



## **Cross-section**

### **The steering of MPMGB administrative units by the departments**

#### **Key facts**

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The goal of Management by Performance Mandate and Global Budget (MPMGB) is to strengthen the reliance of State conduct on measurable performances and results. Tasks, competences, and responsibilities are to be delegated to the extent possible and at the appropriate level to the operative administrative units; in return for their greater freedom of action, these administrative units must make control information available that is relevant to management. This information is largely conveyed in the form of MPMGB controlling reports, the use of which for the steering of MPMGB administrative units has been investigated by the Swiss Federal Audit Office (SFAO) in the framework of a cross-section audit. In this context, the costs for preparing the MPMGB reports were also surveyed, and the development of the requirements for improving economic efficiency was illuminated.

The SFAO found that the steering of MPMGB administrative units works well, albeit not in the originally envisaged form, in which the departments would have been primarily responsible for steering. Steering tends to shift to the level of federal offices and MPMGB administrative units, while the integration of MPMGB instruments into political steering at the level of the departments could be further developed.

The cross-section audit found evidence of several success factors that support the steering of MPMGB administrative units.

Under the assumption that delegation within the MPMGB steering circle is a permissible form of steering for the departments, the SFAO deems steering of MPMGB administrative units by the departments to be sufficient.

#### **MPMGB reports tend to be used more by the MPMGB administrative units themselves and by directly superordinate federal offices**

The coexistence of the classical form of management and the MPMGB model, as well as the partial lack of specialised links with the MPMGB administrative units, impede a comprehensive and universal use of MPMGB instruments for the steering of MPMGB administrative units across all levels. MPMGB reports tend to be used more by the MPMGB administrative units themselves and by the federal offices to which controlling has been delegated. In contrast, the departments do not primarily rely on the MPMGB reports when exercising their responsibility for the administrative functions delegated to them and the associated supervisory and control functions. The specialised objectives in the performance mandate and performance agreement are, in most constellations, almost exclusively formulated within the MPMGB administrative unit. A discussion of the objectives with the superordinate unit takes place, but the evaluation of the objectives and achievement of objectives is often hampered by the need for expertise concerning the tasks of the administrative unit. In this connection, it should be noted that the MPMGB model is not the cause of the lack of specialised links and the associated asymmetry of information, but rather creates a foundation for being able to discuss the activities of the administrative units systematically across different levels in spite of this lack.



### **Reasonable reporting costs**

The MPMGB reporting costs of the audited administrative units average approximately 30,000 francs per year, which the SFAO deems reasonable. The survey of the costs for MPMGB reporting shows that the integration of the MPMGB model into the management of the administrative units hardly permits a separation of ongoing business and the costs for MPMGB. Abolishing the MPMGB status would not lead to savings in the amount of the costs indicated here.

### **More of an efficiency requirement than a blanket savings requirement**

The originally envisaged blanket savings requirement has been replaced by a general economic efficiency requirement, which is legally enshrined irrespective of MPMGB status and is taken into account by the performance mandates as an overarching goal. No further savings goals are articulated in addition to the general savings requirements of the Confederation and the departments. In the view of the SFAO, the efficiency requirement should be preferred to a blanket savings requirement, not least of all due to the basic principle of MPMGB, which is not primarily directed at savings, but rather at enhanced result-orientation.

### **Original text in German**