

**Performance Management Systems in Moroccan Public Administrations:  
State of the Art**

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**Summary :**

Performance management in Moroccan public administration was introduced at the start of the third millennium, a decade of the rise of the new public management (NPM) doctrine in Western countries. The purpose of this article is to establish a state of the art of performance management systems in public administrations in Morocco. It first relates research work in this field on the international level before becoming interested in the different practices and legal provisions existing in the Moroccan context.

**Key words:** Performance management practices, public administration, NPM, LOF, contractualisation

**Les Systèmes de Pilotage de la Performance dans les Administrations  
Publiques au Maroc : Etat de l'art**

**Résumé :**

Le pilotage de la performance dans les administrations publiques au Maroc a vu le jour au début du troisième millénaire, une dizaine d'année de la montée en puissance de la doctrine du nouveau management public (NMP) dans les pays occidentaux. Le but de cet article est d'établir un état de l'art des systèmes de pilotage de la performance dans les administrations publiques au Maroc. Il relate dans un premier temps les travaux de recherche dans ce domaine sur le plan international avant de s'intéresser aux différentes pratiques et dispositions légales existant dans le contexte marocain.

**Mots- clés :** Pratiques de pilotage de la performance, administration publique, Nouveau management public, LOF, contractualisation

## **Introduction**

The increased demands of the citizens and the budgetary constraints pushed Morocco like the countries of the world to begin a vast project of reform of the public administration (Pollitt et Bouckaert, 2011). A reform that sets as major objectives: a quality of services rendered to the citizen-user, an accountability of public managers and ultimately an optimization of resources (Van Dooren et al., 2015; Facal et Mazouz, 2013). Achieving these three objectives involves transforming the way of managing the budget from a mean-logic to a result-logic. Hence, the implementation of a new managerial approach in the context of the new public management (NPM) stream entitled "performance management".

Performance management has been a formal management framework for public affairs in various OECD countries since the 1990s (Van Dooren et al., 2015; Moynihan, 2008). It consists of adopting the concept of program budget to encourage budgeting by objectives, instead of budgeting by budget line based on the budget of the previous year (Bourgault, 2004). There is a lack of studies on performance management practices in the context of developing countries and especially Moroccan public administrations. With the adoption of Organic Law of the Laws of Finance No. 130-13 in 2015<sup>1</sup>, Morocco has caught them by the establishment of a device that aims to make public management more effective.

However, Morocco has tried to integrate performance management since the beginning of the 2000s with the publication of Prime Minister's Circular No. 12/2001 of 25 December 2001 on the adaptation of programming and the implementation of the State budget in the context of decentralization<sup>2</sup>.

This paper will focus on performance management as a modern approach to steering the performance of the Moroccan public administration by trying to clarify the following questions:

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<sup>1</sup> Organic Law of Finance Act No. 130-13 of 02/06/2015, Rabat: Official Gazette No. 6370 of 18/06/2015.

<sup>2</sup> Prime Minister of Morocco, Circular No. 12/2001 of 25 December 2001 on the adaptation of programming and the implementation of the State budget in the context of decentralization, [Online] [http://lof.finances.gov.ma/sites/default/files/circulaire\\_de\\_monsieur\\_le\\_premier\\_ministre\\_n122001\\_du\\_25\\_decembre\\_2001.pdf](http://lof.finances.gov.ma/sites/default/files/circulaire_de_monsieur_le_premier_ministre_n122001_du_25_decembre_2001.pdf), [Accessed: February 02, 2018].

What are the practices of performance management in Moroccan public administrations? What is the international context for the implementation of such an approach in the public domain? What is the scope of this approach in the Moroccan public administration? What are the prospects for its appropriation in the light of the adoption of an official framework?

The current of the new public management has continued to spread around the world by opening the door for public managers to adopt the private sector management tools in the management of public administrations whose performance management is the main innovation. In order to serve users, the Moroccan administration has undergone major reforms and an official framework was created in 2015 with the adoption of the organic law of finance laws.

The rest of the paper is organized as follows. Section 1 explains the international context of PM implementation in the public sector. Administrative reforms in Morocco and the evolution to PM approach is presented in Section 2 while discussion and conclusion are presented afterward.

## **1. International context of PM implementation**

In recent decades, public sector management has undergone a paradigm shift globally by incorporating management concepts and tools adopted by private sector actors (Pollitt et Bouckaert, 2011; Hood, 1995). The objective was to improve the performance of the public sector, which led governments to think rationalization and efficiency in the management of public affairs. This change can be explained by the current of the NPM.

### **1.1. The place of the PM in the NPM doctrine**

Performance in public administration is a fairly old concept, but performance management has gained considerable momentum in recent decades, spreading in various countries and in various ways. The evolution of performance management spans three distinct periods. Before the Second World War, from the 1950s to the 1970s, a second period corresponding to the development of the welfare state and from the 1980s when welfare states were pressured from various sources. After the Second World War, with a focus on results-based budgeting, it saw the introduction of planning and programming: Planning Programming Budget System (PPBS) in the United States and the Rationalization of Budgetary Choices (Rationnalisation des Choix Budgétaires: RCB) in France, which then inspired what were known as "Management by Objectives" and "Zero-based budget", both less successful (Van Dooren et al., 2015). Politicians

have turned to social indicators to measure changes in society using data on government actions to understand outcomes in education, health, crime and social protection (Bulmer, 2001).

Some experts have argued that the evolution of performance management in public sector organizations has been influenced by the expansion of the welfare state, which has increased the satisfaction of citizens' expectations of government, pushing well performance at the top of development objectives (Van Dooren et al., 2015). Others believe that economic and financial problems in many countries have created challenges that require appropriate policy and administrative reforms (Pollitt et al., 2005). In the UK for example, initiatives have been put in place to measure outputs and organizational performance by using performance indicators to measure public sector performance so as to reflect the characteristics of NPM (Van Dooren et al., 2015). Not surprising in the 1980s and the 1990s, efficiency and effectiveness were key elements of public policy under the Government Performance and Results Act (GPRA) in the United States and in the context of optimizing and evaluating overall performance in the United Kingdom.

Thus, it seems that performance measurement and management have not become popular automatically, but rather a response to the persistent demand for public accountability (Talbot, 1999; OECD, 1997; Sanderson, 2001). However, some skeptics believe that very little has changed in the conceptualization of performance from one phase to another (Williams, 2003), as the evolutionary trend has provided some assumptions that underlie the adoption of performance management practices within and across different countries. For example, the United Kingdom and New Zealand have served as a model for NPM in other countries and across Europe. The performance movement has received considerable political support from the OECD (OECD, 1997). As a result, the NPM not only accelerated performance awareness, but pushed it into the inner circle of ministerial initiatives.

NPM can be defined as public management reform by making changes in the structure and processes of public sector organizations with the aim of improving them to work better (Pollitt et Bouckaert, 2011).

The development of the current NPM has led to several changes in the perception of public management such as the shift from the idea of the emphasis on policy making to management skills, the interest in the process to the interest in results, from hierarchies ordered to a light and flexible structure for the provision of public services, from fixed salary to variable pay and from

a unified and inclusive public service to a variant structure with a greater emphasis on contracting. In sum, these reforms represent an ideological shift towards a "Management Model" replacing the Public Sector "Administrative Model", which represents a major shift from previous public sector traditions (Pollitt, 1993).

The most notable feature of public management over the past two decades, a period that many people consider to be its international apogee, was the level of international commitment and interest in measuring performance. It was recognized that something unusual was happening in the 1990s with rising performance as a matter of public sector theory and practice (Talbot, 1999; Bouckaert et Halligan, 2008). By the mid-nineties, the phenomenon was becoming "more intensive [...] more extensive [...] and more external" (Pollitt et Bouckaert, 2011, p. 106). This trend continued in the 2000s with significant momentum with "performance measurement and performance reporting becoming important within jurisdictions. According to Thomas (2006), this resulted in a popular chorus that "if you can't measure it, you can't manage it".

Most states have implemented NPM reforms, conditioned by neoliberal ideology (Merrien, 1999) for some, while some countries (e.g. New Zealand, England, Australia) have clearly taken the neoliberal turn, and some others (e.g. Belgium, Finland, France, the Netherlands, Italy and Sweden) have instead opted for reforms with neo-Weberian accents that do not completely deny their socio-democratic roots and do not presage a state withdrawal from the law and market agents (Pollitt et Bouckaert, 2011).

## **1.2. PM is a new approach to managing public performance**

Improving performance is becoming a major concern for the various stakeholders of the public administration, namely citizens, politicians, funders and public managers. Historically, they have been responsible for the economic and efficient use of resources (i.e. people, money and capital); activities (i.e. how programs work) and outputs (i.e. direct program production) (Hood, 1995; Pollitt, 1995; Lenihan, 2001; Mayne, 2001).

Performance management increases public sector accountability and program outcomes (Lenihan, 2001; OECD, 1994; Aucoin et Heintzman, 2000). As many authors recognize, performance management in the public sector lacks a standard definition and a unique interpretation. In parts of the literature, performance management is defined as:

"a system that generates performance information through strategic planning and performance measurement routines and that connects this information to decision venues" (Moynihan, 2008, p. 6).

Another broader definition:

"In the public sector, performance management usually refers to engaging in strategic planning to establish a direction and major goals, setting more specific objectives and perhaps targets at multiple levels in the organization, and then using performance measurement to help focus on achieving them" (Poister et al., 2013, p. 625).

However, the objectives of the PM revolve around the following points:

- Strengthen the effectiveness of public spending (i.e. increase performance by directing the budget towards outcomes);
- Grant more freedom and accountability to budget managers;
- To alleviate and simplify the procedures of public expenditure;
- Clarify strategic choices by strengthening multi-year budget planning;
- Strengthen budgetary decentralization to promote local management that meets the expectations of citizens.

In sum, the purpose of the implementation of PM is the achievement of objectives formulated in terms of quality of service to citizens, efficiency and accountability (Mazouz et Leclerc, 2008).

PM, in the Moroccan public administrations, is a new management approach which is described below.

## **2. Administrative reforms in morocco and the evolution to PM**

Morocco, like the developing countries, has started a vast project to reform the management approach of public entities in order to achieve the objectives assigned to them and meet the expectations of stakeholders.

## **2.1. Modernization of the administration in Morocco**

In order to improve the governance of public management so that it has positive impacts on the entire population, Morocco has started a vast project of public administration reform. This desire for reform was set in a national but also international context of the NPM by:

- The redefinition of the Administration's tasks in the light of the new role of the State;
- The reinforcement of the administrative decentralization;
- Simplification of administrative procedures;
- Transparency and moralization of public life;
- The modernization of the public service and the management of human resources of the administration;
- The development of e-government;
- The modernization of the state budget system through a major reform based on results and performance (Tazi, 2007).

The implementation of this important budget reform has been conducted in a participatory, pragmatic and progressive manner. There was the involvement of the ministerial departments in the design and implementation of reform measures by the choice of pilot departments to test it and facilitate learning before its generalization to all administrations.

Under the impetus of the NPM and like other countries in the world, Morocco is committed to implementing the PM. On December 25, 2001, the Prime Minister's Circular No. 12/2001 was published on adapting the programming and execution of the State budget to the framework of decentralization. The measures embodied in this circular are "... - the implementation of a new budget management system, focused on results and focusing on reciprocal commitments between central governments and their deconcentrated services; - the globalization of budgetary appropriations, which will grant greater autonomy and broad responsibilities to the heads of decentralized services." (Prime Minister of Morocco, 2001). According to this circular, Morocco has shown its intention to opt for a new results-based public management approach to replace conventional, resource-based budget management, with a focus on achieving objectives at the expense of the regularity of expenditure while putting the action on the impact of this approach on the target population.

For the effective implementation of PM, a number of texts have succeeded the aforementioned circular:

- Decree No. 2-01-2676 of 31 December 2001 amending and supplementing Decree No. 2-98-401 of 26 April 1999 on the preparation and implementation of finance laws (Article 17 bis);
- Circular of the Minister in charge of Finance No. 483/E of 28 February 2002 on the measures for the implementation of article 17 bis of Decree No. 2-01-2676 of 31 December 2001 mentioned above;
- Prime Minister's Circular No 3/2007 on Medium Term Expenditure Framework;
- Orders of the Minister of Economy and Finance on globalization.

Nevertheless, this reform could not permeate the culture of both public managers and politicians. Hence, the need for an official framework of the PM and that cannot be without the establishment of a law.

## **2.2. The LOF, binding law**

Before the entry into force of the new LOF, the state budget is presented by economic or administrative nature of expenditure. Questions like: Why are expenses incurred? what results are expected from this commitment? what the cost of these results is? remain unanswered. Thus, budget management suffered from a lack of visibility of public action, which can be summed up in the absence of a public strategy, absence of performance measurement indicators, absence of transparency, lack of efficiency, effectiveness and accountability.

The PM is a formal management framework for several governments (Mazouz et Leclerc, 2008) such as:

- The Government Performance and Results Act (GPRA) in effect since 1993 in the United States;
- The Public Administration Act (PPA) in effect since 2000 in Quebec;
- The organic law of finance laws (LOLF) adopted in 2001 and it came into effect only in 2006 in France.

Like these countries, Morocco is no exception. Thus, in 2015, the new organic law on finance laws (LOF) was adopted, which defines the framework in which the improvement of goods and



services provided by public administrations will henceforth be sought. A new approach is outlined which is based on a new sequence of activities to be carried out (performance project, multi-year budget planning, annual performance report, performance and accountability agreement, general accounting of all operations) which aims to make public administration more transparent and to ensure accountability that builds citizens' trust in politicians and public managers.

The LOF is a binding law that requires the anchoring of the accounting and the implementation of Performance Management Systems. Before its entry into force, it was preceded by prefiguration operations launched on the occasion of the 2014 Finance Act. Three operations of prefiguration concerned respectively four ministerial departments at the beginning then five departments in 2015 and seven others in 2016. These operations of prefiguration consist in choosing pilot departments for the implementation of the PM mechanisms with a view to accelerating the appropriation and learning of a modern management system before it is generalized to the whole departments, which minimizes errors and facilitates adaptation with this new management model. Thus, they enabled the departments concerned to proceed with the restructuring of their budgets around programs, the adoption of the performance approach, the implementation of a three-year budget programming and the elaboration of their performance projects. The departments involved in the first operation of prefiguration are invited for the fourth operation to prepare their performance reports for the 2015 budget year.

As part of PM, public administrations should meet four imperatives organizational, managerial, adaptive and evaluation (Mazouz et Leclerc, 2008). This is why the Moroccan LOF, as a legal framework, has focused on four main axes:

- Multiannual programming of public expenditure;
- Globalization of credits;
- Contractualisation; and
- Evaluation.

The budget reform has been accompanied by a reform of the control of public expenditure which aims to gradually replace the prior control in force by a posterior control based on performance appraisal. This gives public administrations more autonomy in their management by emphasizing the internal control systems put in place. This modulated control provision was introduced by

the decree No. 2-07-1235 of 04/11/2008 on the control of state expenditure and its generalization was made from 2012.

The LOF is based on the introduction of a set of budget nomenclatures:

- A budget nomenclature by purpose of appropriations (programs and projects / actions) and by region;
- A budget nomenclature by nature of expenditure (budget lines);
- A budget nomenclature presented during the examination of the draft budget law;
- An implementation budget nomenclature that includes the budget line and accompanies the draft law to Parliament.

### **Discussion and conclusion**

This paper raises the question of the reality of the implementation of PM in Moroccan public administrations. First, we reviewed the context of the implementation of this new approach at the international level by landing in various countries around the world and drawing lessons that could serve us as a model in the appropriation of this managerial approach by the Moroccan administrations. Then we studied our own experience in this area. It is a participatory, pragmatic and progressive reform that began in 2002 before it was formalized by the adoption of the LOF in 2015 and which comes into force in such a progressive way 2020. Our results allow us to highlight two areas related to our research question.

Change management. The model of private enterprise adopted in the 1980s by countries such as UK has failed. This prompted other countries in the 1990s to opt for the redesigned bureaucratic model (neo-Weberian). This hybridization in modes of operation has been accompanied by a hybridization of values by integrating performance with other public sector values and a hybridization in terms of the legitimacy of public organizations that should be rational or give way to the private sector.

All these changes and reforms have an impact on the public manager who should have sharp managerial skills to carry out his mission of management and accountability.

Therefore, flanking measures should be put in place namely incentives and rewards for results, the search for public sector managers for program management.

Performance Management is not a purely technical reform of the Ministry of Economy and Finance but it is an in-depth reform for the whole country. It must therefore be driven by politics and understood by citizens and public opinion who must benefit of its advantages and opportunities at all levels.

The implementation of a performance management system. The application of the concept of management to administrations is inseparable from the consideration of performance (Greffé, 1999). The LOF, while strengthening the instrument of rolling three-year budgeting, provides greater clarity in strategic choices. This approach requires the establishment of objectives and indicators to visualize the expected results.

Measure the results to be able to distinguish success from failure. This is why the implementation of a performance management system is a major management tool. Thus, the study of the design of performance management systems in the context of Moroccan public administrations can serve in the further development of the theoretical field of performance management in the public sector.

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