



Book Review

LeRoux, Kelly and Nathaniel Wright, eds. (2021). *Performance and Public Value in the ‘Hollow State’*. Edward Elgar Publishing: Cheltenham, UK.

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The edited book, *Performance and Public Value in the Hollow State: Assessing Government-Nonprofit Partnerships*, was motivated by the observation that work on nonprofit performance has been “highly fragmented, framed by different types of questions, and often points to inconsistent findings” (LeRoux and Wright 2021, xi). The book is a compilation of the work of talented and well-known scholars in the field of nonprofit performance. To place the book in a larger context, the editors, LeRoux and Wright, suggest that their ideas come from the literature on governance (Fredericksburg 1999; Lynn et al. 2001), hybrid governance (Skelcher 2005), and collaborative public management (Agranoff and McGuire 2004). The specific conceptual frame that each of the authors in the text use is the hollow state. Furthermore, although the hollow state is used in the public management literature to describe government’s engagement with the other governments, for-profits and nonprofits, the authors focus only on nonprofits as actors within the hollow state. The rationale for the nonprofit focus is that the bulk of government’s duties are in health and human services and nonprofit organizations provide the majority of these services. The core research focus is to examine the “consequences of this reliance on nonprofits and to what extent it has delivered positive (or negative) outcomes, including creating public value for citizens (LeRoux and Wright 2021, 2).

The book contains seven chapters focused specifically on empirical research on the relationship between public value, performance, and nonprofits. Chapter One introduces the book and cleverly frames the ideas behind public value and does a nice job helping the reader further understand the relationship between nonprofit performance and public value creation. The Chapter then goes on to describe the outline of the book.

Chapter Two, by Ford, is in the context of Milwaukee charter schools attempting to tackle the problems unique to urban public education. The study focuses on the validity of public choice theory by looking at whether allowing vouchers leads to heightened school accountability, measured by school closures. Ford does find that vouchers slightly reduce school closures, but they have no relationship to student outcomes on math and reading proficiency. This chapter is

very useful in understanding the complexity of consumer choice. The results on the link between choice and performance sheds doubt on the assumption that choice increases competition, which is said to influence performance.

Chapter Three, by Zhou and LeRoux, look at whether service contracting in local public health agencies results in improved performance and better service quality. This study is exceptional because it tests various contracting services with differing transaction costs, which gives the results increased generalizability. The authors find that services with low transaction costs lead to better service outcomes and that they are less likely to result in contract failure.

Chapter Four, by Wright and Reames, is unique in its context of sustainability as creating public value and public performance. They examine the effectiveness of Community Action Agencies (CAAs) in heightening sustainability in their communities. They use CAAs as the unit of analysis and use a survey to test the relationship between various agency characteristics, the most major characteristics tested to include community engagement, human resource capacity, collaboration with other governments, government dependence and revenue diversification and sustainability performance at the local level. Sustainable community performance is the dependent variable, measured on a rank scale of one to 10, asking the survey respondents to rate the organization's effectiveness at creating sustainable communities. There is an implicit assumption that CAAs are one of the best places to examine the development of sustainable communities. While the study suffers from common source bias, the findings are novel in that they have a unique dependent variable when it comes to nonprofit performance. Sustainability is an increasingly important topic and has yet to be thoroughly integrated into the nonprofit literature. The results show that the most significant effect on sustainability at the CAA level is community engagement.

Chapter Five by Cheng, Shi and Andrew, is the only chapter written that exclusively uses the theory of co-production (chapter Six uses contracting and co-production). It specifically examines how philanthropic foundations help raise monies for private parks and enhances performance. Sixty-eight parks are examined and performance is measured by park acreage, public access and park facilities such as playgrounds and recreational facilities. Total spending by the nonprofit philanthropic organizations has a positive effect on park performance, as does the average education of the local population. The authors indicate that educated populations are more likely to make citizen demands of park services, thereby enhancing park performance. These citizen demands are one element in the coproduction that results in heightened park performance.

Chapter Six, by Raeymaeckers and Cools adds to the growing literature on the effects of using government-mandated performance reporting as a condition of funding. The core challenge described in the Chapter is that these performance

metrics are required although they may not be meaningful or may be a waste of managerial effort. The classic response to these problematic metrics is often just acquiescence; this chapter examines different and more innovative responses to these performance metrics. The authors engage in interviews and focus groups with government-funded social services providers in Antwerp, Belgian. They find that, while acquiescence is normally assumed in these situations, public managers can also use their expertise and managerial savvy to actually negotiate with funders in the development of performance metrics. The value in this chapter is that there is rich description through qualitative research that explores techniques that combat the imposition of performance measurement as a condition of continued funding.

In Chapter Seven, the editors of the book, condense the lessons learned from the studies in Chapter Two through Chapter Six. Chapter Seven contains the most interesting and important theoretical contributions of the book. The audience for this Chapter is practitioners and policymakers in the nonprofit sector and the chapter brings the book full circle because it creates a framework for the integration of creating public value with performance measures. There is a useful table (Table 7.1) showing how this framework was generated. Using the five empirical studies (Chapters 2–6), six dimensions of public value were generated. The public value creation dimensions are not so different from what has been done before (see Bryson, Crosby, and Bloomberg 2014; Moulton and Eckerd 2012), however this linkage of elements in the framework to the empirical studies in the book is a considerable contribution. The dimensions of public value creation are, in fact, empirically based. This provides what the authors contend is a holistic approach and I agree with this observation. The public value creation dimensions include: innovation, advocacy, individual expression, social capital creation, citizen engagement, and civic learning/civic capacity-building (LeRoux and Wright 2021, 128.)

Although every chapter but one is in the context of the United States, the editors claim, and I agree, that the ideas and themes from the book can be applied to most countries where the state heavily depends on nonprofits organizations to deliver public services. Another thoughtful aspect of the book is that each chapter studies a different policy tool, which include: vouchers (Ch.2), contracting (Ch.3, 4), co-production (Ch.5), and contracting and co-production (Ch.6). This provides contextual differences between chapters that are factored into the framework explicated in Chapter Seven (Table 7.1).

Overall, this is a book that develops contextual comparison and provides a framework that brings together the chapters in the book. It is remarkable how well each study helps build the final framework identified in Chapter Seven framework and provides a more holistic approach. Many edited books feel that they are put

together piecemeal; it is not the case with this book. Both practitioners and policymakers, in addition to academics, of course, will find this book useful. It will provide evidence for policymaking and policy implementation, and it will further the body of knowledge related to using nonprofits in the hollow state.

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