

# Can you count a better environment?

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*Do targets for environmental activity point the way or get in the way?*

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DAVID BOYLE

*“Use figures as little as you can. Remember your client doesn’t like or want them, he wants brains. Think and act upon facts, truths and principles and regard figures only as things to express these, and so proceeding you are likely to become a great accountant and a credit to one of the truest and finest professions in the land.”*

**James Anyon, the first accountant in the USA, speaking to accounting trainees, 1912**

The UK’s Environment Agency included among its headline targets when it first published them a reference to keeping sea level rises down. You can see why those who specialise in devising indicators might have been pleased with this one. It is emphatically an output target, uncomplicated by the internal workings of the Agency. It is relatively simple to know if it has been achieved: if London is still above water, the Agency can rest secure that its targets have been met. The difficulty is that the Environment Agency is like Canute. It has extremely limited power over whether it can achieve this target or not. Especially given that the Agency’s employers and funders are also busily giving the go ahead for extra runways at Heathrow and other airports, which will hardly make it easy for them.

That is the trouble with targets. Either they are within the powers of the body constrained by them, in which case they are likely to be meaningless. Or they are not, in which case they are likely to be pointless. That sounds a little glib, I admit. But now that we have a new quango, Natural England, it is worth looking more closely at the business of how its officers are likely to see its objectives.

## **Managing, counting, and achieving what?**

The difficulty with quangos under a target culture is that these indicators – though they represent so much internal effort and external consultancy – can often get in the way of the corporate job that has to be done. They may focus the mind, but in so doing, they can also rob the organisation of its abilities to make things happen. Unfortunately, governments worldwide have fallen prey to management consultants who have yet to understand this phenomenon – and none more so that the British government – and who remain in the grip of what we might call the McKinsey Fallacy: “Everything can be counted, and what can be counted can be managed.”

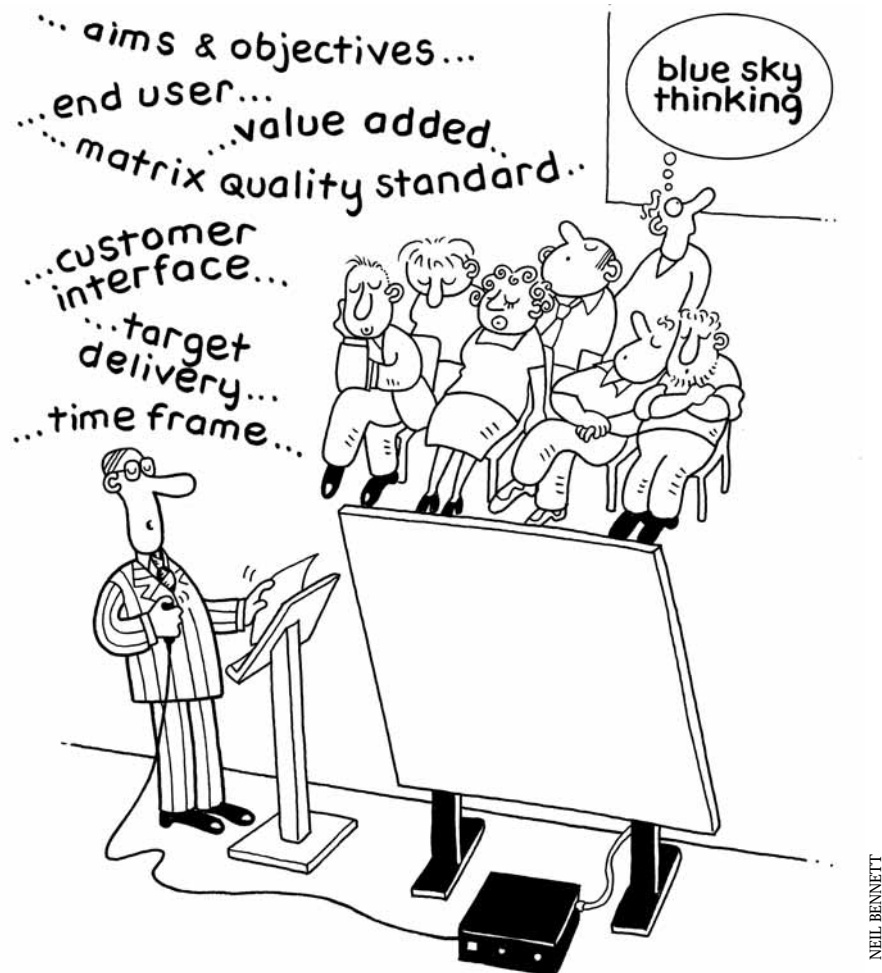
The truth is that everything that is most important – love, health, education, care, nature – is just not measurable, so what is less important gets managed. That is the first reason why evidence-based policy is so elusive. It is so hard to measure what is really important, so governments and institutions pin down something else, and all their resources get focused on achieving something they never intended. That is why we test children in schools so intensively that they are simply taught to pass the tests. They get tested on comprehension passages rather than taught to read stories. We congratulate the National Health Service on the rise in the number of prescriptions they issue, without asking whether that is related to health.

Natural England will be charged under Public Service Agreement 1 to “*promote sustainable development across government and the country as a whole*”. Fair enough, but this will be measured by “*positive trends in the Government’s headline indicators of sustainable development*”, and the difficulty is pinning down sustainable development in ways that do not slip through our statistical fingers. The second reason why the target culture so often castrates organisations rather than empowers them is that controlling people with numbers never works. The principle that numerical measurements will always be inaccurate if they are used like this is now known as Goodhart’s Law, after a former director of the Bank of England. The reason is that, however incompetent staff may be, they will always be skilful enough to make targets work *for* them rather than against them. Take for example, the rule in the UK that patients should not be kept on hospital trolleys for more than four hours. In practice, some hospitals have got round this by putting them in chairs. Others have bought more expensive kinds of trolleys and re-designated them as ‘mobile beds’. This is a fundamental flaw in the target culture, and it leads to delusions at the top. All the measures on the gauges say that targets are achieved, but the machine stays stalled. It is a familiar and unnerving experience, familiar to many in the public sector, and this is one of the reasons.

### **What do the numbers mean?**

Natural England’s PSA 3 target is to bring “*into favourable condition by 2010, 95 per cent of all national important wildlife sites*”. But there is a strange nether world for this kind of target, which you see operating in schools and hospitals. In practice, it may be easier and quicker to meet the target by abandoning the worst ones and concentrating on the marginal ones – whether they are pupils, patients or wildlife sites. We shall see.

Finally, there is the problem of how to interpret the numbers. No matter how many screeds of figures are available, they will never tell you what causes what. There are the same number of marriages each year now as there were in the 1890s, despite the higher population. Is that a sign of failing moral standards, or something else? “*London is too full of fogs and ... serious people,*” said Oscar Wilde. “*Whether the fogs produce the serious people, or whether the serious people produce the fogs, I don’t know.*”



We do know, of course. But we use our common sense, judgement and intuition. That is what distinguishes quangos from the rest. But there is a fantasy at the heart of the target culture that managers are watching over the dials of a gigantic machine, which hums away without the need for contentious human interpretation. Nothing could be further from the truth. What for example will Natural England make of PSA 5: *"Deliver more customer-focussed, competitive and sustainable farming and food as measured by the increase in agriculture's gross value added per person excluding support payments."* One simple way of increasing value added per person employed in agriculture would be simply to close down the more marginal sectors of UK farming. Of course, Natural England will not do that. But can we be so sure? If it was under pressure, and found itself succumbing to the model of UK agriculture favoured by semi-monopolistic supermarket chains, might this PSA be shifted disastrously towards policies which leave the countryside a desert of grant-maintained supplicants and dependent set-aside?

I know what the target culture apologists will say to this diatribe. They will say that we must be careful to distinguish between measuring *outputs* and *outcomes*. But don't let us take this assertion at face value. What is the outcome of the National Health Service for example? The number of patients successfully treated? Or is it the health of the population? Because those are diametrically different figures. What is the outcome of Natural England? A countryside that depends on its largesse, is grateful to it, and responds to its signals? Or is it a countryside that thrives despite Natural England? And can you measure the difference? Outcome measurements assume that our institutions should be permanent. They are about organisational control. They cannot let us imagine whether we might be better off with different institutions instead.

### **Real work?**

Real outcome measurements – if you can find them – are usually outside the control of these institutions, like the Environment Agency's ability to keep the sea in its place. Or the UK Foreign Office's agreed target of peace in the Middle East. Take for example the PSA target about getting "*into favourable condition by 2010, 95 per cent of all national important wildlife sites*". What is 'favourable condition'? The question bothered the former English Nature, and the definitions now focus on what a survey might find, rather than on an understanding of the natural or economic processes that make a site sustainable. An actively coppiced woodland might be deemed 'favourable', even if it meant paying a contractor every year – with taxpayers' money – to do the job. Focusing on the economic process instead might mean using the money on marketing experts and supply chain managers to reinvigorate the coppice industry.

And have managers lost the plot with their efforts to achieve 'favourable condition' on a wetland after a flood? Much staff time gets spent on the precise management of water levels in the ditches, instead of exploring why the river flooded in the first place. Or finding out why the wetland is now much more vulnerable to flooding, which will make precise measurement of ditches completely irrelevant. In any case, the targets used to measure the condition of SSSIs are pretty arbitrary. Does every woodland really need 20 per cent open ground and less than five per cent non-native trees, every calcareous grassland no more than five per cent bare ground and every heathland 25-90 per cent cover of ericaceous shrubs? This kind of detail focuses, not just on the site, but each habitat within a site and has resulted in staff truly failing to see the wood for the trees.

And how does fixing the habitats in a prescribed state allow them to respond to climate change and other natural processes? The way the target is interpreted, in other words, actively prioritises minor problems over major ones, encourages the obscuring of long-term issues – just as long as each site looks fine in 2010. It is bound to be more expensive, though less challenging to meet the targets as currently understood.

None of this is to suggest that organisations should not be evaluated in their

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work. Of course they should. But the over-reliance on numerical evaluation gives a kind of spurious openness to the proceedings. Worse, the public sector now spends at least ten per cent of its budgets on evaluation. Those who evaluate are paid more and listened to more than those who actually do the job. We have enough strategies and evaluations to carpet Natural England's new offices. That is what we in the professional classes increasingly do. We look a little askance at those who are old-fashioned enough, and badly paid enough, actually to be attempting to make things happen on the ground. Then we wonder why change is such an elusive concept for us all.

I wrote a book about targets back in 2001 (*The Tyranny of Numbers*) and mentioned the fact to a prominent government minister I happened to run into, who looked at me blankly and uncomprehendingly. "But how will we guarantee accountability?" he asked. Five years on, there is some understanding that there is a critique of target culture. But there is very little active opposition to it from inside Whitehall or from the nation's quangos, or much thinking about what might replace it. Given the same centralised structure, then you can see there is a problem. Perhaps there is no alternative if we continue to run national organisations from Whitehall, and to staff them with the current uneasy mixture of those with a genuine passion for the cause and those who have shrunk to being one-dimensional watchers of the giant dials.

### **Releasing control**

But there is another way. It involves decentralising very considerable amounts of responsibility, and recruiting and managing staff on a different basis – also a rather old fashioned one, because this is based on an assertion that is true in business, communities, public services and government, however much Whitehall prefers to avoid it. It is this:

*If you employ imaginative and effective people at local level and give them the freedom to innovate, they will succeed – no matter what the programme. If you don't, they will fail, no matter what the programme.*

This fundamental principle tends to be understood in successful businesses, but is increasingly alien inside government – at least in the UK – where the human factor tends to be forgotten and often actively frustrated. Instead, public officials have developed an alternative methodology, based largely on a kind of abstraction of specifics into general principles, born partly of twentieth century modernism and partly probably of budgetary constraints – though it is actually more likely to waste public spending. First, they turn them into abstractions, removing all those dull and mundane specifics and what they probably believe are miserably irrelevant details. Next, they formulate a series of abstract maxims that can apply to any situation or any community. Then they appoint some worthy from the public sector who can be trusted to put those maxims into effect without regard to local peculiarities. Then they assign narrow numerical measures to every aspect of the abstraction, and convince themselves you can somehow pin down the progress. They then achieve very little, though the metrics often appear otherwise. That is the legacy of the McKinsey Fallacy.

### **Where to put the targets...**

Taken together, this constitutes a crisis in public administration. It has led directly to public cynicism about the ability of elected government to make things happen. It has led to a widely-held official fantasy that relationships with clients are unnecessary, that policy can be put into effect via virtual systems administered by call centres or functionaries in offices. The alternative is to put recruitment at the heart of public policy – to track down and promote people who make things happen on the ground, and take the responsibility to do so. It means visionary leadership at national levels and imagination and nerve at local level.

It is true that this kind of holistic approach is difficult to square with the kind of American contract culture that has spawned the targets. Accountability depends on people being seen to have failed. The difficulty is that, in practice, their failure is as ambiguous as their success if you try and measure it. But you can recognise both in a moment. The issue here is creating structures at local level that make change possible, and make it possible to employ people who deal effectively with other people and with complexity. Because that is what makes the difference between managing stagnation and change.

So I wish Natural England well. It needs to succeed, and for that reason, I hope they will have the nerve to put their PSA targets quietly in the bottom draw, and set out to employ the kind of people who can make real things happen instead.

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## **Controlling the passion**

Editorial

Natural England's Unions say staff feel their jobs have been dumbed down, and members of VINE (Values in Nature and the Environment) want their employers to allow them time to consider the values which underpin their work. There is a crisis of belief and direction amongst many in the conservation sector, and an overwhelming message of being controlled. Targets and corporate strictures are suffocating people's spirit, and delivering too many clumsy policies. In this issue we explore the consequences of this indulgence in managerialism and targetry, and illustrate some of the frustrations confronting the conservation workforce. It will take 10 years slog to undo this baggage, which is not unique to conservation, but which stifles so much progress.

Changing subjects, a quick word on climate change: ECOS and BANC live to 'challenge conservation'. We've certainly been doing that on climate. Our correspondent, Peter Taylor is skilled in critical review, and remains confident that a key additional theory for climate change needs to go into the mix, as he again reports in this issue. But the drive to a low-carbon future must progress, and Roger Levett summarises the latest political bun fight. But meanwhile, what are the priority actions for conservation activity in a changing climate, whatever the cause, whatever the scenario? We will tackle this head-on in issue 28 (3/4), later this year.

*Geoffrey Wain*