

# **The Strategic Management of Intermediate Sanctions**

**Mark H. Moore**

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## **I. Introduction**

For organizations that deliver criminal sanctions (and those who lead them), these are heady times. The demand for their product is up. Legislators want stiffer sentences for particular crimes, and sentence enhancements for repeat offenders. Criminal courts churn out felony convictions, most saddled with dispositions to be administered by corrections agencies. In these respects, business is booming. Yet, tightfisted legislators are increasingly reluctant to pay the cost of producing the sanctions so enthusiastically inscribed in legislation and meted out by judges. The net result is that correctional agencies (and their contractors) are under intense pressures to perform: to meet public expectations to produce just, effective, and low cost criminal sanctions.

In the private sector, conditions such as these could be expected to produce high rates of innovation. The reason is that, in the face of escalating demand, any company that developed a small cost advantage in delivering the desired product could expect to be rewarded with substantial growth and high returns. Thus, one would expect wide experimentation, and rapid diffusion of successful innovations.

In corrections, this has not occurred. It is not that there has been no innovation. Indeed, a wide variety of "alternative sanctions" embodying both product and process innovations have been designed and field tested. (Byrne, Lurigio, and Petersilia, 1992) They could, in principle, be deployed to meet some -- perhaps a significant portion -- of the escalating demand for criminal sanctions. (Langan, 1994) The problem is simply that the industry as a whole has not much exploited these alternatives.

It's not hard to imagine why this is so. The politics of criminal sentencing are so intense and irrational that it is hard for corrections officials to focus legislative attention on the relatively straightforward issue of how to pay for the tougher sentences, to say nothing of the far more difficult issues associated the potential injustice, or the waste in human potential that such laws might entail. (Dupont, 1985; Castle, 1991) Similarly, in the face of the intransigent passion, it is hard to create the political room that corrections managers need to introduce important

innovations. (Neises, 1990) And, unlike the private sector, there are precious few incentives for correctional administrators to assume the personal risk of championing new forms of criminal sanctions.

Yet, the purpose of this paper (and the others presented in this conference) is to help to remedy the slow rate of innovation in the corrections industry by arming those who wish to exercise leadership with the analytic frameworks and techniques of strategic management. More specifically, this paper will: 1) set out the general idea of strategic management in the public sector; 2) apply that concept to community corrections; and 3) by way of summary and conclusion, suggest specific steps that correctional managers should take to establish an overall strategic conception of corrections that makes room for some of the important innovations that we need in the field. This should set the stage for subsequent papers that will: 1) describe how community corrections programs must be designed and engineered for effective performance; 2) explain how managers can make room for introducing innovative programs; and 3) describe what managers must do to sustain high quality performance in individualized, non-custodial sanctions.

## **II. Strategic Management in the Public Sector**

In contemporary management theory, "strategic" approaches are definitely in vogue. (Andrews, 1980; Porter, 1980; Bryson, 1988; Moore, 1995) Yet, it remains unclear what strategic management means. It remains particularly unclear what it means to manage strategically in the public sector. Let me start by clearing up these mysteries, or at least by explaining how I intend to use the term.

### **A. Strategic Management in General**

Perhaps the most common idea associated with strategic management is that managers should think about the future -- preferably the long run future. In this respect, strategic thought seeks to overcome the enormous gravitational pull of the present.

#### **1. Looking Ahead (But Not Too Far)**

Forward thinking is certainly an important part of strategic thought; strategy should be focused on goals "beyond the horizon." Yet, it is quite easy for managers, and particularly planners, to reach too far into the future -- to establish planning horizons that are too distant to be practically useful.

The difficulty with looking too far into the future is that, as one does so, uncertainties multiply. The farther one looks ahead, the more varied environmental conditions can become. The more varied conditions can become, the harder it is to define the optimal organizational

response. This is particularly true if one's environment is changing rapidly. In such circumstances, commitments to specific long run objectives can lead one dangerously awry. One can commit oneself to a specific course, only to discover that conditions have changed in ways that make that approach far less than optimal.

Further, even if one guesses right about the future, the further one looks ahead, the more attenuated the link becomes between the imagined future, and the particular, concrete actions that must be taken today to prepare for that future. The more tenuous the link, the looser the grip the future has on the imaginations of those whom managers must persuade to act in the present. Long run plans, based on imagination and calculation rather than concrete experience, will simply fail to command the attention that the demands of the present can. The implication of these observations is that "long run plans" often fail to usefully guide organizations: they are either mistaken, or widely ignored, or both.

If it is a mistake to stay focused too much on today's operations, but also to look too far in the future, it must be that there is some optimal horizon to use in strategizing. So, I think, there is. But it is not the same horizon for all situations. The optimal planning horizon depends on how clearly one can see into the future, and one's ability to act now to prepare for that future. The more dynamic and changeable one's environment, the shorter the optimal planning horizon. The tighter the constraints on one's authorization to invest and innovate (and, thereby, to produce returns in the future), the shorter the useful planning horizon. The implication for most public sector organizations is that two years is probably too short, and ten years much too long; four or five years is probably about right.

## 2. Fitting Goals to Environmental Conditions

A second idea commonly associated with strategic management is that organizational goals should be fitted to realistic assessments of the environment's expectations and demands. Environments do not allow organizations to become just anything. (Indeed, they sometimes require an organization to be a particular something!) Moreover, organizations are not capable of becoming anything they want, even if the environment allows or requires it. The discipline of strategic management requires that organizational goals accommodate these constraints. Thus, a key skill that strategic managers develop is a capacity to diagnose situations accurately, and to imagine and take actions that allow their organizations to fully exploit the possibilities of their particular situation.

In the private sector, the important environmental conditions include such factors as: 1) the future demand for the company's products; 2) the organization's current market share in each of its product markets; 3) the organization's "distinctive competence", and the rate at which that is being transformed by technological innovation; 4) the factors that give the organization an advantage or disadvantage vis-a-vis their competitors in each of their product markets; and so

on. (Porter, 1980) In the public sector, the relevant factors are less well established, but includes at least the following: 1) projected increases in client populations; 2) the emergence of new programs, administrative systems, or technologies that are widely believed to or actually do improve the performance of the organization in traditional missions; 3) the re-balancing of political priorities to give greater emphasis to one kind of activity, or one dimension of value over another; 4) the emergence of new political demands or aspirations to which a public organization could choose to respond; and so on. (Moore, 1995)

What makes these diagnostic skills particularly "strategic" is that conceptions of strategic management commonly assume that managers face dynamic and heterogeneous environments. They are dynamic in the sense that demands and expectations for the organization will change, partly on their own accord, and partly in response to what managers do. They are heterogeneous in the sense that different clients and stakeholders will want different things from the organization. The world that most managers would prefer -- one in which the demands on the organization remain stable, specific and coherent -- is treated as a special (and not particularly likely) case.

Note that if organizational environments determine what is necessary, or possible, or valuable; and if they are dynamic and heterogeneous; then organizational planning problems stops being a simple "optimization" problem. Instead of "optimizing" the performance of the organization against a consistent, clear set of objectives, strategic managers must think in terms of "positioning" their organizations in changing, complex environments. Positioning their organizations means centering their organizations' efforts within (what seem to be) the strongest and most durable demands on the organization, while retaining enough other initiatives, and enough capacity to shift resources to other products, if current estimates of future demand prove mistaken. (Porter, 1980; Moore, 1995)

### 3. Focusing on Investments and Innovations

The difficulty of making this sort of calculation leads to the third common idea associated with strategic management: that strategic management focuses attention on a few large investments or key innovations that are strongly linked to future success. (Clifford and Cavanagh, 1989) It is these investments and innovations that become the focus of managerial attention rather than the much larger number of smaller, more particular activities that constitute the totality of the organization's current activities.

Yet, important as it is for managers to stay focused on the investments and innovations that lead to the future, there are risks associated with placing one's bets on these few activities. Because environments change, a well managed organization must be capable of altering as well as doggedly pursuing its plans for the future. This leads to the fourth idea associated with strategic management.

#### 4. Hedging Bets Through Flexibility

To be able to adapt to changes as well as reliably execute a strategic plan, strategic managers equip their organizations to be flexible and adaptive. (Peters and Waterman, 1982; Kanter, 1983) This usually means two things. First, they must develop the means to continuously monitor the environmental conditions that justified their current plans to be sure that those conditions remain as forecast, or to learn quickly when conditions have materially changed. Second, it is often wise for them to maintain a portfolio of other activities they can go to if their best current idea does not work. (Porter, 1980)

In sum, strategic management is about judgment and poise. It has to do with looking far enough ahead into a complex, changing environment to make an accurate judgment about what is valuable and feasible for an enterprise to do. And it has to do with positioning the enterprise in that environment in a way that allows it to pursue and exploit opportunities through sustained effort, but also to adapt and respond quickly when environmental conditions change in unexpected ways.

#### B. Strategy in the Public Sector

If the challenges of strategic management are: 1) to focus managerial and organizational attention and effort on ensuring success in the (mid-range) future rather than the present; 2) to base planning on hard-nosed assessments of both the constraints and opportunities in an organization's dynamic and heterogeneous environment; 3) to focus on the few, large investments and innovations that allow an organization to fully exploit their best environmental opportunities; and 4) to remain flexible and adaptive by continuously monitoring the organization's external environment and sustaining a diversified portfolio of activities; then it is not hard to see that strategic management will be particularly difficult in the public sector.

##### 1. The Difficulty of Focusing on the Future

Take, for example, the injunction to focus on the (mid-range) future. In principle, that should be possible. Arguably, the missions of public sector organizations are relatively stable. (Wilson, 1989) Their leaders are technical experts in their fields. Thus, it ought to be possible for organizations to make steady progress towards improving their performance in stable missions over the long run. Indeed, to many public sector managers, this is the ideal. (Moore, 1995)

What stands in the way of achieving this ideal, however, are the insistent and fickle demands of politics. Anyone who has worked in a public sector organization knows that the behaviorally powerful mechanisms of accountability are those that expose organizations and their managers to intense public scrutiny. This occurs when damaging news stories occur, or when

elected overseers in legislative and executive branches of government make an issue of an organization's performance, or (much less frequently) when a court steps in to declare an organization's operations unconstitutional. (Wood, 1990)

Such moments often seem unpredictable and arbitrary to those who manage and work in public sector organizations. They seem to come from nowhere. Moreover, they often seem to focus on one particular incident, or on one particular attribute of an organization's performance, not on the organization's overall performance, or the full set of dimensions along which an organization's performance should be evaluated. In any case, they are distracting, and throw a monkey wrench into the planned, orderly development of the organization.

Even the more formal and systematic mechanisms of accountability -- budget reviews, audits, performance evaluations, contract re-negotiations -- which could operate to keep organizations focused on a more orderly course of development tend instead to be focused on the past rather than the future. At best, public sector budgeting processes ask managers to look one or two years out, not four or five. (Schick, 1966) Planning efforts may make a contribution by noting some important environmental changes that require increased spending (such as projected increases in workload or clients), or by proposing certain kinds of investments needed to improve current operations (such as new information systems). But these tend to be closely tied to current missions and operations, not to scenarios that require radical new thinking about products or production processes. What is particularly missing in the usual budget based planning systems important investments in human resources, or important experiments that could lead to new products or production processes. They are viewed as administrative overhead in existing operational budgets rather than as the value creating paths to the future.

## 2. What's the Relevant Environment?

Take, next, the exhortation to make hard-nosed assessments of the environment. The big uncertainty for public sector managers in this domain is what particular features of the environment to monitor. The most obvious answer is that managers should monitor their "task environment:" how the particular problems the organization is charged with handling are changing. (Wilson, 1989) Thus, in the context of corrections generally, or community corrections more specifically, it is important to know whether more prisoners are coming into the system, and what their particular needs will be. It may also be important to keep track of programmatic, or administrative, or technological innovations in the field that can help the organizations deal successfully with the problems that are their unique responsibilities. (Hall, 1985) This is the function of program planning, and a very important part of strategic planning in the public sector.

But it is equally, or perhaps even more important, for managers to monitor what is happening in their "political, authorizing environments." (Moore, 1995) After all, it is citizens

and their elected representatives who pay for the correctional programs, and are authorized to dictate the particular purposes to be achieved and values to be expressed through them. Of course, elected representatives are influenced by interest groups, the media, and expert professional opinion as well as by citizens' views. Whatever the sources, however, it is ultimately the values of elected representatives that transform ideas about public goals and objectives into the collective aspirations that will be publicly funded and authorized, and will define the terms in which managers will be held accountable. In this sense, elected overseers are more like the customers of public sector organizations than the clients who are met at the business end of the organization. (Moore, 1995)

### 3. What is Valued and Valuable in the Environment?

Not only is it difficult to determine what part of our environment should be monitored, it is difficult to figure out what particular attributes of organizational performance are wanted or needed, and how managers and their overseers could determine whether those aspirations are being met. In the private sector, the overall goals of the organization are relatively clear: the aim is to maximize long-term share holder wealth by conceiving, producing, and selling products and services at prices that can more than cover the costs of producing them. If these broad goals can be achieved, there is a presumption that the organization has produced something of value, and will be rewarded with continuing support from investors, customers, and employees.

In the public sector, however, it is often less clear what the overall goals are. There is dispute, for example, about whether the goals of a correctional system should be primarily the principled goal of ensuring justice and accountability, or the practical goal of reducing crime. (Morris and Tonry, 1990) There is also dispute about what the principled goals require, and how the practical goals could best be achieved. To some, for example, the goal of ensuring justice requires a detailed examination of the context of an offense and the background of an offender, and a suitably individualized disposition. To others, justice requires the opposite: a relentlessly rigorous focus on acts rather than contexts or individual backgrounds, and a disposition this is consistent with respect to the acts across all individuals. Similarly, some think crime may be most effectively reduced over the long run through rehabilitation efforts of various kinds. Others think the best way to reduce crime are through the devices of deterrence and incapacitation.

### 4. How Is Organizational Performance Assessed?

Note that even if the public could reach a consensus on the goals of a public sector enterprise, the problem of how to value the attainment of the goals relative to the cost of achieving them remains difficult. In the private sector, one can see whether an enterprise was "profitable" or not; all one has to do is subtract the costs of producing the goods or services from the revenues earned by selling them. In the public sector, one might be able to see whether goals were achieved, but it is not obvious how one compares the value of achieving the goals

with the costs incurred. This is particularly difficult in the public sector because not all the costs used to achieve public sector objectives are financial. Public sector enterprises often use public authority as well as money to achieve their results. Since there is a real cost (in liberty foregone) when public authority is used, it is important that public enterprises economize on the use of authority as well as money, and that the ends achieved be valued enough to justify these costs. (Moore, 1995) Yet, it is difficult to account for these particular costs.

Of course, one could treat the willingness of the elected representatives to spend public money and authority to achieve the goals as indicative of the net value of a public enterprise just as we treat the customers willingness to pay for products and services in the private sector as indicative of value. But this often feels unsatisfactory because elected representatives are spending other peoples' money, and we can all easily imagine the ways in which political judgements about the value of a public enterprise might be faulty or corrupted.

This has led many public administrators to want to place their trust in analytic techniques such as program evaluations, or cost-effectiveness analysis, or cost-benefit analysis to more reliably gauge the value of their enterprises. (Moore, 1995) While potentially useful, these techniques have proven more expensive to deploy, and less definitive in their conclusions than they first appeared. Thus, they have been less valuable for purposes of routine oversight and evaluation, than for the investigation of the value of experimental, and innovative programs.

In short, the question of what constitutes a valuable performance by a public sector organization remains both conceptually and operationally cloudy. For all practical purposes, public administrators have remained accountable for achieving operational goals, keeping total and average costs low, and minimizing any "fraud, waste and abuse" that might occur in their organizations. It is these attributes of performance that are used by overseers to gauge the effectiveness and value of public enterprises.

## 5. Hostility to Innovation

Consider, next, the idea that strategic management should focus on the investments and innovations that pave the way toward a value creating future. The private sector has clearly learned that investment and innovating -- both in products and processes -- are valuable, even essential, for private sector organizations to succeed. (Clifford and Cavanagh, 1989) In their dynamic world, organizations must continuously re-invent themselves if they are going to survive. (Kanter, 1983)

The public sector has been far less enthusiastic about embracing the challenge of continuous innovation. The reason is simply that the public sector is much less comfortable with the risks of innovation than the private sector. (Moore, 1993)



By definition, all innovations entail risks; one cannot be sure that the innovative program will work, or work well enough to justify their costs. Thus, to innovate is to expose both investors and customers to risks.

The public sector is exceedingly hostile to risky investments. A common view is that if a public sector executive cannot be sure that something will work, the effort should not be undertaken. They shouldn't "gamble" with public money, or with their clients lives and fortunes. They are paid to be expert, and to know how to solve public problems; they are not paid to experiment with untested ideas.

These prevailing views, reinforced on a daily basis through the vigorous pillorying of public officials who dare experiment and then fail, teach public managers to stay well within the boundaries of conventional practice. They create a climate in which "errors of omission" (i.e. failing to invent or adopt an innovation in a situation where they might have done some good) are complacently tolerated, while "errors of commission" (i.e. undertaking an innovative program that ultimately fails) are punished harshly. This makes it hard for individual managers to behave strategically, and slows both the overall rate of innovation in the public sector, and the rate at which valuable innovations can be diffused.

### III. A Conceptual Framework: The Strategic Triangle

One way that managers in the public sector can begin to successfully cope with these obstacles to strategic management is to fix them in their sights as problems to be managed rather than conditions to be deplored. One way to accomplish this objective is to develop an analytic framework that brings the problems and opportunities of managing in the public sector clearly in view.

#### A. Integrating Politics, Values, and Operational Management

Over the last decade or so, faculty at the Kennedy School at Harvard have developed just such a framework to help public sector managers assess the potential and actively pursue imagined public sector initiatives. (Moore, 1995) The framework is symbolized by a triangle. (See Figure 1) The three points of the triangle define particular calculations that managers must make in deciding whether an enterprise is worth pursuing. They also point to particular activities they must undertake to ensure the success of their venture.

The first point of the triangle -- the one labelled "public value" -- reminds managers of the obvious point that they are responsible for producing things that are valuable, and publicly valued. There must be something that is produced or delivered -- some way in which the world

is changed by their efforts -- that would justify their expenditure of public resources. There must be a vision of an important value to be created through their efforts, and some kind of story that connects their efforts to important public values.

The second point of the triangle -- the one that is labelled "legitimacy and support" -- focuses managerial attention on the idea that their particular conception of value must be able to capture and sustain enthusiasm from those who oversee their operations. As a practical matter, this is important, for without the support of elected representatives in legislative and executive branches, the organization will lack the resources (money and authority) it needs to continue operations. But support from overseers is also normatively and ethically important, for it is only the support of elected representatives that can reassure public sector executives that the vision of public value that is now guiding their efforts is sufficiently widely shared to ensure they are producing genuine public value rather than idiosyncratically or self-interestedly conceived conceptions of value.

The third point of the triangle -- the one that is labelled "operational capacity" -- is designed to focus managerial attention on the question of whether a particular initiative is operationally and administrative feasible. The most obvious way to think about this problem is to ask whether a given organization is capable of implementing a particular new program -- whether it has the financial resources, the human resources, the particular kinds of procedures, equipment and facilities the program requires, and the ability to monitor performance of the program on the appropriate dimensions.

By labelling this corner of the triangle "operational" rather than "organizational" capacities, I am trying to remind managers that, often, much of the operational capacity they need to achieve their objectives lies outside the boundaries of the organizations they lead. For example, if one is responsible for educating children, one needs parents to help ensure the kids do their homework; if one is trying to keep the streets clean, one needs shopkeepers to sweep the streets and homeowners to put their garbage in trash bags; if one is trying to eliminate street level drug markets, one may need citizens to resist drug trafficking in their neighborhoods. If the total operational capacity one needs includes resources and efforts outside the boundaries of one's organization, it may be important for managers to operate their organizations in ways designed to mobilize and use that external productive capacity, as well as to maximize the direct contribution of their organization to the task at hand.

At one level, the idea meant to be conveyed by this simple diagram is utterly trivial: it says that in order for a public sector to be usefully undertaken, it must be valuable, authorizable, and feasible. What could be more obvious? Yet, at another level, the idea is quite challenging for it reminds us of how many times we have launched an initiative, or committed ourselves to an organizational purpose, with only one or two of these bases touched. We have known that something was valuable and doable, but not been sure where the political support would come

from. Or, we have had support for a valuable enterprise, but not looked closely enough at the magnitude and character of the investment required to achieve the purpose. The reason these three things are joined together in an interlocking triangle is to remind us that all three bases must be touched if the enterprise is to succeed. And it is that that is difficult to accomplish.

### B. Using the Triangle to Chart Paths to the Future

What makes this framework useful for strategic management is that it reminds public sector managers that politics must be integrated with substance and administration. Less emphasized in the diagram but implicit in the notion of strategic management is that the prevailing social, political and organizational conditions could support several different goals. There may not be a unique solution to the question of what would be valuable for an organization or a manager to do. Thus, public managers may have the discretion to decide which of several plausible visions is most valuable to undertake.

Also important is the fact that changes can occur in the conditions illuminated by the strategic triangle. Ideas about what would be valuable to achieve could change over time (at least in the relative emphasis to be given to different attributes of performance if not the overall set of performance measures). The political forces that emphasize some dimensions of value over others might change. And the available administrative, programmatic, and technological capacities might change. As a result, goals that seemed impossible at one moment might become possible at another.

Moreover, these changes can occur independently of managerial effort, or be a consequence of managerial action. A manager, paying attention to how his organization is performing and what results it is achieving, is often in a good position to nominate important dimensions of value currently being neglected by the political environment. For example, a community corrections official might be in a position to notice the impact of work release programs on the level of support that a convicted offender could give to his dependent children, and use that information to remind the political environment that when offenders are locked up, families are weakened even as communities are made safer. Similarly, a manager can take actions that change the balance of forces in his political authorizing environment. By talking about neglected values, he or she may be able to mobilize a latent political constituency to demand that the priority of those neglected values be increased in the operations of an agency. Finally and most obviously, a manager can "re-engineer" the administration and operations of his agency, and put new capacities within the organization's reach.

### C. Leadership and Strategic Management

In sum, this particular conception of strategic management in the public sector assumes that managers in the public sector face the challenge of integrating conceptions of public value,

with political demands, and organizational capabilities. It assumes that managers have some discretion in setting goals for their organizations that are more or less consistent with these requirements, for there are many different goals that could be articulated and achieved, and because circumstances change, both on their own and in response to what managers do. Among the conceivable goals, some are riskier and more difficult than others; some require more work and more skill from the managers than others; and some are more valuable over the long run than others. In principle, the quality of leadership that a manager gives to an enterprise can be measured by the value of the path they choose, the diagnostic skill they revealed in conceiving of the path, and the operational skill they showed in exploiting the opportunities they discerned.

#### IV. Strategic Management In Corrections

Strategic management begins with an accurate diagnosis of the particular situation one confronts, now, and as best one can see, into the future. Generally speaking, the best diagnoses will be specific to particular times and places. Consequently, there are distinct limits to what can usefully be said in general about what correctional managers should do. Nonetheless, as long as we remember that managers must look closely at their local circumstances, there may be some utility in using the strategic triangle to diagnose the potential for deploying community based innovations in corrections.

##### A. Values at Stake

Strategic management begins with identifying the important values at stake in the operations of a correctional system. This step is particularly interesting in the management of criminal sanctions, because both principled and instrumental values are supposed to govern and be expressed through the operations of the correctional system.

##### 1. Principled Values: Just Deserts

The principled values focus on what, as a matter of justice, individual offenders deserve. In one such conception, offenders should be held accountable for their crimes; it is just that they be tried and punished. Indeed, the principle of accountability is so strong that even if punishment had no practical effect on levels of crime, offenders should nonetheless be punished as a matter of principle. What punishment to be administered is also governed by principles. One is that "cruel and unusual punishment" should be avoided. A second is that punishment should be proportional to the seriousness of the crime. The seriousness of the crime, in turn, should be judged largely in terms of how destructive the criminal act. A third principle is that like offenses should be punished equally.

A slightly different (but equally principled) conception would give greater weight to the moral culpability of the offender in determining the appropriate punishment. In this alternative

view, is the blameworthiness of the offender as well as harmfulness of the act that justifies criminal punishment. The blameworthiness of the individual cannot be judged solely by the act itself. One must look at the offender's intent, and the context in which the offense was committed as well. A cold-blooded murder committed for money is a different crime than an accidental homicide that occurs in the midst of a passionate, drunken argument among friends, and deserves, as a matter of justice and morality, a different punishment.

An additional idea, formulated as a principled rather than practical concern, is that even convicted offenders have certain rights that correctional administrators are bound to protect. They are entitled to be safe within correctional institutions, to have access to medical care, and to be held in conditions that are sufficiently benign as to not constitute "cruel and unusual punishment." The society makes these promises because it is part of our idea of what constitutes just treatment of criminal offenders.

While these ideas about what constitutes just punishment differ from one another, they operate within the same moral framework. Punishment is to be guided by principled concerns about what offenders deserve, not by any practical considerations about the practical impact of punishment on levels of crime. In this respect, these principled ideas may be contrasted with more practical or utilitarian conceptions of the value produced by criminal sanctions.

## 2. Practical Values: Crime Control Cost-Effectiveness

Utilitarian conceptions of criminal sentencing begin with a practical concern for reducing crimes. In this view, the value of any given punishment depends on its effectiveness in reducing crime. Indeed, it is that value that justifies punishment. If no practical effect were produced by punishment, there would be no reason to impose it.

Punishment is thought to be causally related to future criminal offending through four different mechanisms. One mechanism, general deterrence, reduces crimes by threatening potential offenders with the prospect of arrest and punishment if they should offend. A second mechanism, specific deterrence, reduces crime by giving convicted offenders a taste of punishment. That experience, in turn, is expected to dissuade the offender from committing future crimes. A third mechanism, incapacitation, reduces crimes by making it physically impossible for offenders to commit crimes by imprisoning them, isolating them, or so closely supervising them that they are never free to commit offenses against other citizens. A fourth mechanism, rehabilitation, reduces crimes by altering offenders' inclinations to commit offenses by providing them with general education or specific vocational skills so that they can earn a living through legitimate means, treating their mental illness or drug addiction to eliminate some of the factors that pre-dispose them to criminal offending, or train them in rational, non-violent means of resolving disputes so that they are less inclined to resort to violence.

There are other values at stake in utilitarian conceptions of punishment beyond crime control. In practical conceptions, one must be concerned about keeping the financial costs of producing the sanctions and treatments low as well as the crime control effectiveness up. Indeed, the ultimate value of the punishments depend on the size of the gap between the public costs incurred in meting out punishments and the crime reduction impact that the punishments produce. In looking at the cost of punishments, citizens and their representatives may be particularly sensitive to comparisons between the average costs of supervising offenders and the average costs of supporting people in other kinds of "total institutions" such as universities, mental hospitals, or nursing homes. They may also focus their attention on the total costs of correctional budgets, their share in overall state spending, or even the rate of change in either of these dimensions.

In addition, most utilitarian conceptions of punishment acknowledge the claims that principled conceptions of justice can make on the operations of a correctional system. They would accept the idea that cruel and unusual punishment should be barred (even if it were cost effective in controlling crime); that punishments should be roughly proportional to the seriousness of the crime; and that punishments should fall equally across offenders. They would also accept the idea that even prisoners have rights that are to be protected, and would judge the value of a correctional operation in terms of the reliability with which it could keep prisoners safe from one another, from abuse at the hands of guards, and ensure that inmates would have the medical care, legal assistance, and visitation rights to which they are entitled. Still, these values, so prominent in principled conceptions of the goals of sentencing and correctional administration, would be less prominent in utilitarian conceptions. Any discretionary room available in meting out punishment should be guided by concerns for achieving the maximum crime reduction effect at the minimum financial cost. (Morris, 1974)

### 3. The Political Resonance of These Values

I review this familiar terrain not because I think my points are new to anyone in the audience, but because I want to make a point about the stance of those who favor community corrections in the current political environment. In my experience, those who make the argument for community corrections rely principally on utilitarian arguments to advance their cause. They point to the high total and average costs of criminal dispositions and the limited effectiveness of prisons in reducing crime, and argue that a different set of dispositions would be cheaper and no worse in controlling crime than the current reliance on prisons.

They have been surprised to discover that this argument has relatively little political resonance. Part of the reason for this is that the empirical claims made by this common argument are not well developed: we still do not know whether increasing aggregate levels of imprisonment increase, reduce, or leave crime unaffected over the long run. (Langan, 1994)

Those who favor imprisonment can and do make utilitarian calculations that suggest that prisons are "cost-beneficial." (DiIulio and Piehl, 1991)

But I think a larger part of the explanation for the lack of political resonance is that citizens and their representatives do not want to have the practical, utilitarian discussion about crime control. They want to have the principled discussion that focuses on what is just, and what is deserved.

Right at the moment, that discussion focuses crudely on the culpability of offenders, and adopts a relatively harsh, unforgiving stance. Yet, it is important to keep in mind that there might be principled, desert arguments for both less and different forms of criminal punishment as well as for longer and more secure imprisonment. After all, some of the most powerful arguments for rehabilitative sentencing were arguments about justice as well as about practicality. It seemed just (as well as prudent) to give offenders a chance to redeem themselves, particularly if they had not previously been well served by society, if their crimes were not serious, and if they showed some desire to improve themselves.

I think the current political conversation about the values to be served through criminal punishment has been impoverished by the lack of principled, moral arguments on the side of redemption and atonement as well as prosecution and condemnation. This silence cedes the principled arguments to those who favor harsher, more expensive, and more controlling sanctions.

#### 4. Dimensions of Value in Criminal Sanctions

In any case, it is possible to identify the values at stake in the operations of a correctional system, and the corresponding dimensions of performance that will be used to evaluate the system within each of these frames. Table 1 presents an initial conception of what those values might be.

[Table 1 About Here]

#### 5. Multiple Objectives and the "Production Possibility Frontier"

One important feature of the discussion about the management of criminal sanctions is that we often act as though society had to choose which of these different values was to be the only or primary goal of a correctional agency. We have to decide whether principled or utilitarian goals should guide operations. Or, we have to decide whether our primary utilitarian goal is deterrence, incapacitation, or rehabilitation.

It is true, of course, that as a logical matter, the system can only be designed to maximize one goal. It may also be true that it would be easier to administer the system if we decided explicitly once and for all what our principal objectives in criminal sentencing were. And arguing with one another about the proper goals of sentencing and corrections is certainly a morally compelling enterprise.

Yet, reflection reminds us that it is also true that any correctional system produces effects that can be measured and observed along each of these dimensions of performance. If we designed a system to maximize deterrence, for example, that system would produce effects on dimensions such as: 1) the presence or absence of "cruel and unusual punishments"; 2) the proportionality of the sanctions imposed; or 3) crime reductions achieved through incapacitation as well as through deterrence whether intended or not. It is even possible that a system designed to deter would reduce crime through the mechanisms of rehabilitation as well by achieving the "cognitive restructuring" objective of reminding offenders that it is both morally wrong and practically consequential for them to commit crimes. In short, regardless of our particular objectives, a correctional program or system produces results in all the relevant dimensions. And a system can be evaluated on any particular dimension of interest.

This observation raises several interesting possibilities. One is that instead of continuing to argue about what our goals should be, we should get on with the task of measuring the results of our efforts. Further, that the results should be measured in each dimension that the political world judges to be important. This tack would have the enormous utility of releasing those who oversee correctional agencies from the task of agreeing on the single important objective to be achieved; they could, instead, examine the performance of the organization along any dimension that interested them. The organization, for its part, would be responsible for trying to improve its performance on each of the particular dimensions.

Of course, some will immediately insist that the organization cannot achieve all its objectives simultaneously; that in order to improve its performance on one objective (say reducing overall costs), it has to take a loss on some other objectives (such as the protection of inmates' rights). That may well be true. But it is important to keep in mind that this is only true if the organization is now operating at what economists call "the production possibility frontier"; that is, at a place where all the resources of the organization are being most efficiently to achieve the organization's various objectives. That need not be true. There may be many organizations that are operating well inside their "production possibility frontier." To the extent that is true, there will be ways of operating to achieve more of both things that are valued. The private sector has found that this is true far more often than they first thought. When they looked closely at their operations to see if they could produce more quality and reduce costs, they found many such opportunities. Perhaps the same is true for correctional agencies. Perhaps they can



produce more justice, more crime control effectiveness, and less cost than they now do. It is hard to know whether this is possible until we begin measuring the performance of programs and systems in these terms.

## 6. Emergent Values

It is also worth noting that new values are emerging in politics, and in discussions of criminal sanctions. In the wider political debate, there is a great deal of enthusiasm for reminding citizens of their responsibilities to the wider society: to refrain from committing crimes, to meet their obligations to their children, to remain drug free and employed. There is also greater interest in the impact that governmental operations have on primary social institutions such as families and communities. There is more respect for the power of these informal institutions, and more interest in trying to ensure that they be protected, and allowed to do their work. Within discussions of criminal sanctions, there is increased interest in allowing victims to participate in the adjudication and punishment of offenders through programs such as victim restitution. (Harland, 1995) Implicit in this interest is the re-discovery that crimes are not just offenses against the state to be punished by and through state agencies, but also as events that happen between offender and victim, in which the victim has an important stake. (Braithwaite, \_\_\_\_)

Values like these are not necessarily hostile to innovations in corrections programs, and particularly not to the development of community corrections. In fact, they suggest some importantly different ways of thinking and talking about community corrections. In the past, we have conceived of community corrections as devices that could be used to help manage the transition from prisons back to the community, or that would help maintain connections to the community, or that could reduce the stigma associated with imprisonment. These were all purposes closely linked to rehabilitation objectives. But many of these same features of community corrections can be seen a different light: as a way for informal, private institutions to participate in the control and reformation of offenders, and as a way of re-inforcing the obligations that offenders have to their families and communities. In short, community participation in correctional programs is not just support for offenders; they are ways of making more concrete, vivid, and exacting the obligations that offenders have to their communities and families. Insofar as the connection can be made between the enthusiasm for re-building families and communities and the development of informal systems of control on one hand, and community corrections programs (including, in particular, notions of restorative justice) on the other, a new political constituency for community corrections may be created.

### B. Political Support and Legitimacy

In order for correctional programs and systems to succeed, they must be able to command support and legitimacy from their external political environment. The values that

justify their existence and guide their operations must be shared by those who grant them the authority and money they need to operate. Not everybody has to agree with everything the correctional system is trying to do; but there must be enough people, in strong enough positions of authority and influence, who do agree to ensure the success of any given correctional strategy, and to reassure those who are leading the initiative that they are pursuing something that is publicly (as well as merely personally) valued.

Note that I talk about gaining political support and legitimacy from the external environment. I also separate the concepts of support and legitimacy from the public value that is to be produced. This may seem wrong-headed. One could argue that these are all the same thing: that the only appropriate way for a public enterprise to gain legitimacy in a democracy is through the political support of the citizens; and that one cannot be sure that something is publicly valued until citizens and their representatives declare the value of an enterprise through legislation or executive proclamation. (DiIulio, 1992)

Certainly it is important to the success of a public sector enterprise that its goals and operational objectives combine these qualities: i.e. that are popular, legitimate, and objectively valuable. Yet, I think there is some utility in separating these different concepts, and reminding public leaders that part of their task is to work to align these different sources of support for a public enterprise. This is useful partly because the concepts are different: a popular cause (capital punishment, for example) is not necessarily either a legitimate or valuable one; a valuable purpose (individual rehabilitation of offenders, for example) cannot always capture political support, nor be carried out legitimately.

Separating these ideas is also important because different groups and agencies attend to these different sources of legitimacy. When one is looking for political or popular support for an idea, one looks to public opinion, the platforms of those who run for office, and the views that elected officials hold while in office. (DuPont, 1985; Doble, 1991) Staying aligned with the values explicitly or implicitly expressed through politics ensures political support.

When one is looking for legitimacy, one looks to somewhat different overseers, and different kinds of ideas. Courts, and generalized concepts associated with the rule of law (such as restraints on governmental power, the protection of individual rights, and procedural fairness in establishing and applying the law) are all closely linked to the idea of legitimacy. Staying aligned with these values can ensure that a correctional enterprise can operate with the support of courts as well as legislatures. And, insofar as the public as a whole tends to support legal institutions and legal concepts, being aligned with these legal institutions and values increases the political support a correctional system enjoys.

When one is looking to be sure that one is delivering something that is intrinsically valuable in the most efficient and effective way, one relies on those institutions that embody

different kinds of instrumental expertise: for example, substantive experts in penology who are supposed to know "what works" in corrections, and how correctional systems might best be operated; or auditors, budgeteers, and program evaluators whose measurements can reassure overseers that something valuable is being accomplished with the resources committed to the enterprise.

Note that, to a degree, these different bases of support and legitimacy for a public enterprise correspond to the different kinds of values that are evoked in debates about what is valuable in criminal sentencing and the administration of criminal sanctions. Concerns about what is just, about what offenders deserve, and what prisoners are entitled to, tend to be associated with concepts of legitimacy and to tap into these particular sources of support. Concerns about what works, about how crime can be reduced most effectively, and whether the benefits of imprisonment outweigh the costs tend to be associated with concepts of effectiveness in delivering public value, and tap into the public's concerns for instrumental effectiveness. Since both of these frames evoke important values that the public has (intermittently) on its mind, both are potentially available for building the overall support and legitimacy for a correctional strategy. Weaknesses in one or the other frame are, conversely, sources of vulnerability for any given strategy. Indeed, the support for rehabilitation tended to collapse in the first instance when doubts arose about the effectiveness of the programs, but then accelerated as doubts about the fairness and justice of rehabilitative sentencing came to the fore.

Given the different sources of support and legitimacy, what do we now know about what sorts of values, realized through particular kinds of programs, will be supported by the public, by elected legislators, and by courts? What will the authorizing environment for correctional agencies demand, expect, or tolerate?

### 1. Public Opinion About Criminal Sanctions

In examining public opinion about criminal sanctions one must first consider what kinds of public opinion should count as normatively compelling in guiding administrative action. One answer is that public opinion is captured by a certain kind of public opinion poll in which a random sample of the population is subjected to a telephone interview posing questions about what kinds of sanctions they support. A different answer is that public opinion can only be captured through a quite different process in which people are first asked about their "raw opinion", and then given information, a chance to try to apply their views to particular situations, and an occasion for talking to one another. (Yankelovich, \_\_\_\_\_) This sort of public opinion tends to be more informed and more stable, and in some sense, more normatively compelling than the off the cuff response one gets from more superficial opinion polling.

This issue is important, because the two different methods for tapping into public opinion produce different answers to the question of what kinds of correctional program the public will

support. When one conducts the first kind of poll, one learns that the public supports harsh sentencing, and is deeply suspicious of community corrections. When one conducts the second kind of opinion survey, one discovers that the public will support a variety of community corrections programs for many different kinds of offenders. (Doble, 1991) They want offenders to be held accountable for their offenses, and for some punishment to be delivered, but they are open on the question of what form the punishment should take. They are willing to use community sanctions because they think such sanctions are fairer, and because they can save money. (The argument that they are consistent with supporting rehabilitation has less general and less powerful resonance.)

The fact that the two different kinds of polling activities produce somewhat different answers raises the interesting question of which poll results ought to be heeded by correctional managers. The practical question for them might well be which of these different kinds of opinions will govern their world: will elected representatives align themselves with the first or second type of poll? The ethical question is which of these kinds of opinion does democratic theory sanction as the normatively compelling kind of public opinion: does democratic theory say that untutored, raw opinion should guide public action, or that opinion based on information, reflection, and discussion should guide public action?

In my view, it is the better founded public views that are the proper guide to public action. Raw public opinion has relatively little normative status as a guide to public action. The raw public opinion has to be transformed into settled and shared views through a process of reflection and deliberation in order for it to come to a legitimate public aspiration. (Yankelovich, \_\_\_\_ ) That view offers little comfort to public officials who, as a practical matter, are often buffeted by the waves of raw public opinion that sweep over them in times of crisis, and by the demands of elected representatives who are prepared to pander to raw public opinion. Yet, it does remind them that one of the important challenges of strategic management in the public sector is to try to bring as much of the public along as possible in developing a correctional strategy, and to do this through hearings and media coverage of the full range of activities and values being expressed through those values, rather than wait for the occasional crisis. In short, to build legitimacy and support, correctional officials have to find ways to encourage a public deliberation about correctional policy, not just a public reaction.

## 2. Legislative Attitudes

From a quick review of recent legislation, it would be easy to conclude that legislative attitudes were quite hostile to community corrections programs. They have voted for longer sentences for particular offenses (principally drug offenses); and for sentence enhancements for repeat offenders. They have also attacked parole and probation programs, and reduced the amount of "good time" that is awarded to offenders.

And yet, despite this, little of the authorizing legislation that grants corrections officials the power to classify prisoners, to operate intermediate sanctions, and to distribute prisoners across the different levels of security and kinds of programs has been repealed or changed. (Tonry, 1995) In fact, one can detect a certain amount of legislative enthusiasm for some new kinds of criminal sanctions such as community service, victim restitution, and electronic surveillance, perhaps even restorative justice.

In these respects, legislative attitudes seem (not surprisingly) to reflect the attitudes of the broader public. (Doble, 1987) They want offenders to be held accountable for their offenses - not allowed excuses, or "treated" for mental illness or drug offending that caused them to commit criminal offenses. They are open to the idea that punishment could take the form of work in the community, or close surveillance in the community, but they want to be sure that if offenders commit any additional crimes while under correctional supervision, they will be punished for that. They are interested in saving money, but find it hard to believe that correctional institutions cost as much as they do. They cannot believe that the high costs are necessary to control and protect prisoners; they believe that the high costs are associated with luxuries of various kinds that the prisoners could and should do without. They think that prisoners should not be pampered in prison, but should work to earn their keep.

Note that these views are animated much more by concerns about justice than by concerns about effectiveness. They are interested in keeping costs low, and find it hard to believe that punishing offenders through confinement and close supervision does not reduce crime through deterrence and incapacitation. But their primary motivation seems to be to uphold the principal of accountability for criminal offending. (Dupont, 1985)

The concerns also leave a great deal of room for different kinds of intermediate sanctions, but the sanctions have to be understood in terms of specific values. Boot camps are good because they are tough and demanding, and because they demand accountability and teach discipline. (This is a kind of rehabilitation that the public and legislators will support!) Mandated abstinence from drug use, supported through mandatory urinalysis, and swift punishment for infractions, is good because it compels drug users to be sober, and depends on their self-control. (In this respect, it differs from drug treatment which is thought to be less demanding, and less reliant on an individual's self-control.) Community service is good because it holds offenders accountable and requires them to work rather than lie around at taxpayers' expense. So, there is a great deal of room for experimenting with certain (but not all) kinds of intermediate sanctions.

One final point about the political support for community corrections is worth considering. Spending on corrections is now so large, and is growing so fast, that decisions about the production of criminal sanctions have taken on a public works and economic development aspects as well as crime control and justice aspects. This effect sometimes means

that important decisions that affect the future supply of criminal sanctions (such as the number of prison beds or other kinds of facilities) are made by different legislative committees, or are guided by a different set of concerns than we have so far discussed. Sometimes, decisions about capital construction are made in public works committees rather than justice committees. Sometimes, the most important value on the table is not justice or crime control effectiveness, but jobs and public spending in particular communities.

For the most part, this fact has worked against investments in community corrections. The constituency that benefits from the construction and operations of prisons and other kinds of secure facilities is well developed, and usually well connected. The constituency that could benefit from increased spending on community based alternatives is less well developed and less well connected. In time, such a constituency might emerge. Indeed, the development of this constituency might be an important reason to support community corrections programs even when their principal short run effect will be to "widen the net" rather than substitute for prison placements. The strategic calculation would be that community corrections and intermediate sanctions can never compete successfully with prisons until they have an infrastructure of sufficient scale, and that now would be a good time to build that infrastructure so that when the current enthusiasm for longer punishment ends, the community based alternatives can successfully maintain their position as overall spending on criminal punishment declines.

### 3. Judicial and Legal:

Ordinarily in looking for sources of legitimacy and support, one could focus most of one's attention on public and legislative attitudes. The views of the courts, while potentially important, could be given lower priority simply because the courts would not be much involved in the oversight of public enterprises. This is not true in corrections, however. In corrections, courts are crucially important for two reasons.

First, the prisoners rights movement, and the litigation associated with it, has brought correctional agencies under the direct authority of the courts. (United States Department of Justice, 1990) The courts have used this authority primarily to improve conditions within prisons: specifically, housing conditions, access to medical care, visitation rights, and so on. They have also focused attention on due process rights prisoners might have in probation and parole hearings, and other administrative decisions affecting their length of stay in prison.

The courts have had much less direct influence over the development of intermediate and community based sanctions, however. Of course, by requiring governments to maintain constitutionally permissible prisons (and thereby effectively increasing their cost), prisoners rights litigation has created incentives for legislators and correctional administrators to search for lower cost alternatives. But this is an indirect and uncertain effect. Courts, by themselves, cannot sustain the development of a large, differentiated system intermediate punishments.

Moreover, it is not clear how long this pressure from the courts will last. Public sympathy for offenders seems to be declining. The Supreme Court has expressed reluctance to continue to regulate the details of prison conditions and operations. Thus, whatever energy was linked to prisoners' rights litigation may now be ebbing.

Second, in addition to overseeing court operations, courts decide whether and how to use correctional services. Although the discretion of judges in making sentencing decisions is generally being reduced through the passage of determinate sentencing laws, some still remains, particularly with respect to the utilization of intermediate sanctions. They are the ones who decide for the society what particular kind of correctional program to use in responding to individual criminal offenders. Consequently, judges are important "co-producers" of dispositions, and important "customers" for intermediate sanctions. If criminal court judges do not know about, or believe in, or want to use intermediate sanctions, they can never emerge as an important part of a correctional enterprise.

Based on my limited experience, judges have been reluctant users of intermediate sanctions. No doubt, they fear the prospect that an offender, sentenced to a community based disposition, will commit a serious crime, and that they will become the focus of public indignation. Their reluctance may also be linked to their own attitudes of what is just and appropriate. But judicial reluctance to use intermediate, community based sanctions could be based on nothing more than a general or specific lack of familiarity with the programs. They may not have gotten comfortable with the idea of community corrections, or with specific providers. To the extent that this is true, their reluctance may be overcome by more intensive "marketing" of the programs.

Judges, like legislators, may be more willing to support community-based intermediate sanctions if they are used as devices for increasing control over offenders who would otherwise be headed for probation than when they are used to divert prison bound offenders. (Tonry, 1995) While that can be seen as a problem in the short run, it need not be in the long run. As noted above, it could be a wise strategic move to "widen the net" now to allow judges to accumulate experience with intermediate programs, and to build the operational infrastructure and political support these programs need, so that when the current enthusiasm for harsher sentencing abates, one has a firm base for alternatives.

In any case, in the short run, the important task is to market the programs to sentencing judges. That is as important as any other part of building support and legitimacy.

### C. Operational Capacity

In our survey of the strategic factors shaping the strategic potential of correctional systems, we come, finally, to the traditional focus of management: the deployment of assets in

operational programs to achieve objectives. The natural focus of operational management is on the design of innovative programs to deal with a particular class of offender in a way that is equally consistent with the demands of justice, lower cost, and equally or more effective in controlling crime (in the short and long run).

Innovative programs are clearly an important part of strategic management; they are to the management of correctional systems what the creation of new product lines to meet the tastes of particular segments of a market are to the management of private enterprises. Yet, strategic management should also be concerned with the performance of the entire system of corrections as well as with the development of individual programs. By the entire system of corrections, I mean the following things.

First, there a correctional system has a portfolio of supervisory programs. The programs include different levels of security in prisons and different kinds and levels of support programs in prisons (such as drug treatment, general education, or vocational education). In addition, the portfolio of programs includes a variety of intermediate, community based sanctions such as intensive probation, electronic surveillance, community service, boot camps, etc. Some of these programs are used as substitutes for prison; others as pre-release programs. Ideally, the portfolio of programs would include some programs that are innovative, and therefore risky, since it is from these programs that we might learn new ways to deal more effectively with offenders. But one would ordinarily expect most of the portfolio to be programs whose operational characteristics were reasonably well known.

Second, in addition to these different kinds of supervised programs, a correctional system must include some kind of classification or risk-assessment system that is used to sort the correctional population into different groups that are eligible for different kinds of dispositions. Often, a piece of this system supports the judge at the point of initial sentencing; another supports correctional administrators as they transfer prisoners among different parts of the system; and another supports probation and parole decision-making. programs.

Third, a correctional system includes an information system that keeps track of the status of the clients of the system, at least for as long as they remain clients. It would also be desirable for the system to have some way of monitoring the behavior of offenders even after they have stopped being clients of the correctional system to measure the long run impact of the system on recidivism rates and other indicators of effectiveness. In short, what is needed is an accounting system that captures and records the performance of the system on relevant dimensions of value such as cost, levels of crime while under supervision, and rates of recidivism once released from supervision.

Generally speaking, when one surveys correctional systems one tends to find the following: 1) inadequate total resources; 2) representation of many different kinds of programs



in the correctional system, but most the resources committed to (and most of the inmates supervised within) a small number of traditional programs--largely prisons; 3) fragmented classification systems; and 4) weak systems for measuring the status and performance of offenders. This means that there is generally lots of managerial work to do to build a correctional systems that can accommodate the large and heterogeneous client demand, be accountable, and innovate in search of more just and cost-effective dispositions. The question thus becomes which problem to tackle first?

One of the important ideas in strategic management is that first step is nearly always to take steps that allow the system to become more accountable. The reason is that becoming more accountable is the route to more legitimacy and support, which is necessary to get additional resources, and the political room required to innovate. In short, increased accountability establishes the base on which all the other things can be built. As a practical matter, this means finding out what particular attributes of performance are important to overseers, and then developing the measurement systems that can record the system's performance on these dimensions.

The second step is not to hide the capacity problems of the system, but to make them visible and explicit. Instead of looking at the number of clients being admitted to correctional institutions, one ought to be measuring the number and characteristics of offenders convicted of felonies in criminal courts. That is the population to which the correctional system as a whole has to respond. What is important to keep in front of citizens and their representatives is the total number of people who "deserve" or "need" some kind of correctional response, and the proportion of the offenders who get different kinds of responses ranging from probation to maximum security incarceration. That will keep the pressure on not only to increase overall capacity, but also to diversify.

The third step is to build capacity in the particular kinds of intermediate, community-based sanctions that can capture support from the population, and to monitor their operations very closely. Everyone has to get more comfortable with the operations of these programs, and the only way to do that is to actually invest in them. This also helps to build an infrastructure that can help to build political support for these programs.

The very last step is to conduct explicit experiments with very risky but potentially high pay-off sanctions. It is only after a correctional system has built credibility with its overseers, that it will be given the room to experiment widely. Yet it is important that we get to these experiments, and that we use them effectively to learn what works, or corrections as a whole will never make any progress towards more just, and more cost-effective corrections.

An important question in all this is where contracting fits in, and in particular where non-profit or profit-making firms can make a contribution. (Donahue, 1990) One important

contribution that contracting out might be able to make to the development of more just and more cost-effective correctional systems is to create more room for innovation by reducing the risk to government officials. If private groups (whether non-profit or for profit) are willing to operate a program, they may take some of the risk from public sector officials. The private sector may enjoy enough legitimacy to be able to get away with more innovative activities than the government can undertake. If they fail, the onus may fall on the private contractors rather than the public sector. In both cases, the decision to rely on private rather than public enterprise may provide more room for innovation than would be possible without them.

Private firms may also have some important cost advantages over public bureaucracies. Non-profit firms may be able to recruit volunteers, or complement government payments with voluntary financial contributions, and thereby increase quality without raising costs. Due to more flexible personnel policies, they may also do better in attracting and deploying high quality people to the demanding work associated with intermediate sanctions. But none of this is certain. It could turn out that the quality of private contractors was lower, or their costs higher than public sector providers. We won't know much about this until we try.

Perhaps the hardest thing over the long run, however, will be to create correctional systems that can be accountable their overseers, capable of producing relatively individualized responses to their heterogenous client populations, and capable of experimenting with and learning about new kinds of programs. It is hard to build that much flexibility into operational systems that are subjected to the demands for accountability that are common in the public sector. The only way to accomplish this goal is to work the political problem of building legitimacy and support as one works the operational problems of building the complex operational capabilities a first rate correctional system requires.

#### **IV. Summary: Managing the Transition to a Diversified, High-Performing Correctional System**

In all likelihood, correctional systems can produce more public value if they grow, become more diversified, improve their capacities to tailor dispositions to individual offenders, and engage in much more systematic experiments to find more just and cost effective criminal sanctions. Ordinarily, this means that they will have to increase their investments in intermediate, community based alternatives. In order to do that, however, they will have to regain legitimacy and support for their overall traditional programs, and for the particular pieces of work that constitute their investment and risk portfolio that carries them into the future. Exactly what path should be taken to achieve these objectives can only be revealed by taking the following steps.

## A. Market Analysis

First, they must look closely at the market in which they are operating. This means not only paying attention to the number and characteristics of clients committed to their safekeeping, and clients who were eligible but have been diverted elsewhere, but also to the values that citizens, legislators, elected executives, and courts want to see expressed through the operations of the correctional system. It is impossible to know what is worth producing until one finds out what those who give the resources for the production desire.

## B. Embracing Accountability

Second, they must embrace their accountability to citizens and their representatives by developing ways to measure their performance on dimensions of performance that matter to their overseers. If their overseers are focused on reducing costs, they must get good at measuring costs. If they are pre-occupied with crimes committed by people who are under state supervision, they must get good at measuring this quantity, and finding ways to reduce it. If they are pre-occupied with conditions inside the prisons, they must find ways of revealing what conditions really are inside the prison. By making it possible for overseers to look at the organization's operations in ways that respond to their interests, managers increase their accountability, and their legitimacy and support. They may also be able to get their organizations to focus more effectively on the key dimensions of performance, and through that device, actually increase performance.

## C. Stimulating Innovation.

Third, with the confidence build by embracing accountability, they have to be willing to risk that with experiments and innovations. They must also be organized to take maximum advantage of experiments for continued learning. This is the way that correctional organizations must perform if society as a whole is to find more just and more cost effective responses to convicted offenders.

**Table 1**

**Dimensions of Value in Correctional Administration**

**1.0. Principled Values: Just Deserts**

Absence of Cruel and Unusual Punishments

Proportionality

Consistency

Protection of Inmates' Rights

**2.0. Utilitarian Values: Crime Control Cost-Effectiveness**

Effectiveness in Reducing Crime in Short and Long run

Via Different Mechanisms

Financial Cost to the Government

Guards Safe

Ability to Use Volunteer Resources

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