

Chapter 1

Introduction to the “Value for Money” assessment of Sweden

This chapter describes the background for the OECD study on value for money in government and the content of this report on Sweden.

The Value for Money in Government study

This report presents the results of the assessment of the organisation of the central government of Sweden. It is part of a series of similar assessments that are being carried out for the OECD Value for Money in Government study, which is a multi-annual project that aims to identify reforms and plans for reform currently undertaken or planned in OECD countries that are interesting from the point of view of value for money. The study looks at reforms that are aimed at improving the quality of services (more value) and efficiency (less money) in central government.

This assessment is based on the inventory of some 70 reforms and reform trends concerning the central government currently undertaken or planned in OECD countries. These reforms and reform trends will be presented in the final report of the Value for Money in Government study entitled *Building on Basics* (forthcoming).

In order to collect information, the OECD Secretariat has gone on fact-finding missions to countries for which country assessments will be published. Thus far these countries include: Australia, Denmark, the Netherlands, Norway and Sweden. Furthermore, three questionnaires were sent to seven additional countries that offered to provide information for this study. These countries include: Canada, Finland, France, Ireland, New Zealand, Spain and the United Kingdom. Furthermore, information has also been collected from OECD databases as well as those from other international organisations.

Quantitative data on employment and expenditures are drawn from the OECD *Public Finance and Employment Database* (PFED). To date this database covers 18 European countries. As far as the countries of the Value for Money in Government study are concerned, the PFED does not cover Australia, Canada or New Zealand. In addition, data have been provided to the OECD about administrative employment (the snapshots of the public administration) by most of the countries participating in the Value for Money in Government study (with the exception of Ireland, New Zealand and the United Kingdom).

Variety of institutions, common language

In spite of having features in common, such as representative democracy, rule of law, market economy and broad public social security arrangements, the variety of the public administration institutions in OECD countries is large. This variety is the result of centuries of historical development, geographical circumstances, national values and political traditions. As a consequence, the vocabulary that is used for describing the

administrative institutions is different between countries. Terms may have a different meaning or connotation in the vocabulary of another country. Examples include such elementary terms as agency, ministry, service delivery, administration, civil service, etc.

Therefore, a comparative description can only begin after a common language has been established. Such a common language will surely be at odds with the national ways of speaking about institutional arrangements. This study uses existing terms, but gives them new meanings, while alerting the readers that these meanings do not coincide with those of the national vocabulary. When necessary, the terminology is explained in the text. In addition, it is summarised in the Glossary.

Building on basics

During the 1980s and 1990s, the organisation of government was profoundly influenced in all of the countries participating in the Value for Money in Government study by the ideas of New Public Management. Some countries have gone further than others in reforming their governments along these lines. Among the ones that went the furthest are New Zealand, Australia and the United Kingdom. Sweden has also gone rather far. Since then, it has become clear in all countries concerned that these reforms led to some unexpected results, such as undesired growth of support services and administrative executive agencies, an accumulation of public funds in agencies outside the control of government and loss of control at the centre of government (Office of the Prime Minister and the ministries responsible for finance and operational management).

Critics say that New Public Management has also led to loss of service quality for citizens and businesses in many areas of public service delivery and demotivation of professionals in service delivery (care providers, teachers, police officials, etc.). The difficulties with the New Public Management reforms will further be analysed in the forthcoming Value for Money report, *Building on Basics*. For the current report it suffices to observe that in a number of countries that have provided information to the project, a distinct swing back from the New Public Management reforms can be observed. A swing back is particularly noticeable in the countries that the OECD Secretariat has thus far visited on fact-finding missions (Australia, Denmark, the Netherlands, Norway, Sweden).

However, new trends cannot simply be described as back to basics. They are also driven by new developments, for instance in information and communication technologies (ICT). Current trends include:

- reallocation of resources from administration to service delivery;

- a more consistent division of tasks between levels of government;
- vertical integration: better use of executive and professional expertise in policy development;
- horizontal integration: process sharing among executive agencies and merging of agencies; sharing of support services;
- stricter standards of operational management;
- separation of financing of agencies from steering and control of outputs.

ICT creates new opportunities for improving service quality and ease of communication with the government, and with more tailor made service provision to citizens and business. In this light, the current developments in public administration are presented in the Value for Money in Government study under the heading of “Building on Basics”.

Contents of the assessment

Chapter 2 provides a number of facts and quantitative benchmarks on the Swedish central government compared to other countries. Chapter 3 briefly reviews the reforms concerning the organisation of central government that have been undertaken over the last decades in Sweden. Chapter 4 focuses on ten areas of reforms that are interesting for Sweden in view of what other countries have achieved or are envisaging to achieve. The ten reforms selected are by no means the only reforms identified in the Value for Money in Government study that are relevant for Sweden. The present country assessment has selected the ten that were considered the most interesting for Sweden in view of current policy developments and economic circumstances. For each area of reform, recommendations will be provided focused on the Swedish situation. Chapter 4 concludes with a survey of the effects on the quality of services and potential savings. Since the savings are dependent on factors that the OECD Secretariat cannot estimate, the size of the savings are characterised in qualitative terms.



From:
Value for Money in Government: Sweden 2013

Access the complete publication at:
<https://doi.org/10.1787/9789264200685-en>

Please cite this chapter as:

OECD (2013), "Introduction to the "value for money" assessment of Sweden", in *Value for Money in Government: Sweden 2013*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264200685-3-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.