

The implementation of the government productivity programme in the administrative sector of the Ministry of Justice and its impacts

The government productivity programme for 2007-2011 set a target of reducing person-years by 685 in the administrative sector of the Ministry of Justice by the end of 2011. This is equivalent to about 7 per cent of person-years in the administrative sector in 2005. During the 2007-2011 electoral term appropriations in the administrative sector of the Ministry of Justice were gradually cut by about 11 million euros or roughly 1.6 per cent of the expenditure in the final accounts for 2005. Owing to changes in tasks, a ceiling of 9,438 person-years at the end of 2011 was set for the administrative sector. Furthermore the new productivity programme contained in the spending limits decision that was issued by the Government on 13 March 2008 set a target of reducing person-years by 103 between 2012 and 2015.

The audit examined the implementation of the government productivity programme for 2007-2011 in the administrative sector of the Ministry of Justice. To implement the government productivity programme the ministry approved its own sectoral productivity programme on 14 October 2005. The main question in the audit was whether the government productivity programme has been properly implemented in the administrative sector of the Ministry of Justice. For this purpose the audit sought to determine how implementation has taken place and whether the measures that have been selected to implement the programme create preconditions to achieve the productivity targets set in the government productivity programme. Another question was what impacts the implementation of the productivity programme has had on the management of the administrative sector's basic tasks.

The programme period was still under way when the audit ended, and this affected the methods used in the audit as well as

available data and is also reflected in the National Audit Office's positions.

The productivity programme scheduled the bulk of reductions in person-years and appropriations for the latter part of the programme period. Reductions accordingly peaked in 2010 and 2011. The Ministry of Justice justified this on the grounds that, first of all, nearly every project leading to productivity savings requires the reform of legislation. Secondly, one aim of projects is to make better use of information technology and information systems; such projects take time and are sensitive to delays. As a third justification the ministry has pointed out that reaping productivity benefits takes even more time after legislation is in force and projects have been completed.

The sectoral productivity programme adopted by the Ministry of Justice consists of seven sets of measures including a total of 25 productivity projects. At the end of 2010 five of these projects had been carried out, eight were in the implementation stage, five had been partly implemented and seven were still being planned.

On the basis of data it appears that the implementation of the productivity programme is mainly proceeding according to plan in all the ministry's fields of operation. The Ministry of Justice has systematically monitored the progress of productivity projects and measures and has updated the productivity programme accordingly.

Linking the productivity programme to the operational and financial plan and the preparation of spending limits and the budget has promoted its implementation. The programme and particularly the targets in it have been integrated in the annual performance negotiation process. This procedure has supported the achievement of the target at the sectoral level. Since the largest reductions in person-years were meant to take place in the final years of the programme, individual agencies' role is nevertheless heightened. In this respect ministry-centred preparation has not succeeded in promoting productivity-improving measures at the agency level, such as reforming working arrangements and methods, or reductions in person-years. The National Audit Office considers this problematic in reducing person-years, particularly when it comes to implementing projects aimed at improving productivity and taking advantage of productivity benefits in the administrative sector.

The central agencies in the administrative sector have not played a special role in preparing the productivity programme. This proce-

dure has apparently caused some problems in relation to the implementation of reductions in person-years in the administrative sector.

On the basis of the audit data, reductions in person-years have so far been achieved with the help of natural turnover, mainly when personnel have retired, but also in other cases where turnover has made this possible. Reductions have thus been implemented following the principles in the government personnel policy as well as the administrative sector's own personnel strategy and plans. So far notice has been given only in cooperation with personnel, although the situation may change in 2011.

Reductions in person-years in the administrative sector have complied with the person-year frameworks agreed in the performance negotiation process, but without linking them to productivity projects. Owing to the timetable in the productivity programme, in practice reductions in person-years have been made regardless of whether productivity benefits have been achieved.

In the opinion of the National Audit Office, the Ministry of Justice's productivity projects and measures are based on long-term development which to some extent had already started or was being planned before the productivity programme was launched. The sectoral productivity programme has included projects aimed at creating genuine productivity potential that will make it possible to carry out tasks with fewer personnel. The productivity benefits that are expected to be achieved by implemented projects have not yet materialised - at least in full - nor can they have been the basis for reductions in person-years.

In the opinion of the National Audit Office, owing to the programme timetable, the reductions in person-years required by the productivity programme have been implemented so far mainly without linking them to implemented productivity projects. Consequently person-years have unavoidably been reduced randomly to some extent. This has been due above all to the productivity programme and its mechanisms. Although the aim was to achieve systematic reductions in person-years, in practice the productivity programme has provided limited preconditions to reduce personnel systematically.

The National Audit Office considers it problematic that, owing to the timetable in the government productivity programme, reductions in person-years have had to be made before the productivity bene-

fits of productivity projects and measures have materialised. This is especially problematic in the administrative sector of the Ministry of Justice, where projects are creating genuine productivity potential according to the objective, but making it possible to achieve this potential is a long process owing to the need to reform legislation and the time required to bring legislation into force and adopt reforms, which is often long. This leads to a certain amount of unpredictability and randomness that the productivity programme was meant to avoid. On the other hand, without timetables the implementation of the programme would not have proceeded in the desired manner.

In introducing management and other information systems necessary for the productivity programme and productivity projects, there have been delays and planning weaknesses. In the administrative sector of the Ministry of Justice the resources available for this purpose are limited and are also subject to requirements regarding reductions in person-years in the productivity programme. In spite of the development and reform work that has been undertaken to improve information management, the National Audit Office considers the ministry's information management resources and operating conditions challenging particularly in light of the fact that the Government IT Shared Service Centre has not reached its intended scope.

According to framework decisions, providing administrative sectors leeway to reallocate funds in the productivity programme has been intended to support investments in productivity-increasing projects, incentives and the restructuring of personnel. The National Audit Office considers that in this respect the objectives that were set in the Government's framework decision have not been achieved in the administrative sector of the Ministry of Justice.

The audit did not observe changes in the number of cases handled, operational productivity or processing times that would signify changes in the accessibility or quality of services. On the basis of interviews and statistics, yearly changes in these indicators are in line with normal fluctuations or are due to other factors besides the productivity programme.

Separate indicators have not been developed in the administrative sector to describe the impacts of the productivity programme or cause-and-effect relations, and existing indicators are poorly suited

to measure the impacts of the productivity programme because they have been developed for other purposes. Defining quality and measuring changes in it present a number of difficulties, which have been recognised in performance steering.

The audit found that particularly organisational and structural reforms have had positive impacts on the management of the administrative sector's basic tasks. The National Audit Office emphasises, however, that preconditions to evaluate cause-and-effect relations between productivity projects and reductions in person-years on the one hand and the accessibility and quality of basic tasks on the other will only come into being after the transition periods that are essentially linked to changes have ended and the changes that productivity projects are intended to bring about have become established, thus allowing the creation of productivity potential and the manifestation of impacts. This cannot be achieved during the first productivity programme.

To determine what impacts the productivity programme has had on the management of the administrative sector's basic tasks, the audit focused on the Criminal Sanctions Agency, since it was not possible to examine the entire administrative sector in greater detail.

The productivity programme approved by the Ministry of Justice set the highest target for the Criminal Sanctions Agency, requiring it to reduce person-years by 323. At the end of 2009 it had cut 154 person-years, and at the end of 2010 the figure was 243. According to the picture that was formed in the audit, the Criminal Sanctions Agency has still been able to perform its basic task, which is to enforce sentences and community sanctions. Nor has the security of closed facilities been weakened. Had the prison population not fallen in the 2000s, the situation would probably have been different.

The audit data suggested that the productivity programme has nevertheless affected the content of the agency's enforcement task. According to the Imprisonment Act the objective in enforcing sentences is to guide offenders towards a life without crime and to reduce the risk of reoffending. As a result of reductions in person-years and cuts in appropriations, sufficient resources have not been available to launch and maintain action plans with an impact on reoffending. For the same reason measures to develop the content of enforcement have had to be abandoned. In the opinion of the Na-

tional Audit Office, the Criminal Sanctions Agency's possibilities to achieve the effectiveness objectives that have been set for enforcement in legislation or otherwise have weakened.

The process of preparing and implementing the productivity programme has focused greater attention on productivity issues in the administrative sector of the Ministry of Justice as a whole and has spurred development projects. Increasing productivity has become a cross-cutting theme. The National Audit Office considers this development quite positive and believes that it also creates proper conditions so that the significance of productivity objectives in the administrative sector can be accentuated and the development of indicators describing them can proceed.