



UNIVERSIDAD DE CHILE
FACULTAD DE CIENCIAS FÍSICAS Y MATEMÁTICAS
DEPARTAMENTO DE INGENIERÍA INDUSTRIAL

ANALYSING THE CREATION OF PUBLIC VALUE IN SOCIAL PROTECTION PROGRAMMES: A CASE STUDY
ON CHILE'S BRIDGE PROGRAMME

TESIS PARA OPTAR AL GRADO DE MAGISTER EN
GESTIÓN Y POLÍTICAS PÚBLICAS

GEORGINA JANELLE SINGH

PROFESOR GUÍA:
EDGAR ORTEGÓN QUIÑONES

MIEMBROS DE LA COMISIÓN:
EDUARDO CONTRERAS VILLABLANCA
JUAN FRANCISCO PACHECO ARELLANO

SANTIAGO DE CHILE
2014

ANALIZANDO LA CREACIÓN DE VALOR PÚBLICO EN LOS PROGRAMAS DE PROTECCIÓN SOCIAL: CASO
PROGRAMA PUENTE

La idea de colocar la protección social en la perspectiva de valor público permite a los gerentes públicos a que se embarcan en una nueva perspectiva en la reconstrucción de la forma en que se acercan a la erradicación de la pobreza. Mientras que los modelos de gestión tradicional y de la nueva gestión pública tienen sus puntos fuertes en términos de asegurar la eficiencia y la rendición de cuentas en las actividades de una organización, sugieren limitaciones al no abordar cuestiones claves de valor público, como la democracia deliberativa, la autorización y el apoyo, y en cierta medida la transparencia. Este estudio se refiere a la forma en que los gestores públicos pueden traducir el concepto abstracto de valor público en una forma empírica. Es decir, la investigación se guía por la pregunta de qué dimensiones de valor público estaban en proceso de creación por el Programa Puente y qué medidas se han adoptado para garantizar su creación. Por lo tanto, el objetivo principal es investigar la fase de implementación del Programa Puente con la finalidad de determinar en qué medida las estrategias puestas en práctica garantizan adecuadamente el cumplimiento de valor público.

Al tratar de responder adecuadamente a esta pregunta de investigación, el estudio, que es de naturaleza cualitativa, adopta un enfoque exploratorio y descriptivo, mientras que la revisión de datos de segunda mano en la teoría del valor público, los modelos tradicionales y nuevos de gestión pública, los componentes de protección social, así como algunos resultados de evaluaciones de impacto que buscan complementar el análisis de la creación de valor del Programa Puente. Además de esto, el estudio consta de tres objetivos específicos. La primera corresponde al análisis de la cadena de valor del Programa Puente, que facilita la comprensión de las actividades y elementos que forman parte del proceso de creación de valor. El segundo objetivo corresponde a un análisis del public value scorecard creado por Mark Moore, el cual permite una mayor investigación sobre la capacidad organizacional que dirige el programa. El tercer objetivo busca sintetizar estos hallazgos y formular ideas que se pueden transferir lógicamente a la experiencia de valor público de Jamaica.

En este estudio se entiende que una tarea esencial de gestión que se debe realizar en el contexto de valor público es la definición de las dimensiones de valor, o propuestas de valor, las cuales son definidas por el mandato político. El Programa Puente ofrece apoyo psicosocial a través de un Apoyo Familiar quien, de acuerdo con los resultados de este estudio, desempeña un papel integral en el proceso de creación de valor del programa. Los Apoyos Familiares buscan no sólo ayudar a las familias para que logren cambios positivos en su nivel de vida, sino también, orientarlas en acceder a la red local de beneficios, y ayudarlas en lograr una mayor autonomía e integración social. Asimismo, otro elemento clave en el proceso de creación de valor es la red local de los beneficios sociales que busca promover la protección social inclusiva para familias pobres e indigentes a través de modelos de gestión integral. En la misma nota este estudio también identifica que el desarrollo de un sistema robusto de medición de gestión es clave para el monitoreo de la creación de valor público. Estos indicadores de desempeño también deben crear valor, en el sentido de que deben ser adecuados, integrales, democráticos y transparentes y de confianza. En muchas áreas del Programa Puente se presentan deficiencias en el desarrollo de indicadores de medición adecuados, y esto se observa como un retroceso significativo en el proceso de monitoreo de la creación de valor.

En conclusión, este estudio considera que el concepto de valor público actúa de guía para orientar el trabajo directivo en preocuparse por algo más que el cumplimiento de objetivos o indicadores. Exige la consideración de todos los stakeholders, así como del bienestar de la población y sus opiniones. Este enfoque renovado de la gestión del sector público será realmente una guía para el gerente en el diseño de mejores políticas de protección social que son inclusivas y más sostenibles para la población indigente y vulnerable en la esperanza de crear una sociedad mejor.

Dedication

With much love, this study is dedicated to my mom.

And thank you for showing me the value of a good education.

Acknowledgements

Special thanks to my thesis supervisor, Edgar Otegon, for his guidance throughout the realization of this study.

Also to Ines, for helping me at the last minute when I thought I could go no further !

Special thanks also to the Government of Chile for this one of kind opportunity.

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Abbreviations

CASEN Survey	: Encuesta de Caracterización Socioeconómica Nacional (<i>National Characterization Survey</i>)
CHS	: Sistema Chile Solidario (<i>Chile Solidarity System</i>)
Dipres	: Dirección de Presupuestos (<i>Budget Directorate of the Ministry of Finance</i>)
FOSIS	: Fondo de Solidaridad e Inversión Social (<i>Solidarity and Social Investment Fund</i>)
Mideplan	: Ministerio de Planificación y Cooperación (<i>Ministry of Planning and Cooperation</i>)
MDS	: Ministerio de Desarrollo Social (<i>Ministry of Social Development</i>)

I. Introduction

The impetus for this study is rooted in the author's profound interest in examining two issues: firstly, the process of creating value in the public sector which remains a primordial subject in managerial work; and, secondly, the use of value-oriented strategies in social protection programmes to ensure positive outcomes in society and contribute to greater support and trust in public institutions.

Since its introduction in the nineties by Mark Moore as a response to the New Public Management reforms that focused on improving the quality of public services, public value has since been a topic of interest by public managers, as it addresses many of their contemporary concerns. These include challenges in securing support and legitimacy for decision making, ensuring efficient resource allocation and accurately measuring service outcomes. Public managers are called to be more efficient in managing resources and more customer-oriented in their focus, and as such, public value promises a more pragmatic approach in addressing public sector challenges. Given that citizens have a right to public services, public value is designed to get managers to think about what is most valuable in the service that they provide and to consider how effective management can improve service delivery. Coats and Passmore (2008) describe public value as the analogue of maximizing shareholder value in the private sector. In the most general sense, public value is concerned with the collective and societal interests that are served by particular institutional arrangements and actions of government.

On that same note, the aim of this study is to determine how public value is translated in social protection programmes, namely Chile's Bridge Programme. Social protection programmes are designed to alleviate poverty by bringing vulnerable families closer to social benefits and helping them to establish and sustain an improved quality of life in the long term. The United Nations Children's Fund accurately describes social protection as the set of public and private policies and programmes aimed at preventing, reducing and eliminating economic and social vulnerabilities to poverty and deprivation (UNICEF, 2012, p.4). Chile's Bridge Programme is identified as the entry port and most important component of Chile's social protection system; this system was created in 2002 during the government of Ricardo Lagos in response to the stagnant poverty levels that persisted since the mid nineties. The marginalization of several households from the benefits of economic growth and social policies spurred a new agenda in the government of Lagos to improve efficiency in the management of social policies; this consisted in a new "sectorialized targeting" of indigent households which would play a primary role in supporting the reduction of extreme poverty in Chile (Mideplan, 2004, p.4). This new focus instigated the creation of the Chile Solidario Social Protection System as an innovative governmental initiative designed to restore positive liberties to the nation's most vulnerable families, aid them in the development of their capabilities, and provide greater access to social benefits. With this in mind, the Bridge Programme was designed to provide personalized psycho-social support to families through a family support counsellor who would accompany the families in the development of their capabilities, and in fulfilling a set of Minimum Conditions that would allow them to improve their living standards and provide for their basic needs. Over the years Chile Solidario has gained regional recognition for its innovative character and several countries,

such as Colombia and Jamaica, have studied its intervention methodology with the expectation of improving the implementation of their own welfare programs.

Despite its popularity, however, Chile Solidario was replaced in 2012 by a new system called Ingreso Ético Familiar (Family Income Ethics), which bears a slightly different ideological focus regarding its vision for indigent families. The main component of this system, Acompañamiento (Acompaniment), also provides personalized psycho-social support along with employment assistance.

Thus, following over a decade of social protection intervention, the question now arises as to: *what dimensions of public value were being created by the Bridge Program and what measures were taken to ensure its creation?* The proposed interrogate leans on the theoretical foundation of this study which emerges from the ideological understanding that the aim of all policies and organizations in the public sector is to create public value. Public value has an intrinsic and inseparable relation with social policies, and as such, one of the inaugural tasks of managerial work is to identify and define the value that the organization or policy will create. This, however, is one of the challenges faced by public managers. Strategic planning, political management and the operational capacity of the organization all revolve around the dimensions of public value that the organization sets out to achieve. These values act as a guide for effective management and in maintaining focus on the organization's purpose. From the various literature reviewed on the subject of public value, this study understands the concept as the value created by public institutions through policies, programs, laws and other regulations. This value demands adherence to a set of principles such as deliberative democracy, accountability and transparency in order to transform the programme's value proposal into reality. As we will see in Chapters IV and V, value is created in Chile's Bridge Programme, through the beneficiaries' appreciation and satisfaction of the products and services provided by the programme, such as subsidies, conditional cash transfers, and access to social benefits; and also through the programme's capability to contribute to a reduction in poverty, social exclusion, and income inequality gaps.

The scope of the study has been delimited to the implementation phase of the Bridge Program between 2002 and 2010. Through an interpretation of Mark Moore's public value scorecard, the study will investigate the operational capacity of the Ministry of Planning (now Ministry of Social Development) in the execution of the program, and also examine the various performance measurement tools used to provide feedback in the value-creating process.

1.1 Objectives

The general objective of this study is to investigate the implementation phase of the Bridge Program in order to determine to what extent the strategies put into practice adequately ensure the fulfillment of public value.

The specific objectives are as follows:

1. To construct and analyze the value chain of the programme in order to highlight the key activities in the value-creating process, that will contribute to the fulfillment of public value.
2. To analyze the value-creating performance of the program using Mark Moore's public value scorecard.
3. To formulate ideas that can be logically transferred for incorporation into the Jamaican public value experience.

1.2 Methodology

This study can be described as a conceptual analysis that seeks to *describe* and *explore* the presence of public value in Chile's Bridge Programme. The nature of the investigation is qualitative and it utilizes primarily second-hand data on a wide range of topics such as:

- Traditional and new public management theory
- public value theory
- performance measurement in the public sector
- poverty alleviation through social protection policies
- Chile social protection system, specifically the Bridge Programme

In an effort to review the efficacy and success of the value creation process of the Bridge Programme, four evaluation reports were consulted. These evaluations were selected on the period on analysis and the credibility of the authors.

The structure of this report is as follows: *Chapter I* corresponds to the present introduction. *Chapter II* presents the theoretical foundation of the study which discusses public value theory and its performance measurement techniques, as well as the role of social protection in social policies. *Chapter III* discloses a description of the Bridge Programme and its implementation phase. Results and analysis of the study's findings are presented in *Chapter IV*, responding aptly to the first two objectives of this study. *Chapter V* corresponds to the conclusion of the investigation which will respond to the third objective. Principal references used in the study are presented in *Chapter VI* followed by supporting appendices.

II. Theoretical Framework

This chapter focuses on presenting the theoretical basis of this study which rests on the public value approach to management and the use of social protection programmes to eradicate poverty and create a more inclusive and integrated society. It also briefly outlines the transitions of management models which have responded to varying needs in the public sector. Public value theory is conceived as a contemporary management guide that forces managers to look beyond traditional tendencies and realize that creating value in society transcends traditional top-down management and principles used in the public sector, and cost-efficiency strategies taken from the private sector realm. This section also discusses the use of a value-chain as a relevant tool to monitor the creation (and fulfillment) of public value. Managers can utilize a logical framework to coherently define objectives, components and activities of social programmes, such as those directed to reducing poverty, and subsequently employ the value chain to document the inputs, processes and products of these programmes, as well as, estimated results and impacts. Given that poverty is characterized as such a multidimensional and complex issue, efforts made to reduce poverty warrant precise definition of value-creating strategies that centre on assisting indigent and vulnerable families in improving their quality of life, and in contributing to the construction of a more cohesive, just and fair society. Managers can monitor the organization's productivity and the creation of value through the implementation of reliable performance measurement indicators. Additionally, this section will explore the nature of social protection programmes in the social arena and their role in eradication poverty and building human capital. Chile has made significant progress in reducing poverty over the past two decades. However by OECD standards, poverty levels still remain high. This section will also discuss Chile's innovative social protection system, Chile Solidario, which has been widely recognize in Latin-America as an exemplary initiative to reduce poverty. This system stresses inter-institutional coordination and seeks to integrate vulnerable families into the local network of social benefits.

2.1 Understanding public value

Developed in the early 1990s in response to the limitations of the new public management reforms, public value redefines public management thinking and challenges managers to embrace a more pragmatic approach to service delivery.

Public value theory encompasses a comprehensive set of principles that surpass the limited vision of traditional public administration and new public management efforts. As observed in Table 1, the traditional model of public administration draws on the rigid bureaucratic tendencies put forward by Max Weber; it rests on a rational and hierarchical structure which uses top-down management control to define policies. The bureaucratic model constitutes a fundamental pillar of the traditional theory of modern organizations which propels the administration of public services controlled by local and central governments (Petrella, 2007). Mechanisms of accountability and control are positive characteristics which result from the definition of tasks and responsibilities of subordinates, and the creation of organizational norms and regulations. On the down side, innovation proves difficult in a rigid model such as this, and there is no space for

public participation in the decision-making process. Efficiency in implementing policies focuses on the use of inputs rather than on results, and this limits the scope in which one can accurately diagnose and measure outcomes and impacts.

According to Hood (1995), the term new public management was created from the need to establish a generic term to describe the shift in management styles in countries such as England (*Next Steps*) and Canada (*Public Service 2000*). These ideas were couched in the language of economic rationalism, particularly during the governments of Ronald Reagan and Margaret Thatcher, who aimed to roll back big governments and state-led egalitarianism and welfarism, and to remould what was left of the public sector in the image of private business (Hood, 1995, p.100).

The neoliberal policies often associated with new public management emerge from a long historical controversy regarding the participation of the State in economic affairs, which often accompanies changes to a society's institutional context and structure. During the 1880s-1930, the laissez-faire capitalism model was predominant in many countries. Following the Great Depression of 1929, governments began to institute policies to protect consumers and workers. Throughout the 1930s and 1970s, several States in Latin-America adopted a protagonist role in the management of national affairs, such as that of regulator, employer, subsidizer and entrepreneur; consequently, the reforms implemented in this period were oriented more towards strengthening institutions and improving their mechanisms of performance and control (Brouchard, 2009). Under Keynesian economics, this period saw significant development of internal markets, public services, infrastructure and natural resources, particularly in countries such as Mexico, Brazil and Argentina. However, high fiscal debt and inefficient management later led to the collapse of the Latin-American economy, and a structural change was needed to regain economic stability. As part of a paradigm shift in economic thought, Keynesian economics was abandoned and neoliberal tendencies, expressed in the Washington Consensus (1989), were adopted. The Consensus stressed the need for policies such as fiscal discipline, privatization of State businesses, tax reform, deregulation, trade liberalization, among others. According to Brouchard (2009), the solution to the intervention of the State in the economy consisted in substituting the State for the market, installing a new outline for the social division of labour, and the deregulation of economic activity. This solution described new public management ideas which consisted in decentralization of government responsibilities, privatization of public services, deregulation of economic activities and contracting private businesses to provide public services. Also supporting this view, is Pfiffner (2004, p.4) who concedes that new public management favors decentralized administration, delegation of discretion, contracting for goods and services, and the use of the market mechanisms of competition and customer service to improve performance. Therefore, new public management tendencies adopt private sector strategies to improve performance and efficiency in the production of good and delivery services.

In supporting the view of Kelly et. al (2002) that traditional management and new public management focus on distinct views on performance objectives, Pfiffner (2004, p.8) proffers that the new public management approach rejects measuring input and advocates the use of "performance measures" to evaluate programs and management. This study finds that a

management model which focuses primarily on monitoring inputs or results, without stressing the incorporation of key elements such as public opinions and customer satisfaction will be deficient in its capacity to create public value. Thus, both the traditional and new public management model present limitations which thwart the value-creating process and exclude crucial public value principles which will be examined further on in this section.

This study understands that regardless of the organizational theory being observed, it is clear that government organizations are both complex in nature and vulnerable to changes in the political arena; the definition of objectives is much more ambiguous and plural than in the private sector, and accurate performance measurement is usually a challenge.

In the following table, Kelly et. al (2002) accurately summarize the distinction between the public value approach and traditional and new public management models:

Table 1: Approaches to public management

	Traditional Public Management	‘New Public Management’	Public Value
Public interest	Defined by politicians / experts	Aggregation of individual preferences, demonstrated by customer choice	Individual and public preferences (resulting from public deliberation)
Performance objective	Managing inputs	Managing inputs and outputs	Multiple objectives - Service outputs - Satisfaction - Outcomes - Maintaining trust/legitimacy
Dominant model of accountability	Upwards through departments to politicians and through them to Parliament	Upwards through performance contracts; sometimes outwards to customers through market mechanisms	Multiple - citizens as overseers of government - customers as users - taxpayers as funders
Preferred system for delivery	Hierarchical department or self-regulating profession	Private sector or tightly defined arms-length public agency	Menu of alternatives selected pragmatically (public sector agencies, private companies, Community Interest Companies, community groups as well as increasing role for user choice)
Approach to public service ethos	Public sector has monopoly on service ethos, and all public bodies have it.	Sceptical of public sector ethos (leads to inefficiency and empire building) – favours customer service	No one sector has a monopoly on ethos, and no one ethos always appropriate. As a valuable resource it needs to be

Role for public participation	Limited to voting in elections and pressure on elected representatives	Limited – apart from use of customer satisfaction surveys	carefully managed Crucial – multi-faceted (customers, citizens, key stakeholders)
	Respond to political direction	Meet agreed performance targets	Respond to citizen/user preferences, renew mandate and trust through guaranteeing quality services.
Goal of managers			

Source: Kelly, Mulgan and Muers, 2002

In continuing with the significance of public value with contemporary management, it can be seen that the public value approach has redefined the role of public managers and has altered the way in which organizations perceive public service delivery. Coats and Passmore (2008) sustain that the public value approach forces managers to think constructively about the purpose of the services they offer, and maintain dialogue with the public in order to ensure that these purposes are consistent with the expectations of citizens. They further point out that within the public value framework public services are distinctive because they are characterized by claims of rights by citizens to services that have been authorized and funded through a democratic process. Public value seeks to promote greater trust in public institutions and confront the rising expectation of service delivery.

The idea of public value is posited in Moore’s seminal text in which he states that the aim of managerial work in the public sector is to provide *public* value, just as the aim of managerial work in the private sector is to create *private* value (Moore, 1995, p.28). This study understands that in the public value approach the ‘public’ refers to stakeholders such as citizens (taxpayers), customers (beneficiaries), legislators, among others, who have the right to participate in the decision-making process. In the private context, managers seek to maximize shareholder profit by producing products that earn revenues above the cost of production; if they are able to successfully guide the companies they lead in maintaining this accomplishment continually over time, it is then understood that the managers have created value. However, in the public sector, the value logic is not as straightforward; Moore stresses that determining what managers need to do to produce value is far more ambiguous, and even more complex is the definition of how to measure the value that has been created. Solving these issues begins with an understanding of the normative and technical nature of managerial work, as well as, diagnosing the immanent social and political context.

Subsequently, concerning the renewed role of public managers, Moore concludes that managers are explorers who seek to discover, define and produce public value - they break away from traditional bureaucratic tendencies and adopt the role of important innovators in changing what public organizations do and how they do it. Moore also alludes to public managers as strategists

who look *outwards* to the public (to the value of what they are producing) and *downward* (to the efficiency and propriety of their means). Complementing Moore's view is the idea that managers also look *upward* to politicians who provide support, legitimacy and financial resources (Coats and Passmore, 2008). The outward and upward perspectives are also combined by Coats and Passmore in crystallizing the dual accountability of public managers; notwithstanding, Moore Moore points out that authorization and accountability are two sides of the same coin. This study finds that public value embodies the evolution of public sector reform which is concerned with each phase of programme design and implementation. In contrast to traditional management, public value proffers a more flexible management style that also encourages accountability to public (traditional management), but at the same time acknowledges that other important factors such as authorization and transparency are at play.

As outlined in the introduction, this study understands public value as the value created by public institutions through policies, programmes, laws and other regulations. Given that one of the primordial tasks of managerial work is defining the public value to be created it is, therefore, indispensable that public managers understand what the public perceives as *valuable*. Meynhardt (2012) distinguishes the logics of values in four elements: the subject, which can be a person, a group or nation that evaluates an object; the object, which can be either material or abstract; basis of evaluation, which refers to the needs, emotions, opinions etc that initiate the evaluation; and character of evaluation, which refers to measurement tools of value and valuation processes that can either be absolute or comparative. Moore (1995, p.52) describes value as being rooted in the desires and preferences of individuals. He states that public managers can create value by satisfying these preferences through the provision of goods authorized by citizens and representative government. Additionally, they should establish and operate an institution that satisfies the desires of citizens for a well-ordered society, in which fair, efficient, and accountable public enterprises exist. Kelly et al (2002) argue that as a general rule, the values prioritized by citizens tend to fall under three broad categories: outcomes, services and trust. These components are outlined below:

1. Creating value through outcomes: citizens expect social policies to generate positive outcomes such as greater public security or reduced poverty levels. Governments are increasingly focusing on outcomes as targets, rather than narrower outputs or activity measures. However, determining value through outcomes can be difficult as it may involve complicated assessments of causation.

2. Creating value through service delivery: user satisfaction is critical to public value. Kelly et al (2002) explain that user satisfaction can be shaped by factors such as the customer service, availability of information, levels of choice, and use of services. Organizational culture and ethos also determine the extent to which services create or destroy value, as they affect the performance of the organization in fulfilling its public value proposal. Fair distribution of services also contributes to creating value.

3. Creating value through trust and legitimacy: trust is at the centre of the relationship between citizens and the government, and as a result, failure of trust can ultimately destroy public value. Trust in government can be shaped by the levels of confidence in public institutions, the behaviour of politicians and public institutions, and the government's effectiveness in managing the economy and delivering public services.

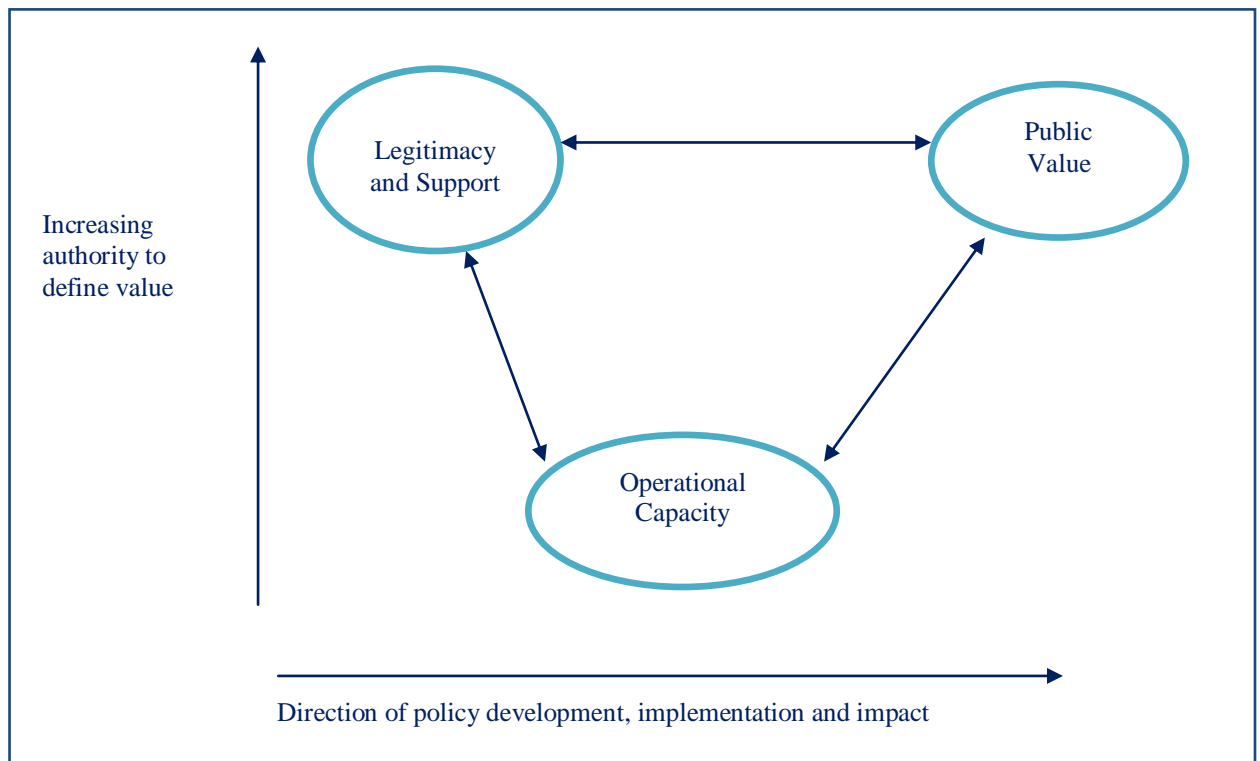
Also, Kelly et al (2002) argue that these components are independent sources of public value; although conceptually distinct, they may overlap in practice, and public managers should, therefore, bear this in mind during the decision-making process.

Conversely, this study differs with Kelly et. al (2002) to suggest that these components are not independent, but rather, they are painted as intricately connected in the public value paradigm. This is based on this study's understanding of the various case studies presented by Moore (2013), and the logical analysis he affords to the creation of public value. By way of illustration, this study considers that an organization that achieves its desired outcomes for a particular social programme without having contemplated trust and legitimacy and user satisfaction in the value-creating process, cannot be conceded as having produced public value. In contrast to the new public management model, the public value theory is uniquely characterized for its attention to building trust and legitimacy through democratic processes, and not merely focusing on achieving results. Therefore, simply focusing on fulfilling objectives without emphasizing important principles in the value-creating process will be a shortsighted approach that may limit or challenge the fulfillment of public value. In concurring with Kelly et al (2002), one way of creating public value is by ensuring that programmes successfully achieve estimated outcomes; however, this approach is not independent to other ways of creating value and other principles must also be taken into account. Hence, the necessity of implementing reliable and accurate strategies and performance measurement tools that respond to public value principles and ensure the creation of public value.

In addition, Meynhardt (2012) reinforces the public value discourse by explaining that public value creation does not concern solely democratic values, nor is it simply a plea for overcoming individualistic tendencies; rather, public value draws our attention to mechanisms of how people draw value from the collective, and how the collective emerges out of individual interaction. In other words, public value is value from and for the public. Furthermore, Meynhardt (2012, p.2) posits that the construct bears the potential to serve as a way of looking at organizational impacts on society, which takes into account the reflexive, value-loaden nature of organizational performance. Additionally, he sustains that the public value discourse helps conceptualize value creation as a deeply interactive process, where different actors do contribute and share both the benefits as wells the risks. This view supports contrast presented in this study between the ideas of public value and that of new public management.

In order to determine what constitutes public value and how to produce it, public managers need a framework that will guide them in the complex and dynamic environment in which they function. Moore (2013) points out that public managers have to imagine their particular context transformed by a vision that successfully aligns a new conception of public value, sources of legitimacy and support for that public value, and the operational capacity they would need to materialize that value. With this in mind, Moore developed the strategic triangle as an analytic framework to influence how managers distribute their attention, thoughts and actions across their operational environments.

Figure 1: The strategic triangle



Source: Moore (2013)

The strategic triangle shown in figure 1 functions as a tool to guide managers in the value-creating process. It allows managers to determine:

1. the *public value* that the organization seeks to produce;
2. the sources of *legitimacy and support* that will be relied upon to authorize the organization to take action and provide the resources necessary to sustain the effort to create that value;
3. the *operational capacity* (includes new investments and innovations) that the organization requires to deliver desired results (Moore and Khagram, 2004).

In interpreting Moore's strategic triangle, it can be deduced that public managers must be conscious of the correlation and dependency that exists between the three components of the triangle, which are highlighted by the direction of the arrows. The creation of public value necessarily requires support and legitimacy from the external environment, which, according to Moore (1995), provides funding and endorsement of policies. Moore describes this external environment as the group of social and political and social actors who influence policy development; subsequently, these actors must be seen as stakeholders in the decision-making process, and the value proposal defined by managers must reflect their best interest. The correlation between public value and operational capacity can also be understood in the context that the creation and fulfillment of public value also depends on the capacity and efficiency of the organization, in properly defining their public value proposal, and in implementing the proper strategies and activities to achieve it. The operational capacity component is the domain in which public managers operate, and it is key that they demonstrate the capacity to define public value and mobilize support. It is imperative that within the operational capacity component, the definition of public value is shared among civil servants in the organization. However, Moore does not offer commentary on this particular point. Coats and Passmore (2008, p.43) proffer that the public value proposal should be shared by the staff, which should also learn to view their service from the standpoint of service users and citizens. This view is acceptable in the context of this study.

On observing the triangle from a mathematical perspective, it is significant to note that Moore does not allow a point of origin for the vertical and horizontal axes. Also, this study understands that the components of the triangle are strategically positioned in such a way, that legitimacy and support is aligned with the vertical axis, while operational capacity is aligned with the horizontal axis. This means, that the greater the increase in legitimacy and support, the greater the public value. Similarly, the direction of the horizontal axis implies that greater focus on policy development and implementation will impact positively on the degree of public value. These two components correlate and work towards achieving an optimum, which in this case, is public value. Therefore, it is clear that managers must strive to achieve the maximum blend in order to successfully define and create public value.

2.1.1 Fundamental principles in public value

What makes public value distinctive from traditional management and new public management are the holistic set of underlying principles that perceive managerial work as a task that is concerned with more than conventional operations within organizations. Although public value does require consideration of some of the principles applied in these other management models (such as accountability in traditional management, and efficient and cost effectiveness in new public management), it also focuses on social values and the wellbeing of the public, as well as on engaging citizens in programme and policy development. This aids to improve governance, trust in public institutions and the efficiency of a social protection system.

From the literature reviewed on public value, this study concurs with a few of the estimations on fundamental public value principles proffered by Coats and Passmore (2008). The authors argue

that the very term *public value* points to the fact that a set of core principles are at the heart of the assessment of outcomes and the processes by which these outcomes are achieved. These principles, as well as a few others added according to Moore (2013), guide the public manager in directing the organization to create public value: they include (but are not limited to):

1. **New Public Management values** such as efficiency, effectiveness and cost-effectiveness of organizational activities, creation of value and fulfillment of value.
2. **Deliberative democracy**: Public value is rooted in a model of deliberative governance. Managers must engage citizens in the decision-making process as successful public service delivery depends on a continuous dialogue with citizens who are considered as stakeholders on a par with government (Coats and Passmore, 2008). Public engagement can be conducted through formal consultation processes, market research (eg. surveys, focus groups) or deliberative methods (eg. citizens' panels).
3. **Accountability**: As public services are funded with public resources, they are subjected to democratic accountability. The idea of formal accountability is one of the elements that distinguishes public services from the private sector. Public value theory argues that politicians and public managers must explain and justify their actions to the public.
4. **Transparency**: The public must be informed on government actions and plans, as well as on the progress and outcomes of social policies.
5. **Authorization and support**: Moore places great emphasis on managing the external environment. Managers must identify the stakeholders in their external environment and be capable of mobilizing their support.

Coats and Passmore (2008) maintain that these principles relate to the process of public service delivery; however, this study finds that this view is a bit shortsighted and will limit the reach of the public value scope. For example, in social protection programmes, ensuring efficiency and effectiveness is important in determining coverage and focalization of potential beneficiaries, and the delivery of subsidies and cash transfers. However, NPM values (efficiency and effectiveness) are also feasible for evaluating the fulfillment of value (results and outcomes), such as the amount of persons who received social protection benefits. On the same note, as mentioned in the previous section, accountability and authorization are two sides of the same coin in the public value context, which indicates that succeeding the delivery of products and services public managers maintain the responsibility of informing the results both to the public and political actors, and in sustaining continuity for social programmes. Consequently, these principles do pertain, but are not limited to, the value-creation, as they ought to be considered also in the fulfillment of public value (*see value chain*).

In addition to the 5 principles mentioned above, Coats and Passmore (2008) proffer other principles, such as equity, and those relating to social outcomes such as social cohesion and social capital. This study defines these values, as well as the principle of 'equity' (outlined separately by Coats and Passmore (2008)) as **social wellbeing**, given that they relate to the value proposal of the organization/programme.

Therefore, this study sustains that the value-creating process necessarily requires consideration of the aforementioned principles in mind, in an effort to ensure the successful creation of value. Given the dynamic nature of public value, the value proposal will also vary according to the priorities and objectives of the public manager and the political mandate. These principles, which consider some new public management and traditional management tendencies, will also strengthen the organization's operational capacity to institute and monitor proper value-creating strategies.

2.1.2 The logical framework's value chain process

As described in the previous section, public managers are entrusted with the task of defining public value and ensuring the implementation of proper strategies to achieve the public value proposal. This managerial task takes place in the operational capacity component of the strategic triangle, and managers are charged with ensuring efficiency, accountability and caliber of products and services. This value must be aligned with the organization's mission and expressed in its objectives. As explained below, the logical framework affords coherence and simplification among the definition of goals and activities.

The definition that guides the logical framework is supplied by the World Bank (1996) in which it is understood that the logical framework is a management tool used to clarify the objectives of a project, programme, or policy; it facilitates the participation of partners in setting goals, defining key activities, monitoring progress and implementing corrective action. It is used by organizations and research agencies as a method of planning objectives and programme management; this instrument can strengthen the preparation and implementation of programmes and process tracking, as well as the evaluation of results and impacts.

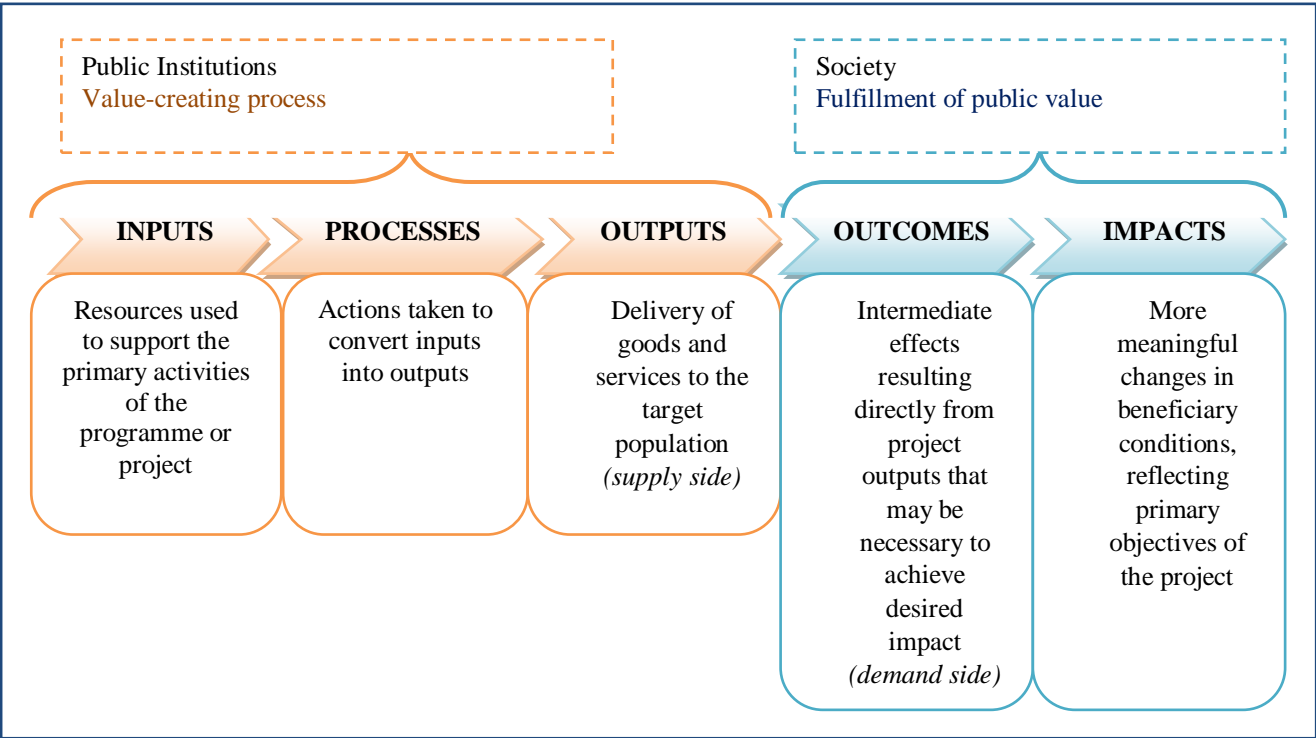
The value chain of the logical framework permits the public manager to conduct a systematic analysis of the value-creating process, while at the same time examine expected outcomes and impacts of policies. Coherence is key among the definition of the organization's mission statement and a programme's objectives, activities and value proposal.

As outlined in figure 2, the value chain framework consists of inputs, processes, outputs, outcomes and impacts; this logic allows managers to monitor the operational process, recognize opportunities for cost reduction and identify new methods of improving efficiency. In order for the value chain to reveal these opportunities, managers must implement a performance measurement system that tracks not only ultimate results produced but also the activities undertaken by various actors to produce those results. This measurement system also aids in the identification of risks and bottlenecks that may impede attainment of objectives, and managers will be better positioned to implement the necessary measures to mitigate these obstacles. This study identifies that the indicators used in each component in the value chain should be *appropriate, holistic, democratic and transparent, trustworthy* in order to follow-up the achievement of objectives and monitors the efficiency of the value-creating process. The context and characteristics of performance measurement indicators will be discussed further in the next section.

On that same note, the value-chain analysis falls under the first objective to this study, which seeks to construct and analyse the value chain of the Bridge Programme in order to highlight the key activities in the value-creating process, that will contribute to the fulfillment of public value. The results of this analysis will be discussed further in Chapter IV, and they serve to provide the first set of data which will facilitate the second stage of analysis which corresponds to performance measurement in the operational capacity of the Public Value Scorecard.

A definition of each component in the value-chain can be appreciated in figure 2:

Figure 2: The value chain process of the logical framework



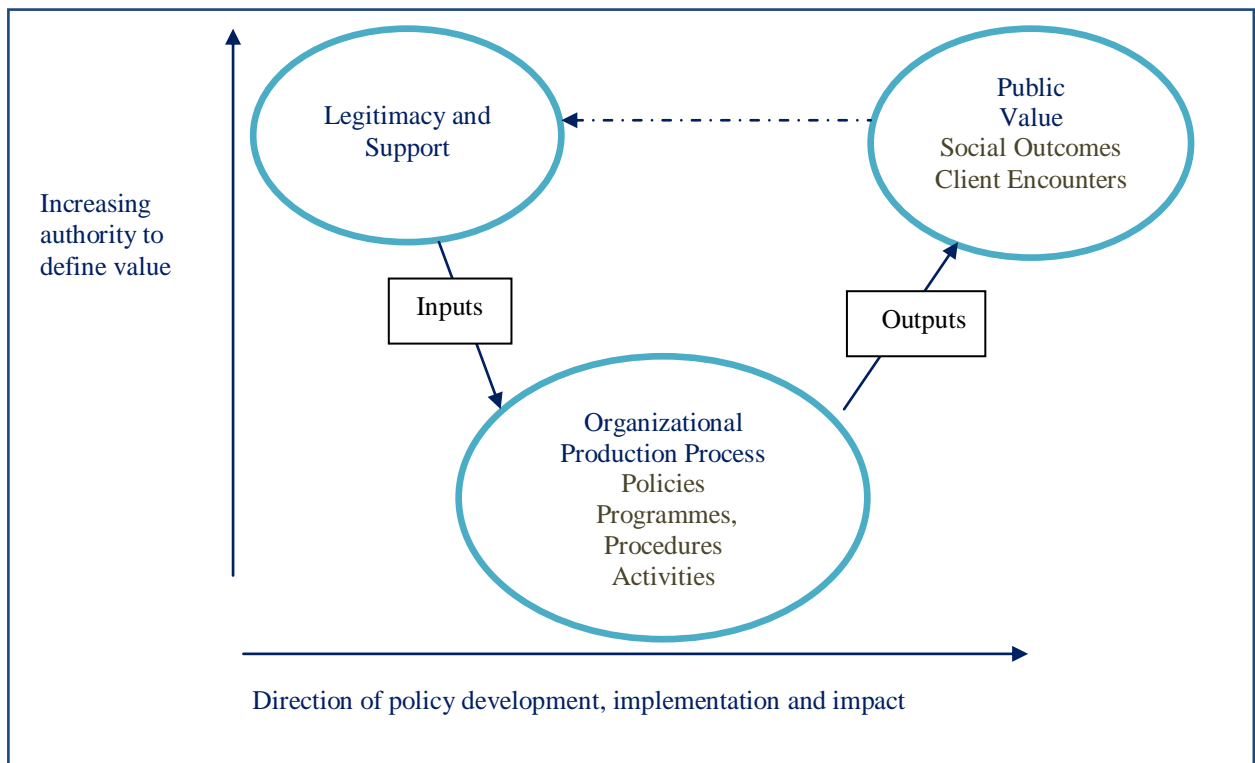
Source: Prepared by the author with information from World Bank, 1996

As observed in figure 2, the value-creating process is translated in the first three steps of the logical framework, i.e., *inputs, processes and outputs*, while the fulfillment of the institution’s value proposal will be perceived in the *outcomes and impacts* of the products and services delivered to society.

Additionally, given that the value chain analysis is an organizational task, it will fall under the operational capacity context of the strategic triangle. Moore (2013) accurately translates this analysis in figure 3, which shows how the strategic triangle can guide managerial work in the

structuring of the value chain components.¹ The organization receives inputs, such as financial and human resources, from the political authorizing environment; these inputs may be supplied directly, or obtained through funds provided for their purchase. The organization uses these resources to execute key activities and procedures and deliver outputs to the public. The social outcomes and client encounters (results) relate to the fulfillment of public value which corresponds to the public value context of the strategic triangle. Moore does not make reference to the broken arrow between ‘public value’ and ‘legitimacy and support’; however, this study understands this relation as the fulfillment of the public value dimensions which were defined by the political mandate. Therefore, instead of reflecting a relation of ‘delivery’, the arrow reflects ‘fulfillment’. Subsequently, both the strategic triangle and the value chain can be understood as overlapping tools for managerial work in the value-creating process.

Figure 3: Superimposing the value chain on the strategic triangle



¹ The layout of Moore’s value chain differs slightly from the value chain used in the logical framework; however, they both sustain conformable underlying meanings.

2.2 Performance measurement in the public sector

[...] what gets measured is what gets prioritized [...]
Moore , 2014

The definition of an appropriate performance measurement system is another key managerial task that requires precision. This section discusses the renewed approach to performance measurement prompted by the introduction of the public value scorecard into the public value paradigm, as well as, generic criteria for measurement tools. A reliable performance measurement system will allow the organization to monitor the creation and fulfillment of value through carefully constructed indicators for each relevant item under each component.

Firstly, performance monitoring involves periodically measuring a project's progress toward explicit short and long term objectives and giving feedback on the results to decision-makers who can use the information to improve performance. Hills and Sullivan (2006, p.52) recount that contemporary performance measurement has its roots in the 1980s during the government of Margaret Thatcher when it was introduced as a means of top-down management designed to bring the discipline of the market into the public sector. That is not to say that performance measurement did not exist prior to this period, but rather, that the New Public Management reforms launched in the 80s were a response to the growing realization that traditional performance measures presented shortcomings in managing organizations.

As expressed in the previous section, performance indicators rely on an underlying logical framework that links project objectives with project components and their respective inputs, activities, and outputs at different implementation stages. Thus, understanding how to derive performance indicators from a project's objectives and components requires some understanding of the concept of the logical framework and the public value that is to be created. In order to ensure the efficiency of the performance measurement system, indicators must comply with certain characteristics which will facilitate the follow-up of the value-creating process, which is the primordial focus of this study. As will be further developed below, indicators themselves must create value and, as such, managers must be capable of translating the abstraction of the public value proposal into the measurable activities.

It is important to note that, according to the findings of this study, the literature on public value measurement is still in its infancy, and there is no predefined methodology to monitor the value-creating process. For this reason, this study employs the public value scorecard coined by Mark Moore, as a logical solution to document the creation of public value in the past, as well as, monitor the future creation of value. This scorecard, which will be discussed in the next section, mimicks the logic of Moore's strategic triangle and functions as a response to the private sector's balanced scorecard. The study finds that a key component of the scorecard is the operational capacity of the organization which necessarily requires a robust performance measurement system. Therefore, as it relates to performance measurement in the value-creating process of the

Bridge Programme, this study will focus primarily on an analysis of the indicators used by the Ministry of Planning and Cooperation and the Solidarity and Social Investment Fund.

Subsequently, this study concurs with the characteristics of measurement indicators presented by Hills and Sullivan (2006). The authors emphasize that measurement indicators used in the public value approach should be:

1. **Appropriate:** measurement tools should be appropriate for what is being measured. They should follow methodological standards.
2. **Holistic:** tools should take into account the complexity of the situation- that is to say, new public management values such as efficiency and effectiveness, and well as values relating to public values such as social wellbeing and social capital.
3. **Democratic and transparent:** measurement indicators should involve the public in the decision-making process. The use of these indicators, as well as their findings, should also be transparent and accessible. In the definition stage of the policy, for example, the wider public can voice opinions and concerns- an informed public is necessary for the creation of democracy.
4. **Trustworthy:** tools should be reliable and be applied with integrity- they should not be manipulated or abused. This necessarily requires that the criterion of appropriateness be met. Measurement tools must also be perceived by the public and the authorizing environment as being trustworthy.

In a certain way, the public value spectrum inspires a new outlook on performance measurement, as public managers are perpetually reminded to consider if the right things are being measured in the right way, and if measurements are generating value. As quoted by Moore (2014) in this subsection, what gets measured is what gets prioritized; as such public managers must ensure that what is measured will contribute, and is relevant to, the value creating process. Not everything is measurable, and in the case of values relating to social being, these can result difficult to quantify. Managers must evaluate the dimensions of public value to be created and determine the most appropriate methods to monitor and assess the fulfillment of value.

2.2.1 The Public Value Scorecard- a renewed perspective to performance management in the public sector

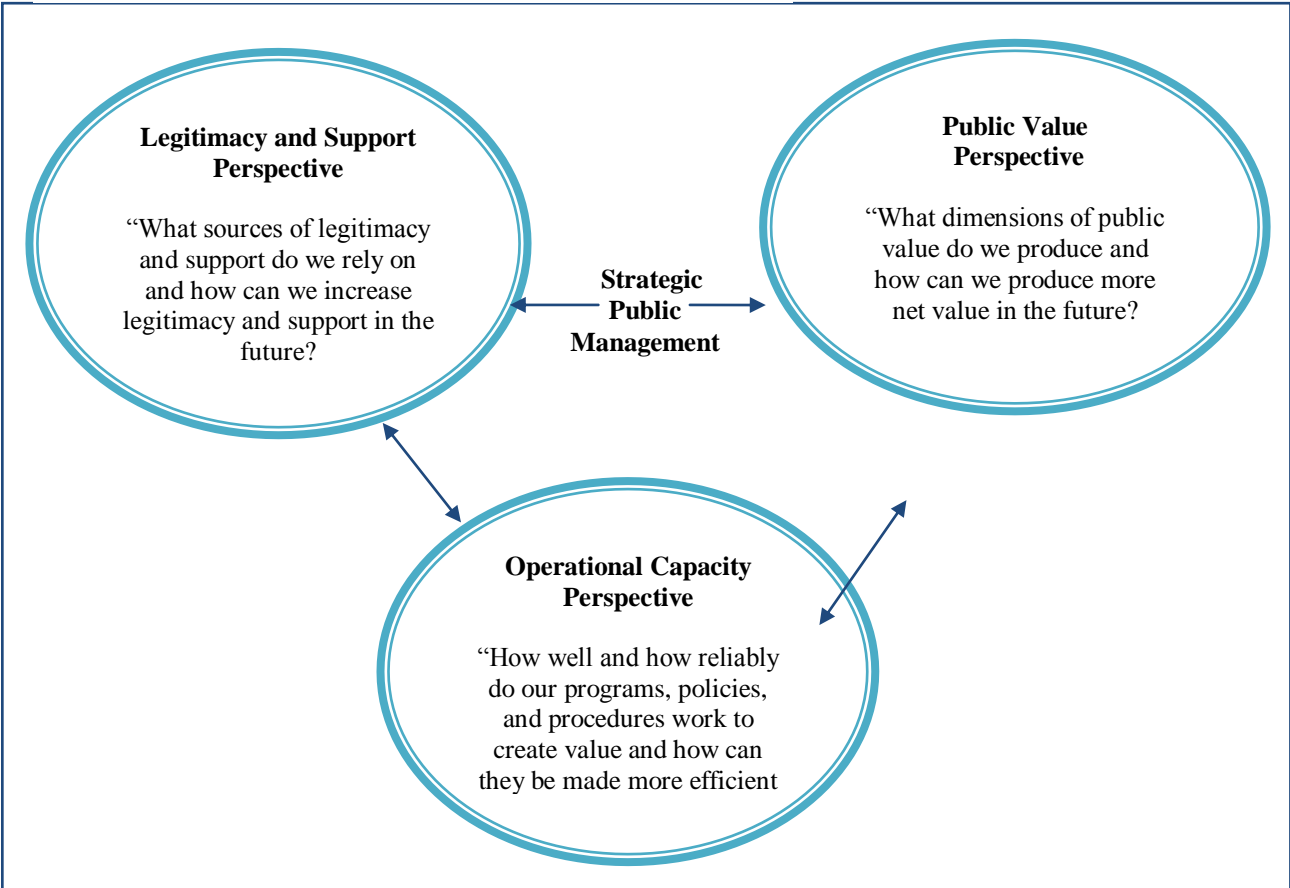
The public value scorecard is a performance management tool designed by Mark Moore as a derivative of Kaplan and Norton's Balanced Scorecard². It translates a set of performance measures that can both monitor value creation in the past and guide managerial action in sustaining, or creating, greater value in the future (Moore, 2013).

² The Balanced Scorecard is a management tool development by Robert Kaplan and David Norton

While Moore (2013) concurs with Kaplan’s understanding that the financial bottom-line is not sufficient to inform business strategies, he argues that the balanced scorecard remains a tool for maximizing profit, and the public sector by definition does not share this objective. Public sector organizations do not seek to capture and control market share, but rather, strengthen the sector as a whole through cooperation and knowledge sharing (Hills and Sullivan, 2006).

The dynamic of this scorecard mimics the logic of Moore’s strategic triangle, and can be appreciated in the following diagram:

Figure 4: The public value scorecard for public managers



Source: Moore, 2013

Moore describes these perspectives as follows³:

1. **Public value perspective:** This perspective challenges public managers to define the ultimate values that their organization seeks to produce and embody in their operations. Moore proposes the use of public value account to guide managers in the definition of their value proposals. This account allows managers to identify the value that the organization intended to produce, what it actually produced, and the costs incurred along the way. It functions as a financial bottom line to capture the net public value that a public agency has produced. Managers must appreciate that in order for the account to function successfully, it must interact with the other two perspectives- the definition of public values engages the authorizing environment and responds to its concerns; it also seeks to inspire staff while focusing their attention on creating valuable results, and helping them to understand how to maximize public value creation.

2. **Legitimacy and support perspective:** Moore places great emphasis on managing the political authorizing environment; this refers to all actors identified as part of the accountability systems, such as financial agencies, elected representatives, executive and legislative branches citizens (voters and taxpayers) and clients (service recipients). This perspective involves monitoring the state of the political environment, and determining how changes in its setting can transform the public value account. It also involves shaping the manager's approach in taking actions to respond opportunely to public aspirations.

3. **Operational capacity perspective:** In the same way that the balanced scorecard uses an organizational process perspective, and a learning and growth perspective to focus private managers' attention on the production processes that generate costs and revenues that show up in the financial perspective, the public value scorecard calls for the development of an operational capacity perspective that can direct public managers' attention to the processes on which they are relying to produce valuable results at a low cost (Moore, 2013, p.122). The use of a value chain is appropriate in this perspective as it focuses attention on the operational capacity to assess the achievement of targets and desired social outcomes while being guided by public value. Value chains depend on a performance measurement system to track productivity and reveal opportunities to improve performance. This correlates to the previous discussion on the relevance of the logical framework's value chain in management.

Moore argues that managers need the guidance that comes from a public value scorecard: the three perspectives collectively allow managers to understand the existing state of the environment within which they operate, diagnose potential problem areas and focus managerial on correcting them and, most importantly, keep track of the their efforts in achieving outcomes. These perspectives also function as vehicles for setting goals and managing change in a particular context. They become tools for seeing not only what public value has been produced in the past (the main work of the public value account) but also what managerial works needs to be done to build legitimacy and support, and operational capacity to produce greater public value in the future (Moore, 2013, p.127).

³ Appendix C procures a graphical representation of these perspectives.

2.3 Promoting social protection in social policies

In a world filled with risk and potential, social protection and labor systems help people and families find jobs, improve productivity, cope with shocks, invest in the health and education of their children, as well as the protection for the aging population. Social protection programs, which comprise both social assistance (such as cash transfers, school feeding, targeted food assistance and subsidies) and social insurance (such as old-age, survivorship, disability pensions, and unemployment insurance), are a powerful tool to reduce poverty and vulnerability. They can have a direct, positive impact on poor families by building human capital through better health, more schooling, and greater skills.

The World Bank. Social Protection & Labor Overview, 2014

This section examines the importance of social protection in the public agenda, as well as the role of social protection programmes in building human capital and improving the wellbeing of the most vulnerable and indigent individuals. Access to social protection is a right which should be guaranteed by the State in an effort to protect individuals from labour market and social risks, and assist them in maintaining a decent quality of life in which they can access basic necessities such as health care and the basic food basket. During the twentieth century, many developing countries have implemented policies which favour reducing social risk, generating opportunities for social mobility and improving the aggregate efficiency of the social and economic system, in an effort to assist the vulnerable population (Filgueira, 2014). Several countries in Latin-America, such as Mexico and Brasil, have directed efforts to combat poverty through the implementation of conditional cash transfer programmes which have gained regional recognition for their achievements. In the past two decades Chile has made significant progress in combating poverty and extreme poverty, however, by OECD standards poverty levels are still elevated. A brief overview will be presented on the development of Chile's social protection floor since returning to a democratic system in 1990, and the efforts of government administrations since then to tackle poverty and improve coverage of social protection. This period of analysis is particularly relevant as public value is rooted in democratic systems which provide the public managers with the tools and flexibility to ensure accountability, transparency and public deliberation. This section will also review the events leading up to the inception of the Chile's social protection system, followed by a description of the system itself. This diagnosis will aid the reader in understanding previous poverty-reduction efforts and the reason behind the innovative character of Chile Solidario. Subsequently, this will permit greater insight into the context within which the Bridge Programme is defined, as well as the dimensions of value it seeks to create.

As stated in the introductory note to this study, social protection can be understood as the set of public and private policies and programmes aimed at preventing, reducing and eliminating economic and social vulnerabilities to poverty and deprivation (UNICEF, 2012, p.4). According to the opening quote to this section, social assistance and social insurance programmes can impact positively on the lives of poor households by assisting them in building human capital and reducing labour risks. Babajanian (2013) explains that social protection in development discourse and practice has been steadily evolving; throughout the 1980s, social protection was mainly seen as a temporary instrument for providing subsistence support to individuals in extreme poverty

(safety net). The author continues to point out that the World Bank's Social Risk Management Framework, which was formulated in the late 1990, legitimized social protection as a mainstream policy instrument for economic protection of the poor and vulnerable. This Framework also introduced the dynamic and fluid notion of vulnerability as a lens for the analysis of characteristics and sources of human deprivation. Since the mid-2000s, the social protection discourse has developed significantly, and social protection has become a policy tool for promoting far-reaching improvements in human well-being. Thus, due to the fact that social protection programmes impact directly on the lives of poor households, and the success of these programmes are dependent on their capacity to improve the lives of these households, it is therefore imperative that public managers are conscious of the dimensions of public value to be created and attend to possible challenges that may arise during the implementation of these programmes. As will be explained in the next section, poverty eradication has been at the forefront of national development in Chile since 1990, and efforts to reduce poverty are coined in the political mandate. Each President has expressed concern about the situation of poverty in their respective era, and the necessity of implementing effective poverty reduction strategies. This study understands that given the prioritization of poverty reduction in the national development objectives, it is the political mandate who defines the dimensions of public value (in accordance with intended lines of action for social development), and consequently shares this value with the institutions assigned with operational responsibilities, taxpayers and other stakeholders.

Cecchini and Martinez (2012) explain that the role of social protection is to protect and secure income, foster decent work, ensure that the entire population has access to social services and that said services are adequate in terms of coverage and quality. The author sustains that these functions find their substantive basis in social, economic and cultural rights which include:

1. Guaranteeing a basic income that allows beneficiaries to sustain a basic quality of life for personal development. This includes facilitating socioeconomic conditions that guarantee basic rights such as health, education, income, housing, food and essential social services; and ensuring access to insurance mechanisms that offset the impact of loss of income due to factors such as loss of employment and labour constraints imposed by health problems.
2. Identifying unmet demand and ensuring access to social services in an effort to build human capital, self-reliance and improve quality of life, especially among older adults, children, sick and disabled persons.
3. Reforming labour policies in an effort to overcome labour market risks and protect the rights of workers. This includes addressing pertinent issues such as formalizing employment through informed contracts and favourable conditions; gender equality in the labour market; occupational health and safety regulations; access to vocation guidance and technical training; the right to form and join trade unions; the eradication of child labour and labour exploitation.

The State is charged with the responsibility of ensuring the availability of policies that target the various roles of social protection and ensure equal and fair coverage to these policies. Everyone has a right to adequate living standards and as such, the State, in its role as provider and

regulator, must guarantee inclusive social protection. This thought is consistent with the Universal Declaration of Human Rights (1948) adopted by United Nations which states that:

Article 22:

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

Article 25:

(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

(2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

These articles point to the various functions that social protection is called upon to play in the social sphere as well as the guarantee of social security which should be recognized by all governments. From this rights-based perspective, inclusive social protection policies rely on an appropriate combination of universal social policy and interventions that incorporate different population groups and build capacity to overcome the risk situations to which they are vulnerable (Cecchini and Martinez, 2012, p.122). Many countries, such as Mexico, Cuba, Costa Rica and Brazil, have recognized social protection as a fundamental right and as such have consequently established constitutional recognition of these social rights. This study understands that establishing social protection as part of the Constitution duly amplifies the public perception of the government's commitment to these social policies, as it also points to the country's long term vision in areas of social developments and social well-being.

Thus, as pointed out, social protection is a right which must be guaranteed by the State. The situation of poverty in a society is plagued by other issues such as social exclusion and marginalization, and it is for this reason that governments must work actively to promote greater social integration and ensure the supply of (and access to) social benefits. Effective value-creating strategies must be implemented to monitor key activities such as the number of beneficiaries, access to health care and school feeding programmes, participation in training programmes and labour-market insertion.

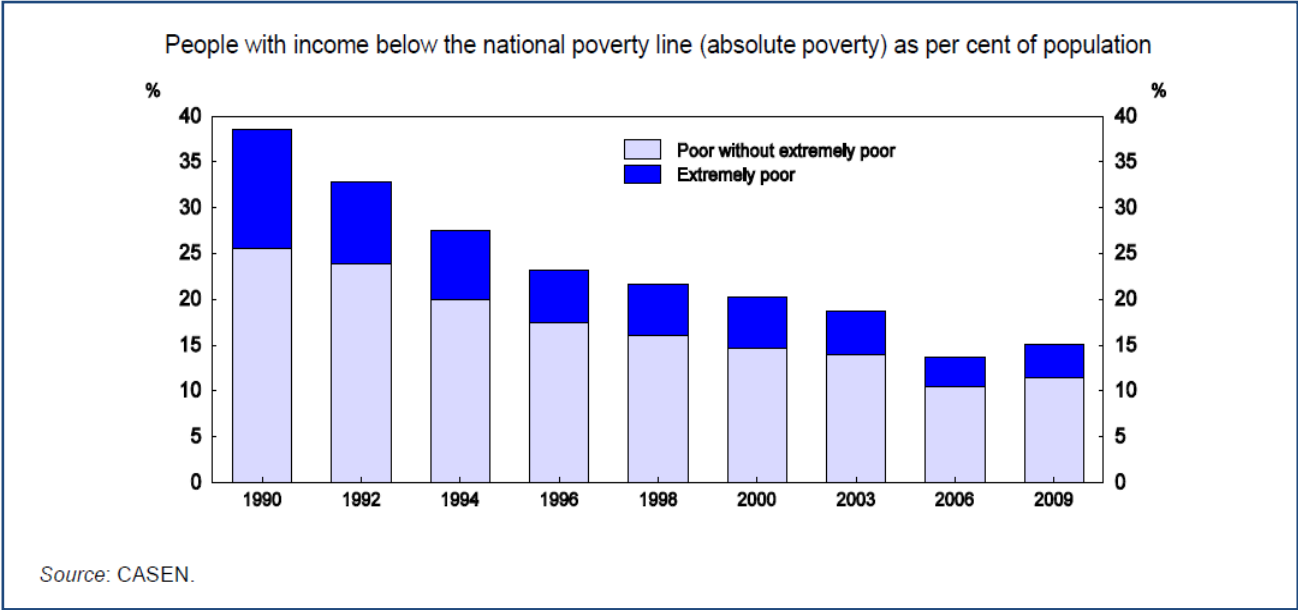
2.3.1 Poverty eradication through inclusive social protection

Within the scope of worldwide issues, poverty has remained a growing concern of many countries. As outlined in the previous section, social protection policies aim to assist vulnerable and indigent population to lead a better a quality life and overcome social and labour market risks. Poverty-stricken households suffer from social and income inequality, segregation, social exclusion from public services, lack of positive freedom and reduced capabilities to lead a better quality life. Policymakers must understand the multidimensional and multifactorial nature of

poverty in order to formulate sound poverty reduction policies.

With the aid of international organizations, there is increased awareness about the situation of poverty worldwide and the active role that States need to adopt in implementing more inclusive policies and cultivating greater intersectoral cooperation. Many governments have restructured their policy agenda to include more effective poverty reduction strategies while at the same time focusing on defining better macroeconomic policies to promote economic growth and productivity. On a regional note, countries in Latin-America and the Caribbean have made significant advancement in implementing policies to eradicate poverty. Chile has experienced a significant decline in poverty over the last 20 years (figure 4), and the government has set the ambitious goal of eradicating extreme poverty by 2014 (Brandt, 2012). Although inequality has also declined, poverty and inequality still remain high by standards set by the Organization for Economic Co-operation and Development (OECD).

Figure 5: Poverty rates in Chile



Source: Brandt, 2012

Literature on poverty reduction in Chile sustains that in the late 1990s the country suffered a period of stagnated poverty levels which eventually prompted deliberation for more innovative strategies to combat poverty. (Ruz and Palma, 2005; Frenz, 2007). The reasons for this will be explored below.

As outlined in Chapter 1, Chile Solidario was created during the government of former President Ricardo Lagos. However, from the study’s research, it is clear that in order to comprehend the genesis of Chile Solidario, details cannot be limited to the government of Lagos and its poverty-reduction agenda; it is necessary to provide insight into preceding events which unveil the situation of poverty that existed in the country over the years and the government’s response.

These events serve to explain the origin of the ideology that founded Chile Solidario, and the necessity of an integrated approach to social protection.

The year 1990, marked a turning point in Chile sociopolitical history as it marked the end of 17 year dictatorship and a step towards social change and development. According to Foxley (2004), poverty eradication was at the core of development strategies in Chile during the 1990s. The administrations of former Presidents Patricio Aylwin (1990-1994), Eduardo Frei Ruiz-Tagle (1994-2000) and Ricardo Lagos (2000-2006) persisted in the fight against poverty as a high priority policy goal.

The social policies of the 1990s were heavily influenced by a particularly adverse starting point; the Chilean economy had gone through a deep financial crisis in 1982 and the country's GDP fell by 16 percent in 1982 and 1983 (Foxley, 2004, p.4). Amidst these conditions, levels of unemployment surged and almost half population was situated below the poverty line. Economic policies implemented during the Pinochet government were successful in reducing unemployment and in recuperating the economy; however, the government adopted a tax reduction policy which eventually impacted negatively on the quality and progress of social development. According to Foxley (2004), it is against this background that the newly elected democratic government of Patricio Aylwin came into office in 1990. Given the deep social imbalances that existed in that period, poverty reduction was strategically placed at the top of the government's agenda as part of a new social development plan, as cited below in Aylwin's Presidential Speech.

The last sixteen years have marked a serious setback for the poorest individuals ... Our social policy is guided by the principle that overcoming poverty is not reduced to simply improving the income of the poorest. It is necessary to create the conditions for people in that situation to overcome the causes that generate it, by improving their opportunities and capabilities in order to participate actively in national development. In keeping with this principle, the bill creating the Ministry of National Planning has stipulated that one of the institution's core functions is to coordinate policies and activities directed to overcoming poverty ... Moreover, the Solidarity and Social Investment Fund, which will be created as a dependency of ODEPLAN [Office of National Planning], will finance public and private projects to benefit the poorest individuals.

Patricio Aylwin, Presidential Speech, May 21, 1990

The Aylwin government took strong action to assist poorer families by increasing minimum wage to 17% and providing various subsidies for disadvantaged families, the unemployed and the disabled. Emphasis was also placed on improving the quality, equity and coverage of education, which required a series of educational reforms and systemic intervention at the primary and secondary school levels. Social expenditures also increased in areas such as public health and housing for the poor. Housing subsidies also expanded by 160 percent in the decade, with an emphasis in the lower income quintile, in rural communities and in urban renewal programs.

As expressed in Aylwin's speech, strategies to tackle poverty did not only involve the implementation of adequate programmes, but also the creation of the proper institutions to oversee and coordinate the execution of these programmes. For this reason, both the Ministry of Planning (Mideplan) and the Solidarity and Social Investment Fund (Fosis) were strategically created to coordinate and finance programmes to combat poverty and promote greater social development.

Subsequently in 1994, when Eduardo Frei Ruiz-Tagle was inaugurated as the new President his government proposed an integral, decentralized approach that would deal more effectively with extreme forms of poverty (Foxley, 2004, p.13). This opinion is also supported by Frenz (2007, p.12) who sustains that the administration of President Ruiz-Tagle proposed to tackle the issue of poverty by focusing on intersectoral coordination, decentralization and comprehensive interventions of civil society and the private sector.

In accordance with the objectives of the Ruiz-Tagle administration, an Intersectoral Social Committee was formed to appraise and prioritize sectoral policies in an effort to support intersectoral coordination for poverty reduction. This initiative was presented in Ruiz-Tagle's Presidential speech, as observed below:

Through the National Poverty Eradication Plan we hope to achieve integral action in the public sector; incorporate this task in the private sector; focalize actions towards the neediest social groups, and ensure the effective participation of the most affected.

Eduardo Frei Ruiz-Tagle, Presidential Speech, May 21, 1995

The Intersectoral Social Committee implemented a National Poverty Eradication Plan in eighty targeted municipal districts that comprised the largest fraction of extremely poor families. Foxley (2004) explains that although this strategy was a step in the right direction, it failed to address important issues. These include the lack of additional resources to municipalities who were expected to coordinate and intensify efforts to eradicate poverty; coverage deficiency, as only selected municipalities participated in the programme; and the limited focalization approach afforded by municipalities, who centered their strategies on the individual rather than on the family. Frenz (2007) also maintains a similar stance on the shortcomings of the National Poverty Eradication Plan. The author explains that although more than 2,300,000 people had surpassed poverty since 1987, the results of the Eradication Plan fell short of political expectations. According the 1996 CASEN Survey cited by the author, 23.2% of the population (3,300,000 people) were still living in poverty, while almost 6% (more than 800,000) were living in extreme poverty (Frenz, 2007, p.12).

Subsequent to 1996, levels of extreme poverty were stagnant and showed resistance to traditional poverty reduction methods (Frenz, 2007; Foxley, 2004). This indicated that more innovative practices were needed to tackle the issue of poverty and extreme poverty that persisted in the Chilean society. This study finds that although the Aylwin and Ruiz-Tagle administrations positioned poverty reduction as a central part of their national plan, the policies implemented lacked the right operational approach and vision to accurately diagnose the causes of poverty from a multidimensional perspective, and create sustainable results in the lives of beneficiaries. The National Poverty Eradication Plan was a step in the right direction, seeking to improve the wellbeing of beneficiaries; however, it lacked an integrated approach with reliable focalization techniques and the capacity to provide integrated access to social benefits.

When the Lagos administration entered into power in 2000, the CASEN Surveys of 1998 and

2000 showed no reduction in poverty and indigence indicators; there were clear regional differences between poverty levels and an estimated 225,000 families were living in extreme poverty (Frenz, 2007, p. 23). In an effort to further understand the reasons for the persistent levels of poverty, Mideplan reexamined the results of the CASEN Surveys by analysing data in six groups instead of quintiles in an effort to identify internal differences between poverty groups. The Ministry also detected that the factors that had greater impact on the observed changes in the situation of poverty among households include family composition, level of education of the head of the household and employment (Mideplan, 2004). It was also observed that the benefits of social programmes designed for indigent households were being captured by less disadvantaged families. This was the result of an operational model structured on service demand, which assumed that those who did not solicit these services did not require their benefits. Additionally, the lack of access to social benefits by indigent families was also due to the fact that these households were isolated, uninformed and disconnected from social benefits. Other limitations included the narrow intervention method used to administer social benefits in which the State focused on beneficiaries on an individual level rather than adopting a collective approach and focusing on the family (*see* Appendix A). By this time it was clear that traditional methods were not adequate enough to provide inclusive social protection to the poorest households and combat stagnant poverty levels. A more integral and multisectoral approach was therefore needed to articulate existing government benefits and services in a social network while focusing on the family as the centre of intervention.

Subsequently, Mideplan's Social Division, along with Fosis, conducted research into new ways of addressing poverty, while Dipres worked with experts of the World Bank to create a common criterion for targeting and selecting beneficiaries, and also to develop a social protection system that would transform the multitude of social benefits into a network of benefits, subsidies and services (Frenz, 2007). The key elements for social protection identified by Dipres and World Bank experts included centering on the family as the beneficiary unit, the creation of an interconnected system of benefits with a "single window", establishing a minimal institutional framework for operational management, and creating an information system that linked all data bases to monitor functioning (Frenz, 2007, p. 26-27). The aim of this collaborative work was to generate an institutional proposal with World Bank support, and present it to the Presidency for consideration in 2003, in order that it may be implemented in the last half of the Lagos administration.

In addition to these efforts undertaken by governmental institutions, it is important to highlight the active role played by the President in addressing the issue of stagnant poverty levels. This action was also prompted by criticisms of the government by left-wing and right-wing politicians, demanding a stronger agenda for poverty reduction and questioning the Government's competence and probity, respectively. The President appointed a new Minister of Social Development and sought the advisory of various academic experts and governmental officials. A seminar was also conducted in April 2002 in which the President himself participated. Frenz (2007) quote Ruz and Palma (2005) in highlighting that the seminar proved significant in confirming consensus on the diagnosis, defining of clear policy alternatives, evaluating the feasibility of implementing a new system.

The President, along with his advisors, reviewed policy options and alternatives developed by

Fosis, Mideplan and Dipres conjointly. According to Frenz (2007), these alternatives include a cash transfer, created by reallocating resources from targeted social programs, to reach a per capita income over the indigence line, the review and integration of current poverty programs and expansion of the psychosocial support model of the Bridge Programme. In the same line, Mideplan was appointed as the institution with political responsibility for this new social protection policy. MIDEPLAN was the institution politically responsible and FOSIS, an operative organization with attributions and capacity to execute programs, continued in charge of the Bridge Program, which was now conceptualized as the entry point to Chile Solidario (MIDEPLAN 2004).

A law was sent to Congress that envisioned the program as a progressive social protection system. The parliamentary commission work and public audiences contributed to public debate on the strategy adopted. As a result Chile Solidario was positioned in public opinion as an important step towards social welfare. Law N°19.949 of June 5, 2004 formalized the system and gave a legal framework to the program which was being implemented by MIDEPLAN since 2002.

The table below summarizes the policy formulation steps in the Chile Solidario system:

Figure 6 : Policy Formation Steps in the Chile Solidario System

	Stages	Processes	Principal Participants	Period
1	Formulation and diagnosis	<ul style="list-style-type: none"> • Diagnosis of indigence • Elaboration of intervention strategy for families in extreme poverty 	Mideplan's Social Division	1999- 2000
2	Parallel Processes: Formulation and Implementation of the Bridge Programme; Development of strategies by Dipres and the Presidency	<ul style="list-style-type: none"> • Design and implementation of the Bridge Programme • Ministry of Finance makes progress in carrying out studies for a social protection system • Positioning of the issue in the Presidency 	Fosis Dipres President's Office	2001 2002
3	Presidential decision to implement a programme directed to reducing extreme poverty or indigence. Consultations, examination of alternatives, negotiation and associated designs	<ul style="list-style-type: none"> • Presidential decision • Seminars and consultations to experts and scientific specialists • Examination of alternatives and negotiation within the government • Final design of the programme 	President; Advisory Committee of the President, Mideplan, Fosis and Dipres; Experts from Dipres; group of scientific specialists	Abril-May 2002
4	Launch of Chile Solidario	<ul style="list-style-type: none"> • Definition of institutions • Rules that regulate the programme 	Mideplan Fosis	From June 2002 onwards

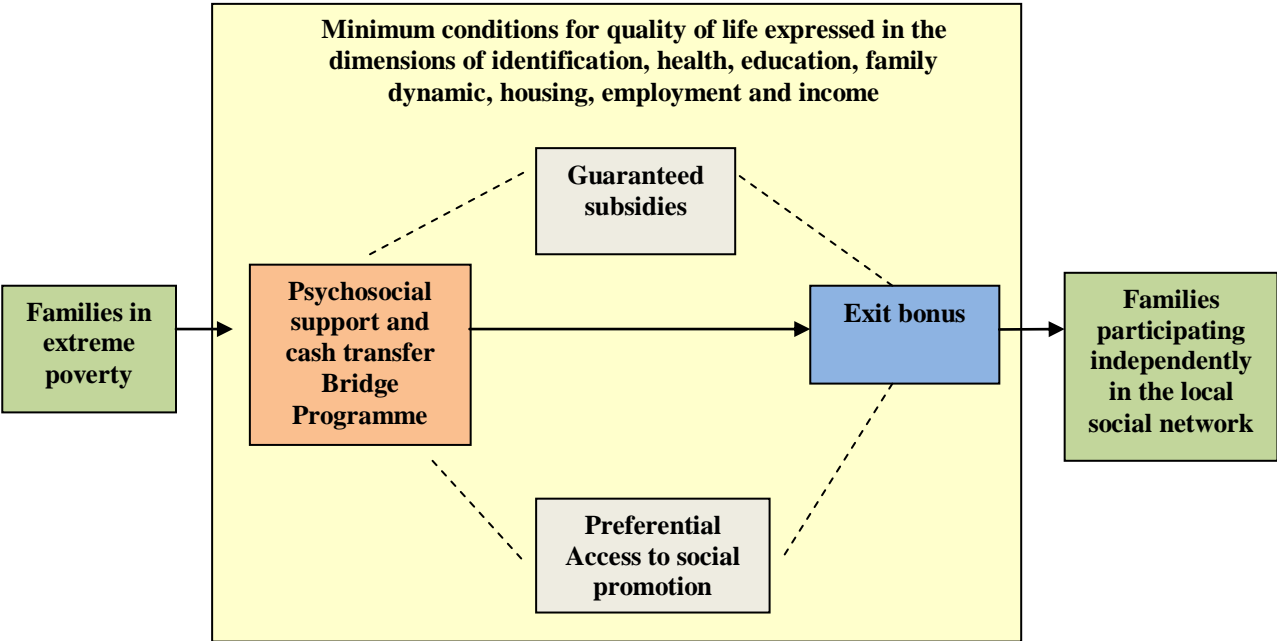
Source: Palma, 2005

The Chile Solidario system consists of three (3) components which are described below:

- 1) Psychosocial support and protection bonus: Through the Bridge Programme, beneficiaries receive psycho-social support for 24 months through a family support counsellor who assists them in obtaining social benefits, and provides guidance and motivation in the development of their capabilities, and in the elaboration of a personal development plan. The service delivery component of the programme greatly depends on the role of the counsellor in linking beneficiaries with the network of social services.
- 2) Access to the local network of benefits: Chile Solidario system functions on a model of institutional coordination between various government sectors and programmes.
- 3) Access to subsidies: Beneficiaries are eligible for subsidies after their first year of participating in the Bridge Programme.

An appreciation of the logic behind Chile Solidario can be appreciated below:

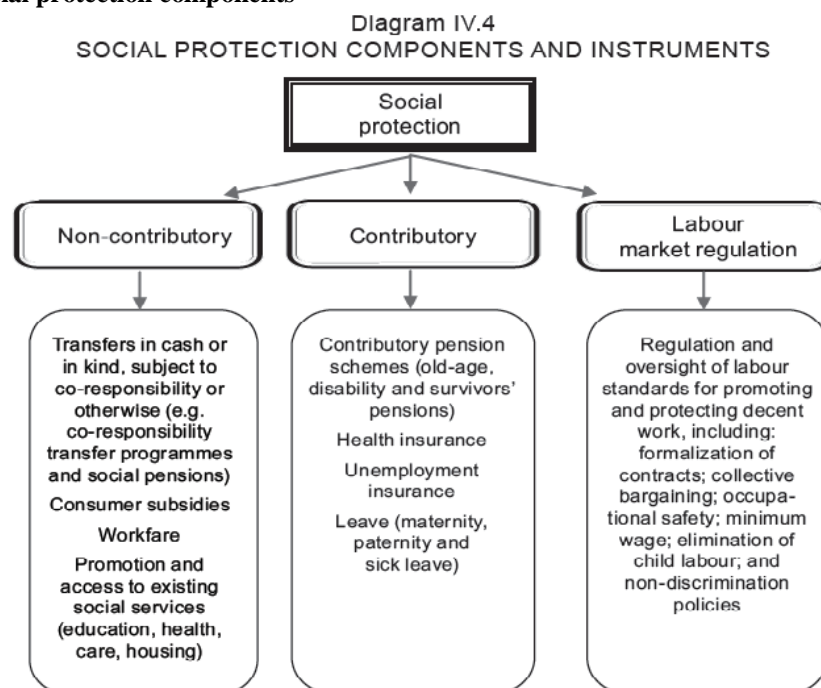
Figure 7: The Chile Solidario system



2.3.3 Non-contributory social protection

Cecchini and Martinez (2012) highlight three key components of social protection that fulfill the functions of social protection. These include non-contributory social protection, contributory social protection and labour market regulation. A description of these components can be observed in figure 8

Figure 8: Social protection components



Source: Prepared by the authors.

Source: Cecchini and Martinez, 2012

Chile's social protection system, Chile Solidario, is deemed a non-contributory social protection initiative. Non-contributory social protection target individuals and households living poverty and extreme poverty, and they involve the transfer of cash payments and subsidies which serve as a minimum income to meet (most) basic needs. They also play a key role in facilitating access to social promotion policies and services for human capital formation. According to Cecchini and Martinez (2012) the main instruments of non-contributory social protection include cash transfers, transfers in kind (targeted in line with income level or causes of vulnerability, customer subsidies (eg. for energy or water), workfare programmes (for the unemployed), and promotion of social services targeted mainly at poor households. The authors also point out that although social pensions fall under the category of contributory social protection, they have been incorporated as non-contributory instruments in Latin American social protection schemes due to the limited access to contributory social protection through the formal labour market. Chile's

non-contributory pension scheme has proven effective as persons of pension-age have experienced low risk of poverty (Brandt, 2012).

As part of the non-contributory social protection, conditional cash transfer programmes provide financial assistance to households through the transfer of cash payments, provided that they comply with a pre-specified conditionality- these conditions usually relate to health and nutrition (periodic check-ups, vaccinations for children, perinatal care etc), and education (school enrollment and attendance). In the case of Chile Solidario, beneficiaries must fulfill a set of 53 minimum conditions that will allow them to overcome poverty and lead a better quality life. Cash transfers connected to Chile Solidario are rather small in size and narrowly targeted (Brandt, 2012); transfers increase household income by approximately 10% for the lowest income decile, and much less for higher income deciles.

III. An Overview of the Bridge Programme

3.1 Description of the programme's operational structure

Objectives and output

As pointed out in the previous Chapter, the Bridge Programme is a two year intervention strategy that targets poor and vulnerable individuals and families; the programme seeks to assist participants in obtaining adequate living standards through the generation of income above the poverty line, and integrate them into local networks of social services, through personalized delivery of psychosocial support. As its name suggests, the programme seeks to build a bridge between poor households and social benefits, facilitating greater social integration and social inclusion, and promoting values of equity, justice and freedom. This 'bridge' is achieved through the assistance of a family support counsellor assigned to each family, and the commitment of the family to fulfilling a set of 53 Minimum Conditions that will allow them to surpass the poverty line and lead a better quality life.⁴ These Minimum Conditions (*see* Appendix A) serve as a conditionality for continuously receiving cash transfers; moreover, the beneficiaries' success in the programme is determined by their capacity to comply with all 53 conditions. The term "minimum" refers to the basic standards of quality of life that must be guaranteed to the family, such as living conditions, educational level or health status of its members. Families will have access to basic information regarding application procedures for social programmes, and orientation on attitudes or norms of behavior within the family. These conditions are segmented into 7 dimensions, each of which comprises a set of social services or public programmes. In this regard, the seven (7) dimensions are Identification, Health, Education, Family Dynamics, Housing, Work, Income.

The identification of these Minimum Conditions allows Family Support Counsellors to provide the family with the necessary support and orientation needed to not only fulfill them but also maintain them over time. For this, the family support counselor established agreements with the family to define concrete actions through "contracts" that identify the agreements. Thus, for families, the Minimum Conditions provide the basis for each of the families to enter system; it sets goals to meet them and thus become indicators of achievement of psychosocial support; while for Family Support Counsellors, these conditions order the content of the conversation and the work that the Counsellor develops with each of the families it serves. In the case of public Services, the set of Minimum Conditions is the action framework of the supply of public services

⁴ In 2012 the number of Minimum Conditions were raised to 79. However, given that the study has been limited to the period between 2002-2010, reference will be made only to the initial 53 Conditions. Of these 53 conditions, 13 are considered basic and must be fulfilled by all beneficiaries.

aimed at families in extreme poverty, while influencing the priorities, strategies and actions designed to improve quality of life of beneficiaries.

Of the 53 Minimum Conditions, 13 are considered to be the bare minimum and must be fulfilled by all beneficiaries. These conditions can be observed below:

Table 2 : The 13 bare Minimum Conditions

	Dimension	Code	Minimum Condition
1	Identification	Iden1	That all family members are registered in the Civil Registry
2		Iden2	That all members of the family have a valid national identification in good condition
3		Iden4	That all adult males in the family have their military status up-to-date
4		Iden6	That all family members who suffer from a disability, are diagnosed and certified before the corresponding institution (Commission of Preventative Medicine for Disability or the Medical Commission), and registered in the National Registry of Disabled Persons
5	Health	Health1	That all family members are registered in the public health system
6	Education	Educ4	That all children and adolescents in the family who attend pre-school. Basic school or secondary school, are registered in their respective school assistance programmes
7	Family Dynamic	Fam5	That the family is aware of community resources and available development programmes in the local network, including areas for recreation
8	Housing	Housing1	That the family has a place to live
9		Housing2	That the family is applying to social housing programmes, if necessary
10	Work	Work3	That all unemployed family members are registered in the local employment office at their Municipality
11	Income	Income1	That all families who are eligible for family allowance are receiving corresponding benefits
12		Income2	That all family members who are eligible for family assistance cash transfer, are receiving corresponding benefits
13		Income3	That all family members who have a right to basic pension assistance, old-age pension contribution or disability contribution, are receiving corresponding benefits

Coverage

The following table provides an overview of the annual coverage of the programme between 2002 and 2010:

Table 3 : Annual national coverage of families in the Bridge Programme

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010
Annual Coverage	42,119	53 379	54 944	54 407	59 466	36450	48 575	51 545	51 794

Source: Prepared by the author with information provided by the Larranaga and Contreras, 2010 , the *Balance de Gestion Integral* of the Ministry of Social Development, and Martin, 2014.

Selection process and execution phase

Beneficiaries are selected based on their classification in the national census, as part of the poorest income quintile, as well as the score of their Social Protection Card (*Ficha de Proteccion Social*) which should be less than, or equal to, 4213 points. It is important to note that they do not apply to join the programme, but rather, are invited to participate by a family support counsellor with whom they sign an agreement which expresses their commitment to the programme, and the responsibilities of their counsellor.

The Social Protection has been subjected to alterations over the years, each time with the aim of improving its effectiveness as a reliable instrument of focalization.

Table 4: Evolution of focalization instruments

Focalization for poverty reduction programmes and subsidies	Year	Period of Government	Description
Welfare Card (<i>Ficha del Comité Asistencial Social II</i>)	1987	Pinochet (1973-1990)	Centered on income
Family Card (<i>Ficha Familia</i>)	2005	Lagos (2000-2006)	Centers on the family; incorporates employment
Social Protection Card (<i>Ficha de Proteccion Social</i>)	2007	Bachelet (2006-2010)	Incorporates vulnerability and risks, not just income
New Social Protection Card (<i>Nueva Ficha de Proteccion Social</i>)	2011	Piñera (2010-2014)	Changes in the verification of information, sanctions for fraud,

Source: Martin (2014)

The psycho-social intervention is carried out over a period of 22 tapered sessions in the beneficiary's residence; the frequency of these sessions decreases from weekly, to bimonthly, to monthly. Family support counsellors adhere to a specially designed methodology to promote conversation with families, and to encourage them to reflect on their capabilities, goals and possibilities of transformation. This methodology allows counsellors to safeguard the fulfillment of the objectives that the program has contracted with each family, and to be conscious of the existence of the progressive sequence between restoration of basic functional skills of the families and their autonomous development in institutional networks.

During these personalized sessions, beneficiaries are able to articulate long term life goals and family projects, that is to say, determining what they can achieve as a family through social inclusion. Rather than simply instructing the family on the path to achieve their goals, the family support counsellor tries to assist the family in developing a level of self-support and personal autonomy by guiding them in their decision-making and in their search for answers so that they can learn from their own experiences.

It is important to note when beneficiaries leave the programme, the terms of their exit is classified as simple or successful. Families and individuals who remain in the programme for the full two year period and fulfill the 53 minimum conditions are considered to have left the programme successfully. On the other hand, simple departure from the programme describes a situation in which participants remain in the programme for two years but do not fulfill the minimum requirements.

3.2 Implementation and follow-up

The Bridge Programme began as a pilot implementation in 2002 in three regions of the country- Antofagasta, Maule and Magallanes- and in a few communities in Santiago's Metropolitan Area. As of June that year, the programme was extended to the other regions of the country with an expected target population of 225,000 families- or 800,000 persons.

The coordination, follow-up and evaluation of the programme falls under the responsibility of the Ministry of Social Development (previously Ministry of Planning and Co-operation), while the execution phase is entrusted to the Fondo de Solidaridad e Inversion Social (Fosis) who implements the programme directly or through Municipalities.

The Ministry is responsible for elaborating the objectives, coverage, and ensuring allocation of financial resources on an annual basis. Each year the Ministry elaborates the lists of beneficiaries which it forwards to Fosis for their revision. Agreements are drawn up with FOSIS to establish the transfer of funds, the commitment of Fosis, procedures for accountability and the elaboration of technical reports etc. In the same mode, Fosis defines agreements with Municipalities to define coverage of the programme, transfer of funds and various commitments for the execution of the programme.

It is important to reiterate that families do not sign up to participate in the programme as in the case of Jamaica conditional transfer programme; but rather, they are invited to join the programmes by the Family Support Counsellor assigned to them. The list of potential beneficiaries is elaborated by the Ministry and submitted to Fosis for revision and accommodation of names in order of vulnerability, starting with the most vulnerable (disabled persons, pregnant women etc.) this will be discussed further during the value chain analysis.

Additionally, this study finds that the role of Family Support Counsellor in the dynamic of this programme is indispensable. The Counsellor acts a liaison between the family and social benefits, and the success of the family in achieving the minimum conditions and accessing the local network of social benefits is largely determined by the capability of the Counsellor in assisting and motivating families. Family Support Counsellors are required to input reports on the progress of each family under their care into an online database which was created at the same time as Chile Solidario, to improve follow-up and evaluation mechanisms. Family Support Counsellors are also evaluated on a yearly basis, according to a preset evaluation method regarding their personal work with the family and the family perception on their performance. These types of evaluation are considered formal, as in that they are required by Fosis. More informal methods, which can include direct follow-up of the Counsellor's performance by his/her immediate supervisor are also used, however, literature on the follow-up method used in the Bridge Programme does not stress or elaborate this finding. This may provide certain shortcomings in adequately and effectively monitoring the programmes' performance, as it is imperative to have follow-up data on the work of the Family Counsellors and on the progress of the families in fulfilling the minimum conditions and access social benefits.

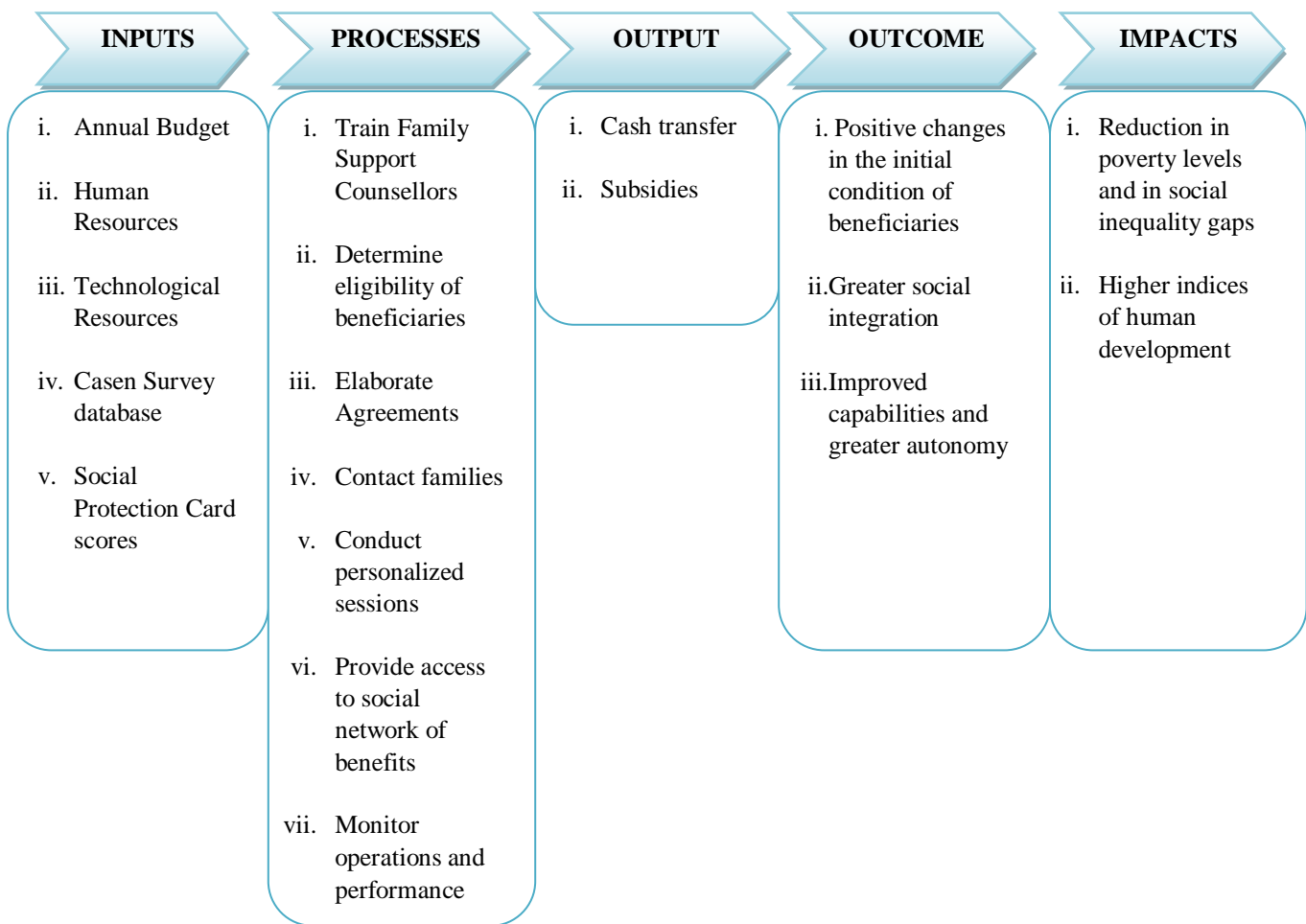
IV. Presentation and analysis of primary results

This chapter duly responds to objective 1 and objective 2 of this study, with the aim of examining the value-creating process of Chile's Bridge Programme. This analysis will be observed both in the revision of the programme's value chain and in the operational capacity perspective of Moore's public value scorecard. A few evaluations conducted on the programme will also be reviewed in an effort to acquire greater understanding of the impact of the programme between 2002 and 2010, in an effort to further public value analysis.

4.1 Constructing the value chain of the Bridge Programme

In accordance with the findings of this study, the value chain for the Bridge Programme has been constructed as follows:

Figure 9: The value chain of the Bridge Programme



Source : Prepared by the author

A description of the results chain can be appreciated below:

1) **Inputs**

i) *Annual Budget*: Financial resources for the programme are allocated by the Ministry of Social Development on an annual basis in accordance with the Ministry's budget. Article 3 of Law 19.949 stipulates that the annual coverage will be determined by this Ministry in collaboration with the President of the Republic, the Ministry of Finance and the Budget Act of the corresponding year.

The Chile Solidario system has also benefitted financially from loans provided by the International Bank for Reconstruction and Development (one of the five institutions that constitute the World Bank Group). In 2004, the Bank provided loans to the Chilean Government in the sum of ten million seven hundred and ten thousand dollars (\$10,710,000). In 2010, an additional three million dollars (\$3,000,000) was delivered to the Government of Chile to assist in the implementation of Chile Solidario and Chile Grows With You (*Chile Crece Contigo*) (World Bank, 2010).

According to the records of the Budget Directorate of the Ministry of Finance (Dipres), annual financial allocations to the Chile Solidario system have been made as follows:

Table 5 : Chile Solidario annual budget, 2002-2010

Description	Financial allocation for the Chile Solidario System, in local currency, millions of \$							
	2003	2004	2005	2006	2007	2008	2009	2010
Total Income	8,251,318	40,864,753	63,713,187	69,996,379	73,576,966	81,868,205	92,454,373	90,259,089
Fiscal Contribution	8,251,318	37,959,159	61,521,239	67,405,510	72,580,035	80,631,184	92,451,351	90,258,089
World Bank Project	n/a	2,905,594	2,537,408	2,844,191	1,062,564	1,273,310	135,303	n/a
Transfers	8,125,742	40,164,270	61,773,954	68,711,984	71,991,199	79,944,457	89,765,912	90,258,089
• Fosis	8,125,742	21,709,578	17,548,101	20,247,247	19,458,614	17,996,437	19,701,780	19,997,307
-Bridge Programme	n/a	n/a	n/a	5,281,893	5,466,759	6,008,964	6,971,084	7,075,650

Source: Dipres

As observed in the table above, there has been constant increase in the annual budget assigned to Chile Solidario System, for the most part. Records from the Directorate do not indicate the amount allotted to the Bridge Programme between 2002 and 2005; however, resources assigned between 2006 and 2010 correspond to a fraction of the funds transferred to Fosis for the implementation of Chile Solidario. These funds are a part of the *Transfers* component indicated in the table; these *transfers* refer to the transfer of funds by Mideplan to Municipalities and Fosis for the execution of Chile Solidario. Transfers also include funds provided to other public and non-profit institutions which may participate in the provision of public services to beneficiaries of Chile Solidario, according to the discretion of Mideplan.

Funds from the World Bank decreased progressively until 2009, and despite the loan agreement of 2010 between the Bank and the Government of Chile, records do not indicate the amount of funds assigned to Chile Solidario.

ii) Human Resources: this component refers primarily to the family support counsellors who are in charge of providing psychosocial support to beneficiaries. These counselors occupy a vital role in the implementation process of the programme. They are the key tools in linking families with the local network of social benefits and in assisting them in the development of their capabilities. Until 2007, counsellors were mostly hired by Fosis; Municipalities were allowed to hire additional workers, when needed, with funds transferred to them from Fosis. After 2007, however, Fosis took over the employment of all counsellors.

Family support counselors also play an important role in monitoring the performance of families in the programme; they are expected to provide periodic updates on the performance of their assigned families through an online platform which be discussed in *iii*).

iii) Technological Resources: The programme uses an online platform that allows family support counsellors to register beneficiaries and periodically input information on their progress. The *Sistema Integrado de Informacion Social* is an integrated information system used to manage the information of all social protection programmes in Chile; it facilitates the elaboration of a registry of beneficiaries and participating institutions in the social protection system (Martin, 2014). The objective of this system is to identify and monitor the supply of public services delivered by social protection programmes.

iv) Casen Survey Database: Information provided by the Casen Survey (*Encuesta de Caracterizacion Socioeconomica Nacional*) database and the Social Protection Card allows the Ministry to identify the number of persons living in poverty and extreme poverty in order to incorporate them into the social protection system. The Casen survey is commissioned by the Ministry of Planning and is characterized by measuring the socioeconomic conditions of households in the country, in terms of access to health, education, work and housing conditions.

v) Social Protection Card scores: As described in section 3.1 of Chapter 3, the Social Protection Card is used a focalization instrument to identify beneficiaries. The SPC is the main source of information of the SIIS system

2) Processes

i) Train Family Support Counsellors: Family support counsellors, who are generally professionals with a background in social sciences, are trained by the Family Intervention Units in each Municipality. Training workshops are scheduled for a few days, and during this time, support counsellors are taught how to apply the programme's intervention methodology and the procedures in conducting sessions with the families. They are also oriented in the use of the online platform.

ii) Determine eligibility of beneficiaries: Another important activity involves the elaboration of the list of beneficiaries by the Ministry. This requires careful attention so as to avoid exclusion of potential beneficiaries. Qualification for participation in the programme is dependent on the number of points that a family obtains on their Social Protection Card; families with 4213 points or less are considered for the programme; families who obtain between 2072 and 4213 points are considered to be in the lowest quintile of the population, that is, they are living in extreme poverty. The Casen Survey database allows the Ministry to determine the annual coverage of beneficiaries on a national, regional, municipal and community level. The Ministry later forwards this list to Fosis who then arranges the list of beneficiaries according to level of vulnerability, starting with the most vulnerable individuals such as disabled persons, young children and pregnant women.

iii) Elaborate agreements: A third important activity is the elaboration of contracts and agreements. This allows clarity in the definition of institutional responsibilities, as well as the relationship among stakeholders. Three types of agreements can be identified in the programme. The firstly corresponds to the agreement between the Ministry and Fosis. The Ministry entrusts the execution of the programme to Fosis, either directly or through agreement with municipalities. The agreement establishes the terms for the transfer of resources, the obligations of both parties, necessary procedure to hand in reports etc. The second type of agreement is elaborated between Fosis and the Municipalities: this agreement defines coverage, terms for the transfer of resources, obligations of both parties, terms of handing in reports etc. Also accompanying this agreement are the Technical Standards and execution model for the programme, as well as the norms and procedures of hiring Support Workers. The third agreement involves the family support counsellor and the beneficiary. According to Article 5 of the Law 19.949, families will express their willingness to participate in the programme and their commitment to fulfilling their obligations through an agreement elaborated with their counsellor.

iv) Contact families: An important feature of the programme is that families do not apply to join the programme, but rather, are invited to participate by the family support counsellor. The role of the counsellor is again important in this activity in order motivate the family to take the next step to improving their quality of life. If a family initially declines to participate, but later changes their decision, they would have to wait until the following year when they are contacted again in order to join the programme.

v) Conduct personalized sessions: Personalized sessions are directed by the family support counsellor in the homes of the beneficiaries. Family support counsellors need to create an

environment of inclusion and confidentiality in order to establish a relationship with the family and promote dialogue. These sessions are important in identifying the needs of the family and in assisting them in setting a development plan.

vi) Provide access to social network of benefits: Another important activity includes providing access to social benefits. The family support counsellor also plays an important role in this activity by providing the family with the necessary information about social programmes and benefits and in assisting the families in their application for these benefits.

vii) Monitor operations and performance: Through the online platform, Fosis can monitor the progress of families and the work of the family support counsellor. These counsellors undergo yearly performance evaluations in which they are assessed on their attitude toward the service provided; their capacity to learn, adapt and respond to challenges; their manner of implementing the intervention methodology; their capacity to establish a relationship with the family; and the frequency of visits made.

3) Outputs

i) Cash transfers: According to the transitory Article 2 of the Chile Solidario Law, participating families who are fulfilling their obligations are eligible for a cash transfer for 24 months in the following amount: \$10, 500 pesos monthly for the first six months; \$8000 monthly during the following six months; \$5500 pesos monthly during the next six months; and in the final six months of the programme beneficiaries receive an amount equivalent to the family subsidy in the Law No. 18,020. The cash transfer for the first 18 months is adjusted in February of each year for variations in the Consumer Price Index. This cash transfer is awarded by the Ministry only once and for a period of 24 months; transfers cease in the event that families do not fulfill their agreement.

The payment of the cash transfer will be the responsibility of Mideplan and will cease if the household does not fulfill their obligations.

ii) Subsidies: According to Law 19.949, households are eligible to apply for subsidies within their second year of participating in the programme. For the delivery of these benefits, Mideplan uses information recorded in integrated information system, as well as, data provided by Municipalities.

These monetary benefits include :

- Family allowance (*Subsidio Único Familiar (SUF)*): this is a stipend for poor families with pregnant women, school-age children or a disabled member who do not qualify for the contributory family allowance for dependent employees, because nobody in the family is affiliated with a social security institute. Thus, undeclared dependent employees and poor dependent workers can qualify for the benefit, as well as the inactive or unemployed. The allowance amounts to 9,242 Chilean pesos.
- National Identification Subsidy (*Subsidio a la Cédula de Identidad*): is a financial support of 500 Chilean pesos to obtain a national identification card.

- Water Subsidy (*Subsidio al Pago del Consumo de Agua Potable y Servicio de Alcantarillado de Aguas Servidas (SAP)*) is a subsidy for obtaining drinkable water, which covers the bill for 15 m³ of water use each month for Chile Solidario beneficiaries.
- Basic Pension (*Pension Basica Solidaria (PBS)*) and Social Security Contribution (*Aporte Previsional Solidario (APS)*) are the non-contributory basic solidarity pension and top-ups respectively for retired and disabled workers with savings shortfalls in the private pension system. Recipients need to have a FPS score of 12.185 or below to qualify.

These monetary transfers aid to lift the financial strain suffered by poor and indigent households; they are a valuable contribution in helping families get back on their feet, so to speak, while they aim to establish income autonomy and a standard of living above the poverty line.

It is important to mention that poor and indigent families who decline to participate in the Bridge Programme are also qualified to access available subsidies; however, accessing information regarding the application process, as well as the submitting the application, will be the family's responsibility. This puts the family at a disadvantage, as having to complete the application on their own and not having access to information may discourage efforts to solicit these benefits. Therefore, when families are contacted and invited to participate in the programme, efforts must be made by the Family Support Counsellors to motivate the household to participate in the programme, while stressing the multiple benefits in improving their standard of living.

4) Outcomes

i) Positive changes in the initial conditions of beneficiaries: Beneficiaries who successfully complete the programme⁵ should observe improvements in their living conditions. They should be incorporated into the social network and be receiving social benefits. Families who were living in deplorable housing conditions, for example, should observe improvements in this dimension. In general terms, families should be more satisfied with their standard of living than before, more optimistic about their future and more motivated to improve their quality of life.

ii) Greater social integration: Through the wide range of programmes accessible in the Chile Solidario system by means of a 'single window' mechanism, poor and indigent households can benefit from social services relating to all 7 dimensions of the social protection system. The Bridge Programmes fosters inclusive social protection of poor and indigent households while finding the right equilibrium between labor market reinsertion of these households and promoting autonomy and independence, and their participation in society.

iii) Improved capabilities and greater autonomy: As stated in the previous Chapter, Family Support Counsellors guide and motivate households in developing a personal plan for their

⁵According to the structure of the Bridge Programme, 'successful completion' refers to the fulfillment of all 53 Minimum Conditions.

future. The personalized sessions with households allow the Counsellor to identify risks and setbacks (physical or otherwise) that the household may be experiencing. The Counsellor would subsequently advise and orient the household on how best to remedy the situation and improve their living conditions. Having fulfilled the Minimum Conditions, households should be better equipped to provide for themselves financially and have more autonomy in managing their lives.

5) Impacts

i) Reduction in poverty levels and in social inequality gaps: According to the logical framework, the impact of the programme is defined in its objective. By this reasoning, quantitative data should show progressive reduction in poverty levels and in the vast gaps of social and income inequality in Chile. The impact of the programme is rather dependent on the beneficiaries' performance within the three years after leaving the Bridge Programme. The Bridge Programme provides beneficiaries with the fundamentals for overcoming their situation of poverty, however they are expected to continue on this path of autonomy and self-development during and after leaving Chile Solidario. Assuming this occurs, the society should benefit from increased indices of human and social development.

ii) Higher indices of human development:

These indices function as an alternative to measuring the wellbeing and long term progress in three dimensions of human development: education, health and income. According to UNDP (2014,p.2), Chile's HDI value for 2013 is 0.822— which is in the very high human development category—positioning the country at 41 out of 187 countries and territories. Between 1980 and 2013, Chile's HDI value increased from 0.640 to 0.822, an increase of 28.4 percent or an average annual increase of about 0.76 percent. HDI trends for Chile can be observed in the table below:

Table 6 : Chile Human Development Indices, 1980-2013

	Life Expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2011 PPP\$)	HDI value
1980	69.1	11.3	6.4	7,756	0.640
1985	71.9	12.0	7.3	6,723	0.664
1990	73.7	12.8	8.1	8,778	0.704
1995	75.1	12.0	8.4	12,380	0.724
2000	76.9	12.9	8.8	14,233	0.753
2005	78.3	14.0	9.5	15,684	0.785
2010	79.2	14.9	9.8	17,921	0.808
2011	79.4	15.1	9.8	19,033	0.815
2012	79.7	15.1	9.8	20,137	0.819
2013	80.0	15.1	9.8	20,804	0.822

Source: UNDP Report, 2014

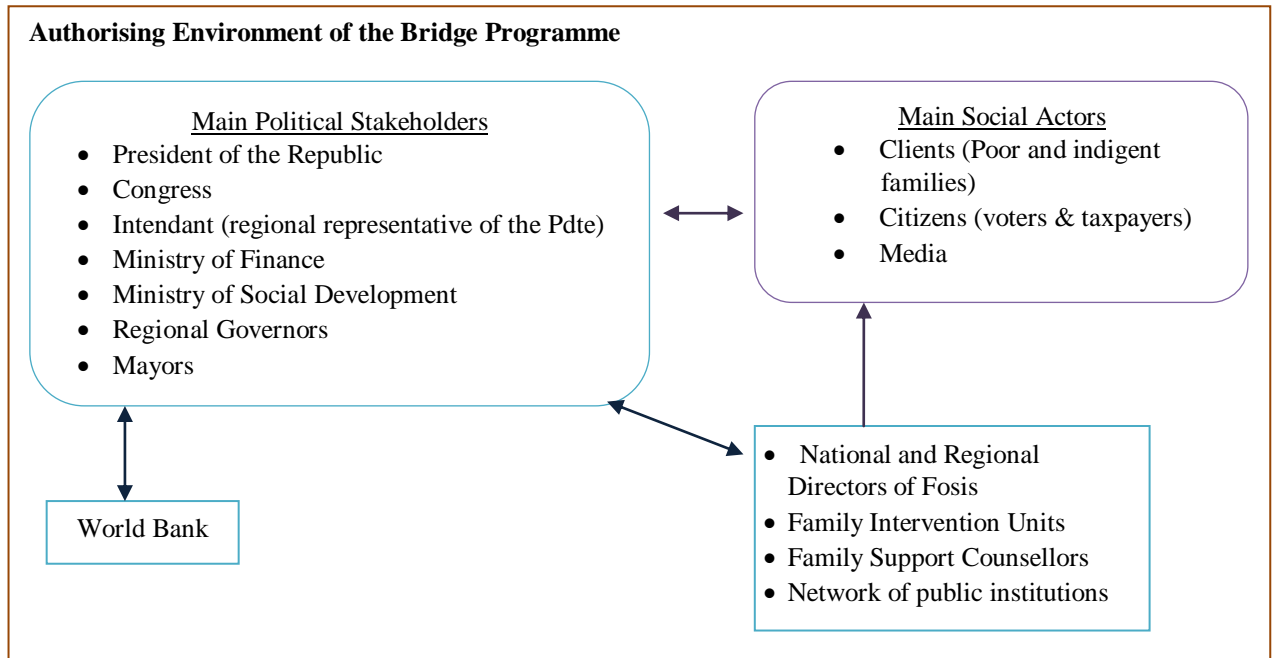
This study understands that improvements in human development and wellbeing will not solely depend on the beneficiaries' participation in the Bridge Programme, as innumerable factors exist that can change the course of a household's future. Chile has several health and education programmes directed to help poor and indigent families. There are also work programme which seeks to assist families in establishing a level of income outside the poverty line. One must also consider that these households are more susceptible to social and labour market risks, and if they do not have the proper tools to lift themselves out of poverty, then observing improvement in their wellbeing will be sluggish. For this reason, the innovative nature of Chile Solidario permits access to a wide range of social programmes in 7 dimensions, including health, income and education. If families remain in the Bridge Programme and fulfill the required 53 Minimum Conditions, they should be expected to see improvements in family wellbeing by the end of the 24 months, and even more so, if they remain in the Chile Solidario system for the remaining 3 years.

4.2 Analysis of the Bridge Programme's public value framework

This section presents and discusses the public value framework of the Bridge Programme through an analytic interpretation of Moore's public value scorecard. Analysis will be limited to the operational capacity perspective which includes an examination of the programme's management model and performance measurement system; however brief reference will first be made to the legitimacy and support perspective, and then to the public value perspective in order to tender a more robust understanding of the public value analysis presented.

As discussed in Chapter 2, the public value scorecard helps public managers to build **legitimacy and support perspective** for themselves and their organization. Given that this perspective is not the centre of analysis for this study, emphasis will not be placed on constructing the legitimacy and support perspective form as seen in Appendix A. However, to understand the value-creating process of a programme, managers must be able to identify the authorizing environment that holds them accountable. This environment includes the formal authorizers, media and individuals in polity as observed in the form in Appendix A. In the case of the Bridge Programme, this group of actors is identified as:

Figure 10: The authorising environment of the Bridge Programme



Source: Elaborated by the author

Figure 8 illustrates an outline of the main political and social actors identified by this study. The Minister of Social Development oversees the coordination and strategic planning of the programme in accordance with the government’s national priorities and annual budget. The Minister is held accountable to social and political actors for the annual progress of the programme, the use of financial resources and the achievement (or lack thereof) of target results and impacts. It is important to stress that since its inception, the programme has counted on the legitimacy and support of the President of the Republic; this indicates that the programme had a strong political backing which provided support and continuity. As the President is consequently accountable to the public, cooperation and accountability is required from the Minister of Social Development in order to respond to the public and sustain political power.

According to the structure of the programme, this study identifies that the public value proposal is defined by the political mandate in accordance with the priorities and objectives of the administration in power. This value proposal is shared with the MDS, as well as, Fosis and the Family Intervention Units who actively participate in the execution of the programme, i.e. the value creating process. As additional funding is provided by the World Bank for the execution of a sustainable and effective social protection system, political actors must be conscious of the expected accountability that exists with this organization. This will aid to strengthen relations with international organizations and promote the government’s credibility among international lenders of credit.

The national and regional directors of Fosis, the family intervention units of each Municipality, the Family Support Counsellors and the national and local networks of social institutions

participate in the execution phase of the programme. They act in accordance with the directions laid out by the MDS to ensure effective access to an equal and fair social protection system.

On the other hand, as it relates to the **public value perspective**, Moore urges managers to define the dimensions of public value to be produced and consider how to prolong the creation of value in the future (using the public value account as a guide). To aid the analysis in the value-creating process of the Bridge Programme, this study will briefly proffer only the dimensions of public value that the programme seeks to create. These dimensions refer to the programmes's value proposal put forward by the political mandate and shared among stakeholders. They also act as a perpetual guide to personnel and public servants in the implementation of the programme. This abstraction correlates to the public value perspective of the scorecard in which. This study outlines these dimensions following the logic of Moore, but without adhering to any specific format. As observed below, these dimensions relate to client satisfaction and mission achievements (as identified on Moore's public value account):

Figure 11: The public value dimensions of the Bridge Programme

Mission of the Ministry of Social Development:

Contribute to the design and implementation of policies, plans and programs on social development, especially those aimed at eradicating poverty and providing social protection to vulnerable persons or groups, promoting mobility and social integration. It must also ensure coordination, consistency and coherence of policies, plans and programs for social development at national and regional level and assess pre-investment studies of investment projects seeking funding from the state to determine its social profitability so responsive to the strategies and policies for growth and economic and social development to be determined for the country.

Dimensions of Public Value:

Client Satisfaction:

- Efficiency in the delivery of public services
- Fair and equal access to social benefits
- Confidentiality of sessions
- Empathy and integrity of Family Support Counsellors

Mission Achievement:

- Ensure social integration and social inclusion of poor and indigent families
- Build human capital
- Enhance trust in institutional management in the government sector

Source: Prepared by the author

The dimensions of public value, determined by the political mandate, coincides with the mission of the MDS, which according to Law 18.899 is required to collaborated with the President in the design and implementation of policies for social development and poverty eradication.

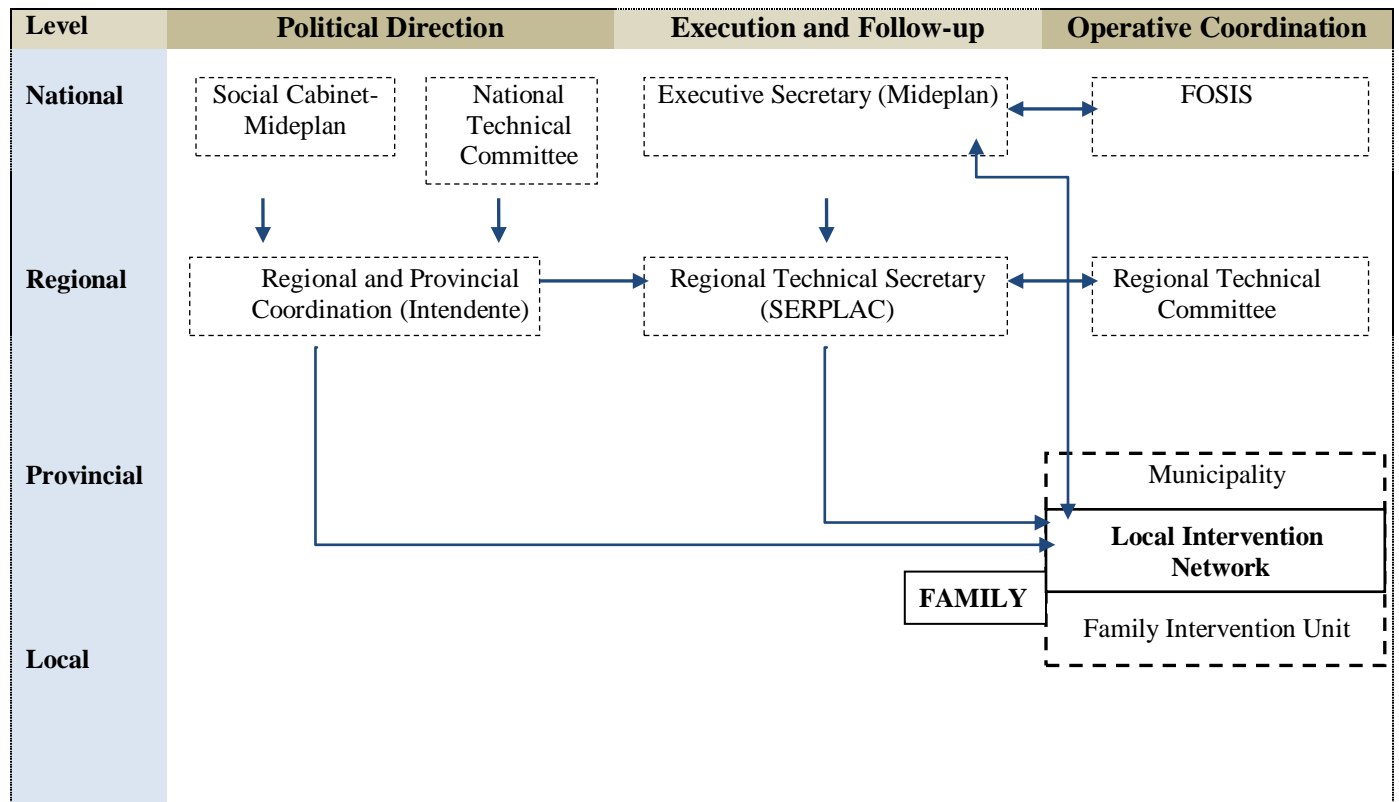
It is important to mention that between 2002 and 2010 there have been modifications to the mission of the MDS, as well as alterations in the Ministry's institutional objectives. This will necessarily impact on the institution's focus on coordinating the social protection system, as well

as, its operational capacity to translate public value from an abstract conception to empirical results.

With regard to the **operational capacity perspective**, this study finds that the management of the Bridge Programme is supported by Chile Solidario’s systemic management model that seeks to strengthen the network of participating institutions and improve budget management in relation to the achievement of target results. Responding to these challenges involves strengthening inter-institutional coordination in order to improve efficiency and supply of service delivery to current and past beneficiaries of the psycho-social component (Mideplan. 2004).

The management model of Chile Solidario embarks the system in its entirety and not just individual programmes; strategic planning involves all programmes and services in the system whose products and results are relevant to the target population. The model transcends the boundaries of public institutions and creates more oriented process management. Figure 12 examines the distinct types of management implemented in Chile Solidario that sustain the functioning of the Bridge Programme:

Figure 12: The Chile Solidario management model



Source: Frenz, 2007

The Chile Solidario management model has a centralized control component, where objectives and operational strategies are defined, and a decentralized model of execution which is defined on a national, regional, provincial and local level. The system's management model is divided among Chile 15 regions, and subdivided into 54 provinces which are further divided into 351 districts (*comunas*). All regional and provincial authorities are designated by the President of the Republic, while authorities of districts and Municipalities are elected democratically (Martin, 2014).

The management model of the Bridge Programme can be appreciated as follows (Frenz, 2007; Mideplan 2004):

1. Systemic Management

The CHS system adopts proactive, holistic and inclusive method in articulating the participation of various institutions, as well as, civil society in the implementation phase. From this point of view, it implies a management process that goes beyond a mere aggregate of social programmes. This means, above all, it demands the articulation of a planning process that includes all social programmes and services whose products and results are relevant to the target population of Chile Solidario. It tends to organize the work of the public sector to meet these requirements through a process management. That is, CHS transcends the boundaries of public institutions and seeks to sort their activities around objectives and indicators that centre on the Minimum Conditions to be achieved by Chile Solidario beneficiaries.

2. Network Management:

The implementation of Chile Solidario requires the participation of various actors at different levels who are committed to eradicating extreme poverty. The system's network management includes identifying all stakeholders involved in achieving the objectives of Chile Solidario while developing a dynamic collaboration among them. The contribution of each institution, system or person with management responsibilities, represents an added value to the system of social protection.

However, network management involves more defined structures. It requires horizontal practices between service institutions or providers of benefits in the same territory and the same families and their members; and vertical coordination between levels of state administration (municipal, provincial, regional and national). This includes the coordination at the national, regional and local level by:

i) *National Technical Committee (COTEN)*: Coordinated by the Executive Secretariat of Chile Solidario and integrated by all participating institutions. The committee delivers institutional support for the implementation of the System, recommends measures for improving its operation serves as a link to the programme offerings of member institutions. This committee is divided into subcommittees for each of the dimensions covering Chile Solidario and networks for areas within these dimensions.

ii) *Regional Technical Committee (COTER)*: Regional coordination chaired by the Regional Governor and Regional Secretary in the Ministry of Planning and Coordination (SERPLAC) who acts as Regional Executive Secretary of Chile Solidario.

iii) *Local Intervention Network*: This network coordinates the support provided to institutions that deliver services to beneficiaries of Chile Solidario. During the psychosocial intervention, coordination of this network is headed by the Family Intervention Unit (FIU) of each Municipality in order to implement and execute the Bridge Programme.

3. Budget Management:

As mentioned during the analysis of the value chain, the management of Chile Solidario's financial resources includes the signing of cooperation agreements with various institutions and the transfer of resources under conditions that ensure that programmes provide periodic progress reports on the benefits and services granted and specific mechanisms of accountability of the funds transferred. This aids in ensuring constant supply of relevant programmes to satisfy the needs and demands of integrated Chile Solidario families. Mideplan also provides funds for conditionals transfers to sectors such as Health, based on the annual budget approved by Congress.

4. Information Management:

This corresponds to the integrated information system which allows Mideplan to monitor the family oriented intervention conditions. The Integrated Social Information System (SIIS) has been one of the first experiences of information integration in Chile of information and it has been included in the Government's Digital Agenda (Reform and Modernization Project State) and Initiative No. 13 "Electronic Platform Chile Solidario and Social Policy". This technological system allows Mideplan to foster greater collaboration with other participating Ministries in the social protection system.

5. Knowledge Management:

The generation of useful knowledge is one of the most relevant tasks for the implementation of Chile Solidario and the development of a system of social protection system (Mideplan, 2004). Public servants involved in the implementation of Chile Solidario, including the families support counsellors, are responsible for managing specific aspects of the system at the various levels. A first step in this line consists of the Learning Community Bridge (*Comunidad de Aprendizaje Puente*), which is extended to all actors involved in the system. It serves as a reflection for implementing activities and is an important factor for the systematic development of associated knowledge for a social protection system in construction. On the other hand, given the size of the system being implemented, it is vitally important to develop a comprehensive evaluation to measure the impact that Chile Solidario has had on the quality of life of the beneficiary families, as well as feedback on the follow-up of management tasks and key processes.

Therefore, given the structure of the CHS, this study finds that intersectoral coordination is the basis for the proper functioning of the system, and this requires a holistic, yet complex management style to integrate public sector efforts in guaranteeing adequate coverage and equal access to social benefits. Given that the successful departure of beneficiaries from the Bridge Programme depends on their capability to fulfill the 53 Minimum Conditions, it is imperative that they are incorporated into the local network of services and duly informed about these benefits. For this reason, the role of the Family Support Counsellor is crucial in acting as liaison between households and the local network of services. **The process of creating public value in the Bridge Programme depends heavily on the performance and success of the Family Support Counsellor, and also on the effectiveness of the intersectoral coordination system in providing quality services in a timely manner.**

On the same note, it is important to consider the possibility of risks within these management styles that may obstruct the value creating process. In terms of systemic management, for example, aligning an institution's objectives and indicators with that of the CHS system may prove challenging. Institutions, though willing to partake in coordinating service delivery, may place more emphasis on fulfilling their own institutional targets. This can result in a potential breakdown in the value creating process, as the institution will direct focus merely on achieving CHS target indicators (in fulfilling its commitments to the system) rather than concerning itself with the pursuit of underlying values laid out by the political mandate.

Also, within the network management model, there are certain political factors at play which can influence the value creating process. Based on Chile's political system, Intendants (*Intendentes*) are appointed by the President of the Republic as a regional representative and they form a part of the regional government. Within the Regional Technical Committee, the Intendants coordinate with the Regional Minister of Mideplan in the operations of this Committee. Both these government posts are appointed directly by the President of the Republic, which is to say that they may be removed at any time according to the consideration of the President. Within the legitimacy and support dimension of the public value paradigm, the Intendant occupies an important role in ensuring that Regional Ministers, Regional Directors of Fosis, and other public sectors officials are always conscious of the public value dimensions.

Monitoring the value-creating process

As stated in chapter 2, appropriate indicators must be designed to monitor the value created by each component. According to the annual performance reports published by Fosis and the Undersecretary of Mideplan, the following types of indicators have been implemented:

Table 7: Performance measurement indicators- Fosis

Indicators	Year						
	2004	2005	2006	2007	2008	2009	2010
Efficacy							
Efficacy/ Final Result	X						
Efficacy/Intermediate Result		X	X	X		X	X
Efficacy/ Product		X			XX	X	X
Efficacy/Process					X		
Quality/Product			X	X			

Source: Prepared by the author using data from the *Balance de Gestion Integral* of the MDS

Table 8: Performance measurement indicators- Undersecretary of Planning and Cooperation

Indicators	Year						
	2004	2005	2006	2007	2008	2009	2010
Efficacy							
Efficacy/ Final Result	X			X			
Efficacy/Intermediate Result		XX		X	X	X	X
Efficacy/ Product			X				
Efficacy/Process							
Quality/Product			X				

Source: Prepared by the author using data from the *Balance de Gestion Integral* of the MDS

X- number of indicators available

X- goal not met

As observed in figure 10 and figure 11, there were no formal measurement indicators measuring efficiency and very few were implemented to measure quality of services; the programme substantially lacked indicators that monitored the progress of activities, which subsequently calls into the question the operational capacity to monitor value-creating strategies.

During the period 2002-2010 Fosis implemented the following indicators⁶:

- i) Percentage of families in extreme poverty attended by the Bridge Programme (*measuring final result*)
- ii) Percentage of families who fulfill the Minimum Conditions within the 24 months of intervention. (*intermediate result*)
- iii) Percentage of families who leave the programme who fulfill the Minimum Conditions within the 24 months of intervention. (*product*)
- iv) Percentage of families who leave the programme that are satisfied with the services offered (*quality*)
- v) Percentage of families in situation of indigence and vulnerability who are contacted by the Bridge Programme in the year t. (*product*)
- vi) Percentage of families in situation of indigence and vulnerability who are contacted by the Bridge Programme in the year t, with respect to the total number of families in situation of indigence and vulnerability assigned by Mideplan to be contacted during the year t. (*product*)
- vii) Percentage of Municipalities who subscribe to agreements for the transfer of resources for the execution of the Bridge Programme in the year t. (*process*).
- viii) Average effectiveness in the fulfillment of the Minimum Conditions for families who complete their intervention in the year t. (*intermediate result*)
- ix) Percentage of effectiveness in the achievement of the Minimum Conditions by families who complete their intervention in the year t and where attended by the Bridge Programme (*intermediate result*)

Likewise, the Undersecretary of Planning and Cooperation implemented the following indicators during the same period:

- i) Number of families in extreme poverty who are incorporated into Chile Solidario (*measuring final result*)
- ii) 3% of families that fulfill all the Minimum Conditions within the 24 months of intervention. (*intermediate result*)
- iii) Percentage of families in extreme poverty incorporated into the State's social network. (*intermediate result*)

⁶ This is an accumulative revision of all the indicators used within this period. On average, about 2 or 3 are used each year, and some indicators are often repeated year after year. For example, measuring the amount of families who successfully leave the programme is a common yearly indicator, though worded differently in some years.

- iv) 8% of institutions pertaining to COTEN that have agreements or signed commitments. (*product*)
- v) Percentage of families who are active and have left the programme, equipped to participate in the social public network. (*product*)
- vi) Percentage of families who are satisfied or very satisfied with their participation in the Chile Solidario System. (*quality*)
- vii) Percentage of families who leave the psychosocial support phase and are equipped to participate in the social public network. (*intermediate result*)
- viii) Percentage of families who leave the psychosocial support phase and are equipped to participate in the social public network, with respect to the total number of families who leave the Bridge Programme in the year t (*intermediate result*)
- ix) Percentage of families who overcome their situation of extreme poverty after remaining in the Chile Solidario System for the total period. (*final result*)

In accordance with the finding of this study, it is understood that performance measurement indicators that are implemented should conform to the key activities (or value-creating activities) that were identified in 4.1, as well as the objective of the Bridge programme. This study finds that there exists a discrepancy in the definition of the indicators used by both Fosis and Mideplan. The idea of what is considered ‘result’, versus ‘intermediate result’ and ‘final result’ is not apparent, as in some cases there seems to be contradictions. For example, Fosis considers families who successfully leave the programme and those who have been contacted as both products. Following the logic of the value chain, the number of families contacted would be considered an efficacy indicator measuring a *process*; while the number of families who leave the programme would correspond to a *result* (whether or not this result is ‘intermediate’ or ‘final’ depends on how the programme is being analysed. Results could be considered ‘intermediate’ if one analyses the programme from the standpoint that it is a component of the CHS, and families who leave the programme would have only fulfilled a part of the desired results. In this case, ‘final’ results would refer to indicators measuring the family’s departure from the CHS after 5 years. On the other hand, if the programme is being viewed independently from the CHS, then expected results would be just that, or ‘final’ results’).

On the same note, Fosis identifies the number of Municipalities who sign agreements as a *process* indicator, while the Undersecretary considers as a *product* indicator the number of institutions pertaining to COTEN who have signed agreements. This study finds that both these activities pertain to the *process* component of the value chain as they refer to tasks elaborated during the implementation phase of the programme.

Additionally, Fosis and the Undersecretary lack adequate indicators to monitor and measure inputs, processes and products. No formal indicators have been identified to monitor the take-up

up subsidies and cash transfers. Even more importantly is the limited focus on implementing performance measurement indicators to follow-up the Family Support Counsellors. On one hand, Fosis monitors the work of these Counsellors through periodic internal evaluations and this allows feedback on their performance and relationship with the family. On the other hand, this study finds that it is necessary to monitor the performance of Family Support Counsellors per family, so as to ensure efficiency in personalized psychosocial support. A Counsellor who has responsibility for 15 families, for example, would not work at the same speed of efficiency as another Counsellor in charge of 5 families. An excessive amount of families can encumber the the work of the Counsellor and hinder the efficiency of the value-creating process, as he or she would not be able to complete tasks efficiently and in timely manner, and also contribute to the social inclusion of poor and indigent households (which are dimensions of the Bridge Programme's public value).

The study understands that Fosis uses informal indicators (for internal purposes and, therefore, not published in formal reports) to monitor activities and progress of the programme. However, in the case of measuring important value creating activities, as well as for evaluation purposes, there should be transparent indicators, allowing clear indication of how the programme seeks to monitor the creation of value.

Also, despite the use of an efficacy indicator, it is not clear as to how the programme precisely monitors the fulfillment of the 53 Minimum Conditions. In the case of beneficiaries who do not fulfill these conditions, for example, it not apparent as to how the programme targets unfulfilled conditions in order to assist families in complying with these conditions. Having such a complex conditionality requires the appropriate measures to identify challenges and bottlenecks that families may face in the fulfillment of the requirements, and also to provide support in assisting the families where possible.

4.3 Examining evaluation results of the Bridge Programme

This section continues with the public value analysis of the Bridge Programme. The analysis presented corresponds to the outcome and impact components of the value chain, and as such, the main objective here is to present the findings of various performance and impact evaluations conducted on the Bridge Programme, which reflect the efficiency of the value-creating process and may contribute to determining to what extent the programme generates public value.

Table 9: Evaluation revised

Author	Title of Study	Year published	Years evaluated	Methodology	Data
Emanuela Galasso	With their effort and one opportunity	2006	2002-2004	• Regression discontinuity	Longitudinal survey
Eleonora Nun; Daniela Trucco	Informe de Sistematización de Evaluaciones Cualitativas del Programa Puente y Sistema de Protección Chile Solidario (<i>Systematic Report of Qualitative Evaluations on the Bridge Programme and the Chile Solidario Social Protection Programme</i>)	2008	2004-2007	Subject to individual studies reviewed	21 studies: <ul style="list-style-type: none"> • 13 correspond to the Puente a la Vista series • 6 correspond to the series of studies conducted by Mideplan • 1 correspond to a study by the PNUD • 1 correspond to a study by Cepal
Dante Contreras; Osvaldo Larrañaga Jaime Ruiz Tagle	Evaluación de impacto de Chile Solidario: primera cohorte de participantes (<i>Impact evaluation on Chile Solidario: first cohort of participants</i>)	2008	2002-2007	<ul style="list-style-type: none"> • Matching propensity score • Differences in differences 	<ul style="list-style-type: none"> • Chile Solidario Panel Survey
Pedro Carneiro; Emanuela Galasso; Rita Ginja	The impact of Providing Psycho-social support to indigent families and increasing their access to social services: Evaluating Chile Solidario	2009	2002-2007	<ul style="list-style-type: none"> • Regression discontinuity • Differences in differences 	<ul style="list-style-type: none"> • Chile Solidario Panel Survey (2003, 2004, 2006-2007) • Administrative data (1998-2008) • Bridge Programme database (2002-2007) • Monitoring instrument (Nov 2005-Jan 2006)

Table 10 : Evaluation results

Dimensions Evaluated	Galasso (2006)	Eleonora Nun and Daniela Trucco (2008)	Contreras et. al (2008)	Carneiro et. al (2009)
• Minimum Conditions Identification	n/a	n/a	n/a	n/a
Health	Households are more likely to be registered in the public health system. Increased health visits for children < 6 and women ≥ 35	More likely for children to enroll in health programmes and be taken on health visits. No information available to determine effects of the programme on increased health visits on adults. Programme only produced marginal effects for enrollment in public health system for adults.	n/a	
Education	Positive effects on pre-school enrollment. Restructuring of pre-school programme (free access and flexible hours for working mothers). Improvements in adult literacy.	Results evaluated for children in 2006. Consistent school enrollment for children aged 6 to 14; no significant effects for pre-school enrollment and children aged 15-18. No effects on child labour.		
Family Dynamic	n/a	n/a	n/a	n/a
Housing	Increased enrollment in housing programmes- beneficiaries more likely to participate. Significant effects of the programme on the receipt of basic housing equipment	Housing improvements for beneficiaries; no significant changes in housing improvements or basic infrastructure.	Positive effects	Positive and increasing results on house ownership or renting.

Work	Employment prospects, but no gains in the medium term in labour supply. Participants more likely to be registered in local employment office and enroll in re-insertion and training programmes.	Increased enrollment at local employment office; more beneficiary households employed.	More participants are employed, in comparison to control group (more so for women than men).	No effects on labour market participation among young heads of households (below 50) Increased participation of heads of households, and their spouses, in employment programmes. Participation is larger for families in their second year of psychosocial support
Income	Effects of the programme are relatively small. Participants, however, are more likely to receive subsidies	No significant effects; cash transfers are effective in assisting families in extreme poverty, but not those in moderate poverty.	Significant effects in independent income (however, these effects are lower than those perceived by control group). Increase in independent income during first interval evaluated (15-23 months)	-Increase in up-take of SUF subsidy, especially in the case of families whose head household is younger than 50 yrs. No significant impact on up-take of old pension PASIS and SAP water subsidy -Increases in independent income will take time to materialize and, as such, will not be observed within the two years of psychosocial support
• Satisfaction of beneficiaries	Household more optimistic about future socioeconomic status.	n/a	n/a	n/a
• Family support counsellor	Families more aware of social services and more proactive in seeking assistance from local institutions	n/a	Positive results attributable to Chile Solidario, are concentrated in the first two years and then decline. This temporary pattern seems to be associated to the work of the Family Support Counsellor.	n/a

<ul style="list-style-type: none"> • Local network of social benefits 	n/a	n/a	n/a	n/a
<ul style="list-style-type: none"> • Challenges faced during evaluations 	n/a	n/a	<p>Chile Solidario Panel Survey has presented several disadvantages: i) the data base was created after the programme was implemented & doesn't allow before and after comparisons; ii) changes in questionnaires that were applied during distinct rounds of surveys affected the comparability of results; iii) lost interviews, which may cause distortions in the selection of samples for the evaluation; iv) difficulty in following the observations due to problems in registering individual identifiers; v) the questionnaire used is based on the Casen Survey and doesn't contain all the relevant question for a panel study.</p>	n/a

With regard to the reviewed evaluations on the Bridge Programme, this study finds that:

1. There are territorial differences among the results of the programme that cannot be ignored. It has been observed that the effects of the programme differ, in a few cases, between rural and urban areas. (Contreras et. al, 2008) maintain that Chile Solidario delivered greater impact in rural areas in the dimensions of Income and Employment.
2. Also, there have been varied effects of the programme on gender. In many cases, the impact of the programme has been more positive for men than women in areas of employment and income.
3. Many third-party evaluators frequently refer to impacts as “positive” or “significant”, however, at times the interpretation of this terminology is not quite clear. For the most part, evaluators refer to the dimensions in the Minimum Conditions when presenting their findings; they do not, however, refer to any specific condition within a particular dimension. As previously established, the fulfillment of the 53 Minimum Conditions is indispensable for the successful departure of a beneficiary from the programme. Therefore, to say simply that there are “positive effects” in Housing (Contreras et. al, 2008), while this dimension consists of 12 conditions, is a vague deduction that certainly complicates solid analysis of the impacts attributed to the Bridge Programme.
4. It is important to note that the results of the evaluation carried out by Contreras et al. (2009) can only be applied to the first cohort of participants in the programme, that is to say the group of beneficiaries that entered in 2002 and left in 2007
5. Many evaluators focus on analyzing the impact of Chile Solidario (or the Bridge Programme) in accordance with the variable used in the CAS Card (Contreras et. al, 2008). This methodology clearly discards important variables that are incorporated into the list of Minimum Conditions. The CAS instrument does not contain information about the disposition and attitudes of families.
6. Few evaluators have taken into account the limitations of using only the CASEN database. Carneiro et. al (2009) have also incorporated the Bridge Programme database, and a monitoring instrument at the Municipality level which provides indicators on the supply of services in the local network of benefits. They measure the degree of participation of local institution in the local network, the degree of knowledge and dissemination of the programme, and the level of institutionalization of the network.
7. Supporting the observation made in the previous section regarding the measurement of the Minimum Conditions, Carneiro et. al (2009) emphasize that housing and employment are considered the most critical dimensions for long improvement in family welfare; unfortunately, they are the two dimensions that exhibit the highest unmet demands at entry: about two thirds of the families participating in the first two years of psychosocial support in 2003 are not complying with at least one minimum condition in the housing dimension.
8. Evaluations tend to centre primarily on dimensions of wellbeing related to human development- education, health and income. Little or no emphasis is placed on the effectiveness or impact of the other dimensions, especially on those relating to Family Dynamics and Identification.

V Conclusion

This study has been designed with the focus of furthering an investigation into the public value paradigm; in particular, emphasizing the process through which managers mobilize resources and support within the organizational context in an effort to create public value. The multidimensional nature of poverty necessarily requires an innovative approach in policy development that seeks to not just aid families in obtaining an income above the poverty line, but also stresses the element of wellbeing in all aspects. It is evident that the 53 Minimum Conditions designed by the Chile Solidario system takes into account various aspects of a household's wellbeing, and obliging them to comply with these conditions is a strategic way of eradicating poverty from a multidimensional perspective.

The public value analysis of this investigation has centered on the organizational capacity of MDS in implementing adequate strategies for creating value. Through an analysis of the programme's value chain it is possible to identify the most important activities and elements relevant to the production process of value. Just like the strategic triangle, the value chain serves as a guide to managers during the execution phase of a programme and it allows them to visualize possible risks and opportunities that may arise. Likewise, Moore's public value scorecard, serves as a fresh approach to performance measurement that seeks to surpass the simple concept of a financial bottom line and construct a more complex accounting scheme that captures the full set of values that organizations produce, as well as, the financial and social costs incurred. As public managers make philosophical inquiries into the nature of the public value they produce, evaluating this value from the standpoint of clients and the collective public will allow managers to uncover the true costs of their activities and the full range of benefits they are now creating, or can create in the future.

As posited in chapter 2, the necessity of an adequate and reliable performance measurement system is crucial in the value creating process. Through the value chain analysis, the public manager can identify exactly where performance monitoring is key. The findings of this study regarding the Bridge Programme's value chain, however, do not particularly correlate to the findings on the performance measurement tools used in the programme. The indicators used by Fosis and Mideplan's Undersecretary, and published by Dipres, are extremely limited, and they are oriented solely to achieving a few objectives directed to the fulfillment of targets. These indicators do not fulfill the value of appropriateness, nor are they suggested to be holistic.

Additionally, as it relates to performance measurement, it is not exactly clear how the fulfillment of the 53 Minimum Conditions is measured. Fosis and the Undersecretary provide what could be considered as a 'collective' indicator in which they seek to document if a particular family has complied with all conditions. However, the criteria for determining if a family has fulfilled these conditions are unclear. These dimensions span over 7 dimensions: identification, health, education,

family dynamic, housing, work, income, and the majority pertain to the category of health. Family dynamic also has a considerable number of conditions; some which, such as good conversational practices and establishing house rules seem immeasurable. This study concurs with the multidimensional perspective from which the categories are considered, but if they cannot be measured, they will not serve to contribute to the value creating process.

Further inference can be drawn based on the value creating process of the programme as it relates to the core principles of creating value:

1. **New Public Management values** – the structure of the Bridge Programme (and Chile Solidario) suggests particular focus on improving efficiency, especially as it relates to providing access to social benefits and services. The creation of the single window mechanism is a vast improvement in the delivery of public services. However, it has been observed that there exists a deficiency in measurement indicators relating to efficiency, cost-effectiveness and production efficiency.

2. **Deliberative democracy**: There has been little or no evidence to suggest public engagement in the decision making process, or rather, in the form of formal consultation processes. Nevertheless, this principle is particularly strong during the designing phase of the Chile Solidario System. Various experts, specialists, Ministers and other social actors collaborated in the design of the programme and in defining its objectives and line of action. Panel surveys have also been frequently conducted in an effort to provide data for impact evaluations

3. **Accountability**: The idea of formal accountability is one of the elements that distinguishes public services from the private sector. The Minister of Social Development is responsible for ensuring that the Bridge Programme complies with annual targets directed to poverty eradication. The President of the Republic relies on feedback from the Minister in order to be aware of the government's performance in fighting poverty. Given that the post of Minister is one of confidence (*de confianza*), the President may remove the Minister if objectives are not being met. Such is the case during the government of Ricardo Lagos when, due to pressure from opposing parties and the failing results in poverty reduction, the then Minister of Mideplan was replaced. Therefore, these Ministers face an added challenge in securing legitimacy and support from their political authorizing environment, while working towards fulfilling the value proposal of their political mandate.

Additionally, directors of Fosis are accountable to the Minister of SD, as they are responsible for the execution phase of the programme. They provide feedback on the regional implementation of the programme, and also the use of resources. Municipalities are also accountable for the management of the local intervention network of benefits and services and the work of the Family Support Counsellor.

4. **Transparency:** This principle maintains that the public must be informed on government actions and plans, as well as on the progress and outcomes of social policies. Through Dipres, evaluation and progress reports of the Bridge Programme, MDS and Fosis are made available online. Budget allocations are also published on an annual basis. At the local level, Municipalities play an important role in this principle as they are expected to be proactive in making available the necessary information regarding applications for social benefits.

5. **Authorization and support:** Managers must identify the stakeholders in their external environment and be capable of mobilizing their support. As mentioned in point (3), Ministers need to act in accordance with the lines of action set out by the President of the Republic and ensure the political backing

Therefore, it has been observed that the Bridge Programme has a very innovate structure that will allow it to impact significantly and positively on the lives of poor and indigent households. The structure of the programme holds for a sturdy value proposal, however, there are shortcomings in translating this value proposal (dimensions of public value) into feasible value creating strategies. With this mind, this study has identified a few valuable characteristics of the Bridge Programme that may aid the implementation of Jamaica safety net programme.

Lessons from the Bridge Programme experience

This final section seeks to respond to objective 3 of this study and present a few recommendations for the implementation of Jamaica's safety net programme.

[...] there are over one million Jamaicans below the poverty line who have to "struggle daily to provide the basic amenities of food, shelter, clothing and educational opportunities... people struggle daily to provide the basic amenities of food, shelter, clothing and educational opportunities to satisfy immediate family and household needs. When that number is added to the thousands of those who live on the edge of economic uncertainty, being just able to 'make ends meet' from one week to the next, we come face-to-face with the hopelessness which is our reality as a struggling third-world nation

The Jamaica Gleaner, 2012

Some 1.1 million Jamaicans are living below the poverty line, fuelling an intergenerational crisis... in order for intergenerational poverty to be alleviated, there must be strengthened cooperation with family systems, a reduction in teenage pregnancy, reduction in single female-headed households, reduction of family size, avoidance of withdrawing children from school, reduction of tolerance to criminal activity, reduction of learned helplessness, building stronger families, and a reduction in family regression

Bailey, 2014

Despite efforts to achieve significant reduction in poverty levels, Jamaica's society remains plagued by escalating poverty levels in recent years. Rural areas are especially affected, as many residents do not enjoy the benefits of electricity or piped water. Jamaica's debt crisis and economic difficulties have stunted progress for social and economic development. The country has received financial support from the International Monetary Fund to implement macroeconomic stabilization policies, while the World Bank has provided funds for the implementation of the Programme for Advancement Through Health and Education (PATH), Jamaica's conditional cash transfer programme. This initiative was created in 2001 to replace the former system which consisted of food stamps, poor relief and limited public assistance. Despite achieving some results in assisting the poorest households the PATH Programme's operational capacity requires improvement in many areas. Ayala (2006) explain that the programme can be improved through establishing an independent beneficiary selection system; ensuring closer collaboration between PATH officials and service providers; and putting more resources into the monitoring of programme eligibility and the meeting of compliance conditions. If these recommendations are indications of deficiencies of the programme, then this would indicate that the value creating focus is poorly oriented, and a robust management model is needed to sustain the operations and service delivery of the programme.

The analysis of the Bridge Programme has afforded the following recommendations for the successful implementation of a social protection system rooted in the creation of public value:

1. **Intersectoral coordination:** greater coordination among participating institutions is needed to improve the disbursement of benefits and services. PATH provides two types of grants: a health grant, which is contingent on certain members of the household attending public health clinics at regularly scheduled intervals; and an education grant, which is contingent on children aged 6-17 attending school for at least 85% of the total number of school-days each month (Ayala, 2006). Unfortunately, according to evaluations of the programme, it has been noted that health centres have been unwilling to cooperate with PATH officials and there have been delays in establishing operational alliances with the Ministry of Health (Ayala, 2006). This points to the lack of a national integrated focus to provide inclusive social protection- just as in the case of Chile Solidario, the PATH Programme needs to command strategic action to promote greater coordination and cooperation among participating institutions.

2. **Integrated information system:** One of the criticisms faced by the PATH Programme is that compliance conditions are confusing and complicated for beneficiary households (Ayala, 2006). Beneficiaries are not properly informed on benefits and procedures, and this breakdown in communication complicates the service delivery. The PATH programme does not have a psychosocial component and as such, the programme does not rely on a particular actor to provide guidance to beneficiaries. One of the measures that PATH could take to remedy this issue is by

collaborating with Municipalities in an effort to organize neighbourhood meetings or house visits to beneficiaries' residences in order to orient them on the conditionality clause of the programme, monitor their progress and identify challenges or risks that may arise. Additionally, another recommended measure is the elaboration of an integrated information system similar to the SIIS, in which the government can create a single registry of beneficiaries which can be used by both the Ministry of Health and the Ministry of Education.

3. Robust performance measurement system: As part of the value creating process, a reliable performance measurement system needs to be constructed to monitor the progress of families in complying with the health and education conditions, as well as, the satisfaction of beneficiaries and the institutional efficiency in supply social services.

In conclusion, this study observes that the public value concept acts a guide to steer managerial work in being concerned with more than just the fulfillment of objectives or target indicators. It demands consideration of the needs of stakeholders, as well as, the social wellbeing and views of the public. This renewed approach to public sector management will surely guide managers in designing better and more sustainable inclusive social protection policies for the indigent and vulnerable population in the hopes of creating a better society.

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APPENDIX A: List of 53 Minimum Conditions

Dimension	Code	Minimum Condition
• Identification	Iden1	That all family members are registered in the Civil Registry
	Iden2	That all members of the family have a valid national identification in good condition
	Iden3	That all family members have their Social Protection Card up-to-date and the Municipality is duly informed on significant changes in the family's living condition.
	Iden4	That all males in the family aged 18 and over have their military status up-to-date
	Iden5	That all family members who have, or have had conflicts with the law, initiate the necessary procedures to regularize their criminal record
	Iden6	That all family members who suffer from a disability, are diagnosed and certified before the corresponding institution (Commission of Preventative Medicine for Disability or the Medical Commission), and registered in the National Registry of Disabled Persons
• Health	Health1	That all family members are registered in the public health system
	Health2	That all expectant mothers have prenatal check-ups (according to the norms set by the Ministry of Health)
	Health3	That all children aged 6 and younger are vaccinated (according to the norms set by the Ministry of Health)
	Health4	That all children aged 6 and younger have regular medical and dental check-ups (according to the norms set by the Ministry of Health and AUGÉ)
	Health5	That women aged 25 to 64 have a pap smear within the last three years.
	Health6	That women who use contraceptives have regular medical check-ups
	Health7	That senior citizens have medical and dental check-ups at the public health network.
	Health8	That all family members who suffer a chronic disease are under professional care at the corresponding health centre
	Health9	That a person has a disability, is enrolled in a rehabilitation programme, if necessary
	Health10	That family members are informed on proper health care and self-care procedures
• Education	Edu1	That all children between age 4 and 5 yrs 11 attend pre-school and enrolled in the corresponding level.
	Educ3	That all children and young people in the family who are of school age attend classes regularly, or reinserted into the school system

	Educ4	That all children and adolescents in the family who attend pre-school. Basic school or secondary school, are registered in their respective school assistance programmes
	Educ5	That all children in the family who are 8 years or older are able to read and write, or leaning to do so through extra classes if these abilities are not achieved
	Educ6	That disabled children and young people who are able to study are incorporated into the regular or special-aid school system, while receiving the support and technical assistance they need to participate adequately in the school life.
	Educ7	That there is an adult responsible for the education of children and young people in the family, and that they are in regular contact with the school.
	Educ8	That adults in the family can literate.
	Educ8	
	Educ9	
• Family Dynamic	Fd1	That the family engages in daily conversations about habits, schedules and recreational activities.
	Fd2	That the family has the necessary tools to deal with conflicts.
	Fd3	That the family establishes house rules.
	Fd4	That there is equal distribution regarding household chores.
	Fd5	That the family is aware of available community resources and available programmes in the local network, including healthy recreational areas.
	Fd6	That in the case of domestic violence, the parties directly involved are incorporated into a support programme (they should at least be aware of their options and in the process of seeking assistance)
	Fd7	That children who are under special protection by the State are visited by the family.
	Fd8	That the family supports young members of the family who are incarcerated and assists them in the rehabilitation process.
• Housing	H1	That families have a place to live
	H2	That if the family needs to apply to a social programme for housing benefits, they should be doing so.
	H3	That the family has uncontaminated water supply
	H4	That the family has adequate energy system
	H5	That the family has adequate sewage facilities
	H6	That the family's residence is sealed and not affected by rain or flooding
	H7	That the family's residence has at least two rooms, which boundaries between the activities carried out in each one.

	H8	That each family member has a basic bed and with corresponding necessities such as mattress, sheets and pillows.
	H9	That the family had basic equipment to prepare and consume meals.
	H10	That the family has an adequate trash disposal area
	H11	That the family resides in an environment free of contamination.
	H12	That the family accesses the water subsidy, if necessary.
• Work	W1	That at least one adult family member is working and has stable income
	W2	That no child abandons his studies to pursue employment.
	W3	That all unemployed family members are registered in the corresponding Municipality. (Oficina Municipal de Informacion Laboral).
• Income	I1	That all families who are eligible for the Family Subsidy are receiving benefits.
	I2	That all families who are eligible for the Family Allowance are receiving benefits.
	I3	That all families who are eligible for the Old-age Pension or Social Security allowance for old-age or disability, are receiving benefits.
	I4	That family has an organized budget according to their income and priority needs.

APPENDIX B : Conceptual differences before and after Chile Solidario intervention

Dimension	Before Chile Solidario	Chile Solidario
1. Role of the State	<p>Passive Role</p> <p>Social benefits were delivered based on demand of potential beneficiaries by the public institutions in charge of said benefit. This means that those individuals or needy families who were isolated and uninformed about the State's installed network (many times the most needy) acceded to these benefits to a lesser extent.</p>	<p>Proactive Role</p> <p>Through its national network, the Chile Solidario system implies a more active role of the State in identifying the most needy families in order to ensure that benefits are indeed delivered to them and more organizational targeting of these public benefits according to the specific needs of each family, through a direct and personal work with each of them. This job is performed by a Family Support Counsellor, assigned to each family integrated into the system, who provides personalized support for 24 months through regular sessions at the beneficiary's residence.</p>
2. Intervention focus	<p>Individual</p> <p>Traditional benefits such as the Single Family Subsidy (SUF) and the Welfare Pension (PASIS) were organized to address the social problems of the population on an individual level, without taking into account the characteristics of the core family in which the individual was embedded .</p>	<p>Family</p> <p>The Chile Solidario System focuses its intervention on the family unit, while addressing individual problems of their members in the context of the specific family situation that they are inserted. Thus, together with the delivery of a protection bonus (cash transfer) for 24 months, a specific agreement with the family is elaborated and they are assured access to a network of existing benefits according to the needs of each family.</p>
3. Method of delivering benefits	<p>Various benefits</p> <p>Social benefits for this population group are spread out across various institutions and programmes that do not often interact, and have diverse operational and targeting logics. This translates into the existence of more than 90 programmes directed to sectors with scarce resources that do not necessarily have common specific objectives or uniform eligibility criteria.</p>	<p>Integrated system of benefits</p> <p>The Chile Solidario system assumes the integration of benefits directed to this population group in a coherent and coordinated System, with a single institutional focus, which permits the improvement of diverse benefits and the improvement of their effectiveness. For this, responsibility and resources are oriented to supporting families in extreme poverty in Mideplan, transforming it into the institution responsible for the government's social protection network.</p>

Source : Mideplan, 2004

APPENDIX C

This appendix presents a generic format of the three components of Mark Moore’s public value scorecard: public value account, legitimacy and support perspective, and operational capacity perspective.

PUBLIC VALUE ACCOUNT	
Use of Collectively Owned Assets and Associated Costs	Achievement of Collectively Valued Social Outcomes
Financial Costs	Mission Achievement
Unintended Negative Consequences	Unintended Positive Consequences
	Client Satisfaction
	Service Recipients
	Obligatees
Social Costs of Using State Authority	Justice and Fairness
	At Individual Level in Operations
	At Aggregate Level in Results

THE LEGITIMACY AND SUPPORT PERSPECTIVE: General Form
<p>Mission Alignment with Values Articulated by Citizens <i>(link to Public Value Account)</i></p> <p>Inclusion of Neglected Values with Latent Constituencies <i>(link to Public Value Account)</i></p>
<p>Standing with Formal Authorizers: Elected Executives Statutory Overseers in Executive Branch (Budget, Finance, Personnel) Elected Legislatures Statutory Overseers in Legislative Branch (Audit, Inspectors-General) Other Levels of Government Courts</p>
<p>Standing with Key Interest Groups: Economically Motivated Suppliers Self-Interested Client Groups Policy Advocacy Groups Latent Interest Groups</p>
<p>Media Coverage: Print Electronic Social</p>
<p>Standing with Individuals in Polity: General Citizenry Taxpayers Clients <ul style="list-style-type: none"> • Service Recipients • Obligatees </p>
<p>Position of Enterprise in Democratic Political Discourse: Standing in Political Campaigns Standing in Political Agenda of Current Elected Regime Standing in Relevant “Policy Community”</p>
<p>Status of Key Legislative and Public Policy Proposals to Support Enterprise <i>(link to Operational Capacity Perspective)</i> Authorizations Appropriations</p> <p>Engagement of Citizens as Co-Producers <i>(link to Operational Capacity Perspective)</i></p>

THE OPERATIONAL CAPACITY PERSPECTIVE: General Form

Flow of Resources to Enterprise (*link to Legitimacy and Support Perspective*)

Financial Revenue Flowing to Public Agencies:

- Appropriations
- Intergovernmental grants
- Fees

Legal and Statutory Authorizations/Mandates

Public Support/Popular Opinion

Human Resources:

Current Status of Workforce

- Size
- Quality
- Morale

Recruitment and Selection Processes

Training/Professional Development of Staff

Compensation Levels

Advancement Opportunities

Performance Measurement Systems for Individual Accountability

Public Volunteer Efforts

Operational Policies, Programs and Procedures:

Quality of Operational Performance

- Documentation of current procedures
- Compliance with tested procedures
- Auditability of performance recording methods

Organizational Learning

- Evaluation of current untested policies
- Stimulation and testing of innovations
- Institutionalization of successful innovations

Internal Resource Allocation

Performance Measurement and Management Systems

- Investment in systems
- Use of systems

Organizational Outputs (*link to Public Value Account*)

Quantity of Outputs

Quality of Outputs

- Attributes that produce desired results
- Attributes that increase client satisfaction
- Attributes that reflect justice and fairness in operations