

PERFORMING WHAT? EXPLORING AND EXPANDING THE NOTION OF SYNECDOCHE IN PERFORMANCE MANAGEMENT PRACTICE

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ABSTRACT

The corpus of scholarly literature on performance management largely neglects its role as a rhetorical device. Yet the performance narrative is truly an art of persuasion: it employs master tropes in order to discover warrantable beliefs. However, aside from a unidimensional account of synecdoche, where it is referred to simply as taking a part-for-the-whole, the rhetorical nature of performance management largely seems to have escaped notice in the public administration literature. Our focus is to provide a more fulsome account of synecdoche that can lead to a different perspective on what scholars and performance management architects have generally considered as perverse behavior and deceitful gaming. To provide our discussion with context we examine the persuasive intent and effect of the 'Fit for the Future' program, which sought to promote municipal amalgamations in New South Wales, Australia.

key words: performance management, synecdoche, rhetoric.

INTRODUCTION

In her seminal work, the Rhetoric of Economics, McCloskey (1998) challenges the economic community to dispense with its cherished notions of modernist scientific method in favor of a broader conception of economics as rhetoric (or the art of persuasion), so that they might improve the quality of their discourse. Specifically, McCloskey (1983,

482) claims that an appreciation of rhetoric might allow economists to ‘better know why they agree or disagree, and [make it] less easy to dismiss contrary arguments on merely methodological grounds.’ A similar plea could easily be made regarding the need for scholars of organizational performance management to recognize that ‘even mathematical reasoning is metaphorical’ and hence that there is a need to adopt a more ‘honest’ view that recognizes their practice as a persuasive art (McCloskey 1983, 505).

The organizational level performance management literature gives a largely incidental reference to rhetoric and thus fails to capture the dynamic interplay of various actors in a performance regime (see, for example, Pollitt 2013). Where performance management scholars have explored rhetoric in more detail, this has tended to take the form of appeals to a single rhetorical major trope (synecdoche), and then only in a very narrow (or incomplete) way (see, for instance, Bevan and Hood 2006). Tropes are the basic structures through which one can make an appeal to persuade an audience, or indeed to make sense of the world (McCloskey 1988). The major tropes include metaphor, a device for seeing something in terms of something else (McCloskey 1998); metonymy, ‘substituting an attributive or suggestive meaning for what is really meant’ (Hamilton 2003, 571); and irony, when words are used to convey to an audience the opposite of their literal meaning, thus exposing absurdity (Smith 1996). In this article we focus on synecdoche –often narrowly defined as ‘taking a part to stand for the whole’ (Pollitt 2013, 352) when in fact it also refers to taking the whole to stand for the part (Smith 1996) – as a means of understanding more fully the dynamic interplay of various actors in performance management systems. Our aim is to counter this narrow, somewhat blinkered, interpretation of synecdoche with a more fulsome conception which recognizes that the various parties involved in a performance management regime are also necessarily engaged in a rhetorical dialogue.

Definitions of rhetoric abound, but all convey an element of persuasion. For instance, Booth (1974, 11) defines rhetoric broadly (that is, in a way which accommodates many

forms and modes of persuasion) as a ‘a whole philosophy of how men (sic) succeed or fail in discovering together, in discourse, new levels of truth (or at least agreement) that neither side suspected before.’ Indeed, Booth’s (1974) definition is so broad that it includes the power of persuasion in music, the fine arts, and fiction. However, others such as Bevan and Hood (2006) appeal indirectly to rhetoric and in a far narrower way, employing just one of the major tropes, an incomplete account of synecdoche, and then in a way that neglects that agents (not only principals) may also be attempting to persuade.

The practices of performance management are often considered to be an exercise in scientific positivism (Hood, 2012). We argue that incorporating ideas about rhetoric allows us to better understand the various responses to performance management regimes, whether they be acceptance, resistance, rejection, or outright hostility. In doing so, we seek to bridge the gap between those scholars who see performance management through a lens of rational principal-agent relations (Flinders 2009), and those who point to the dysfunctions of gaming, where agents somewhat deceitfully or opportunistically exploit ‘grey areas’ to put the best gloss possible on performance, generally to benefit their own self-interest (see Bevan and Hood, 2006), but cannot adequately explain the actor dynamics. We argue that by developing a more comprehensive understanding of how rhetorical tropes work, especially synecdoche, we can grasp performance management more fully – particularly how a broader notion of synecdoche can help public administration scholars understand performance management dilemmas.

To explore the notion of synecdoche and its importance in public administration, we examine a specific case of performance management from Australia, ‘Fit for the Future’ (although we note that any example of entity level performance management where unexpected responses have been received would serve the same explicative role). In undertaking this analysis we are able to illustrate the role of synecdoche in shaping the dynamic interplay between actors. ‘Fit for the Future’ (FFTF) was introduced in 2014 by the New South

Wales (NSW) state government as a set of performance indicators which were used to assess municipal governments and then were intended to persuade them to voluntarily merge with other municipalities. Each council was required to assess its financial sustainability according to seven financial ratios and use this as a basis for committing to performance improvements according to either a ‘merger’ or a ‘stand-alone’ model for structural reform. The models were then assessed by an ‘Independent Expert Panel’ and councils evaluated as ‘fit’ or ‘not fit’ for the future.

We analyse a range of sources to explore how persuasive intent manifested and show how the NSW government deployed this from inception and then throughout the process. We also show how this intensified as municipalities, communities, and the NSW government came into conflict around assessments and future actions. For example, some municipalities were accused of deceitful practice, the NSW government was accused of recklessly employing unreliable indicators for a billion-dollar reform, and some communities protested against what they perceived to be flawed outcomes (see sections 3 and 4). Our analysis shows that various examples of three of the four rhetorical ‘major’ tropes are evident in the design of the FFTF program²⁵ (see Chrzanowsk-Kluczevska 2013). Metaphor is evident in the government’s name for the program, ‘Fit for the Future’, an anthropomorphic rendering of local government bodies as ‘healthy’ or ‘unhealthy’, with the implicit moralization of those that are not. Metonymy is evident in using operational expenditure per capita to represent ‘efficiency.’ Our focus – synecdoche (when conceived in the minimalist terms of the extant public administration literature) – is invoked to persuade that a particular set of seven financial ratios reflect the totality of a municipality’s financial fitness for the future. We believe that the richness of rhetoric scholarship can broaden performance management literature’s narrow interpretation of

²⁵ Some might say that the fourth trope – irony (when the audience understands the opposite of the literal meaning of words employed) – is evident in retrospect (given claims of eroded fitness due to diseconomies, disruption, and legal costs associated with forced amalgamation; Drew and Dollery 2015a).

synecdoche, and may well have allowed parties in disagreement to better know why they agreed or disagreed and hence opened a path for the resolution of some of the aforementioned conflicts.

In the second section of this article we develop a more comprehensive understanding of synecdoche and contrast this with how the trope is largely represented in the performance management literature. This is followed by a brief outline of the salient details of FFTF, which we use as a contextual anchor for explicating on the effect of differing synecdochical representations. In the fourth section we explain how a richer conception of synecdoche can be used to reframe the interpretation of what has hitherto been condemned as perversity (deliberately acting in a way contrary to what is intended) and ‘gaming’, and show how a more detailed appreciation of synecdoche can also help us to understand the dynamic interplay of actors in performance management systems. We conclude with some suggestions and implications arising from our more comprehensive understanding of synecdoche in performance management regimes.

SYNECDOCHE AS A MASTER TROPE OF RHETORIC

McCloskey (1998, 50) defines synecdoche rather narrowly as ‘taking a part for the whole’, which is consistent with the conception employed by notable public administration scholars (see, for instance, Bevan and Hood 2006; Pollitt 2013). This narrow interpretation of synecdoche is exemplified by a recent newspaper article in Sydney’s Government News which refers to ‘Premier Mike Baird’s attempt to axe 40 of the state’s councils’ (Sansom 2016). Here, we see synecdoche employed by taking a part (the leader of the NSW Government, Premier Baird) to represent the whole (the 54 members of Parliament representing the majority liberal-national coalition in the New South Wales Legislative Assembly). Yet synecdoche – one of four master tropes which formed the focus of ancient rhetorical theory – as it appears in the writings of the

literary theorists is a much broader concept. Literally, the term synecdoche means ‘to receive together’ and it can also be employed in terms of taking the whole for the part (Crowley and Hawhee 2012). For instance, the newspaper article referred to above has the headline ‘North Sydney Joins Council Mergers Legal Challenge’ (Sansom 2016). In this instance, the whole of North Sydney is used to represent the small part (1 Mayor and 12 Councillors) who voted to devote council resources to contest the state government forced amalgamations in court. Thus, it is clear that synecdoche is an important literary device which most of us employ on a regular basis for meaning making purposes. We believe that a broad conception of synecdoche also has important implications for understanding the dynamics involved in performance management. To this end we briefly consider the richer representation of synecdoche in literary theory before applying this knowledge to performance management.

It was Giambattista Vico, writing in the mid-18th century, who identified the ‘major’ tropes as ‘not mere ornaments of language, but operations in the mind in the act of knowing’ (D’Angelo 1987, 39). As such, Vico ‘perceives his four leading tropes as elements of “mental language”, thus turning them into figures of both thought and language’ (Chrzanowska-Kluczewsk 2013, 235). Several writers have noted that this conception of ‘tropic thinking’ seems to have been prescient of Piaget’s stages of child development (see, for instance, Hamilton 2003; Smith 1996). Moreover, the idea that the tropes ‘think for us’ (McCloskey 1988, 248) in addition to being rhetorical devices to ‘change attitudes and gain adherence’ is now common currency (Hamilton 2003).

Generally, metaphor is ‘guaranteed a privileged position [amongst the tropes] as the primeval figure of conceptualisation’ because it allows one to introduce a new idea with reference to at least some ‘known’ concept (Chrzanowska-Kluczewsk 2013, 235). However, Hamilton (2003, 1582) mounts a convincing case for the saliency of synecdoche as ‘crucial in eliciting audience appreciation ... for presenting the part can be central to getting an audience to accept the whole and vice versa.’ As we will show it is certainly

central to generating a different perspective on unexpected behavior, perversity, and gaming in performance management. At this point in our exposition it is probably important to spend some time on the ‘vice versa.’ Going back to the Aristotelian (cited in Chrzanowska-Kluczewsk, 2013) origins as ‘the transference [which] may be from the genus to the species, [and] from the species to the genus’ it is clear that synecdoche – contrary to the crude depictions in the performance management literature – is not a unidirectional concept. Thus, the Roman rhetor and inheritor of the Aristotelian tradition, Marcus Quintilianus, speaks of the *pars pro toto* (part-for-the-whole) and the *totum pro parte* (whole-for-the-part). Therefore under this conception synecdoche is a quest for meaning making ‘in the sense of seeking to understand the particular in terms of the general and the general in terms of the particular’ (Smith 1996, 13). Moreover, we argue that understanding which recognizes both the part-for-the-whole and the whole-for-the-part of meaning making is crucial to a fulsome and non-judgemental appreciation of principals and agents in a performance management regime (see Section 4 below).

However, as we have noted, the performance management literature has largely neglected the *totum pro parte* in favor of *pars-pro-toto*. The result has been an overwhelming focus on the ‘evils’ of gaming rather than acknowledging that prima facie unintended responses might be an attempt to persuade the performance architects of the importance of the whole for understanding a particular aspect of performance. For instance, Bevan and Hood (2006, 533), who raise the concept of synecdoche in their seminal work on the English NHS, do so in the context of ‘make[ing] suggestions for making (sic) systems of governance by targets more proof against synecdoche and gaming difficulties’. In similar vein, Pollitt (2013, 352) also conceives of synecdoche wholly in the sense of ‘taking a set of performance indicators to stand for the whole performance of the service or programme or organisation.’ As such, he views synecdoche as ‘a danger [particularly] for those who are some distance from the “coal face”’ (Pollitt 2013, 352). However, we agree with Dahler-Larsen (2014, 970) that this de jure negative view of

agent behavior ‘is not extraordinarily helpful.’ It does nothing to progress the state of performance management literature beyond the current apparent impasse of case studies on perverse behavior. By way of contrast, a conception of performance management as the art of persuasion – particularly when viewed through the trope of synecdoche – opens the door to a view of unexpected agent behavior as an attempt to address ‘the problem of selectivity’ (Chrzanowska-Kluczewsk 2013) and inject some of their unique understanding of the whole into a rhetorical dialogue often focussed on the part.

It is also important for us to broaden our conception of the whole from the rather flat two-dimensional portrait found in the performance literature. Bevan and Hood (2006) hint at multiple dimensions of performance in their well-known schematic of synecdoche. Yet relatively little effort has been put into spelling out the need to address distinct dimensions of performance. For instance, in the case of local government ‘fitness’ there is clearly a dimension of financial sustainability, but also likely orthogonal dimensions of equity and responsiveness (as indicated by the *raison d’être* of government – the provision of public goods) (see also Drew and Dollery 2016). But a mere consideration of additional dimensions of performance can by no means adequately represent the whole as ‘transposing ideas, feelings or events into symbols’ (D’Angelo 1987, 37). The whole might also include a consideration of the performance relative to peers, the operating environment, and temporal context (Hamilton 2003). As such, through synecdochical representation ‘particular words become shorthand expressions for past discussions, incidents and shared experiences’ (Putnam 1999, 5). Indeed, there would seem to be no ‘rules’ for how broad the whole might be conceived; what would seem most important is for those seeking to understand unexpected performance to be open to viewing the ‘particular in terms of the general’ (Smith 1996, 13). Thus, synecdoche can help us make meaning of the world through sometimes emphasizing particular salient characteristics of a whole otherwise too large to grasp, but at other times providing important contextual mediation through

forcing us to reconsider a myopic view of performance through a broader lens.

In summary, we believe that our focus on a more fulsome account of synecdoche is warranted given its critical importance in ‘answer[ing] the questions “what does it mean?” “how does it mean?” and “for whom does it mean?”’ with respect to the ‘particular in terms of the general and the general in terms of the particular’ (Smith 1996, 14). We now briefly digress with an account of Fit for the Future in order to further explicate matters.

THE PERSUASIVE INTENT AND EFFECT OF ‘FIT FOR THE FUTURE’

As noted in the introduction, the salient part of the FFTF program was the use of just eight criteria (employing seven financial ratios) to represent the ‘fitness’ of a local government to remain as a stand-alone entity. We are well aware of the synecdochical nature of our brief review of the program which also included inter alia legislative reform, a review of local government taxation, and plans to strengthen the assurance of council financial data. However, a complete overview of the program would detract from our focus on the importance of synecdoche for generating an alternative understanding for what has hitherto been largely considered as unexpected responses, perverse behavior, and gaming. Readers interested in the broader public policy implementation are referred to Drew and Dollery (2015a), Drew, Grant, and Campbell (2016), and Grant and Drew (2017). We now present an overview of the process focussing on (i) persuasive intent and (ii) persuasive effect.

Persuasive Intent

On October 31, 2014 the NSW Local Government Minister announced that ‘the tools that councils across NSW will receive today will provide the foundation for their “Fit for the Future” proposal.’ The tools consisted of a spreadsheet which calculated seven performance management financial ratios based on inputs derived from the audited financial

statements spanning the 2012 to 2014 financial years. The important output of the toolkit was a summary of each ratio, wherein a green tick indicated that the council currently met the criteria benchmark and a red cross indicated that the council currently fell short of achieving the benchmark set by the state government. An overall result of FFTF required the council to meet the benchmark for each and every one of the seven financial criteria (see Figure 1 for a screenshot from the Fit for the Future toolkit; Table 1 provides definitions of the seven financial ratios employed). The FFTF results were then used as the basis for councils submitting whether they would ‘voluntarily’ amalgamate or continue as a stand-alone entity. A key additional performance management criterion which councils had to refer to in their submissions was ‘adequate scale and capacity.’ This criterion required councils to propose voluntary amalgamations ‘that directly align or are broadly consistent with ILGRP [Independent Local Government Review Panel] preferred options on scale and capacity’ (IPART 2015). The ILGRP was an independent advisory panel established in March 2012 (and making its ‘Final Report’ in October 2013) to advise the state government on how it might ‘improve and strengthen the effectiveness of local government’ (ILGRP 2013, 9). The ILGRP’s preferred options were merger recommendations detailed for more than 40% of the then 152-strong cohort of NSW local governments (Drew and Dollery 2016). An Independent Expert Panel (largely the Independent Pricing and Regularly Tribunal (IPART)) with the assistance of Ernst & Young plus a ‘local government expert’) was to assess the merger and stand-alone proposals as ‘fit’ or ‘unfit.’

In the promotional material produced for the residents of NSW – Fit for the Future: A Blueprint for the Future of Local Government – the rationale for the program was stated in the following terms: ‘The NSW Government wants communities to have confidence that their council is financially sound, operating efficiently and in a strong position to guide community growth and deliver quality services’ (Office of Local Government (OLG) 2014, 6). However, the media saw things somewhat differently, asserting that the ‘NSW Local Government Minister Paul Toole has released FFTF Toolkits

for NSW councils in the hope that many of them will toe the line and agree to merge' (Sansom 2014). Moreover, the Minister for Local Government made the case in Parliament for FFTF by asserting an 'incredible \$1 million daily loss for local councils ... [which] cannot be sustained' (Hansard 2014). This speech to the Parliament also asserted that 'we are dealing with an out-of-date system that is more than 100 years old with boundaries that were drawn up more than 100 years ago [sic] back in the horse-and-cart days' (Hansard 2014, 239). It is therefore clear that the Minister saw boundary change executed through council amalgamation as an important part of ensuring a sustainable system of local government. However, at the time the state government still held to a policy position of 'no forced amalgamation' (Roberston and Buckingham-Jones 2015). FFTF was launched just seven months before the next state election. Amalgamation of local government is a contentious matter in Australia and one which has contributed to the downfall of a number of state governments (see Drew et al. 2016).

It is thus clear that FFTF performance management indicators were intended to persuade council leadership teams and residents to commit to voluntary amalgamations. Further evidence of this persuasive intent is that A\$258 million was set aside 'to help councils who have decided to merge to make the transition' (OLG 2014). This funding was to be distributed on the basis of amalgamated population size for Sydney councils (ranging from A\$10.5 million to A\$22.5 million) and according to the number of councils involved in an amalgamation for rural areas (ranging from A\$5 million to A\$13.5 million) (Drew and Dollery 2016).

Table 1
Fit for the Future Financial Ratios for NSW Councils

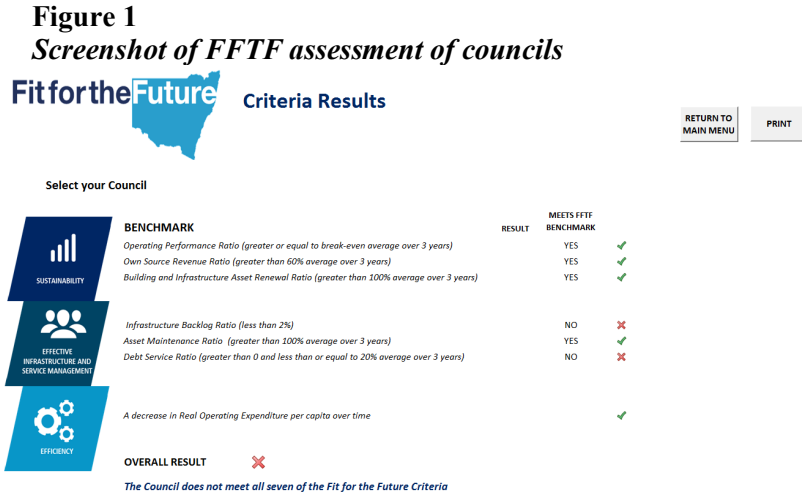
Criteria	Definition	Benchmark
Operating Performance	(operating revenue † - operating expenses) / operating revenue †.	Greater or equal to break-even over 3 years
Own Source Revenue	rates, utilities and charges / total operating revenue ‡.	Greater than 60% average over 3 years
Building and Asset Renewal	Asset renewals / depreciation, amortization and impairment of building and infrastructure assets.	Greater than 100% averaged over 3 years
Infrastructure Backlog	estimated cost to bring assets to a satisfactory condition / total WDV of infrastructure assets.	Less than 2%
Asset Maintenance	actual asset maintenance / required asset maintenance.	Greater than 100% averaged over 3 years
Debt Service	Cost of debt service (interest expense and principal repayments) / operating revenue †	Greater than 0% but less than or equal to 20% average over 3 years
Efficiency/Real Operating Expenditure	Operating expenditure / population	A decrease in real operating expenditure over time (as measured by a linear regression)

† revenue excludes capital grants and contributions

‡ revenue includes capital grants and contributions

WDV = written down value

Source: Adapted from IPART (2015)



Source Adapted from IPART (2015).

Persuasive Effect

We have seen that the FFTF criteria were framed in such a way that they guided councils to either submit to a ‘voluntary’ merger or justify a stand-alone position. Moreover, the government made very clear statements around the imperative of boundary change (mergers) and set aside considerable financial incentives for council leadership teams to commit to voluntary amalgamations. In short, FFTF, as originally conceived, was meant and expected to persuade councils to amalgamate. A key component of the program was the seven financial ratios which were synecdochical representation designed for ‘eliciting audience appreciation [for the need to amalgamate councils] ... for presenting the part can be central to getting an audience to accept the whole’ (Hamilton 2003, 1582). The ‘audience’ was the council leadership teams and residents. The ‘part’ sought to emphasize whether councils were ‘fit’ or ‘unfit’ according to the salient characteristic of financial sustainability (as viewed by the state government); the ‘whole’ might be considered as seeing the particular in terms of the general and thus not unreasonably

considered in terms of a council's operating context, historical identity, potential merger partners, equity, and responsiveness.

Much to the government's disappointment, only four voluntary merger proposals were received, representing a mere 9 out of the 144 councils required to submit a proposal. This suggests that the synecdochical representation of seven financial ratios, in addition to the adequate scale and capacity criteria, failed to persuade council leadership teams of the need for voluntary amalgamations to make their councils FFTF. By failing to agree to voluntary mergers, council leadership teams were, in effect, stating that their meaning of 'fitness' was significantly at odds with the salient characteristics emphasized by the state government. Moreover, residents too appeared to be unpersuaded, with a poll of 7,416 residents commissioned by 'the peak advocacy organisation for local government in NSW cit[ing] support for amalgamation at just 18 per cent' (LGNSW 2015).

The Independent Expert Panel deemed all four merger proposals to be FFTF. However, almost two-thirds of the council stand-alone proposals were deemed to be 'not fit for the future.' The Premier of NSW cited this determination as demonstrating that 'the situation is now critical and that action is needed to ensure ratepayers get value for money and the services and infrastructure they deserve' (Baird 2015). In so doing, the synecdochical representation seems to have become even more stark: now a single phrase ('fit' or 'not fit') was taken as a symbol for the additional ideas of 'value for money' and 'entitlement.'

By this stage the threat of electoral backlash had receded somewhat (following the re-election of the incumbent government). However, the state government was still intent on persuading communities and leadership teams to commit to voluntary amalgamations, and its deployment of rhetorical strategies intensified. With this objective in mind it promoted the finding by the Independent Expert Panel that 'reducing waste and red tape through local government mergers could free up to \$2 billion over the next 20 years for NSW ratepayers.' Additionally, it released a 'report card' for residents with graphical representations of which councils had

been deemed to be ‘not fit’ (this included a map wherein color was employed as metaphor, with ‘fit’ councils shaded green, and ‘unfit’ councils orange). ‘The NSW Government ... also announced a new ‘Stronger Communities Fund’, providing each new council up to \$15 million to invest in community infrastructure such as sporting fields, libraries and parks’ (Baird 2015). It seems that the government had at this point decided that the FFTF criteria and assessments had proven insufficiently persuasive and that additional inducements were required. Councils were given a further 30 days to re-consult with their communities and commit to ‘voluntary’ amalgamations.

It is interesting to review the media artefacts from October 20, when the government released the findings of the Independent Expert Panel. The Premier was cited in exasperation at the refusal of councils to be persuaded to commit to the voluntary amalgamations, noting that ‘we have consulted, we have engaged, we have implored, we have given significant incentives’ (Saulwick 2015). By way of contrast, the Mayor of Sydney was cited as declaring that ‘to say the City of Sydney is somehow unfit in the face of strong evidence to the contrary makes a mockery of the entire review process and throws into question all decisions made as a result’ (Saulwick 2015). A spokesperson for a resident lobby group, Save Our Councils, stated that ‘the whole process was reverse-engineered by a Government which had already made up its mind’, adding that ‘we totally reject this whole process, we will not be part of it, we will fight this Government and we will win ... including in the courts’ (Gerathy 2015). Clearly the FFTF performance management program had failed to persuade key actors in the system of the need for change.

DIFFERENT SYNECDOCHICAL LENSES

We believe that our more fulsome conception of synecdoche offers an insightful means for understanding the meaning-making of the various parties involved in FFTF. In order to expeditiously review the role of synecdoche in persuasion and meaning-making we fall back on Smith’s

(1996, 14) characterization of synecdoche as ‘answer[ing] the questions “what does it mean?” “how does it mean?” and “for whom does it mean?”’ when viewing the ‘particular in terms of the general and the general in terms of the particular’.

The eight criteria employed in FFTF portrayed a situation where councils were in crisis and no longer able to provide the public goods and services which communities were entitled to expect. Government attempted to persuade various parties to this meaning by focusing on the financial situation of the council at a given point in time, in association with the perceived improvements in efficiency believed to be possible with increased scale. This meaning was clearly held by the government (who in this case were acting as principals and focused on the *pars pro toto*), the Expert Panel, and perhaps 18% of the population.

The eight criteria employed in FFTF also meant that the government and Expert Panel ‘ha[d] confused the goal of building more sustainable units of government with achieving financial ratios’ (Sansom, in Davies 2015). Moreover, it meant that the government had ignored other important virtues of local government such as the need to be ‘compassionate and honest’ (Bali, in Bell 2015). It also meant that government had failed to consider other important functions of local government such as its role as ‘grassroots democracy’ ... refusing to be ‘forced to give way to big developers’ and ensuring that residents did not ‘have their lifestyles impacted by decisions into which they have no meaningful input’ (according to the LGNSW survey of 7,416 residents; LGNSW 2015). The ‘how’ of this meaning-making was clearly something much broader than the eight criteria – parties adopting this view of local government seem to have been persuaded by ‘past discussions, incidents and shared experiences’ (Putnam 1999, 5). This meaning was clearly held by many, if not all, councils (acting in this case as agents and, it seems from the evidence, focussed on the *totum pro parte*) which had submitted to stand-alone but were subsequently deemed ‘not fit’, many of the 82% of residents surveyed in the LGNSW poll, and the Chair of the ILGRP, which had first proposed amalgamating 40% of the state’s local governments.

It also suggested that the reliance on financial measures missed the point, and was at odds with the broader notion of being fit for the future held by key actors in the system.

Table 2
Different Synecdochical Lenses in Fit for the Future

Synecdochical Lense	What Does it Mean?	How Does it Mean?	For Whom Does it Mean?
<i>Pars pro toto</i> (part-for-the-whole)	Councils in crisis and no longer able to meet expectations.	Strictly according to eight financial criteria (seven financial ratios), at a specific point in time and with no reference to the operating environment of a council.	1. NSW state government 2. Expert Panel assessing FFTF applications 3. Perhaps by some of the 18% of surveyed residents supporting amalgamations
<i>Totum pro parte</i> (whole-for-the-part)	Councils had been incorrectly labelled	According to non-financial dimensions such as responsiveness and equity. Meaning is not restricted to a particular point in time and is constructed according to the culture and environment in which the council operates.	1. The majority of Councillors and Executives who approved the submissions for their councils to 'stand-alone' 2. Community action groups such as Save Our Councils 3. Many of the 82% of surveyed residents who did not support amalgamation

Another, more expedient, way of understanding the persuasive effect of FFTF might be had by characterizing the

government's position as *pars pro toto* (part-for-the-whole) whilst understanding counter positions of elected councillors and some residents as *totum pro parte* (whole-for-the-part).

SYNECDOCHE AND GAMING IN 'FIT FOR THE FUTURE'

We have thus far used different synecdochical representations to explain why FFTF did, or did not, persuade various parties. We now employ our more fulsome account of synecdoche to show that the construction of gaming in these systems can be seen in quite a different light. Rather than a form of opportunist actions by self-interested agents, gaming can be seen as persuasion within the confines of the performance management regime according to the latitude afforded by the synecdochical gap. The corpus of scholarly work on performance management has generally viewed 'gaming or cheating (deliberate massaging or outright fabrication of numbers collected with the intention of improving the position of an individual or organisation)' as a deceitful practice which must be stamped out to preserve the purity of the positivist scientific practice of performance management (Hood 2007, 100).

However, this view ignores some very important points. First, the numbers – as noted in our introduction – are not a type of ontological truth, but rather tropes in themselves comprising a version of reality as conceived by the architect of the performance management regime (therefore suggesting that a claim of 'positivist' performance management might itself be a rhetorical device). Second, the process of performance management might be more profitably considered as a device for persuading an organization or individual to adopt some kind of action (or to continue to act) or behave (or continue to behave) in some desired way. It is, in short, the art of persuasion. Moreover, performance management must always come with a synecdochical gap (for if there were no gap then there would be little need for performance management); it must be *pars pro toto* in nature. Third, the view of gaming as

deceit conveniently ignores the fact that performance management is, in effect, a dialogue between at least two parties. The first party – generally the principal – develops a set of performance indicators (*pars pro toto*) with the object of persuading themselves or an agent that a certain type of behavior is occurring or should occur. However, the process is not complete until at least a second party, generally operating from a perspective of *totum pro parte*, becomes involved to produce the performance indicator data (or the inputs from which performance management data might be constructed). At this stage the door is open for the agent to attempt to provide important contextual mediation through reconsidering what they may perceive to be a myopic view of performance through a broader lens.

We now consider two important inputs for FFTF which academics have cited as evidence of gaming so pervasive that it threatened the integrity of the entire program (Drew and Dollery 2015a). The first input is the ‘estimated cost to bring assets up to a satisfactory condition’ (ECBASC), which is the numerator for the infrastructure backlog ratio (see Table 1). This is an accounting estimate contained within the special schedule addendum to the audited financial statements. It is important to note that these special schedules fell outside of the audited portion of the financial statements and that they were plagued by definitional ambiguity. The definition for ECBASC is as follows:

‘[S]atisfying expectations or needs, leaving no room for complaint The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset to ensure that it is in a satisfactory standard)’ (see, for instance, Hay Shire Council 2014).

Clearly this definitional ambiguity opened the door to administrative discretion (for the figure to be used for persuasive purposes) and indeed it has been asserted that the figure had been exaggerated in the past ‘to appeal to the state government – and residents – for the right to raise their rates’

(Robertson and Buckingham-Jones 2015). However, when ECBASC became a key input for the infrastructure backlog criterion of the FFTF performance management regime, its persuasive potential changed somewhat. For example, the following from a major daily newspaper illustrates the point (*The Sydney Morning Herald*; Robertson and Buckingham-Jones 2015):

You may not have noticed, but Sydney's roads are getting better even without being fixed. That's according to the city's councils, which have recently wiped from their balance sheets a billion dollars of liabilities such as run-down old roads, often without spending a cent ... a professor of local government ... who specialises in council finances, said the figures were an 'accounting fiction' designed to make councils appear more financially viable. 'This raises significant concerns about [the state government] basing [its merger] policy decisions on financial sustainability' ... 'the Office of Local Government would thus be prudent to suspend [the council merger] process until it has accurate measures.' Local Government Minister Paul Toole said he was 'concerned by any suggestion councils had not been scrupulous, honest and transparent in the information they are providing [the state government].'

It appears that the Minister for Local Government and at least one academic shared the view that unexplained significant changes in the ECBASC were 'gaming' or 'cheating.' Certainly if this view of unexplained changes in this accounting estimate is taken then the focus will be on 'fix[ing] the rules of the game' (Hood 2012, 90) to stamp out the perversion of the positivist agenda. Our earlier examination of synecdoche could help here – a broader consideration of 'part' which resides in the context of time clearly suggests that the 'problem' might have been avoided by either: (i) using only data from years prior to 2014 (when it became clear that the input would be used for fit for the future purposes) or (ii)

implementing a thorough audit program and telegraphing that a ‘hanging the admirals approach’ would be taken against those caught perverting the system (Bevan and Hood 2006, 517). However, if we view performance management as a rhetorical dialogue, then the re-estimates in question (particularly when viewed against the definitional ambiguity) simply become a persuasive device of agents afforded a degree of latitude as a result of a synecdochical gap. No need for judgements about flawed metrics, nor hangings. Just a rhetorical dialogue which respects each party’s right to persuade (DeBruijn and van Helden 2006).

The second input which seemed to have been subjected to significant ‘re-estimation’ was the quantum of depreciation. Australia uses a full accruals system for public accounting; this means that durable assets are not stated as a single expense in the year of purchase but instead have their value allocated as an expense over a given useful life (for a discussion of the problems of allocating the value of non-current assets over an indeterminate useful life see Drew and Dollery 2015b). In essence, this accounting item (which is subject to audit) is largely dependent on ‘bounded’ professional judgement. In the 2013 financial year the mean depreciation rate as a proportion of the value of depreciable infrastructure, property, plant, and equipment was 2.92% (quartile 1 was 2.41%; quartile 3 was 3.38%). In 2014 the average depreciation rate had dropped to 2.86% (quartile 1 was 2.29%; quartile 3 was 3.37%). This may not seem to be a terribly large shift; however, small changes in depreciation rates amount to significant changes in four of the ratios that formed the basis of the measurement of councils in the first place – Operating Performance, Building and Asset Renewal, Infrastructure Backlog, and Efficiency – when one considers the fact that the average depreciable base of NSW councils in 2014 was over A\$528 million. Moreover, it should be remembered that councils were well aware of the criteria which would ultimately be used in FFTF before the end of the 2014 financial year (see Drew and Dollery 2015a).

This opportunity and the likelihood of altered depreciation schedules was noted by a number of commentators, including ‘Cr Bali [Mayor of Blacktown, who]

even accused some councils, deemed to have passed the financial sustainability test, as “playing games” with their books by extending the useful life of their public assets to an “unrealistic” age’ (Bell 2015). Once again, the unexplained changes were viewed as gaming, cheating, or deceit. If we adopt this view, then our more fulsome appreciation of synecdoche as a ‘part’ located in a context of peer performance would suggest great scope for avoiding the ‘problem’ by (i) using only data from years prior to 2014 or (ii) adjusting individual FFTF criteria results by employing some rudimentary sensitivity analysis (‘hanging the admirals’ would be entirely optional here). However, if we view performance management as a rhetorical dialogue, then the re-estimates in question become part of a persuasive exchange wherein councils attempt to convince the regulatory authority (the NSW state government) that the community is prepared to stretch the life of the assets out a little longer if it means keeping the current identity, or, adjust the estimate so that the affected ratios better reflect the council’s view of the *totum pro parte*. This rhetoric-driven view of performance management replaces damnation with toleration.

It should be noted that other inputs could also have been adjusted through altered behavior during the 2014 financial year: expenditure could have been reduced, revenue could have been increased, asset maintenance and renewals could have been adjusted, and debt could have been taken on or repayments altered. All of these actions would have affected the FFTF status of councils. Our analysis shows that it might be misplaced to categorize such actions as gaming. Instead, they might be better seen as persuading the state government that councils could behave as was (apparently) desired. Of course, agent behavior which deliberately misstated a number (for instance stating that expenditure was \$1 million when in fact it was \$256 million) is a perversion of the rhetorical process. But these sorts of acts have never been considered to be gaming – such acts are fraud pure and simple and they should continue to be condemned and subjected to a ‘hanging-the-admirals’ approach.

In sum, our brief analysis seems to show that a more

comprehensive conception of synecdoche can lead to a better understanding of the complex dynamic rhetorical exchanges implicit in any performance management program. Specifically, our analysis provides an alternative lens for viewing interactions – one which is consistent with a definition of rhetoric as ‘a whole philosophy of how men (sic) succeed or fail in discovering together, in discourse, new levels of truth (or at least agreement) that neither side suspected before’ (Booth 1974, 11).

PUBLIC POLICY IMPLICATIONS

Dispensing with notions of positivism, and instead seeing performance management in terms of a persuasive dialogue, augers for a more conciliatory and fruitful relationship between performance management architects and performance management subjects. Specifically, possessing a more fulsome appreciation of synecdoche leads one to the conclusion that any set of indicators must be considered synecdochically and hence dialogically. Moreover, it provides us with a more satisfactory explanation for what has hitherto been considered ‘gaming’ – instead of seeing ‘gaming’ as fundamentally a problem of synecdochical gap, in many cases we can now view unanticipated behavior as an attempt by agents to persuade principals from the perspective of *totum pro parte*. Accepting this explanation for unanticipated behavior points to a number of potential remedies (we will restrict ourselves to a discussion of the most efficacious below).

One such remedy – dialogue – has long been championed in the writings of De Bruijn and various collaborators. Under this proposal, performance indicators would not be considered in isolation, but rather with reference to (for instance) written comments provided by agents that provide critical context for the data, or alternatively supported by face-to-face interviews between principals and agents (de Bruijn and van Helden 2006). Not only would dialogue clarify quantitative performance indicators and offer an alternative mechanism for persuasion; it would also close the synecdochical gap in a way that may not be achieved even in

the presence of an unwieldy high number of performance indicators (because some dimensions of performance defy quantification). We believe our explication of synecdoche, and hence the rhetorical nature of performance management, provides a new justification for this proposal.

A second public policy recommendation arising from our analysis is for architects of amalgamation to ensure that performance indicators address multiple dimensions of performance, rather than just a single dimension (financial performance in the case of FFTF). The case study suggests that residents do value other things about local government – for instance, equity and responsiveness – and failing to measure these other dimensions may well leave an audience unpersuaded (and, indeed, feeling as if the things that they value have been summarily disregarded).

A third important public policy recommendation is to ensure that the broader operating context of a council is considered – in particular, the local culture, needs, and environmental constraints (which respond to more fulsome understanding of synecdoche developed in Section 2). Holding all councils to the same standards to ‘prove’ fitness for the future means that one is essentially arguing that the challenges faced by a council like Mosman on Sydney’s affluent north shore (which has a population of 30,496, just 86 km of roads to maintain and a median wage of \$64,631) is somehow comparable to the environmental constraints of a place like rural Gwydir (with a population of just 5,068, 1,805 km of roads to maintain, and a median wage of just \$39,186). To ensure that implausible assumptions such as these don’t ex ante set councils up for failure, it is important to tailor benchmarks to the conditions faced by councils (see Drew and Dollery 2015c for an empirical solution to this problem which employs cluster analysis). It is also critical to ensure that a sufficiently long window of time is used for any analysis, as trends in performance may well be more critical than performance at a particular point in time (for instance, a council marginally below the benchmark that has consistently improved performance over a decade would seem to be ‘fitter’ than a council marginally above the benchmark that has consistently

deteriorated in performance over the same decade).

Finally, our explication of the role that the rhetorical trope of synecdoche played in the NSW local government amalgamations highlights the importance of being constantly mindful that the exercise of performance management is an exercise in persuasion. As we have seen, the parties attempting to persuade invariably operate from different synecdochical lenses and appreciation of this fact will allow them to 'better know why they agree or disagree' (McClosky 1983, 482). Indeed, it would seem that understanding the other party's perspective is a critical first step towards 'discovering new levels of truth (or at least agreement) that neither side suspected before' (Booth, 1974, 11).

Otherwise stated, performance management regimes which recognize that performance management is fundamentally an exercise in persuasion will be less a case of 'learning by doing' (the terms in which Bevan and Hood (2006, 533) condemned the English Health Care regime) and more a case of meaning-making by doing.

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