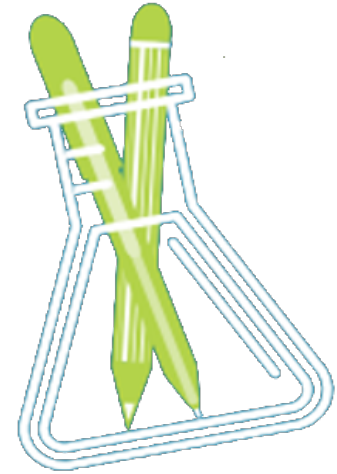


Measuring and Evaluating Determinants of Public Administration Productivity

Bureaucracy Lab

Development Impact Evaluation | Global Governance Practice

October 22-25, 2019, Brussels, Belgium



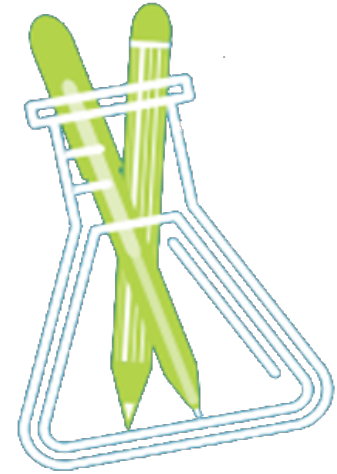
WORLD BANK GROUP
Equitable Growth, Finance & Institutions

A Market for Government Back Offices Services Portugal

Bureaucracy Lab

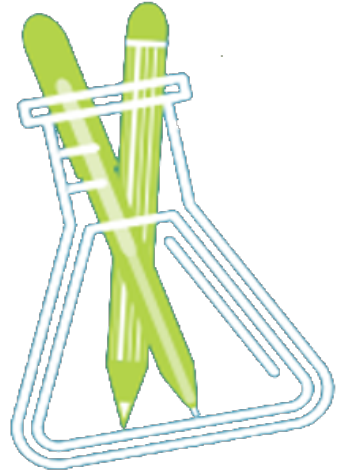
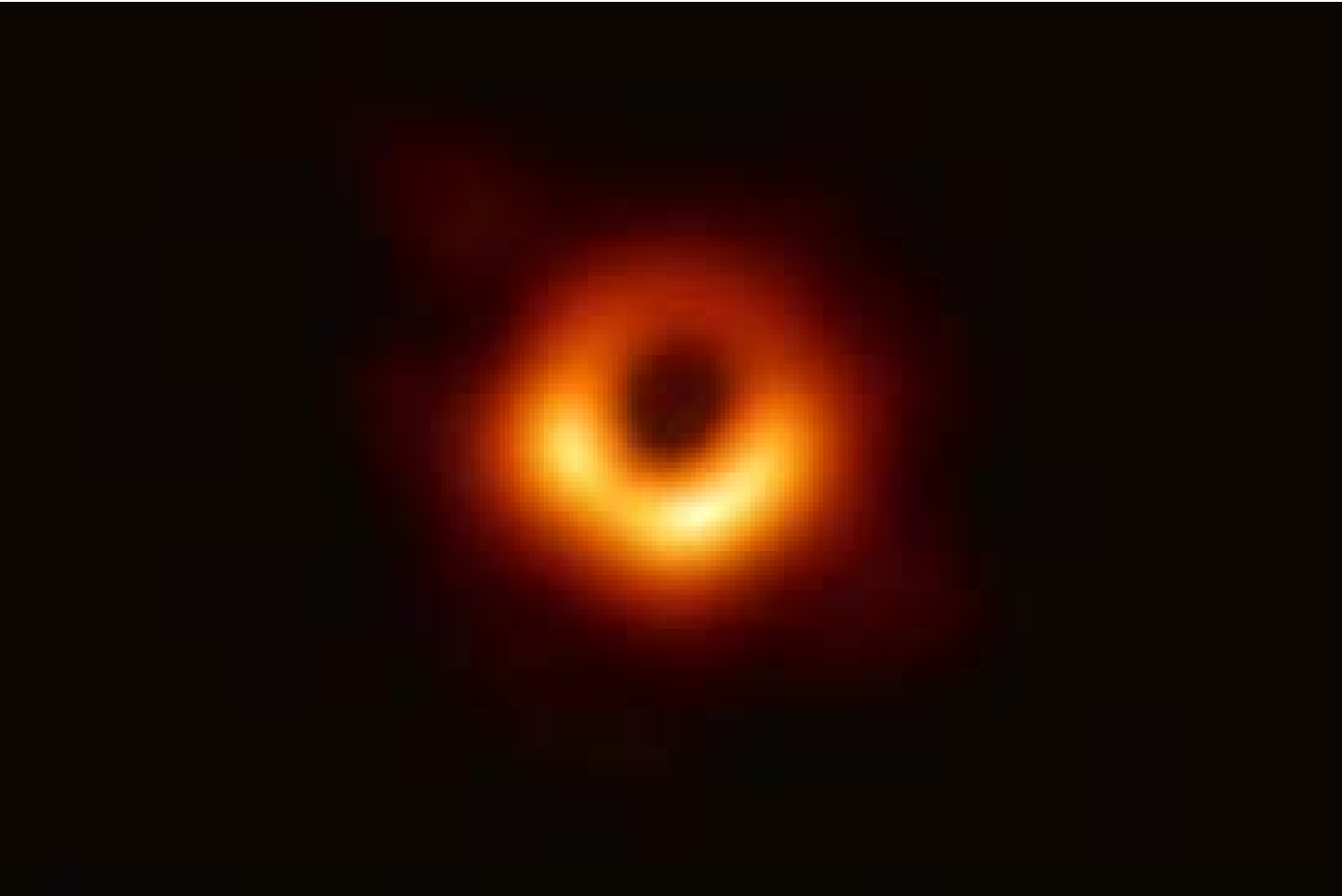
Development Impact Evaluation | Global Governance
Practice

October 22-25, 2019, Brussels, Belgium



WORLD BANK GROUP
Equitable Growth, Finance & Institutions

Is it possible to photograph a black hole???



Reforms to Be Measured and Evaluated

- **Moonshot Objective:** Is it possible to create a marketplace for back office services (procurement/HR/finance/legal) in the public administration??
- The best talents in the public administration are spread throughout the civil service. How can we get civil servants to work on the tasks they are most productive at, regardless of which office they are posted at?
- One example: Best, Hjort Szakonyi (2019) show that making bottom 25% of procurement bureaucrats perform at 75th percentile would save equivalent of 1/5th of health spending
→ Given that the Portuguese spending in procurement is of roughly **XXXX€**, this could mean savings of up to **XXX** (!!!!!)
- **Portugal is unique:** The legal framework to modify/suspend laws and regulations to permit policy experimentation has been in place since 2006 (Right to Challenge Act / Innovation Lab)
- **Intervention:** Create a platform to trade *services* between offices
- **Target:**
 - Central Public Administration Secretariats general (10)
 - Departments of state (Direcções gerais/Institutos públicos, 150)
 - Municipal governments in phase 2? (300)



Reforms to Be Measured and Evaluated

- **Intervention:** Create a platform to trade *services* between offices.

Example: Procurement officers at the ministry of health are very good at procuring computers. Computers are also bought in department of education, why not allow health officers to do paperwork on behalf of department of education?

Economies of scope: Permits contracts to be merged across offices

- **Means of Exchange:** Options with varying degrees of intensity

1. Bilateral swaps only (no “currency” required)
2. Each office starts the year with a budget of 40 (?) hours they can ask from other offices. They trade and at the end of the year, with enough hours, you get an extra holiday day. (time proxies for money)
3. Money (actual budgetary transfers where possible)



Impact Evaluation Methodology

Randomized Rollout of Marketplace

