The Implementation of Public Policy: Still the Missing Link

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Although theories of public policy and theories of governance both seek to establish relationships between policymaking and its consequences, they do not complement each other very well. Public policy models tend to de-emphasize that which governance theories tend to emphasize: the influence on government performance of implementation, broadly described as the actions taken by those engaged in administration (including managers at all levels, those engaged in service delivery, and third-party agents) after a policy has been lawfully promulgated by elected officials and interpreted by the courts. A comparison of a recently developed theory of public sector performance with several prominent theories of policymaking suggests that multilevel governance theories can supply what continues to be the missing link in public policy theories. At the same time, governance theories might be enriched by the process modeling of public policy theories.

Introduction

The increasing use of “governance” as a conceptual frame for research on the determinants of government performance has produced valuable insights into causal relationships among public choice processes, public management, service delivery, and citizen and stakeholder assessments and reactions. Paralleling these efforts, public policy theorists have developed a variety of models to depict relationships between policymaking processes and their outputs and outcomes. Although both types of research seek to relate policymaking to its consequences, they do not complement each other very well. Public policy models tend to de-emphasize that which governance theories tend to emphasize: the influence on government performance of implementation through administrative systems, broadly described as the actions taken by public managers at all levels, those engaged in service delivery, and third-party agents after a policy has been promulgated by elected officials and interpreted by the courts.

This article offers a preliminary consideration of how theories of governance and of public policy might better complement each other. We juxtapose a theory of Prepared for presentation at the Next Generation Policy Workshop in Norman, Oklahoma, February 27–29, 2008.
government performance that features the influence of administrative systems on outputs and outcomes (Forbes, Lynn, & Robichau, 2008) with some of the major public policy theories found in Sabatier’s edited volume, *Theories of the Policy Process* (Sabatier, 2007). We will argue that, because they do not conceptualize the distinction between policy outputs and policy outcomes, public policy theories tend to slight the administrative processes that constitute implementation. Erwin Hargrove argued in 1975 that implementation was the missing link in the study of public policy (Hargrove, 1975). As we see it, that link is still missing. We will show how even a parsimonious theory of public sector performance framed by a logic of governance (LOG) can provide the missing link.

The discussion will proceed as follows. The next section explains why and how an “LOG” framework was used to develop a theory of public sector performance. The description of this theory will be used to provide insights into how and why government produces its outputs and outcomes. The article will then analyze several public policy theories in relation to what they are missing and neglecting to study, that is, the failure to distinguish between outputs and outcomes and the disregard of administrators’ and administrative systems’ impacts on policy outcomes. We will conclude with a discussion of how using governance theory can advance public policy theorizing and suggest that governance theories might be similarly enriched by public policy theories.

*A Theory of Public Sector Performance*

Public governance is defined in this article, following Lynn, Heinrich, and Hill (2001, p. 7), as “regimes of laws, rules, judicial decisions, and administrative practices that constrain, prescribe, and enable the provision of publicly supported goods and services” through formal and informal relationships with third parties in the public and private sectors. Using concepts from positive political economy, Lynn, Heinrich, and Hill develop a multilevel “LOG” that postulates that politics, public policymaking, public management, and service delivery are hierarchically linked with one another in the determination of public policy outputs and outcomes.

A large body of research uses hierarchical logic when designing empirical studies of governance and public management (Boyne, 2003; Boyne, Meier, O’Toole, & Walker, 2006; Forbes, Hill, & Lynn, 2006, 2007; Forbes & Lynn, 2005; Forbes et al., 2008; Heinrich, 2003; Hill & Lynn, 2005; Lynn, Heinrich, & Hill, 2001). Being sufficiently confirmed in theory and in the empirical research literature, the multilevel LOG was used by Forbes, Lynn, and Robichau as the point of departure for a theory of public sector performance which focuses on the operations of the administrative system in the determination of government performance (Forbes et al., 2008). A brief explanation of how the theory was developed will set the stage for showing how public policy theories can benefit from the governance literature and, in particular, the implementation process.

Development of the multilevel theory of public sector performance used in this article drew on findings from an analysis of nearly thirteen hundred published empirical studies, each of which incorporated hierarchical and causal relationships
among at least two levels of governance. The original LOG analyses categorized each study’s dependent and independent variables at each level under investigation using the scheme in Table 1 (e.g., in Hill & Lynn, 2005; Forbes et al., 2006, 2007). Policy studies are more likely to inform levels of citizen interests and preferences, public choice and policy design, outputs/outcomes and, to a lesser extent, stakeholder assessments than variables found at the management and service delivery level, which ultimately lie at the heart of policy output production.

In subsequent analyses by Forbes et al. (2008), Scott’s conceptualization of organizational effectiveness indicators were used to reclassify the independent and dependent variables in each study (Scott, 2003; Scott & Davis, 2007). Scott says that “proponents of rational, natural, and open system models privilege differing indicators of effectiveness” that can nonetheless be grouped into three general indicator
types that “point to important distinctions regarding what is being assessed” (Scott & Davis, 2007, p. 327).

Scott’s typology of effectiveness indicators has three categories: structures, processes, and outcomes. Structural indicators reflect the production function, that is, the way the organization’s work is organized. Process indicators measure the quantity or quality of the organization’s work, that is, effort or output. Outcome indicators purport to identify changes in an individual or organization that have been the object of some kind of intervention, service, or regulation. Thus, the effectiveness of each level of governance can be measured in terms of some combination of structures, processes, and outcomes.

Analyzing the multilevel governance literature using these indicators led to the following findings. First, the presumption is warranted that implementation is generally hierarchical; influences flow downward through a chain of delegation to the retail level of service delivery. Second, in the great majority of studies, policymaking took the form of structures; that is, the primary function of policymaking was to organize administrative systems to accomplish the purposes of public policies. Third, within administrative systems, management, that is, the authorized and necessary exercise of managerial discretion, took the form of a relatively balanced combination of structures and processes. Finally, measures of service delivery effectiveness were, in most cases, process indicators. The cumulative products of policymaking, management, and service delivery consisted of outputs, which comprised both process and outcome indicators of effectiveness, and the “final” outcomes of policymaking and its implementation.

These findings are incorporated by Forbes, Lynn, and Robichau into their theory of public sector performance. Some of the findings were not so readily accepted, however. For example, most of the investigations were oriented toward outputs rather than outcomes. But few empirical models recognized or incorporated an outputs-cause-outcomes logic; most used either outputs or outcomes without considering how outputs influence the ultimate outcomes of policies and their implementation.

In Bureaucracy, James Q. Wilson (1989) helps us understand how outputs and outcomes are related. Similar to Scott’s explanation, Wilson defines outputs as “the work the agency does” and outcomes as “how, if at all, the world changes because of the outputs” or “results” (p. 158). Grouping outputs as the “work” and outcomes as the “results” enables scholars to think about the logical flow of cause and effect relationships in governance and policy studies. Based on the empirical findings concerning the political science and public administration literature, we found that distinguishing between outcomes and outputs was both possible and instrumental in advancing our theory of public sector performance.

It is possible, however, that, in special cases, outputs of an agency may be unobservable and unknowable (Wilson, 1989). One consequence might be that some agencies will be able to see only outcomes without knowing how outputs influenced them. If outcomes are undesirable, then an agency faces the challenge of trying to decide how to fix the problem without knowing whether it is a question of structure or process. For example, a program like Head Start provides various services, such as
education, health care, parental education and involvement, and nutritious meals to underprivileged children. They claim that children in their programs show improved cognitive and language abilities as well as higher health status ratings when compared to their peer groups (National Head Start Association, 2008); yet, it is hard to say which services produce which results. Outcomes could be produced from any one of these provisions or a combination of services, thereby making the determination of outputs unknowable and unobservable.

Wilson (1989) proceeds to create a typology of four kinds of government agencies based on the extent to which both outcomes and outputs are observable and measurable. He categorizes these agencies as: production (where outcomes and outputs are recognizable); procedural (where outputs not outcomes are observable); craft (where outcomes not outputs are distinguishable); and finally, coping organizations (where neither outcomes nor outputs can be observed) (pp. 158–71).

This useful heuristic has a twofold consequence for thinking about both governance and policy theories. First, how administrators manage their agencies will be dependent on the type of agency in which they work and whether they focus on processes or outcomes. And second, either outcomes and/or outputs are frequently observable; therefore, they can often be measured or at least considered in agency performance. Wilson (1989) states that “people matter, but organization matters also, and tasks matter most of all” (p. 173). If we think of tasks as the work agencies and their agents produce, then depicting outputs as necessary to achieving outcomes seems intuitive.

Further, a significant number of studies “skipped” levels in the LOG, excluding, for example, the mediating effects of management or service delivery in transforming policy structures into outputs and outcomes (see Figure 1). The percentages in Figure 1 are proportions of the total studies in the database that employ this particular causal logic. In the absence of convincing substantive reasons for excluding these
mediating effects from explanatory models, there is a high likelihood that the findings of such studies are incomplete or biased. In their analysis of studies concerned with health policy implementation, Forbe et al. (2007) concluded that “in general, the choices of organizational arrangements, administrative strategies, treatment quality, and other aspects of health care services by policymakers, public managers, physicians, and service workers, together with their values and attitudes toward their work, have significant effects on how health-care policies are transformed into service-delivery outputs and outcomes” (p. 453).

The basic theory, then, incorporates both outputs-cause-outcomes logic and all mediating levels (unless it can be plausibly argued that policies have been designed so as to be self-executing, thus requiring little managerial intervention). The theory of public sector performance is depicted in Figure 2. It consists of hierarchically related public policymaking structures, management structures and processes, service delivery processes, outputs, and outcomes, with an acknowledgement of self-executing policies.
It is important to note that these relationships all occur within a social, economic, and political context. Whereas these contextual considerations may influence governance at any level in complex ways, the theory assumes that such contextual influences do not nullify the fundamental hierarchical logic that links the multiple levels of governance, a logic that is the consequence of America’s constitutional scheme of governance, which defines the American version of the rule of law.

The implications of this theory have the potential to contribute to public policy theorizing. First, given the hierarchical nature of governance, it is difficult, if not impossible, for policy outputs and outcomes to be produced without administrative systems. Further, it is difficult to imagine that public policy outcomes can occur without administrative system outputs. In part for this reason (and in part because outputs are easier to measure), administrative systems tend to be output-, not outcome-oriented.

Analyzing Policy Theories

With the above discussion as a point of departure, we next examined a selection of the public policy theories included in Sabatier (2007). This examination reveals two problematic aspects of these theories: the failure to distinguish between outputs and outcomes and the imprecise treatment of the role of administrative systems in mediating the relationship of policymaking to its ultimate consequences.

Outputs and Outcomes

Sabatier (2007) notes that Institutional Rational Choice (IRC) theory is “clearly the most developed of all the frameworks in this volume” (p. 9). In her chapter on IRC theory, Ostrom discusses an action arena where actors and action situations occur that can lead to predicting outcomes inside this arena. Then, her framework moves from this arena to patterns of interactions, followed by outcomes, in which both are moderated by evaluated criteria. Ostrom (2007, p. 33) states that “evaluative criteria are applied to both the outcomes and the processes of achieving outcomes.” But these “processes” are not clearly defined, partly, it would appear, because outputs and outcomes have not been differentiated.

Other policy theories exhibit similar ambiguity concerning outputs and outcomes. For instance, the Multiple Streams (MS) Framework is sensitive to how information affects choice and how inputs gets transformed to outputs; yet, Zahariadis (2007) does not clearly define what he means by “policy outputs” in this chapter. It might be the case that outputs are simply decisions (good or bad) that have been made, the actual policy that is produced from decisions made, or perhaps, both of them combined.

Another policy approach that can be seen as providing vague descriptions about outputs and outcomes is the Network Approach. Adam and Kriesi (2007) state that “the impact of policy networks clearly shows that network structures are not only connected to specific policy outcomes (‘what’) but also to the type of change (‘how’) that creates these outcomes. A systematic analysis of the impact of policy networks
requires that the types of networks be linked to the potential for and types of change creating different outcomes” (p. 145). If outputs are regarded as the “work” of an agency or in this case, the “work” of a network, then the reference to “outcomes” seems inappropriate.

Finally, the Social Construction and Policy Design framework (Ingram, Schneider, & deLeon, 2007) has an inherent output focus, which becomes particularly apparent when examining their propositions and diagram. The fundamental idea of this framework is that future policy design stems from past and current policy designs. Moreover, these policy designs are mediated by institutions, culture, and target populations, followed by society and policymaking dynamics (p. 96). But outputs, as distinguished from outcomes, are not clearly defined.

One policy theory acknowledges a distinction between outputs and outcomes. The Advocacy Coalition Framework (ACF) depicts a relationship where policy outputs precede policy impacts (Sabatier & Weible, 2007, p. 202). But, this part of the policy subsystem, in our reading, is not defined or discussed in Sabatier and Weible’s chapter or in the previous models of ACF (Sabatier & Jenkins-Smith, 1999).

From a governance perspective, lack of clarity concerning the distinction between outputs and outcomes is problematic. As discussed earlier, outcomes and outputs have distinguishable characteristics (Donabedian, 1966; Hall, 1999; Scott, 1977, 2003; Scott & Davis, 2007; Suchman, 1967). It is hard to tell whether policy theorists assume that those working in the field know the difference or, alternatively, do not think that the difference is important. Our argument is that drawing clear distinctions between outputs and outcomes is essential for understanding how administrative systems are influenced by and, in turn, influence the consequences of policymaking.

Administrators and Administration

Terry Moe (1990) crafts a theory of the public bureaucracy that takes into account politics and political organization in a two-tiered hierarchy in which “one tier is the internal hierarchy of the agency, and the other is the political control structure linking it to politicians and groups” (p. 122). Designed around the politics of bureaucratic structures, Moe emphasizes how political uncertainty and the need for compromise leads to rational bargaining among political actors that, in the end, produces technically irrational agencies. In other words, administrative systems are designed more to protect political bargains struck in order to guard various stakeholder interests than as to facilitate the achievement of outputs and outcomes.

Our examination of the public policy theories discussed in the previous section suggests that the performance of administrative systems is not generally held to be of particular significance to public policy achievement. It seems intuitively clear, however, that managers are in a position to use their discretion to shape the relationship between enacted policy structures and administrative system outputs. Moreover, the analysis of empirical health policy studies cited earlier (Forbes et al., 2006) supports this view. Wilson (1989) notes that public managers have preferences, and in a similar vein, Sabatier and Weible (2007, pp. 194–96) contend that they are
often influenced by “policy core beliefs.” Lindblom and Woodhouse (1993) claim that “administrators indeed are policymakers” (p. 62). A convincing literature has established the influential role in policy implementation played by “street-level bureaucrats.” From a governance perspective, then, the relative neglect of administrative systems in public policy theories seems unwarranted.

We found that administrative systems are either referred to loosely through a discussion of managerial influences on the policymaking process or they are ignored altogether. The Institutional Analysis Framework, for example, is vague on whether the “action arena” and/or the “patterns of interactions” could be seen as places where bureaucracy and its’ administrators enable outputs to be achieved. Perhaps, the framework is set up so that administrative influences and implementation occur in both arenas, but without specific discussion of these matters, we are left wondering why such a vital part of the policy process was not discussed explicitly.

Similarly, the MS Framework considers bureaucrats as part of the policy community that is involved in the policy stream, but no logic linking administrators as policy entrepreneurs to administrative system outputs is indicated. Authors of the Network Approach examine how coalitions or networks are formed. They claim that these coalitions are composed of either “state actors” or “system of interest intermediation” (Adam & Kriesi, 2007, p. 134). Adam and Kriesi specifically and clearly define those who belong to the “system of interest intermediation” as “political parties, interest groups, and nongovernmental organizations/social movement organizations” (p. 134). These authors’ explanation of “state actors,” however, is ambiguous; “state actors constitute a special type, because they ‘have access to a very particular resource: their decisions are considered binding in society and are backed by the possibility of legitimate use of force’ ” (p. 134). In this context, state actors could be viewed as legislators, judges, political appointees, or administrators. For governance scholars, greater clarity and specificity of when, or even if, administrators and their agencies are involved in the policy process is essential.

Administrative Systems

Of even greater concern than the vague references to administrators is that administrative systems as part of the policy process are left out entirely. Policy process theories tend to analyze the progression of policy development through design and negotiation, and then assume that policy outcomes are a result of particular policies. Yet, external policymaking is only the first stage in the logic of how outputs and outcomes are produced.

To see the issue more clearly, several theories of the policy process have been modified to demonstrate visually the point that policy process theories have missing links that are logically and empirically essential to the determination of government performance. Graphically lacing the theory of the public sector performance to some of the major policy process theories enables us to see how they can complement one another in providing further explanatory specificity to current policy and governance theories. By rotating the figures of policy process theories to a vertical orientation, a new and clearer picture emerges about what these theories are emphasizing
from a governance perspective. Policy theories appear to be focusing primarily on the public choice and policy level of governance and at the output/outcome level, thus, in effect skipping the mediating levels of administration.

The model most closely approximating the LOG is the IRC framework (see Figure 3). Ostrom does consider levels of analysis (i.e., operational, collective choice, constitutional, and metaconstitutional) intermediate to outcomes in her IRC model. However, her main focus is on the effects of rules (which are governance structures) at each level. Her framework might be expanded to include more discussion of the relationships of administrative systems to structures and processes beyond rules. In Figure 3, though, it is difficult to tell whether policymaking structures, management structures and processes, service delivery processes, and outputs as processes all occur in the action arena, in the patterns of interactions, or various links occur before the action arena or even after patterns of interactions.

In examining the MS Framework, it must first be noted that Zahariadis (2007, p. 65) regards this framework as one that “could conceivably be extended to cover the entire process of policymaking at various levels of government, it is examined here only in its capacity to explain policy formation (agenda setting and decision making).” Despite this caveat, locating where “policy outputs” occur in the policymaking environment is challenging but nonetheless necessary in developing better theories of the policy process. Perhaps “policy outputs” could follow the policymaking structures, or they could be at the lower level of outputs as processes in comparison to the theory of public sector performance (see Figure 4). If

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**Figure 3.** A Framework for Institutional Analysis Modified Hierarchically from Sabatier (2007, p. 27) Juxtaposed with the Theory of Public Sector Performance.
the MS framework is to be expanded to account for the complete policy process or used by governance scholars to obtain greater insight into the policy process, then one step in doing so would be to clarify the role of administrative systems in output production. Zahariadis contends that some critics of this framework question whether the three streams are independent of one another and that “stream independence is a conceptual device” (p. 81). In the comparison to the theory of public sector performance, all three streams would fall into a larger category of public policymaking.

The Network Approach is juxtaposed with the theory of public sector performance in Figure 5. Although Adam and Kriesi (2007) note that depicting network structures as being vertically organized violates network premises, doing so does produce an interesting way of thinking about the structures and processes of networks and how they interact with other levels of governance. The “structure of policy networks” could involve participants from multiple levels of governance. That such capacious networks eliminate all vestiges of hierarchical governance is an issue to be investigated, not assumed, however.

The final illustration is from a 2005 version of the ACF. Although its predominant focus is on what happens before and while policy structures are being determined, the framework does assume that the results of this process are “policy outputs and impacts.” Policy outputs and impacts occur in the context of the policy subsystem, which offers an opportunity for elaborating on the explanatory logic of the framework. As noted earlier, the ACF, like many other policy theories gives short
shrift to the influence of administrative systems on the production of outputs. These systems arguably account for much of the fundamental complexity found in policy subsystems. Expanding upon implementation in the policy subsystem, based on what has already been studied in the governance literature (i.e., the role of management and distinguishing outcomes from outputs), would give both governance and policy scholars insights into one another’s fields. In Figure 6, it is easy to imagine that the levels of management structures and processes and service delivery processes in the theory of government performance could be incorporated to follow the “institutional rules, resource allocations and appointments” part of the ACF diagram.

**Conclusion**

The argument in this article is that the policymaking process happens within the context of governance, which is usefully defined within the framework of a multilevel LOG and formally expressed in terms of a parsimonious theory of public sector performance. The policy theories examined in this article are implicitly or explicitly embedded in the larger arena of governance, but the links between policymaking and the multiple levels of governance within administrative systems are not made explicit and their influence on outputs and outcomes are not carefully considered. By including these levels into policy theories, they could become more complete and insightful.
Relatively Stable Parameters
1. Basic attributes of the problem area (good)
2. Basic distribution of natural resources
3. Fundamental socio-cultural values and social structure
4. Basic constitutional structure (rules)

External (System) Events
1. Changes in socioeconomic conditions
2. Changes in public opinion
3. Changes in systemic governing coalitions
4. Policy decisions and impacts from other subsystems

Long Coalition Opportunity Structures
1. Degree of consensus
2. Openness of political system

Short-Term Constraints and Resources of Subsystem Actors

Policy Subsystem

Coalition A
a. Policy Beliefs
b. Resources

Policy Broker
Strategy re. guidance instruments
Decisions by Governmental Authorities
Institutional Rules, Resource Allocations and Appointments

Coalition B
a. Policy Beliefs
b. Resources

Strategy re. guidance instruments

A similar prospect is available to governance theorists. The interactions linking the “stakeholder assessments of policy, agency, or program performance,” “citizen preferences and interests expressed politically,” and the “public choice and policy designs” levels in the LOG (see Table 1) as well as the types of influences on governance originating in the environment and policy context might be better specified if public policy theories were adapted to the LOG’s hierarchical logic. In general, theorists from these two traditions are likely to profit by reading each other’s work.

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Notes

1. Scott (2003, p. 366) asks two questions that help clarify process indicators of effectiveness: “What did you do?” and “How well did you do it?” Service delivery process indicators that measure “What did you do?” are often more appropriately regarded as outputs in the logic of governance (LOG). Answers to the question of “How well did you do it?” take the form of what we refer to as “outputs-as-process” indicators or “final” outputs. Examples include the number of students passing a state examination or vaccinations given in a given year.

2. The construct “policy structures” is similar to the construct “policy designs” as used by Schneider and Sidney (2008). Policy design elements include “problem definition and goals to be pursued, benefits and burdens to the distributed, target populations, rules, tools, implementation structure, social constructions, rationales and underlying assumptions.” See also Schneider and Ingram (1997). In the LOG framework, policy variables have traditionally been identified as type of ownership, level of government, policy design elements, mandated actions/behaviors, and fiscal/resource constraints.

3. Proposition 1: Policy designs structure opportunities and send varying messages to differently constructed target groups about how government behaves and how they are likely to be treated by government. Both the opportunity structures and the messages impact the political orientation and participation patterns of target populations. Proposition 2: The allocation of benefits and burdens to target groups in public policy depends upon their extent of political power and their positive or negative social construction on the deserving or undeserving axis. Proposition 3: Policy design elements, including tools, rules, rationales, and delivery structures, differ according to the social constructions and power of target groups. Proposition 4: Policymakers, especially elected politicians, respond to, perpetuate, and help create social constructions of target groups in anticipation of public approval or approbation. Proposition 5: Social constructions of target groups can change, and public policy design is an important, although certainly not a singular, force for change. The seeds for altering social constructions can often be found in the unanticipated or unintended consequences of previous policy designs” (Ingram et al., 2007, pp. 98–108).

4. Unfortunately, we were unable to place the theory of public sector performance beside the Advocacy Coalition Framework (ACF) diagram due to the complexity of the ACF figure.

References


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