office of Management and Budget, the Office of Personnel Management, and the Council of Economic Advisers and the National Security Council. Furthermore, United States presidents have always relied on some sort of organization at the White House to coordinate domestic politics, although the names and the responsibilities of these organizations have varied over time (Peters, 2010).

3.2.5 What has been the level of coordination at the territorial level?


Although the Chilean system is of a fundamentally centralist nature, the creation of the Regions Unit and the drafting of regional plans to adapt the government plan marked an important step and appears to have received acclaim from the decentralized agencies of the central administration. The Regions Unit, created some months after its sector-based

peer, helped regional governors to rank the seven programmatic priorities at the territorial level. According to some of the people interviewed, parliamentarians, in particular, have recognized this effort as a significant added value. This is a sphere that could be investigated further, although it may depend to a large degree on the country's decentralization agenda.

3.2.6 Has the contestability of the public policy cycle increased?

The improvement in coordination, the partial overlapping of functions at the CoG which

leads to an exchange and competition of ideas that are subsequently arbitrated by the



President when it comes to decision making, and publication of the priorities, strategies, goals and outcomes, seem to have contributed to an atmosphere of greater contestability in the public policy cycle. The PDU and the DCI do not have a preponderant role in drafting public policy. However, strengthening coordination by the aforementioned mechanisms seems to have contributed to contestability. For example, the CoG hired external experts to draft plans in certain sectors, informing the

policies designed from the ministries. The inter-ministerial committees, which meet regularly, provide a public policy discussion forum for the line ministries and the CoG. Finally, information regarding progress in policy implementation, and its publication, mean that the CoG can intervene earlier to provide support or to address potential failures by the sectors in the implementation trajectory, and to promote debate by legislators, think-tanks, universities, and other organizations.

3.2.7 How far has the coordination function been institutionalized?

Collegial activity by the government in Chile is not institutionalized, because there is no collegial unit that includes all of the ministers (as is the case in many parliamentary systems) and because, in the past, there has never been a structure similar to a council of ministers. Each President has opted for a different formula for the number of interministerial committees, although this group has often been rather numerous in previous times, in particular during the period 2000–10 (more than 35 committees during the presidential term),²⁷ and most regular during 2010–13 (with the great majority of them consolidated into four committees with regular meetings). The absence of a collegiate unit that can channel potential formal decisions, as well as the various committees of the past, decrease the efficiency of interministerial coordination. In this sense, it is true that greater institutionalization was achieved during the period 2010–13, but that this might be modified according to the style of the incoming president. This shortcoming seems to be a common characteristic in various Latin American countries (see OECD, 2013).

On the other hand, coordinating government activity in Chile is not an “administrative” task. In other words, the actors involved in this process have been named as advisers, or else as ministers or

under-secretaries, whose appointment is based on trust. The working relationship between the advisers is, by definition, only temporary. In contrast, public or civil servants, who enjoy more permanent links and can transfer “institutionality” over various presidential terms, do not directly participate in these coordination processes, although they might take part in multiple preparatory tasks in their respective organizations. None of the coordinating bodies or coordinating forums are based exclusively on permanent civil servants, as happens in some OECD countries. This “political” focus of attention is significant if the issues regarding institutionalization are to be understood, given that it is not just ministerial stability that is important during a government term, especially on the Political Committee, but also the temporary nature of those positions that are responsible for the operational aspects of coordination.

In many parliamentary systems in OECD countries, advisers are taking on an increasingly important role, which means that a kind of presidentialization seems to be underway, which coexists alongside a collegial cabinet or government. In theory, advisers are barred from carrying out executive functions, meaning those that interfere with the ministries’ executive tasks. However, in day-to-day practice,

²⁷ These committees did not meet regularly and it was not at all clear what role they should be playing (Fernández and Rivera, 2012).

they are often tempted to do so.²⁸ Conversely, in some of these countries career civil servants are responsible for filtering decisions before they reach the Council of Ministers. Given that civil servants are permanent elements in the system, the different coordinating mechanisms function in similar ways, although each successive government may introduce slight modifications that may orient the institutions in one direction or another. For example, Tony Blair's Delivery Unit was made up of permanent civil servants, political advisers and persons from the private sector. Gordon Brown's administration favored the permanent civil servant profile. Afterwards, when David Cameron's Conservative-Liberal coalition substituted the Delivery Unit with its Implementation Unit, a civil service profile was chosen once again, as well as changing the functions in order to avoid the micromanagement of the past, which included leaving centralized monitoring of the goals to one side.

In summary, a significant contribution to improving the coordination function occurred during the period 2010–13, although certain drawbacks in the system that also developed still persist. In the first place, political coordination has complemented the use of the budget, which was

previously the sole coordination instrument (economic coordination). This is more helpful to a cross-government approach than economic coordination, which was often focused on the budgetary execution level, presenting greater information asymmetries with regard to the institutions' business goals. In the second place, the Ministry of the Presidency has benefited from having a single minister for the entire period—thereby enhancing the institutionality of the coordination task—and the ministry rid itself of tasks that had nothing to do with coordination, allowing it to focus on its core activity. In the third place, the number of interministerial committees has been reduced, and their meetings set on a regular basis. There are, however, aspects that might constitute an impediment to management. The bilateral meetings have often encouraged management that is very close to the President, with perhaps too many details of ministerial activity. This has been made possible by the ministers' technical and non-political profile, but it cannot be considered optimal when it comes to combining the presidential vision with the vision of the ministers. Finally, it is the advisors who carry out the interactions linked to coordination, with no established protocols.

3.3 Monitoring of Results


3.3.1 Is the system sufficiently selective, simple, and direct?

There are almost 40 strategic objectives, spread out over eight strategic priorities, with a majority of results-based goals (whether outcomes or impacts), giving the impression that the system is selective enough.²⁹ The Chilean government has established a monitoring system for all the output- or outcome-based goals, and this has to be considered a positive move both in itself and in comparative terms.

However, in addition to these presidential goals, the PDU also monitors the entirety of presidential commitments made during the May 21 speeches and on other occasions, most of which are "actions," bringing the total to a high number. These official statements signify the end of a negotiation process with different ministers, whereby the President commits to various items, ranging from proposed legislation to

²⁸ For example, from the beginning of the first Labour term of office in 1996, the number of advisers to the Prime Minister increased, and their roles were extended (OECD, 2007), although regulations were later introduced to limit their excessive influence. In France, Italy or Spain, the role of the Prime Minister's advisers has been considerably expanded in recent decades, despite the fact that there are mechanisms in place to reduce their influence (OECD, 2007).

²⁹ An exception is made of the pillar "Quality of democracy and modernization of the State," as it is more procedural in nature.



impacts. In the May 21 speeches from 2010 until 2012, 621 government actions and commitments were made, although the number of commitments announced has diminished year by year (317 in 2010; 173 in 2011; and 131 in 2012). To this figure must be added all the commitments announced on other occasions apart from May 21, which are registered in a database inaccessible to the public. For these reasons, and because the delivery report of May 2013 cites 271 actions, no external actor is able to understand exactly how many actions and commitments the PDU is, in fact, monitoring, nor what they consist of.

In general, in the other countries analyzed, the center of attention is also placed on results-based goals, although there are differences with regard to the number of goals that are analyzed. The United Kingdom's Delivery Unit focused on around 20 goals, which affected four departments linked to the priority areas of the government: health, education, citizen security, and transport (Richards and Smith, 2006). Strategic results were monitored. The unit benefited from the existence of public service agreements between the Treasury and the different agencies. These agreements, which

numbered 30 in 2007 for the period 2008–11, laid out the goals (which amounted to around 600) and the objectives for the ministerial departments for a three-year period. The agreements also stipulated how the goals were to be achieved and how achievement was to be measured.

In 2005, the Australian unit was responsible for monitoring around 50 initiatives that arose from either government decisions or from policies and programs that presented significant implementation issues. These initiatives were equipped with multiple means of measuring progress, and progress was reported every four months using a traffic light system for the Cabinet. In total, they represented approximately a sixth part of all the proposals processed by the government, which usually numbered somewhere between 300 and 400 per year. Normally, the unit expected a maximum of 80 initiatives with approximately 200 performance indicators (Wanna, 2006: 360-361). This way of operating did manage to effect a certain change of culture, as it forced the organizations to take a management approach that attempts to connect policy objectives with inputs, outputs and results (Wanna, 2006).

3.3.2 Has the PDU managed to communicate the government's main priorities, both inside and outside of the public sector?

Within the administration, there is a perception that the main government priorities have indeed been successfully conveyed. Constant monitoring of the same objectives and commitments – in the bilateral meetings, at the technical team level on a day-to-day basis, while drafting the May 21 speech, and during the budgetary process – clearly contributes to greater programmatic coherence, or to aligning sector efforts to prioritize the commitments contained in the government plan.

As far as citizens are concerned, although the eight strategic priorities are comprehensible and help to disseminate the government priorities beyond the public sector, when these priorities are translated into objectives, goals and commitments, there are so many of them that it becomes hard to say that the government priorities are easily understood by citizens. Only the most important goals, such as creating high quality jobs or lowering victimization rates, may resonate with the population.

3.3.3 Has the PDU managed to channel political pressure to achieve results by monitoring the ministries and services in the President's name?

For the sectors, the PDU's most outstanding contributions relate to its function of perma-

nently and systematically monitoring at first hand the discussions held at La Moneda,

which enables technical teams to be better prepared for the bilateral meetings, and for the privilege of bringing a particular issue to the President's personal attention. The Unit really does monitor progress and there is anecdotal evidence that this is an incentive for the service providing units, which also benefit by gaining the President's attention. By way of example, the following expression is used to characterize this particular PDU role: "the PDU is like a fly buzzing in your ear." This characterization could have two possible readings: the first relates to the pressure to maintain the focus on commitments and achieving results in the priority aspects, with a view more on the forest than the individual tree; the second reading, perhaps less positive, relates to the transaction costs associated with fulfilling the tasks that delivery management imposes on the line ministries.

With regard to the transaction costs of this role, there is a noticeable existence of "monitoring inflation," due to the superimposition or overlapping of different units all demanding data from the ministries or service providing agencies. As mentioned in the previous chapter, in addition to the PDU, other units such as DIPRES, responsible for the PMG and the priority indicators for the budgetary process, the Treasury's Chile Gestiona, and the Ministry of Social Development in the social sphere, are all tasked with collecting information from the management units. So it is hard to determine the impact of the PDU in isolation, and up to what point it constitutes the main impact in cases where all the units responsible for monitoring are combined. Although the results achieved for many of the strategic objectives have been positive, it is hard to determine the extent to which the PDU can take the credit.

3.3.4 Has the PDU been given the role of analyzing and strengthening capacities in the institutions responsible for achieving the government priority goals, or of proposing alternative ways of achieving the targets?


The PDU was not tasked with analyzing the equation between goals and the institutional capacity to achieve them, but this task was instead delegated to the ministers as leaders of their sectors. However, whenever a delivery crisis occurred, possible sector capacity problems were detected, or there was a call for support from the sectors, the PDU and the Ministry of the Presidency in general acted as a channel to try to obtain external technical support, both through seeking financial resources and via technical assistance provided by experts convened by the Ministry of the Presidency or the Presidency.

On the other hand, the PDU's mandate has not been to measure the impact or the effectiveness of government actions, but rather to determine whether what was said was going to be done has been done or not. Asking the question about the best path to follow to achieve a certain goal requires analytical capacity to establish a strategy. For the PDU, the strategy is a given, it is not to be questioned and only its execution is constantly monitored and verified, serving as an alarm bell when there is a risk that a certain goal might not be achieved.

3.3.5 How does Chile's PDU compare with regard to the temptation, experienced in other OECD countries, to "doctor" the data?

The temptation to doctor figures, or so-called "gaming," has been stronger in the United Kingdom than in Chile and Australia. In the United Kingdom, aside from measuring the results against established goals, a delivery ranking was

established. Therefore, the use of figures demonstrating delivery in the United Kingdom sought to encourage competition among ministers. This was not particularly sensible, as targets of a very divergent sectoral nature were being compared (in other



words, the school where pupils had achieved the best results was not measured, whereas health was compared with citizen security).³⁰ This resulted from the type of incentives system that existed, and from the control that the Prime Minister wished to exert on achieving targets. In this case, the “doctoring” referred to the practice of identifying ways to change the measurement system in order to alter the outcomes.

In Chile, there are some risks of gaming with the results monitored by the PDU, although they seem minor in comparison with previous results-based management initiatives. One of the existing risks is to depend on the data supplied by the ministries. The PDU lacks direct access to ministerial databases, and instead merely receives reports released by the

ministry. This is in part mitigated by the fact that some of the indicators, and particularly those regarding impacts, are provided by independent institutions (economic growth, employment and the survey of victimization, among others), while many are not. Furthermore, it should be taken into account the extent to which there is a substitution effect whenever quantitative targets are placed above qualitative targets (something that is difficult to mitigate, given that the government usually places emphasis on what can be measured and on what is under its control). One significant difference with regard to other results-based management initiatives in Chile that has reduced the incentives for gaming is that there is no monetary incentive to achieve the PDU goals.

3.3.6 What is the real impact of the Delivery Unit on the range of the results?

The impact of the Delivery Unit with regard to results achievement is not easy to measure. In general terms, the Chilean ministries are more results-oriented and have taken on the dynamic of establishing objectives and indicators to identify progress towards them. Naturally, this type of impact is made much more powerful by the fact that the President is the main promoter of results-based management with a personal interest in making sure that the targets are achieved. The PDU’s activity is based on the bilateral meetings between ministries and the President, which deal with cases of failures to achieve goals.

Chile’s experience demonstrates that, during the PDU’s short life, a constant, centralized system has been consolidated for monitoring the results of the government program, which puts the emphasis on the Presidency’s priority sectors and measures. However, it is noticeable that the PDU approach to delivery is not particularly strategic, given

that the number of goals it has to oversee is considerable, and that it lacks sufficient funds to do an adequate job.

Evaluations by Richards and Smith (2006) and Wanna (2006), of the United Kingdom’s and Australian systems, respectively, reach similar conclusions. There is no evidence to suggest that performance in key areas has necessarily improved. In the United Kingdom, the Delivery Unit’s impact simply reflects how the Prime Minister is much more on top of the priority areas. In any case, a change of emphasis was detected from process to impacts, and also from ministerial priorities to the Prime Minister’s priorities. In Australia, the Delivery Unit encouraged much more consciousness and debate about how services can be provided and implemented. Furthermore, the Prime Minister is involved in the system, despite the fact that in previous administrations not much attention was paid to implementation. There is a noticeable emphasis on the collection of data about service provision.

³⁰ There are some documented cases in which the goals system (e.g., in the health service) was corrupted as a result of the strategies developed by the service provision agencies (Hood, 2006). The most notorious situation consisted in making ambulances with patients inside wait in the hospital car park until they could be treated to in the emergency ward within the time limit established as the target.

3.4 Accountability

3.4.1 Has the PDU contributed to greater government accountability?

In the first place, it is worth mentioning that the role of the PDU in “accountability” is only relative, given that, by definition, accountability refers to “answering for the results achieved,” an area led by the ministries. They are both the recipients and the dispatchers of the promises made. In this section, the main government accountability exercises during 2010–13 are analyzed in light of a conceptual framework for the accountability function detailed in Annex 4, which requires: (i) that there is public access to accountability; (ii) differentiation between explaining and justifying conduct, and making propaganda or supplying generic information for the general public (emphasis on good and bad results); (iii) that it is directed towards a particular forum or group of actors; (iv) that the actor providing accountability must feel obliged to do so, rather than feeling it is optional; and (v) that there is a possibility of debate and judgment about what has been done, and on the explanations offered (avoiding monologues).


The PDU has contributed to the three main processes of government accountability. The Chilean government has employed three main accountability mechanisms during the period under analysis: the traditional May 21 speeches, the annual accountability reports delivered by each ministry, and the PDU reports. The DCI-PDU plays a fundamental role in preparing the May 21 speeches, contributes to ministerial accountability and is also responsible for drafting the delivery reports. These three instances are analyzed in the following section.

In the first place, the May 21 speeches show no appreciable orientation towards a results-based approach. This longstanding speech, which

is established in the constitution, recounts the political and administrative state of the nation. If the third May 21 speech of different democratically elected Chilean Presidents is examined, there is no noticeable difference with regard to emphasis on results. Although the strategic priorities are mentioned, equal importance is given to other, non-priority aspects. The great majority of the targets reached continue to refer to inputs (number of medical facilities or schools put into operation) and only on rare occasions are the impacts achieved related to the strategic objectives, except in cases such as job creation or citizen security, which do focus on impact. When reference is made to the results achieved, the proposed goal remains unmentioned, which means that there is no real sequence of accountability for what is achieved compared to what was promised. Finally, there is no mention of unmet targets (although allusions are made to dissatisfaction with the achieved goal), nor are reasons given to account for substandard performance.

In the second place, ministerial accountability does not satisfy the key criteria for effective accountability according to the specialized literature.³¹ Although ministers can potentially comply with the mentioned targets, given the fact that accountability for them is mandatory and must be made public, they fail in at least three other key aspects, at least with regard to the practice of the administration currently under analysis. On the one hand, accountability has not put special emphasis on highlighting “bad” results as well, and why they were not achieved, or why they were not “good.” On the other hand, with one notable exception, the cases examined did not

³¹ For the purpose of analyzing these speeches, and in the light of Bovens (2005), an examination was made of both the videos and the written presentations (normally in the form of slideshows) of the ministerial public accounts of certain ministries for the years 2012 and 2011. The speeches and videos reviewed belong to: the Ministry of Interior and Public Security (Rodrigo Hinzpeter, 2011 and Andrés Chadwick, 2012), the Ministry of Health (Jaime Mañalich), the Ministry of Education (Felipe Bulnes, 2011 and Harald Beyer, 2012), the Ministry of the Economy (Pablo Longueira, 2012), and the Ministry of Work and Social Provision (Trabajo and Previsión Social) (Evelyn Matthei, 2011 and 2012). It was impossible to carry out a systematic study, for example, by analyzing the 2012 speeches of the ministries involved in the strategic goals, because in some cases the video was not available on the day of the consultation (31 March 2013) (e.g., the Ministries of Health, Education, and Social Development).



offer the possibility to debate and judge what had been done, or the explanations offered. Furthermore, the majority of the indicators refer to inputs and processes and only a few refer to outcomes. Therefore, it seems that in spite of intense monitoring of achievement, the results-based culture has yet to fully spread throughout the ministries by the third year of office.

The delivery reports represent a step forward in terms of transparency, although there are elements of the report that hamper appropriate accountability. The reporting mechanism does not seem to be simple and direct, but the reports have improved substantially over time. During the period under analysis, the strategic objectives announced by the President at the beginning of the term have been maintained, but the delivery report, which usually runs to over 300 pages, has not always aligned the impact goals and the results obtained. The three-year balance report published in 2013 improves, most notably in terms of the clarity with which it refers to achieving targets, but it goes beyond the strategic objectives announced at the beginning of the government term of office. In other words, the report compiles the results of the original strategic objectives and of the objectives probably announced in the presidential speeches of May 21. The yearly growth in the number of goals, as well as of the most detailed actions in each strategic

axis, makes the presidential goals seem increasingly less strategic.

On the other hand, despite efforts to be held accountable on delivery of the presidential commitments via these reports, there are other actors outside of government, particularly think-tanks and non-governmental organizations (NGOs) who are of the opinion that the aim of the delivery reports is more propagandistic than to provide objective accountability. For example, one NGO interviewed, which is dedicated to monitoring the election campaign promises and civic action, pointed out that the aforesaid accountability reports do not report on the state of the commitments that are behind scheduled, which of them have been discarded along the way, nor the reasons for such a decision. Although it is appreciated that almost all of the information on delivery is now available at the same place (“one-stop-shop”), it is not always easily comprehensible for the general public, nor is it possible to gain access to information in a format that facilitates subsequent analysis.³² Finally, there are differing positions when it comes to effective dissemination and the reports’ usefulness for legislators, and even for the political parties of the government coalition, leading to the conclusion that no effective communication strategy exists for the Congress or the political parties.

3.4.2 Do the main accountability mechanisms provide a clear signal that the Government is holding the ministers or other authorities responsible for delivering on the Government’s priority strategies?

Based on the above evidence, a clear signal is indeed being sent that ministers will be held responsible for achieving results, but this signal seems to be of a more internal nature (within the administration) than an external one (towards the citizens). According to the aforementioned characteristics, as far as the public is concerned, there

are no consequences when commitments are not delivered. This signal, however, does seem to be much stronger inside the government, given that performance, especially when it does not go according to plan, receives more attention from the PDU and, immediately thereafter, from the Presidency, by calling the organization in for a bilateral meeting.

³² Conscious of the need to present the information in a format more easily digested by citizens, SEGEOB launched the program Chile Cumple, whose main objective is to inform the public with regard to the goals achieved throughout the government’s term of office. Although Chile Cumple is not an UPGC program, this type of program does provide the inputs for drafting the content that SEGEOB puts into practice via Chile Cumple. Furthermore, the delivery website, launched in May 2013, enables information to be accessed in a spreadsheet, greatly facilitating its analysis.

3.4.3 Does any perceived political gain result from improving transparency and the accountability provided by the delivery reports?

When accountability is examined three years after the beginning of the presidential term (Government of Chile, 2013b), it is noticeable that the outcomes obtained in the priorities of growth, employment, health and poverty are being positively achieved. There are a few relatively minor problems with delivery in the citizen security and education priorities, although it is more difficult to establish if all the objectives (not just the strategic ones) that the President has committed to are being met, as this would require an analysis of the Unit's internal database.

Positive achievements in the aforementioned areas, however, contrast with low levels of government popularity.³³ Regarding the government's image, several hypotheses can be advanced, the analysis of which lies outside the scope of these pages. The first hypothesis can be related to the fact that on the issues that matter most to Chileans (citizen security, health, education and poverty, according to the CEP surveys from December 2011 and 2012), the results have not been as positive as people expected. A second hypothesis, concerning the President's standing, can be linked to the political management of certain matters not captured by the indicators, to circumstantial problems, to the

subjective appraisal of the personality of the President or the ministers, or even to the general public's political apathy.

Perhaps the most important reason accounting for this disconnection is the perception that taking a technocratic approach (based on achieving results, public reporting and detailed disclosure of progress achieved) to politics (which is based on negotiations between affected interest groups and values) might not be a source of political gain. In this regard, some experts believe that information on delivery should remain as an exclusively internal tool of government, and should not be disclosed for the sake of accountability. This relates, in the first place, to the fact that public disclosure of all the government goals and objectives concentrates the communication impact into one moment of time, which means limiting a more strategic and sequential management of the announcements. In the second place, the public presentation of these commitments, and progress made on them, allows the opposition to concentrate on items that have not been delivered, which means that, from a communication perspective, the best the government can hope for is a draw, as it cannot win.


3.5 The challenge of the future: institutionalizing and improving the key Center of Government functions implemented throughout 2010–13.

Conditioning factors on the Chilean system and international experiences

None of the functions analyzed above is institutionalized in any particular way within the Chilean system, but this is common for the delivery management units with mandates by the highest political authority. In Lindquist (2006), the cases of Australia, Queensland and the United Kingdom are examined, and the conclusion is drawn that Delivery Units usually represent the personal ini-

tiative of a President or Prime Minister, and their permanence over time is hard to guarantee due to the way in which they have been conceived. The same cannot be said about horizontal coordination of government activity. Despite the negative predictions made about the Delivery Unit in 2006, the unit is still active within the Australian government, and at present under a different administration.

³³ According to the CEP, the President's standing received a positive, or a very positive, rating, of 28% and 31%, respectively, in December of 2011 and 2012.



In the United Kingdom's case, the organization that replaced the Delivery Unit after it was dismantled in 2010, the Policy and Implementation Unit (part of the Cabinet Office), does not carry out the same role. According to Truswell and Atkinson (2011), this has happened for two reasons. On the one hand, results monitoring has been paralyzed because the new unit is now responsible for checking whether the ministries have put into action the Coalition Agreement and the Government Program. Therefore, the results have become less important than the actions (processes and outputs).

On the other hand, the role played by the Treasury in the past, providing the *Public Service Agreements*, on the basis of which the Prime Minister's strategic goals were monitored, has been considerably reduced. These strategic goals were linked to the budgetary process, but this is no longer the case with the advent of the new Policy and Implementation Unit, as the Spending Reviews, which had been linked to the Public Service Agreements, has now been separated from those actions, laid out in the ruling coalition's Business Plan. The way that accountability works in the new system is also different, given that these business plans (which contain the different activities subject to monitoring) are expected to constitute the basis for ministerial departments to construct their plans for the future, and that these departments should be accountable to the public if they fail to achieve the plans that they propose. In other words, it is no longer the Prime Minister's or the Deputy Prime Minister's plans, but rather the plans of individual ministries that are now subject to accountability.

In Chile, diverse institutional conditioning factors on the system, which are decided by constitutional and collective rules, hamper

institutionalization of horizontal coordination and the implantation of a Delivery Unit with regard to structures. Two examples of this are: presidents cannot be reelected for the subsequent term of office, and the lack of a permanent professional class in the highest ministerial positions. Since the President is constitutionally empowered to adapt the system to suit his or her style, as happens in most Latin American countries, there is no potential incentive to institutionalize any particular form of coordination, either of delivery or of accountability. With regard to the functions of the CoG, however, Chile has maintained them, and continued to improve them over time.

With regard to the Ministry of the Presidency's specific role as a coordinator, without doubt the stability of having a single minister in the position throughout the term has been a significant factor in helping to institutionalize certain coordination and results-based management practices. However, the institutionalization process underway during the administration's term of office does not necessarily mean that the Ministry of the Presidency has been further institutionalized as a significant actor in the system for future administrations. This might be due to two reasons: firstly, each president can really mold the system as he or she sees fit, and the Ministry's role depends on the person holding office. The challenge consists in going beyond personalities and making sure that the functions are institutionalized in some form.³⁴ Secondly, neither a living record nor a process protocol has been created, either within the government or outside of it.³⁵ Even so, it will not be easy for this process of "sedimentation"³⁶ to be consolidated in the immediate future, given the temporary nature of the advisers normally

³⁴ In other OECD countries, such as Canada, progress in the horizontal coordination function has been perceived as depending on the leadership of certain persons in particular (Bakvis and Juillet, 2004).

³⁵ For example, there is no written record of the way that the ministerial committee and bilateral meetings have operated. This protocol could establish a roadmap regarding the minimum number of meetings to be expected throughout the year with each ministry, as well as the possible dates for such meetings. Something of this nature has been tried with the ministerial committees by establishing certain expectations concerning monthly meetings. But there is not a "living" register that presents a cursory monitoring of the meetings held.

³⁶ "Sedimentation" involves incorporating new institutional practices without dismantling existing ones, or without reforming the system completely. Sedimentation might not alter an institution's essence (in other words, changing an organization's juridical nature by increasing

responsible for putting into operation and sustaining these practices. More permanent actors will probably be needed if these processes are to be institutionalized.

In OECD countries, the CoG varies according to the typical institutional characteristics of each country, although there is almost always a duality between economic and political coordination. The Treasury always plays an important part, but not necessarily a prominent one. Its role depends on its location and its position in the Executive's institutionalizing process. In the United States (presidential) and in France (semi-presidential), presidential advisers are those who

Favorable signs for institutionalization

Despite the challenges mentioned above, there are clear signs that gradual sedimentation is taking place in the system, encouraging belief that the progress made during the period 2010–2013 can become institutionalized. This gradual institutionalization of some aspects of strategic support, institutional coordination, results delivery management, and accountability should be highlighted.

In the first place, the decision to concentrate coordination at the Ministry of the Presidency, to rebalance the relationship with DIPRES and regularize the meetings of fewer but well-chosen interministerial committees can prove to be effective with regard to strategic support and horizontal coordination. It might be desirable to establish more coordination protocols to ensure that other, non-permanent actors from different administrations can also share these institutions.

The initiatives and instruments for measuring management results, such as the work carried out by the PDU, the priority indicators in the budgetary process, the efforts of Chile Gestiona and even the PMG have enabled the ministries and services to

bear the brunt of this political coordination. This duality is also highly noticeable in the United Kingdom (Cabinet Office and Treasury), in Canada (Treasury Board Secretariat and Privy Council Office and Canadian Centre for Management Development), or in Spain (Ministry of the Presidency and the Treasury). The importance of these pairings is that the political ministry counterbalances the Treasury. In Chile's case, in particular, the practical importance and role of the Ministry of the Presidency will depend on the mark that the next president will wish to make in comparison with the Second Floor and with the Treasury-DIPRES.

develop a language of objectives and indicators. This goes beyond the dysfunctional nature and bureaucratization of certain aspects of the processes, in particular of the PMG. The key to sustainability in these efforts is to convince the line ministries to recognize the usefulness and value of these instruments and adopt them permanently.

Third, there seems to be a shared consensus on the need to strengthen and institutionalize the Center of Government among think tanks of the most divergent currents of opinion.

Finally, the authorities' public accounts and the degree of accessible information about government activity on the Internet have been increasing, and it is hard to envisage this process now going backwards. The emphasis on publishing the achievement of government results by the current administration, and instruments such as the *Transparency and Access to Information Act* (Ley de Transparencia y Acceso a la Información) are important pillars of this institutionalization. The bureaucracies of the Executive are not alien to this push for transparency, despite all the imperfections that can be detected.

its level of autonomy), but rather its peripheral or operational aspects (in other words, by adopting different management practices), which do not require radical changes. In this way, predictable rules of delivery are generated for the actors.

Ideas for promoting institutionalization and improving the current model

The formal institutionalization of the Ministry of the Presidency, with all the units that comprise it, may constitute an alternative for reinforcing a more horizontally coordinated system with a greater commitment to the emphasis on results, and to the accountability of governmental activity. In this vein, the following ideas are proposed as possible future actions to consider:

(i) Strategic support and (ii) coordination.

Strategic support and coordination exercises by the central agencies require advanced political and technical expertise. The strategic support function calls for the preparation of technical inputs (cost estimates, institutional capacity, studies and diagnostics, best international practices), of a political or political-economy nature (feasibility and political legitimacy, ideological coherence, political diagnosis, sequencing, analysis of opportunities/threats) or to do with communications (opinion polls, positioning strategies, the existence of clear, coherent messages). Coordination often requires choosing between options at different ministries, and it is important that ministerial personnel can add substance to what is coordinated (Bakvis and Juillet, 2004). The possibility of changing the staff profile at the DCI-PDU should be explored, with a view to hiring more senior advisers, which could strengthen these functions at the CoG.

In addition, progress could be made at the process level by adopting various measures.

In the first place, by drafting protocols of all kinds on how the interministerial committees and the bilateral meetings operate, what process is followed, what results are achieved, and how those results are channeled into the formal decision making process—these will all become an important legacy for future administrations. In the second place, exploring improvements and documenting protocols of collaboration between the Second Floor and the Ministry of the Presidency regarding aspects of coordination (beyond the fact that this changes with every administration, the need to define roles and responsibilities at the very outset of the term

could be established as a lesson learned), and between the Ministry of the Presidency and DIPRES in aspects of strategic support, drafting the May 21 speech and during the budgetary process. Finally, exploring the possibility of extending the work carried out by the Regions Unit, according to the future decentralization agenda.

(iii) Results monitoring. Reduce the number of strategic objectives and commitments to be monitored to a figure that enables that they are truly strategic. Increase the proportion of results-based objectives (impacts or outcomes), while reducing process-based ones. Establish protocols about how results achievement can be monitored, in particular by improving coordination with other central agencies or public sector monitoring initiatives, in order to minimize the risks of “monitoring inflation.”

(iv) Accountability. Build a consensus around a standard report format and frequency with the participation of other branches of government, institutions, and civil society, in order to enhance external credibility. Initiate a process whereby the information published stimulates debate among experts and non-experts alike by making use of social networking tools, in such a way that citizens can become familiar with exercises in transparency. In this sphere, the ministerial accountability format could also be improved by setting up specialized forums that enable interest groups to be informed about the progress of governmental actions that affect them, thereby allowing accountability to foster debate and the reporting of both “good” and “not-so-good” results. Although no government is in the business of “self-flagellation,” it is hoped that these kinds of approach will help to build confidence in public sector institutions, an issue that currently ranks high on the OECD agenda.

Furthermore, debating forums could be set up that draw on the government’s experience to reflect on the importance of interministerial coordination and the scope of presidential and ministerial goals. In these forums, in which experts and organizations from the entire political

spectrum should participate, it would be helpful to present on international experiences regarding institutionalizing coordination and results-based management that are relevant to a relatively young presidential-style democracy.

Finally, and with regard to the location of the PDU and its future structure, anecdotal evidence seems to suggest that monitoring the government program is at its most effective and efficient when carried out from the CoG but, at the same time, at a slight remove from the turmoil of daily affairs at the President's office. This argument adds weight to the decision

to maintain the functions of the PDU at the Ministry of the Presidency, instead of leaving monitoring in the hands of the Second Floor advisers. With regard to the structure and way it exercises its functions, more important than the unit's internal structure, and even than the monitoring instruments and platforms developed, is the capacity of the unit and its staff to generate confidence in their sector counterparts. This further strengthens subsidiarity and enhances the PDU staff's standing as legitimate and empowered interlocutors that, moreover, constitute a source of added value.

4 LESSONS LEARNED FROM THE EXPERIENCE OF CHILE'S DCI-PDU RELEVANT TO OTHER COUNTRIES IN THE REGION

Before extracting the lessons regarding the value or the usefulness of the delivery units, such as the one described in this paper, it must be remembered that such an evaluation depends on the specific functions that are demanded of the unit and on the institutional framework within which it performs these functions. With regard to the first point, it has already been shown that the PDU in Chile is different from the United Kingdom's Delivery Unit in that the former does not perform the function of technical-advisory unit to the same degree that the latter does. This is an important distinction, as any judgment regarding the value of these kinds of units should take into account the objectives that they are expected to pursue. With regard to the second

point, the more the institutional rules hamper programmatic coherence and coordination within the government, then the greater will be the value of these kinds of units.


Given the need to elucidate any evaluation made of this type of initiative and its value, this section presents, by way of conclusion, the principal lessons and messages that might prove useful for other countries that are also considering establishing such units. The messages and lessons learned are organized around the following three priorities: (i) the Chilean PDU's contributions or added value; (ii) key factors that facilitate success in these kinds of units; and (iii) under what circumstances the added value of these types of unit can be increased.

(i) What are the main contributions of the PDU in Chile?

Of the four functions that the PDU fulfills for the CoG, previously analyzed above, the one that seems to have brought the biggest dividends is monitoring implementation of the government plan using a results-based approach. In the experience of both Chile and other countries around the world (Barber, 2008), one of the CoG's natural tendencies is the ease with which the daily agenda and short-term contingencies push planning and medium-term goals to one side. One of the PDU's main contributions has been to maintain the attention and the focus on all of the government's goals, irrespective of the number of headlines that these are likely to inspire in the press. When it comes

to maintaining the government's strategic focus, the discipline that the PDU imposes on each ministry or service as an external unit has proved important.

A second contribution, linked to the strategic support function, corresponds to making the government program more actionable. It is common for government programs announced during the electoral campaign to be reduced to a combination of vaguely described promises and objectives. Once office has been assumed, however, it becomes necessary to transform these promises and objectives into specific actions. The delivery management methodology posits the need to



orient a government program towards achieving results for the public benefit that can be objectively measured, with time-frames and persons responsible, and that is actionable via a plan of action that contains a significant element of intersectorality. The PDU was instrumental in transforming the ideas of the government program set out in the electoral campaign into what is required for the function of governing. In the PDU's case, this contribution had less influence on creating the substance and content of the actions to be unrolled, but focused instead on securing the coherence and integration of these actions. This is an important point, given that actions are normally defined within each sector without necessarily taking into account the impact they might have on other areas of government, or assuming that other sectors will continue to carry out certain tasks, which is not always the case.

With regard to contributing to the coordination function, the PDU seems also to have contributed through daily contact between PDU members and their ministerial counterparts, which facilitates rapid

identification of bottlenecks and coordination failures. This is an argument in favor of the idea that this type of unit should be administratively or hierarchically linked to the unit responsible for interministerial coordination: the PDU detects the failure, whereas the coordinating unit looks for ways to rectify it.

There might be other contributions, although it is impossible to attribute them directly to the unit's existence as such. An example of this would be greater integration between strategic planning and budget formulation, which seems to be the result of building teams with similar leaderships both in the CoG and in the ministries and services, of the close collaboration between the areas of the budget and the Ministry of the Presidency, and of the use of decision making forums with the President, the corresponding sector, and those responsible for the budget, and the CoG, among other processes. The unit's contribution with regard to the public accountability function seems to be the least significant of them all, given that its added value has been mainly internal.

(ii) What are the key factors that facilitate success for these delivery units?

A series of factors can be identified that seem to be fundamental for a unit's success, beyond its characteristics and mandate:

1. Empowerment: the bottom line in this factor is that the unit is present in all the instances wherein strategic decisions are made. This does not necessarily imply that it has a right to speak and vote, but rather that it is completely aware of the government's strategy, and of its priorities and adjustments. The ability to comment on strategic decisions or content will depend on the level of experience and capacity within the unit.
2. Establishing internal alliances: it is vitally important that the unit forges strong links with other central government agencies, in particular with those responsible for drafting the budget, and for internal government coordination. In this regard, Chile's case proves the importance of the relationship between the PDU and the DCI, and between both of them and DIPRES and the Presidential Advisory Unit.
3. Credibility and a subsidiary role: their principal asset is information. If the unit lacks access to information, or has to make enormous efforts to gain access to it, it will be unable to fulfill its functions. In order to build this confidence and credibility, it is indispensable that the unit should not be seen as an accusatory body, and much less that it should try to stand out to the detriment of the sector teams.
4. Add value to the sectors: given the control and monitoring function that these units carry out, there is a natural

tendency for them to be viewed by the sectors as a source of unwelcome transaction costs. This might make the working relationship more difficult and hamper access to timely and comprehensive information. In order to reduce this perception, it is important to consider ways to minimize the aforesaid costs, avoiding the existence of multiple data-collection channels and instances, and allowing the unit to add value. According to the reality of each country's public apparatus, the unit should consider alternative ways of positioning itself as a

source of added value for each sector. For example, it could position itself as an advisory unit that delivers knowledge and technical assistance to the sector, which might already exist in-house, or could be financed with funds that the unit administers. It could also position itself as a facilitating unit, thanks to its practical expertise about how public apparatus operates, and the existence of a network of contacts in key administration units, such as for budget modifications, decree signing, and approval by controlling agencies.

(iii) Under what circumstances do these units tend to be beneficial?

It is, above all, worth asking if creating delivery units is the sole or best alternative to help the CoG perform the aforesaid functions. In this respect, Chile's case is an interesting one, given the existence of other instances with a similar mandate both in the past (the DCI sector specialists), or contemporary with the PDU. The question thereafter would be whether the PDU is a better choice than the other options. Unfortunately, due to the methodology used in this study, it is impossible to give a definitive answer to this question. It is also important to ask if the unit or units that could carry out the functions of a potential PDU already exist. Although this seems very basic, the desire to follow the most up-to-date trends in modern public management, combined with any administration's very natural desire to set its characteristic stamp on public management, habitually leads to duplication of tasks within the public apparatus. Setting up an PDU makes more sense when the CoG lacks a unit to oversee continuous monitoring of the presidential commitments, or to secure the coherence of the strategic objectives and the actions that are being promoted.

Another point to consider is that these kinds of units will generate greater benefits insofar as the prevailing institutional characteristics in a country tend to encourage

the appearance of individual, sector-based agendas within the government. The more difficult it is to maintain the programmatic unit at the heart of government, in other words, the probability that the ministers or parties favor their own agendas to the detriment of the Executive's agenda, or the greater the gap between policymaking and subsequent implementation, then the greater will be the eventual benefit gained from delivery units. In these situations, such units can help to more effectively take the pulse of what is happening within the public apparatus.

Third, the countries where administrative rules tend to generate institutions that are habitually isolated from each other require greater coordination efforts from the CoG. In this context, the delivery unit can be instrumental in strengthening the CoG's coordinating role.

Finally, it is important to bear in mind that any innovation that seeks to strengthen execution of CoG functions should consider the overall situation and begin by preparing a diagnostic of the functions, structures, strengths, and weaknesses in that particular country. Only once this diagnosis has been carried out will it be possible to determine the best course of action to strengthen the apparently weak areas.

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ANNEX 1

LIST OF PEOPLE INTERVIEWED

By alphabetical order:

1. Soledad Arellano, Deputy Minister for Social Evaluation, Ministry of Social Development.
2. Manuel Aris, Head of Area, Research and Advocacy, Intelligent Citizen
3. Rafael Ariztía, Executive Coordinator for Modernization of the State, Ministry of the Presidency
4. Luis Castillo, Under-Secretary for Healthcare Networks, Ministry of Health
5. Carlos Charme Fuentes, Chief of Staff, Under-Secretariat for Crime Prevention, Ministry of the Interior
6. Paula Darville, Head of the Management Control Division, DIPRES
7. Ramón Delpiano, Chief of Staff, Ministry of Finance
8. Facundo Díaz, PDU, Ministry of the Presidency
9. Rodrigo Egaña, former Presidential Adviser and former Head of Division at DCI, Ministry of the Presidency
10. María de los Ángeles Fernández, Executive Director, Chile 21 Foundation
11. Alejandro Ferreiro, ex-President of the Transparency Council, and ex-Minister of the Economy
12. Fernanda Garcés, Presidential Advisory Unit, Presidency of Chile
13. Ignacio Guerrero, Coordinator, Regions Unit, Ministry of the Presidency
14. Ignacio Irrarrázaval, Director of the Public Policy Center, Catholic University
15. Pablo Ivelic, Director of Reconstruction, Ministry of Housing
16. Juan Carlos Jobet, ex-Chief of Staff, Ministry of the Interior
17. Alejandro Krell, Partner, McKinsey & Company
18. Carlos Kubick, Coordinator, Interministerial Coordination Division, Ministry of the Presidency
19. Luis Larraín, Director, Freedom and Development Institute
20. Cristián Larroulet, Minister of the Presidency
21. Matías Lira, Chief of Planning and Budget, Ministry of Education
22. Jorge Marshall, ex-Minister of the Economy, Dean of the School of Economics, A. Bello University
23. Fernando Meza, Member of Congress, Radical Party
24. Alain Raymond, PDU, Ministry of the Presidency
25. Carlos Ríos Canales, Coordinator of the PDU, Ministry of the Presidency
26. María Paz Reyes, PDU, Ministry of the Presidency
27. Eugenio Rivera, Director of Chile 21 Foundation's Economic Program
28. Francisco Rodríguez, PDU, Ministry of the Presidency
29. Ignacio Rodríguez, former Deputy-Director of the Budget Office, DIPRES
30. Jorge Rosenblut, ex-Head of Division of the DCI–Ministry of the Presidency
31. Gladys Rubio, Modernization Unit, and former member of DCI, Ministry of the Presidency

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32. José Luis Santa María, Director of the magazine Qué Pasa
 33. Claudio Seebach, Head of Interministerial Coordination Division (DCI), Ministry of the Presidency
 34. Ray Shostak, ex-Head of the Prime Minister's Delivery Unit, United Kingdom
 35. Ernesto Silva, Member of Congress, Independent Democratic Union (Unión Demócrata Independiente)
 36. Andrés Sotomayor, Legislative Adviser, Ministry of the Presidency
 37. Francisca Toledo, PDU, Ministry of the Presidency
 38. Jaime Torrealba, Chief of Staff, Under-Secretariat for Regional Development, SUBDERE.
 39. Hermann Von Gersdorff, Deputy-Director of Rationalization and Public Management, DIPRES.

ANNEX 2

COORDINATION: THE CONCEPTUAL FRAMEWORK

UOne of the greatest challenges facing the Executive in developed countries throughout the world is horizontal coordination; that is achieving a whole-of-government approach to the Center of Government in the face of the fragmentation caused by the activities of the different ministries and agencies. Governments have employed various horizontal coordination mechanisms to tackle this fragmentation and counterbalance the excessive zeal with which the organizational units defend their areas of responsibility, eluding intervention either by their peers (in collegial governments) or by the president (in presidential systems) (Wilson, 1989).

In this document, coordination refers to adopting decisions and putting them into operation under the supervision of an organizational unit. According to Bouckaert, Peters, and Verhoest (2010), coordination is the combination of instruments and mechanisms that foster the alignment of public organization tasks and actions, avoiding either duplication or voids in service delivery or public policy implementation. Coordination transmits the idea that a central unit enforces this alignment between tasks and actions, and coerces all parties to pool their individual actions and tasks. Cooperation, in contrast, is merely a sign that the parties are willing to work together.

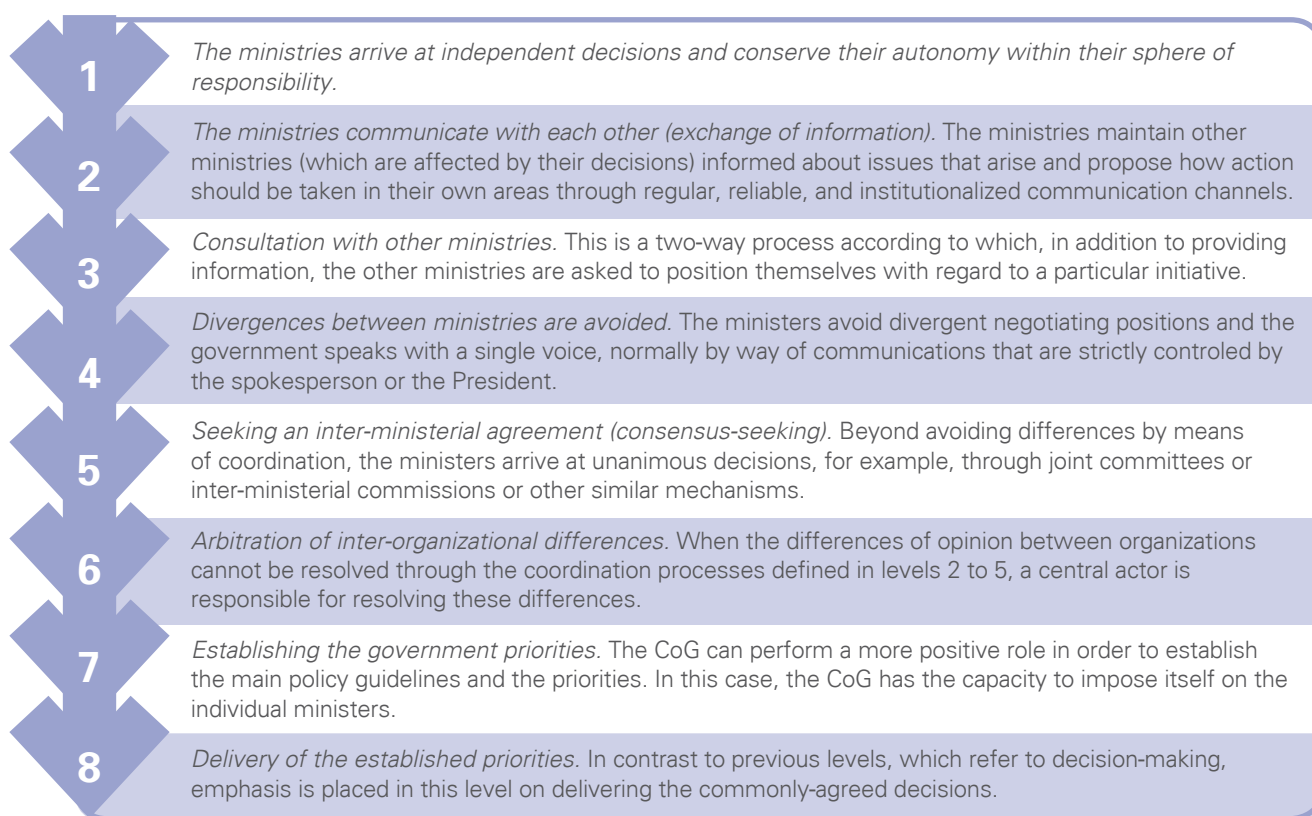
Positive coordination does not consist of merely minimizing conflict (which is the aim of negative coordination) but, rather, in improving the coherence of a particular action.¹ The challenge consists in convincing the organizations involved to partially renounce their individual targets or the way they achieve them, in order to secure greater, coordination-based coherence.

Positive coordination involves a progressive scale made up of eight different levels. These options range from the CoG's incapacity to manage, with independently-acting ministries, to a maximalist position wherein the CoG establishes the priorities and ensures that the outcomes that derive from these priorities are achieved (see Figure A2.1).

Applying this typology requires two clarifications that refer to the institutionalization of coordination. On the one hand (although Figure A2.1 suggests a progressive scale of coordination), establishment of priorities by the CoG (Level 7), for example, does not imply that there is a consensus among ministries with regard to common goals. However, the scale does serve to evaluate the type of coordination carried out by the CoG. On the other hand, it is worth assessing to what point the levels are applied in a systematic and regular manner, which are recognized by all stakeholders (in

¹ Understood in this way, coordination differs from the more negative concept expressed by Scharpf (1986) by which the different actors and organizations arrange non-aggression pacts, albeit tacitly, to avoid meddling in each others' affairs, with each one jealously guarding its defined area of responsibility.

Figure A2.1. The Eight Levels of Positive Coordination (1, Least; 8, Highest)



Source: Adapted from OECD (1996).

other words, whether the levels are institutionalized within the system), or applied in an anecdotal fashion and according to the people who happen to be in office in the different coordinating departments at the time (there can be no institutionalization of this level of coordination). At the end of the day, the potential benefits for the system arising from this type of coordination will be ephemeral.

In comparative terms, there are various options with regard to the actors responsible for coordination and the way their participation in the decision-making process is institutionally designed (adapted from Peters, 1998):

- *The President's (or the Prime Minister's) team of advisers.* According to Peters (1998), advisers are in the advantageous position of not having to directly provide services themselves, which means they do not have to defend a specific area of

responsibility. They can, therefore, adapt themselves to agreed priorities. Advisers, however, can act in detriment to the accountability policy if they "give orders" (echoing the President's or the Prime Minister's role) without being subsequently responsible for the good or the bad results that the ministries achieve.

- *Central cross-cutting agency.* This organization coordinates according to its role in the budgetary process or in human resources management. The most typical example is the Ministry of Finance or its equivalent. Its advantage is to be able to link coordination with the budget, thereby channeling government activity. Its disadvantage lies in the government's emphasis on economic management, potentially relegating political priorities to an inferior plane, or the inability to

understand how to finance cross-cutting priorities.

- *The government as a whole (as a cabinet or council of ministers)*. In this collegial body, typical of parliamentary governments, the Prime Minister is simply a *primus inter pares*. Collegial action enables the different ministers to inform, consult, and debate cross-cutting decisions via inter-ministerial agreements, which makes horizontal coordination appear more normal. The Prime Minister's role in finding common positions is crucial in these bodies. The disadvantage is that this collegial system requires a strong CoG, capable of imposing itself during inter-ministerial conflicts, which are often fomented by members of the governing coalition.
- *Inter-Ministerial Committees*. This is a partial collegial system, as the committees meet in session on specific areas of government, grouping together various ministers and sometimes jointly with a collegial government. Its principal advantage is its flexibility, given that the committees are created according to inter-sectoral government priorities. Perhaps the greatest disadvantage of this kind of approach is that it clearly draws the boundaries and overlaps between different policies, identifying them with a specific committee. This sometimes

leads to a proliferation of committees that require coordination.

- *A coordinating minister*. On occasion, the coordination task is entrusted to a single ministry, which does not have budgetary or staff functions, but is responsible only for horizontal coordination. This ministry often exercises a more political type of coordination, by identifying and matching the different ministerial priorities with those of the President or the Prime Minister, and overseeing their subsequent passage through the legislative process if necessary. The advantage of this system is that an "agent" close to the Chief Executive can manage and push forward the ministerial priorities onto the presidential agenda. The disadvantage, as in the case of the teams of presidential advisers, is the potential danger of meddling in ministerial matters for which they are not responsible and the lack of assurance of budgetary allocations for those priorities that are not high on the Ministry of Finance's list.
- *High-ranking civil servant*. These officials are usually found in central government agencies. They have longstanding experience in the civil service, although not necessarily in specific positions; this reflects greater institutionalization of the function.

ANNEX 3

RESULTS MONITORING: THE CONCEPTUAL FRAMEWORK


In a public policy and service management system, at least four phases or types of indicators are identified for which government monitoring goals can be established: inputs, activities, outputs and impacts (in these text, impacts and results are used interchangeably). The inputs are the human and monetary resources and other assets that enter the system. The activities comprise the actions and processes carried out by the authority in order to transform the inputs into outputs. The products or outputs are those that can be directly attributed to the activity in question, for example, the number of firms that are authorized to initiate activities. Finally, the impacts or outcomes are the effects of the authority's products, as well as other social interests that may be affected (e.g., the contribution of industrial activity to a country's economic growth). In a performance management system, all phases are important, although performance refers more to the outputs and outcomes of governmental activity and its associated goals. Delivery units in other countries usually monitor the output and outcome goals, a standard used to analyze the Chilean Government's PDU.

The data gathered in a performance management system can be used in three ways (Hood, 2006): (i) as the simple knowledge of the performance achieved; (ii) to establish competitive ranking tables; and (iii) to enable the authority to monitor the service provider's goals through positive and negative incentives. In this paper, the first and third of these options are discussed, as they are the most commonly

used systems in the different national experiences, although the United Kingdom's Delivery Unit used to apply performance rankings (see below).

With regard to *improving the awareness of an organization's performance*, the goal is rather modest, as it simply aims to compile and evaluate the performance indicators. It attempts to diagnose the situations and, on that basis, to draw lessons on what might be improved. This strategy does not involve incentives or sanctions. The initiative to make improvements rests with the directors of the service-providing organizations, since the central units fail to punish non-delivery.

With regard to *performance monitoring based on establishing goals*, an organization's real performance is contrasted relative to certain standards expressed as a minimum threshold, and rewards are set (both positive and negative). Often, but not always, this minimum threshold is established in accordance with an increase or a reduction with respect to results in the previous period. *Rewards and sanctions* can be associated with establishing goals. The rewards associated with this performance system (high or low) include the reputation of the directors for their good or bad management; awarding salary bonuses; renewing or terminating contracts of top managers; a greater/lesser budgetary allocation for the unit or ministry in question; and granting more or less autonomy for the organizations that have achieved good performance. According to Le Grand (2007), this model can work under



certain very specific circumstances: in the short term, when clear goals can be established that are relevant to service users, when their achievement can be directly attributable to the activity of the monitored organization, and when there is a system (rewards and punishments) that ensures continued performance improvement.

Various aspects must be taken into account during the monitoring process: What is the installed capacity and what role does the delivery unit play? How independent is the data collection system, and what is the service provider's capacity to "manipulate" such information.

The *delivery unit's composition and installed capacity* becomes important when it comes to analyzing its real monitoring capacity. In the event that the unit lacks the adequate size, it should be supported by the necessary financial resources to sub-contract third parties for the process of validating certain targets, whose information can be provided, in detail, by the service-providing unit. Furthermore, the delivery unit's mandate needs to be examined or, in other words, the unit's capacity needs to be probed to ensure that the service providers really do comply with the negotiated or imposed goals. This can be simply by applying pressure, and can lead to intervention in cases of non-delivery.

The *independence of the measurement system* depends, to a certain degree, on the control that the service provider and the monitoring unit have over information. Normally, the information relating to most impact results is independent of both units. For example, economic growth and job creation are usually evaluated on the basis of statistics collected by third-party and independent organizations. Information on other outcomes (e.g., crime levels) and outputs (the number of newly-authorized firms) relate to the service-providing unit in the majority of countries. If the system is linked to obtaining positive and negative rewards and sanctions, it carries the risk that managers may be tempted to

manipulate achieved results, in which case, they may develop various data manipulation strategies. In general, the idea that transpires from this type of manipulation or "gaming" is that the actors will modify their behavior if they know that the data they produce may be used to monitor and sanction them.

At least three problems are linked to establishing goals and to their possible manipulation: the so-called "ratchet" effect, the threshold effect, and the substitution effect (Hood, 2006). The ratchet effect refers to the tendency of the central planning units to base their goals for the coming year on the performance of the previous one. This means that managers are perversely encouraged not to go beyond the goals, even when they could easily do so. If they achieve the goals without difficulty, this implies that the standard will be more demanding the following year. Thereafter, as in a ratchet mechanism, there can be no turning back.

The threshold effect refers to the effects of having single goals for all the similar service provision units. For example, all police units, independent of their resources and the zone in which they operate, have to deliver the same crime detection rates. This system exerts pressure on those units whose performance dips below the proposed standard. These units will therefore have an incentive to improve, but the better units will not. The latter even tend to reduce their performance in order to bring it down to standard.

The substitution effect is linked to substituting the quality of a service for the quantity produced. Quantity is easier to measure and "what gets measured gets attention". The negative aspect of this saying is that attention is only given to things that can be measured. It is therefore possible that an organization's "average performance differs from its total contribution" to users' welfare or to the welfare of the general public. If the quantity is measured, but not the quality, then the quantity will increase at the expense of quality. For example, with regard to evaluating

education results, if the results of students at a given educational institution are going to determine the level of additional funding the institution receives, then the school directors will concentrate their best teaching resources in the subjects of the exam and pay less attention to

others. Consequently, there is a risk that more emphasis is placed on passing the exam (achieving good marks or, in other words, *quantity*) rather than on the children's integral education (overall *quality* of the education received).

ANNEX 4

ACCOUNTABILITY: THE CONCEPTUAL FRAMEWORK

Accountability is another goal that is linked to public service provision in democratic systems. According to Bovens (2005), accountability can be defined as a social relationship in which actors feel the obligation to explain and justify their conduct to a third party. This conduct can be understood in terms of the decisions that affect the normal course of events, or in terms of making public the degree to which the proposed goals and outcomes have been achieved.

Five elements characterize full accountability:

- *Access to accountability has to be public.* Accountability, therefore, is not an internal bureaucratic exercise.
- *Explaining and justifying conduct are essential elements and differ from making propaganda or providing generic information for the general public.* The explanation must refer particularly to the actions that alter the normal course of events (e.g., failure to achieve results). Propaganda in praise of the goodness of government action cannot be considered accountability. Therefore, whenever accountability is delivered, special emphasis must also be placed on highlighting the “bad” results, why these results were not achieved, or why they were “bad”.
- *The explanation must be directed towards a forum or a particular group of actors, as it is in this forum (of friends and critics) where accountability is especially important.*
- *The actor who delivers accountability must feel obliged to do so; it is not a discretionary*

decision. If an actor does not feel obliged to give explanations, it is impossible to say that the system has really achieved accountability.

- *Finally, it must be possible to debate and judge the explanations offered.* Those receiving the explanation must also be empowered to impose sanctions, as accountability cannot be considered as a monologue wherein explanations are given without significant consequence. The actor receiving the explanation normally judges the one delivering accountability.

Accountability can be collective or individual within each ministry. In a presidential system, the President assumes collective accountability in the absence of a collegial government, whereas each minister is accountable for the activity of the ministry under his/her responsibility. In the accountability process, it is not very clear how accountability for the goals that cut across various ministries can be delivered, given that traditional mechanisms require the President or the Prime Minister to respond publicly for the government, as a whole, or that ministers respond individually. Moreover, demands for accountability can lead in different directions; for example, the Ministry of Finance requests a line ministry to account for the expenditure associated with its programs, while a more politically-focused and centrally coordinated unit may demand joint results. This imbalance is not particularly well resolved in contemporary governments, as shown in the study conducted by Bakvis and Juillet (2004) of horizontal coordination in Canada.

ANNEX 5

METHODS OF DATA COLLECTION AND MANAGEMENT

Spreadsheet to capture information regarding initiatives and commitments.

AME pillar					
Name of initiative					
Ministry responsible					
Type of initiative					
Programmatic Alignment					
Working team ^a					
Name		Position		Institution	
Antecedents					
General objective					
Specific objective					
Description					
Implementation strategy ^b					
Most important goals/milestones					
2010	2011	2012	2013	2014	2015
Estimated budget (CLP Million 2010)					
2010	2011	2012	2013	2014	2015
Risk Analysis ^c					
			1	2	3
Budgetary requirements					
Technical proposal design complexity					
Conflict with stakeholders					
Difficulty in passage through Congress (if applicable)					
Conflict with other government institutions					
Efforts at managing change (internal or external)					
Description of risks:					
Documents ^d					

Source: Ministry of the Interior and Public Security.

^a Representatives of the Ministry of the Presidency's Legal Counsel and Inter-Ministerial Coordination Division, DIPRES and the sector.

^b Should include the legislative strategy (if applicable) and the communications strategy.

^c Where 1 represents a low risk and 4 represents a high risk.

^d Must include current management documents, as well as those from previous periods, if these exist.

Web Platform for registering and monitoring delivery

DCI Advisor:

Ministry responsible:

Collaborating ministry:

Under-Secretariat or service-provider responsible:

Commitment:

Goal:

Internal deadline:

Instrument:

Public deadline:

Origin of public deadline:

Source:

Source date:

Back-up document:

Observed progress:

Stage:

Priority

Quote from speech:

Key words:

Current state:

- Delayed
- Needs attention
- Needs attention for internal deadline
- On time for delivery
- Completed
- Delayed

Comments:

Source: Ministry of the Presidency.



ANEXO 6

DELIVERY UNITS: A COMPARATIVE ANALYSIS OF AUSTRALIA, CHILE, AND THE UNITED KINGDOM

Genesis and operation of Delivery Units

Although they sought very similar ultimate objectives, the origins of the Prime Minister's Delivery Unit in the United Kingdom and in Australia are somewhat different from that of the PDU in Chile. In their case, implementation took place during the respective Prime Minister's later terms of office (third term in Australia; second term in the United Kingdom) to boost the implementation of policies already underway and to further their chance of reelection.² The United Kingdom's Delivery Unit, furthermore, was expected to secure some coherence and coordination in relation to disparate government activities, especially in priority public policy matters. This was in response to the fragmentation of the political-administrative system into decentralized agencies, which occurred as a consequence of the New Public Management reforms.³

In Chile, the President's continuing concern has been to center the Executive's attention on key priorities, to clarify presidential goals through the precise definition of objectives, to create a results-based accountability mechanism, and to obtain outputs and


outcomes that are relevant to the general public. The objective was to promote a new culture and to spotlight cases of non-delivery. Given the way in which the Chilean system is designed (elections every four years and reelection of the President for a second consecutive term not permitted, according to the Constitutional Amendment of 2005), the unit was established during the President's first (and only) term of office.⁴

With regard to the internal precedents in each country, the United Kingdom and Australia have been able to draw on previous CoG-strengthening experiences, both organizationally and with regard to the delivery unit functions. In the United Kingdom, various past Prime Ministers established units within the Cabinet Office to steer the most important reform strategies. These units are normally staffed with personnel drawn from both the private and public sectors. In the Australian Government (see Lindquist, 2006), the tradition of powerfully political coordination units can be traced back to the 1920s, 1940s, and the mid-1970s. From an organizational point of view, therefore, the tradition of reinforcing the Prime

² The Blair Administration proposed creating the unit in 2001, due to the lack of policy implementation and monitoring by the ministerial organizations and the agencies during Blair's first term of office from 1996-2000. In Australia the unit was set up in 2004, during Prime Minister Howard's third term, for the purpose of consolidating the implementation and management of different government projects.

³ Tony Blair attempted to ensure the satisfactory implementation of services aimed to achieve priority impacts, especially some impacts derived from the agreements established in the 1988 Public Service Agreements (see below), which were negotiated between the ministerial departments and the Treasury.

⁴ Chilean presidents, therefore, should not operate with a view to reelection; rather, they should operate as a legacy for the future. Reelection for a further non-consecutive term, nevertheless, cannot be discarded.



Minister's immediate environment in order to coordinate ministerial activities already existed.

From an organizational point of view, and as previously mentioned in this case study, although the model of the Chilean PDU can be found in previous governments (Egaña and Chateau, 2011), the current one includes significant innovations. Although the PDU is modeled after the Inter-Ministerial Coordination Division of the Ministry of the Presidency during President Patricio Aylwin's term in office (and, in part, after the government of President Eduardo Frei), as well as—to a lesser extent—on the work of the so-called “Second Floor” of Presidents Ricardo Lagos and Michelle Bachelet, the PDU has two new features: (i) it proposes a more transparent accountability system, as both the commitments and their achievement are centralized, systematized, and made public; and (ii) there is greater effort to conduct results-based monitoring rather than only legislative proposals or actions.

The British system was one of the first to adopt a results-based approach. This recently

has been confirmed in the guidelines that the Public Service Agreements (1998) have provided (with the negotiation of between 100 and 600 goals throughout all ministerial departments, although the Delivery Unit's focus was much more concentrated). It has also been confirmed by the Comprehensive Spending Reviews (CSR), wherein each department analyzed each of the services it provided, among other management mechanisms.

The Chilean system has paved the way towards a results-based approach in preceding decades. The evolution of Chile's public administration includes a significant culture of establishing strategic and operational objectives, some of which are results-based. In this process, DIPRES has played an important role in modernizing State programs. The strategic priorities that President Piñera launched, therefore, grew from a significant planning culture and from a certain working environment relating to goals and indicators. The system was not primarily used, though, to establishing results-based goals.

How does Chile's PDU compare with its peers in the United Kingdom and Australia with regard to capacity and composition?

In comparative terms, the size of the units is rather disparate. Whereas approximately 40 people worked in the United Kingdom's Prime Minister's Delivery Unit to handle a few strategic priorities, the Australian unit which originated with five employees and had ten by mid-2005 (see Richards and Smith, 2006; and Wanna, 2006, respectively), and the Chilean unit, with ten staff, were smaller in size. The staff of the United Kingdom's unit had relatively broad experience from various types of public and private sector organizations, whereas the Australian and Chilean units lack staff with managerial experience, although they do have some experience in project and policy implementation. In many cases, these employees do not necessarily have the expertise in the areas in which they are supposed to conduct monitoring. In Australia, however, the unit's level of expertise has been raised by

including civil servants from the ministries, who work on a temporary basis for the unit (on secondments).

The composition of the unit in each country also reflects its purpose in the different systems. In the United Kingdom, therefore, a more interventionist team was required to bypass the managerial effort of the line ministry units. In Australia and in Chile, however, the unit serves the purpose of raising alarms and helping to remove the obstacles that make the achievement of proposed goals impossible. By establishing the delivery units as allies of ministerial managers, there is no great need to implement data quality control systems, although this would be important from the viewpoint of citizens' accountability. Any problem linked to information would negatively affect the image of the President.

In terms of the unit's design and how it operates, although the experience in Chile was based on the model implemented by Michael Barber in the United Kingdom, there were important exceptions with respect to focus, type of indicators, level of intervention, and unit staff profile:

- **Focus.** Whereas the United Kingdom's Delivery Unit focused on a very select number of commitments, PDU oversees more than 600 commitments (if the ones mentioned in the 21 May speeches are included).
- **Type of indicators and commitments.** The indicators used by the United Kingdom's Delivery Unit were all results-based whereas, in Chile's case, several of them are process-based.
- **Degree of intervention.** The United Kingdom's Delivery Unit intervened strongly in those goals that were not achieved, attempting to strengthen the CoG and reinforce the image of the Prime Minister within a parliamentary regime, whereas in Chile the PDU plays a subsidiary role in providing support to the sectors.⁵
- **Team.** Whereas the Delivery Unit opted for people with more years of experience and greater expertise in the particular area they were assigned to monitor (content), the Chilean PDU appears to have chosen to contract young professionals with a monitoring background. In both cases, staff selected had a more technocratic than political profile. In this regard, it is worth mentioning that the absence of political activism or experience within the PDU does not necessarily, in itself, represent an advantage or disadvantage, given that technocratic Puritanism is not considered an asset when

strategically managing government, nor is political militancy necessarily an evil that will threaten implementation and execution of public policies. Beyond the staff profile, the high turnover of staff in the case of Chile represents a greater problem.

Finally, the unit's location is also relevant when it relates to understanding its capacity to influence the results achieved by ministries. In general, the unit's proximity to the Prime Minister (or President) is likely to provide the unit with more influence, which can have an impact on the ministries' willingness to achieve or report progress.

In Chile's case, the PDU was located as a unit within the Ministry of the Presidency's DCI, a "political" ministry which is responsible for coordinating government activity within the Chilean system. The hierarchical boundaries, however, are not very clear. It is symbolic that information regarding the delivery of presidential goals is found on the Presidency's website, rather than on the website of the Ministry of the Presidency.⁶ There is, therefore, a certain overlap of accountability with the higher levels. Basically, the location of a unit is an anomaly, since it has been established to monitor the presidential goals under the backing of a minister (within the political executive); however, in terms of field work, the reporting line between the unit and the President is unclear. The Minister of the Presidency, for example, can intervene in those extreme cases where goals are not achieved.

The PDU, however, has been significantly empowered by the President. The fact that the PDU provides the information for bilateral meetings and inter-ministerial committees, and participates in both forums, grants it visibility and proximity to the President, which helps it in its sector monitoring activity.

⁵ In the United Kingdom, the "collegial" governments of the past had given rise to a more personal style of government, more akin to the presidential systems. Moreover, the Prime Minister's implication in service provision had more to do with the increasingly cross-cutting nature of the problems. This transversality means that someone has to mediate between equals, which probably calls for a greater power than that traditionally possessed by a *primus inter pares* (House of Lords, 2010).

⁶ This practice can be distinguished from the approach taken by some of the *Concertación* governments, which differ between presidential and ministerial commitments. The Presidential Advisory Unit was traditionally responsible for presidential commitments, while the Ministry of the Presidency monitored the ministerial commitments (Egaña and Chateau, 2011).

In the United Kingdom, on the other hand, the unit was linked, at inception, to the Cabinet Office, which is the system's usual arrangement; it was later transferred to the Treasury, although it continued to report directly to the Prime Minister. This was the condition that Barber imposed prior to taking charge of the unit (Barber, 2007). The same dysfunctionality which is present in Chile, therefore, can be observed in the United Kingdom, except that the Delivery Unit was located within the Treasury and not within a political department, probably due to the unit's responsibility to monitor some of the Public Service Agreements related to results between the line ministries and the Treasury. In the case of Australia, the unit has been consistently

located within the Prime Minister's Department.

In summary, the Australian, Chilean, and U.K systems have previous experience with ministerial coordination units responsible for monitoring policies, and there is some degree of experience regarding the establishment of goals and indicators to measure how far the objectives of the government have been achieved. The new emphasis of these units rests on monitoring results (rather than only processes or outputs) that are deemed strategic by the Prime Minister or the President. Determining strategic results will justify the need to coordinate the Executive, especially when it comes to implementing its plans for government. Table A6.2 sets out accurate comparative information on the three systems.

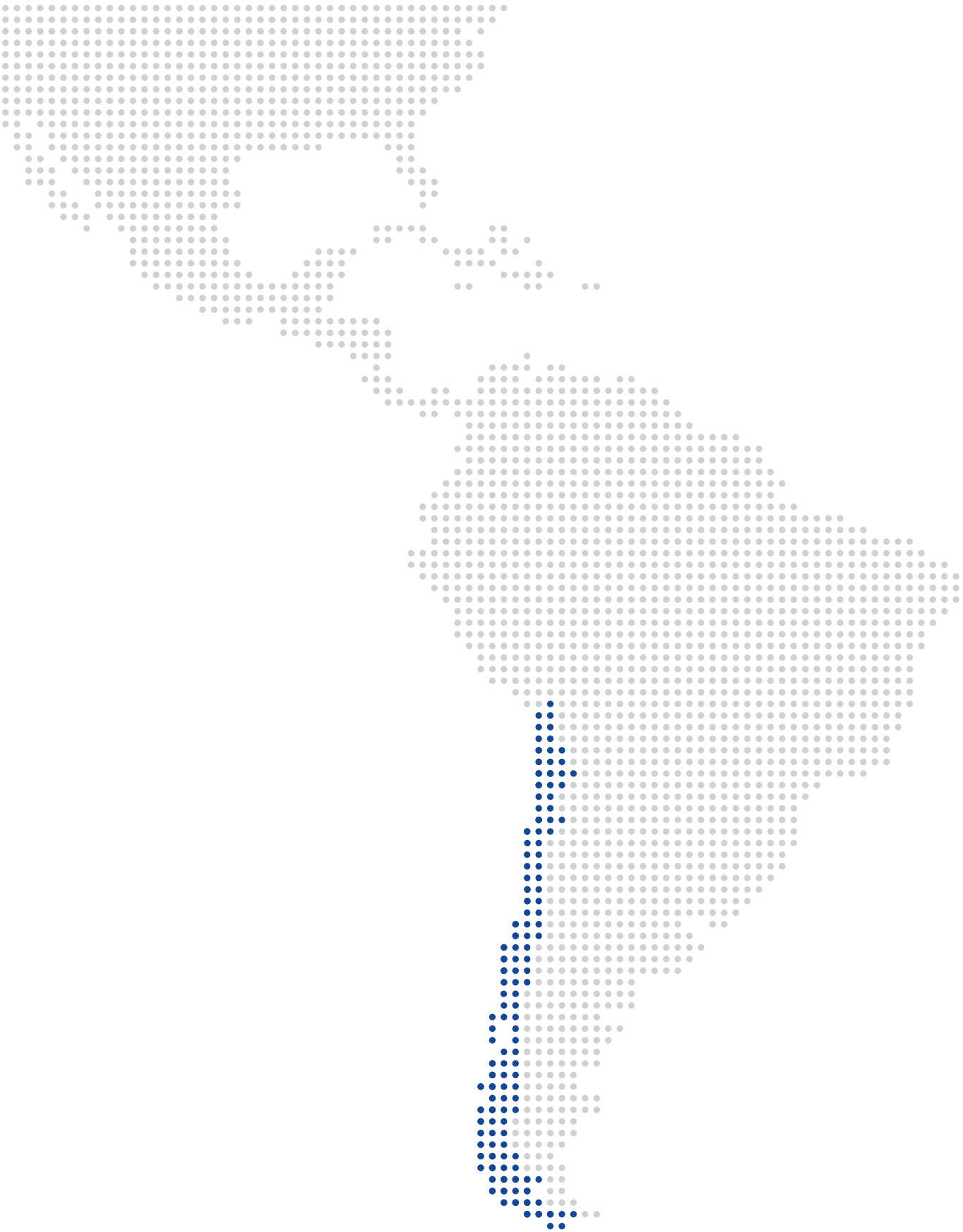
Table A6.1. Comparison of Delivery Units in the United Kingdom, Australia and Chile

	United Kingdom	Australia	Chile
Reason for creation	The Prime Minister was disappointed in 2001 (second term) with the insufficient monitoring of policies, especially cross-cutting ones.	In 2004 (third term), the Prime Minister wanted to ensure the implementation of policies (including the concept of projects management).	In 2010 (beginning of term), the President committed the government to concentrate on the outcomes that matter to citizens.
Previous history	There is experience in the use of results-based goals and indicators (Public Service Agreements, coordinated by the Treasury) and with the establishment of central coordination units under the auspices of the Cabinet Office (non-economic coordination organ).	There was some experience in non-economic, central coordination units, as well as experience with results-based goals and performance indicators.	The most recent experience in coordination was carried out by the "Second Floor" or DIPRES. There is experience of establishing results-based goals and performance indicators.
Unit's purpose	Ensure achievement of the Prime Minister's priority outcomes. Work with service providing units rather than with departments. Establish a delivery ranking (with rewards and sanctions regarding resources or reputation).	Ensure effective implementation of decisions, send clear signals when the initiatives are not on track, be conscious of best practices and procure better cross-cutting policy design.	Ensure that the concentration of the ministries lies on the results of the government program; help to unblock the obstacles that hamper delivery and report internally on the potential non-delivery of goals and the state of goal delivery.
Unit's capacity and abilities	Forty people with considerable experience, drawn from the ministries and agencies, as well as from private sector consultancies.	Between 5 and 10 people between 2004 and 2005. There are no high-ranking managers; they lack experience in the areas they are supposed to monitor, although recent moves have been made to allow civil servants from other ministries to spend from four to six months in the units, contributing their experience on the matters that are being monitored.	Around nine people with limited professional experience and lacking expertise in the areas to be monitored. External experts are also contracted to make contributions in designated areas.

	Reino Unido	Australia	Chile
Unit's location	At inception, located within the Cabinet Office (non-economic coordination) and, thereafter, at the Treasury (economic coordination), although the unit managers always report directly to the Prime Minister.	In the Prime Minister's Department and the Cabinet Office.	At the Ministry of the Presidency (non-economic coordination), but also reporting directly to the President.
Operational aspects-1	The unit selects around 20 or 25 of the 130 Public Service Agreements (from priority areas, such as health, education, crime and transport), which the Treasury negotiates with the agencies.	The unit attempts to ensure that the departmental goals are submitted to risk analysis and that an implementation report is submitted. Benchmarks are identified and reported.	The unit attempts to operationalize the presidential goals in such a way that they can become results measured by indicators. Measurement benchmarks are established.
Operational aspects-2	Once the goals have been established, progress is monitored, taking into account the service provision planning process (linking the goals to implementation plans) and an appraisal of how realistic the goals are. If there are problems in delivering the goals, a plan of action is negotiated. The unit representatives meet with the Prime Minister.	Monitoring reports are delivered and warnings are given whenever the initiatives are not on track for achievement. There is a "traffic light" system in 30% of the initiatives to enable the Prime Minister to check them. The Prime Minister analyzes all the initiatives, and the departments then receive a report concerning the areas for which they are responsible. Reports are sent to the Council of Ministers every four months. The reports are accompanied by a qualitative evaluation.	Both internal and external monitoring reports are drafted. A so-called "traffic light system" warns of possible non-delivery.
Interaction with other central units	The unit was introduced into an area that was the traditionally that of the departments (and their negotiations with the Treasury). Moreover, there are other units in the Cabinet Office linked to policies and their implementation. There was always a threat of potential collision between these units, due to the protagonism gained while establishing priorities.	There have been few conflicts between the unit and the departments because the unit does not link the results to the budget or to the priority-setting process (which also means it does not clash with other horizontal units).	There is some overlap between the unit and the "Second Floor", DIPRES, the Ministry of Finance, and the Ministry of Social Development for the type of information that it requires. There seems to be little room for conflict, given that achieving objectives is not associated with the budgetary process.
Competitive Advantages	The unit has the advantage of being able to report directly to the Prime Minister, which is important in terms of encouraging departments to comply, to report and to concentrate on obtaining the results that are of most interest to the Prime Minister. This unit does not support the Council Of Ministers.	It has become a useful unit for the Prime Minister because it allows him or her to monitor activity in the departments that are unconcerned by having to report on performance. The unit's work was helped by the fact that the Economics and Administration Department was not interested in questions relating to program management, implementation, and evaluation.	The unit is located at La Moneda under the auspices of the Ministry of the Presidency (which has taken over political coordination) and reports directly to the President. This gives the unit considerable influence in terms of eliciting collaboration from ministers and service providers. There are also signs, however, of weakness when some ministries adhere to instructions from, or relate to the Second Floor. The weak link between presidential priorities and the budget means that conflict with DIPRES is minimal but, at the same time, reduces the ministries' interest in the report, unless the report relates to goals in which the ministry, itself, is particularly interested.

	Reino Unido	Australia	Chile
Impact	The Prime Minister is personally involved in priority areas, but the impact this has on performance is unclear. A change of emphasis has been effected; i.e., from a process-based to a results-based approach.	The process rather depends on the reputation of the ministers (with the quarterly reports to the Council of Ministers). There is also more awareness of how measures are implemented, although not as much about their design. The number of results-based indicators linked to service provision has risen.	The President is involved in management, although not only of priority areas, given the high number of the goals that are monitored. In bilateral negotiations between the unit and the departments, the emphasis on results has increased, although considerable monitoring is still linked to the passage of legislative initiatives through Congress.
Degree of institutionalization and future perspectives	The degree of institutionalization is very low, since it depends entirely on the Prime Minister. It may have more of a future if the unit were transferred to the Treasury, or if the Public Service Agreements were continued, but neither of these two options was taken up by the new Prime Minister David Cameron, who appears to be disinterested in this kind of monitoring.	The degree of institutionalization was also dependent on the extent to which the unit involved itself with the budgetary process, risk analysis, and implementability analysis of the measures. To achieve this would require a tender from the Department of Finance and Administration. The unit, however, still exists under the Prime Minister's authority.	The degree of institutionalization is low, because no group of permanent civil servants is in charge of the process, which means it would have to be repeated for the advisers under a new government; the establishment of goals depends on a president who believes in results, a characteristic that not all presidents necessarily have. While there may be a belief in setting goals, the lack of a strong results-based culture means that the establishment of realistic goals may be delayed by more than ten months, on average, subsequent to the takeover of La Moneda by a new president.

Sources: Lundqvist (2006); Wanna (2006); Richards and Smith (2006). Authors' own elaboration with regards to Chile.



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