Government Performance Evaluation Implementation Plan for 2017

July 4, 2017

Office for Government Policy Coordination

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Ⅰ. Overview of Government Performance Evaluation for 2017

1. Basic Direction

◈ **Establish the evaluation framework to implement policy tasks of the new administration as scheduled and to produce outcomes of the tasks.**

◈ **Strengthen the field-oriented process management and evaluation feedback.**

1 Establishment of the government performance evaluation framework with policy tasks at the center

○ **Select target tasks** with priority on policy tasks relating to **major current issues such as job creation** and conduct intensive review and evaluation on them.

○ Spread outcomes of state administration across the field by **factoring in major national programs** when evaluating **local governments and public institutions.**

○ **Focus primarily on the policy tasks, which have great societal effects and need to produce outcomes,** in order to generate outcomes quickly.

2 Enhancement of performance management and accountability for internal evaluation for each agency

○ Facilitate generation of outcomes of state administration by **aligning the national agenda of the new administration with the performance management plan of each agency**.

○ **Improve internal evaluation practices through in-depth assessment and analysis** on them.

3 Promotion of the field-oriented evaluation and improvement of feedback mechanism

○ Form an **on-site inspection division consisting of civilian experts, policy customers**, and others to identify problems in tasks and help remove obstacles in their implementation.

○ **Bolster follow-up management** through **on-site inspection of subsequent actions** and evaluation feedback.

2. Evaluation Type

1 Evaluation of central administrative agencies

○ (**Specific evaluation**) The **Prime Minister** evaluates **major programs** and others in order to centrally manage state administration.

○ (**Internal evaluation**) Central administrative agencies evaluate themselves with respect to major policies, budgetary projects (general budgetary project, informatization project, R&D project, etc), and administrative management competency (organization, personnel management, and informatization).

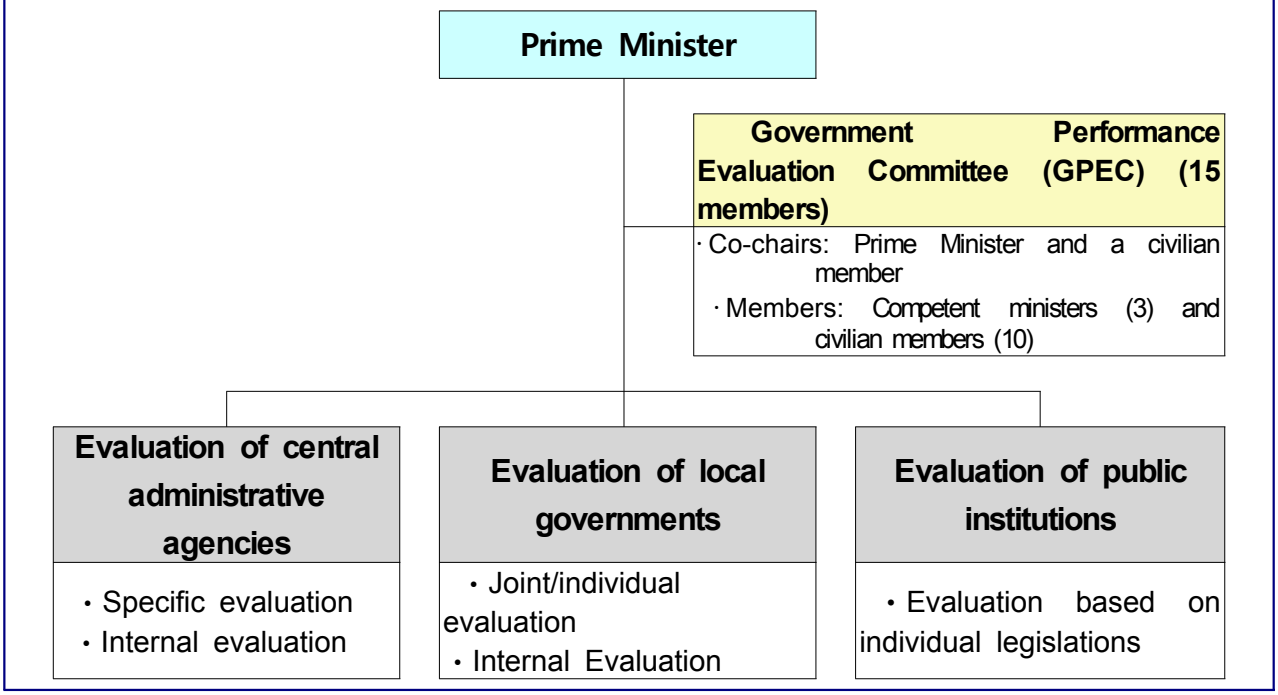
2 Evaluation of local governments

○ Central administrative agencies conduct joint and/or individual evaluations of execution of **state affairs delegated to local governments, etc.** and **local governments evaluate themselves.**

3 Evaluation of public institutions

○ Evaluators such as heads of central administrative agencies **evaluate management performance and research performance of public institutions.**

< Government Performance Evaluation Framework >



Ⅱ. Evaluation Plan for Central Administrative Agencies

1 Specific Evaluation

(1) Overview

1 Targets of evaluation

○ Agency: **42 central administrative agencies** (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

* Target agencies may change depending on the revision of the Government Organization Act.

○ Period: **July 1, 2017 – December 31, 2017**

2 Evaluation categories

◇ Place **top priority on policy tasks** of the new administration and efforts to **create jobs**
◇ Evaluate intensively **policy communication with the public** and **public assessment of state administration** (public satisfaction)
◇ Give **merits or demerits as necessary for issue management, human rights protection, conflict management, etc.**

① **(Policy task**) Support the generation of outcomes of state administration through the evaluation of policy tasks and central administrative agencies' respective core businesses.

② (**Job creation**) Support job creation initiatives in the public and private sectors through the evaluation of job creation efforts and outcomes.

③ (**Regulatory reform**) Improve public perception of economic revitalization and regulatory reforms through the evaluation of regulatory reform efforts and outcomes.

④ (**Policy communication**) Raise public understanding and awareness of policy outcomes through the evaluation of public communication efforts and outcomes with respect to major policies such as policy tasks.

⑤ (**Public satisfaction**) Improve public perception of policy through the evaluation of public satisfaction with policy tasks.

⑥ (**Matters applicable to all agencies**) Bolster accountability through the evaluation of efforts and outcomes with respect to implementation of issue management, conflict management, human rights protection, and specific programs.

< Major changes year-on-year (points)**>**

Evaluation for 2016	Evaluation for 2017
① Policy tasks 50 ·Key reform tasks (maximum of ±2 per agency) ·Collaboration (maximum of ±1 per agency))	① Policy tasks 50 ·Innovation management and collaboration (maximum of ±2 per agency)
② Regulatory reform 20	② Job creation 20
③ Public relations for policies 20	③ Regulatory reform (including regulatory reform for job creation) 10
④ Normalization tasks 10	④ Policy communication 10
	⑤ Public satisfaction 10
⑤ Matters applicable to all agencies ±10 (Government 3.0 ±5; Performance management ±3; Specific programs ±2)	⑥ Matters applicable to all agencies ±10 (Issue management ±3; Conflict management ±3; Human rights protection ±2; Specific programs ±2)

3 Evaluation methods

○ A lead agency for **each evaluation category forms** an **evaluation support division** (consisting of civil experts, policy customers, etc.) and conducts **quantitative and qualitative evaluations** depending on evaluation items.

○ The **GPEC deliberates** and makes resolutions on **evaluation results.**

4 Evaluation rating

○ Target agencies are **graded on a sliding scale** (3 to 5 grades) **for each evaluation category**.

○ The **range and percentage of the relative grades** for each evaluation category are **to be determined** by the GPEC.

5 Utilization of evaluation results

○ Evaluation results are **reported to the State Council**, or **a briefing session is held**.

○ **The heads of central administrative agencies formulate and execute corrective and/or complementary measures/plans** proposed in the evaluation results.

- The Office for Government Policy Coordination reviews **follow-up plans and implementation performance** and **incorporates them into evaluation for the following year**.

○ Depending on evaluation results, rewards are granted to **outstanding agencies and individuals recognized as persons of distinguished public services receive rewards.**

- Evaluation results are reflected in incentive arrangements for each agency.

(2) Evaluation Plans by Evaluation Category

1) Policy tasks

1 Evaluation direction

○ **Analyze and evaluate** implementation of tasks to ensure that **policy tasks** and **key tasks for each central administrative agency are implemented as scheduled** and that **outcomes are generated in early stages.**

- **(Policy tasks)** The highest-priority tasks, such as **job creation**, which need to produce outcomes quickly or which the government should implement intensively

- (**key tasks**) Tasks that are not the policy tasks but that should be implemented by central administrative agencies as their core businesses in 2017

  * key tasks are selected only for central administrative agencies responsible for fewer than one policy task.

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation direction and evaluation items

< Evaluation direction >

○ Give **a higher weight to policy implementation efforts** considering that it is the first year of implementation of tasks and the implementation timeline is relatively short.

○ Evaluate **policy outcomes** based on **whether predetermined performance indicators are attained** and in consideration of **public perception of policy impact** (with the participation of civilian experts).

< Evaluation items >

Evaluation items	Evaluation indicators	Remarks
Policy implementation efforts	· Whether task implementation plans have been substantially formulated and tasks have been executed as planned	Qualitative/ quantitative
Attainment of performance indicators	· Whether the predetermined targets of performance indicators have been attained	Qualitative/ quantitative
Policy impact	· Comprehensively evaluate, with participation of civilian experts, policy perception that cannot be measured by performance indicators	Qualitative/ quantitative

4 Evaluation methods

< Evaluation rating >

○ Assign each agency an **evaluation rating** by **scoring each task on a sliding scale of 0 to 100 points** and calculating **the average points for all of its tasks combined.**

< Scoring methods for each evaluation item >

○ (**Policy implementation efforts**) Grant scores based on whether **task implementation plans are substantially formulated and tasks are completed as planned.**

○ (**Attainment of performance indicators**) Grant scores based on **aggressiveness** and **achievement** of the targets of indicators.

- Add up the scores calculated based on the predetermined weight for each indicator.

○ (**Policy impacts**) **Evaluate policy impacts*** **that cannot be measured by performance indicators.**

* △Policy outcomes in addition to performance indicators △Degree of resolution of public complaints and degree of public benefits promoted △ Degree of expectation for the future positive or negative impacts

- Form an **evaluation support division** (GPEC members, civilian experts, etc.) **to conduct evaluations** so as to ensure **professionalism and objectivity** in evaluation.

※ **Points are added or deducted (±2)** depending on **efforts and outcomes in relation to innovative initiatives in ways of working, etc. and collaboration between ministries in the course of implementing policy tasks.**

2) Job creation

1 Evaluation direction

○ **Select** and evaluate the **sub-tasks** of involved ministries to implement the **road map for job creation** so as to encourage the ministries to make greater efforts to create jobs.

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation items

Evaluation items	Evaluation indicators	Remarks
Policy formulation	· Appropriateness of task goals, efforts to establish the foundations of implementation, etc.	Qualitative/ quantitative
Policy implementation	· Appropriateness of implementation process, responsiveness to environmental changes, etc.	Qualitative/ quantitative
Policy performance	· Achievement of performance targets, job creation effect, etc.	Qualitative/ quantitative

* The agencies that are not assigned any **sub-tasks** for job creation are evaluated for their efforts to improve systems and develop human resources to create jobs.

4 Evaluation methods

○ Comprehensively evaluate the implementation outputs and outcomes of each agency with respect to job creation.

○ Form the **private and public joint job creation evaluation support division.**

3) Regulatory reform

1 Evaluation direction

○ Evaluate regulatory reform initiatives with the **emphasis on their outcomes** rather than their process in order to improve corporate and public perception of regulatory reform.

2 Targets of evaluation

○ 27 central administrative agencies

Type	Agency
Ministerial-level (18)	Ministry of Economy and Finance, Ministry of Science, ICT and Future Planning, Ministry of Education, Ministry of Justice, Ministry of the Interior, Ministry of Culture, Sports and Tourism, Ministry of Agriculture, Food and Rural Affairs, Ministry of Trade, Industry and Energy, Ministry of Health & Welfare, Ministry of Environment, Ministry of Employment and Labor, Ministry of Gender Equality and Family, Ministry of Land, Infrastructure and Transport, Ministry of Oceans and Fisheries, Korea Communications Commission, Korea Fair Trade Commission, Financial Services Commission, and Ministry of Public Safety and Security
Vice-ministerial-level (9)	Ministry of Personnel Management, Ministry of Patriots and Veterans Affairs, Ministry of Food and Drug Safety, Korea Customs Service, National Police Agency, Cultural Heritage Administration, Korea Forest Service, Small and Medium Business Administration, and Korean Intellectual Property Office

* Fifteen ministries were excluded in consideration of their characteristics and the number of relevant regulations (less than 30 regulations as of the end of May 2017).

3 Evaluation items

Evaluation items	Evaluation indicators	Remarks
Regulatory improvement	· Regulatory reforms in relation to job creation and new industries	Qualitative/ quantitative
Regulatory review	· Regulatory impact analysis on social costs relating to life and safety, application of regulatory cost management, etc.	Qualitative/ quantitative
Public perception of regulatory reform	· Public satisfaction survey for regulatory reforms, etc.	Qualitative/ quantitative

4 Evaluation methods

○ Conduct quantitative and qualitative evaluations of regulatory improvements and performance of agencies.

○ Form the **private and public joint regulatory reform evaluation support division** for evaluation.

4) Policy communication

1 Evaluation direction

○ Evaluate each agency's **public communication efforts and outcomes** to further public understanding and perception of national policies.

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation items

Evaluation items	Evaluation indicators	Remarks
Policy communication activities	· Outputs of policy communication plans · Outputs of policy communication collaboration, etc.	Qualitative/ quantitative
Policy communication outcomes	· Outcomes of media and newspaper reports · Outcomes of online policy communication, etc.	Qualitative/ quantitative

4 Evaluation methods

○ Conduct quantitative and qualitative evaluations of each agency's public policy communication efforts and outcomes.

○ Form the **private and public joint policy communication evaluation support division** supervised by the Ministry of Culture, Sports and Tourism.

5) Public satisfaction survey

1 Evaluation direction

○ Conduct satisfaction survey on the general public and experts for policy tasks and **directly incorporate policy perception** into government performance evaluation.

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation items

Evaluation items		Evaluation indicators
Satisfaction level of each item	Democracy	· Collection of public inputs in the process of formulation and implementation of policies
	Aggressiveness	· The government's efforts to achieve policy goals
	Responsiveness	· Appropriateness of responses to circumstantial changes and problems arising in the process of implementation of policies
	Effectiveness	· Outcomes generated through the implementation of policies
Perceived satisfaction		· Overall satisfaction with policy tasks

4 Evaluation methods

○ **Entrust the survey to private research institutes** in order to ensure **professionalism and objectivity** in evaluation.

6) Matters applicable to all agencies

< Issue management >

1 Evaluation direction

○ **Review and evaluate central administrative agencies' actual execution of directives issued by the President and the Prime Minister** in order to encourage their efforts to fully execute and manage the directives.

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation items

Evaluation items	Evaluation indicators	Remarks
Formulation of plans	· Level of interest of the heads of agencies in the directives, relevance of plans, adherence to deadline for formulation of plans, etc.	Qualitative/ quantitative
Management of directives	· Results of reviews of directive management, adherence to deadline for handling, etc.	Qualitative/ quantitative
Outputs of implementation of directives	· Implementation of directives, result reporting, timely system registration of handling results, etc.	Qualitative/ quantitative

4 Evaluation methods

○ Conduct quantitative and qualitative evaluations of each agency's actual management and performance of the directives.

○ Link the on-site reviews of execution of Presidential Directives to government performance evaluation.

< Conflict management >

1 Evaluation direction

○ Evaluate ministries' conflict management efforts and outcomes with respect to conflicts arising in the course of the implementation of policies and national programs.

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation items

Evaluation items	Evaluation indicators	Remarks
Conflict management	· Outputs of operation of a conflict mediation council · Outputs of formulation and utilization of a conflict impact analysis report · Outputs of operation of a conflict management deliberation committee	Qualitative/ quantitative
Operation of conflict management system	· Efforts to communicate such as visit to the site of conflict, and dialogue and compromise with stakeholders · Efforts to resolve conflicts by utilizing state affairs councils such as coordination meetings on major state affairs and meetings of ministries concerned · Other creative efforts to resolve conflicts	Qualitative/ quantitative
Conflict management outcomes	· Degree and outcomes of mitigation or resolution of conflicts	Qualitative/ quantitative

4 Evaluation methods

○ Conduct the written evaluation based on result data of ministries at stage 1 and the in-depth interview evaluation through briefings from ministries at stage 2.

○ Form and operate the **private and public joint conflict management evaluation support division** in order to ensure objectivity and professionalism in evaluation.

< Human rights protection >

1 Evaluation direction

○ Comprehensively evaluate central administrative agencies' efforts and outcomes with respect to human rights protection including increasing the percentage **of recommendations made by the National Human Rights Commission of Korea (NHRC) accepted.**

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation items

Evaluation items	Evaluation indicators	Remarks
Implementation of recommendations	· Whether a reply concerning plans to implement recommendations is sent by deadline; and the percentage of recommendations accepted	Qualitative/ quantitative
Other efforts to protect human rights	· Efforts to improve systems to uphold and protect human rights, etc.	Qualitative/ quantitative

4 Evaluation methods

○ Conduct quantitative and qualitative evaluations of each agency's efforts and outcomes with respect to the implementation and execution of policy improvement suggestions or corrective recommendations made by the NHRC.

○ The NHRC confirms and verifies each agency's implementation outcomes.

< Specific programs >

1 Evaluation direction

○ Conduct quantitative evaluations based on statutory standards in order to improve the implementation rate for **major programs** such as those for employment of the disabled.

2 Targets of evaluation

○ **42** central administrative agencies (22 ministerial-level agencies; 20 vice-ministerial-level agencies)

3 Evaluation items and scoring

Evaluation items	Evaluation indicators	Remarks
Employment of the disabled	· Merits and demerits based on statutory employment rate (3.2%)	Quantitative
Purchases of products made by the severely disabled	· Merits and demerits based on statutory procurement rate (1%)	Quantitative
Purchases of products made by small and medium-sized enterprises	· Merits and demerits based on statutory procurement rate (50%)	Quantitative
Purchases of newly-developed high-tech products	· Merits and demerits based on statutory procurement rate (10%)	Quantitative

4 Evaluation methods

○ Conduct quantitative evaluations primarily based on whether the statutory standards have been met, etc.

○ Agencies* in charge of programs confirm and verify implementation outcomes based on each evaluation item.

* Ministry of Employment and Labor (employment of people with disabilities), Ministry of Health & Welfare (products made by the severely disabled), Small and Medium Business Administration (SME products and newly-developed high-tech products)

2 Internal Evaluation

1 Evaluation direction

○ Reflect **policy tasks of the new administration**, **etc.** in strategy plans and implementation plans for performance management to establish agency-specific goals and policy instruments, and periodically review and evaluate implementation results to facilitate generation of **outcomes of state administration.**

○ **Incorporate evaluation results** into **policy, budget, personnel management, and compensation** to **further efficiency and uphold greater accountability in state administration.**

2 Targets of evaluation

○ Agency: **43 central administrative agencies** (23 ministerial-level agencies; 20 vice-ministerial-level agencies)

○ Period: **January 1, 2017 - December 31, 2017**

3 Evaluation categories

① **key tasks**: Tasks managed according to the **performance management implementation plan for 2017***

* A business plan annually formulated by the heads of central administrative agencies that proposes major policies, program goals, implementation milestones, performance indicators that measure the achievement of goals and others for the year concerned

② **Integrated budgetary project**: General budgetary project, informatization project, R&D project, R&D project, local development project, etc.

③ **Administrative management competency**: Central administrative agencies' competencies to manage organization, human resources, and informatization

4 Evaluation methods

○ Each **central administrative agency** formulates the **internal evaluation plan for 2017**, and the **Internal Evaluation Committee** carries out internal evaluations with reference to evaluation indicators.

- (**Major task**) Autonomously set **evaluation indicators** appropriate for the unique business of each agency.
- (**Integrated budgetary project**) Use **common evaluation indicators** primarily for performance goal attainment and performance excellence, but add **characterization indicators** for each area.
- (**Administrative management competency**) The Ministry of the Interior and the Ministry of Personnel Management develop and propose **common evaluation indicators** for **organization, human resources,** and **informatization** areas.

* Give agencies autonomy in their management and evaluation of indicators by establishing several optional indicators in order for them to select indicators relevant to their businesses and functions.

○ **Relative rating method**

- **Apply a relative evaluation mechanism** to facilitate the utilization of evaluation results by linking them with policy improvement, organization management, and personal evaluation.

  * (Major policy) An appeal procedure is available prior to determination of rating in order to increase acceptance of evaluation results.

○ The **evaluation supervising agencies confirm and review internal evaluation results of each agency.**

- (**Major policy/administrative management competency**) Confirm and review the execution of internal evaluations.
- (**Integrated budgetary project)** Conduct meta-evaluations of evaluation results of integrated budgetary projects.

5 Utilization of evaluation results

○ The **heads of central administrative agencies publish the evaluation results on their website, etc. and report them to the competent standing committee of the National Assembly without delay.**

○ The **heads of central administrative agencies link and reflect** evaluation results to and in **organization, budget, personnel management, and compensation frameworks,** and **the Minister of Economy and Finance incorporates** evaluation results into **budget compilation for the following year.**

Ⅲ. Evaluation Plan for Local Governments

1. Overview of Evaluation

□ Local government evaluation conducted by central administrative agencies

○ (**Joint evaluation**) The Minister of the Interior evaluates execution of **state affairs delegated to local governments, state-subsidized projects, major national programs,** etc. **jointly** with the heads of central administrative agencies concerned.

○ (**Individual evaluation**) **If joint evaluations cannot be carried out** due to the nature of businesses and/or evaluation timeline, central administrative agencies concerned individually conduct evaluate local governments **in consultation with the GPEC**.

□ Internal evaluation of local governments

○ The heads of local governments form an **internal evaluation organization** and an **internal evaluation committee** to conduct internal evaluations of policies that are implemented by their attached organizations, etc.

2. Central Administrative Agencies' Evaluation of Local Governments

Joint evaluation

1 Evaluation direction

○ Central administrative agencies evaluate local governments' execution of state affairs delegated to local governments, state-subsidized projects, and major national programs and provide feedback in order to ensure the integration and efficiency of state administration and the accountability of local governments.

○ Evaluations are to be conducted to minimize disruption to local governments' everyday operations caused by central ministries' evaluation by conducting integrated evaluations.

2 Targets of evaluation and evaluation timeline

○ Target entity: **17 metropolitan municipalities** (including outcomes of cities (*si*), counties (*gun*), and districts (*gu*))

○ Evaluation timeline: January 2018 – June 2018 (evaluating the performance for 2017)

*The performance for 2016 was evaluated from January 2017 to June 2017.

3 Evaluation methods

○ The **Minister of the Interior** formulates the **joint evaluation implementation plan** in consultation with local governments and the heads of central administrative agencies concerned, and the **GPEC makes resolutions on the plan.**

○ The **joint evaluation division for local governments** consisting of external experts for each area conducts both **quantitative and qualitative evaluations.**

- Online evaluations and local verifications are carried out through the local administration evaluation information system (VPS).

  * Functions are available such as mutual perusal of outcomes of other local governments and filing of objections.

4 Utilization of evaluation results

○ The **Ministry of the Interior reports evaluation results to the GPEC and releases** them on the **local administration evaluation information system (VPS)**.

* Ratings are disclosed by area and program for cities and provinces, respectively.

○ **Governmental rewards and financial incentives are conferred on outstanding local governments** according to evaluation results.

○ **Conferences to share and disseminate best practices are held** and a **casebook of best practices is published.**

○ Custom-made consulting services are rendered to local governments with respect to **programs showing poor performance**.

* Consulting services include explanation of evaluation indicators and detailed calculation formula and identification of actual outcomes and problems.

Individual evaluation

1 Evaluation direction

○ **If joint evaluations cannot be carried out** due to the nature of businesses and/or evaluation timeline, **individual evaluations are conducted** on execution of major national programs, etc. by local governments.

2 Targets of evaluation and evaluation timeline

○ Target entity: **Local governments** (metropolitan cities, cities, counties, and districts)

○ Evaluation timeline: On an as-needed basis

3 Evaluation methods

○ The **heads of central administrative agencies** in charge of the affairs subject to evaluation **establish the evaluation implementation plans in consultation with the GPEC.**

※ The Office for Government Policy Coordination reviews feasibility of ministries' individual evaluation implementation plans and submits them to the Government Performance Evaluation Committee.

○ The **heads of central administrative agencies conducting evaluations** notify local governments of evaluation implementation plans, conduct evaluations, and submit **evaluation results** to the **GPEC.**

4 Utilization of evaluation results

○ **Central administrative agencies** notify, where applicable, local governments of **necessary corrective measures such as plans to improve policies** and offer **incentives to outstanding entities.**

○ **Central administrative agencies review and manage feedback practices on an ongoing basis** so that individual evaluation results are reflected effectively.

3. Internal Evaluation of Local Governments

1 Evaluation direction

○ Encourage local governments to **produce outcomes of policies** by allowing the **heads of local governments** to **conduct internal evaluations** of the policies that they are responsible for and **disclose evaluation results.**

○ Endeavor to ensure that **central administrative agencies' efforts to implement major policies are realized and shared at the local level.**

2 Targets of evaluation

○ Entity: **Local governments** (metropolitan municipalities and basic metropolitan municipalities)

○ Period: **January 1, 2017 - December 31, 2017**

3 Evaluation methods

○ **Evaluation indicators** are developed and used in consideration of the unique characteristics of each local government, and an evaluation framework is established in such ways that **evaluations results are highly differentiated between tasks.**

* The Minister of the Interior systematically support matters concerning evaluation indicators, evaluation methods, as well as the establishment of the fundamentals of the evaluation system in order to help ensure objectivity and fairness in evaluation.

○ An **internal evaluation committee** with **at least two-thirds of the members from the private sector** carries out both quantitative and qualitative evaluations.

5 Utilization of evaluation results

○ Evaluation results are made **publicly available via websites**, etc.

○ Each local government reflects evaluation results in its **performance management plan for the following year, personal performance, etc**.

○ **Each local government examines its own internal evaluation practices, identifies needed improvements**, and reflects the findings in its internal evaluations for 2018.

Ⅳ. Evaluation Plan for Public Institutions

1. Overview of Evaluation

1 Evaluation direction

○ Evaluate management performance, etc. of public institutions to make them more accountable to the public and improve their **transparency** and **public service.**

2 Evaluation type

○ Evaluate management and research outcomes of 604 **public institutions** as per six legislations including the **Act on the Management of Public Institutions.**

Applicable Act	Target entities	Milestone	Lead agency of evaluation
Act on the Management of Public Institutions	Public enterprises and quasi-governmental agencies (119)	Evaluation planning (December of the previous year) → Evaluation execution (March - May) → Evaluation results (June)	Minister of Economy and Finance
National Finance Act	Funds (67)	Evaluation planning (December of the previous year) → Evaluation execution (March - April) → Evaluation results (May)	Minister of Economy and Finance
Framework Act on Science and Technology; and Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutions	Government-funded science and technology research institutions (47)	Evaluation planning (September of the previous year – January of the current year) → Evaluation execution (January - December) → Evaluation result (April - December)	Heads of central administrative agencies concerned; National Research Council of Science & Technology (internal evaluation); and Minister of Science, ICT and Future Planning (meta-evaluation)
Act on the Establishment, Operation and Fostering of Government-Funded Research Institutions	Government-funded economics, humanities and social sciences research institutions (26)	Evaluation planning (October of the previous year) → Evaluation execution (January - March) → Evaluation results (April)	National Research Council for Economics, Humanities and Social Sciences
Local Public Enterprises Act	Local public enterprises (345)	Evaluation planning (February) → Evaluation execution (April - June) → Evaluation results (July)	Minister of the Interior; and Mayor/*Do* governor

2. Evaluation Plan by Target Entity

1) Evaluation of public institutions

1 Evaluation direction

○ Objectively evaluate management performance of the preceding year and incorporate evaluation results into personnel management and incentive schemes in order to encourage public institutions to establish autonomous and accountable management and improve their public service.

2 Targets of evaluation

○ 119 public enterprises and quasi-governmental agencies (30 public enterprises and 89 quasi-governmental agencies)

* Compared to the previous year, **three quasi-governmental agencies were added.**

3 Evaluation items

Evaluation category	Evaluation indicators	Remarks	Point distribution
Business management	· Management strategy, social contribution, work efficiency, organizational, personnel and performance management, financial and budget management and outcomes, compensation and welfare program management	Qualitative/ quantitative	50
Major project	· Overall evaluation of public institutions' plans, activities, and performance for each major project	Qualitative/ quantitative	50

4 Evaluation methods

○ Annually evaluate the management performance of the previous year of public enterprises and quasi-governmental agencies based on their annual management performance reports.

○ Use a management evaluation division composed of civilian experts such as professors and accountants to ensure professionalism and fairness in evaluation.

5 Utilization of evaluation results

○ (Payment of incentives) Incentives are rendered on a sliding scale with respect to management evaluation results within the limits set forth in **the budget formulation guidance for public enterprises and quasi-governmental agencies for 2017.**

○ (Personnel management actions) The head of an institution that receives a D rating (poor) according to evaluation results is given a “warning”; and a recommendation for dismissal is made for the head of an institution that receives an E rating (very poor).

○ (Budgetary actions) For an institution that receives a D rating (poor) or lower according to evaluation results, its rating is reflected in its budget formulation such as adjusting its operating costs for the following year.

○ (Management consulting) Tailor-made management consulting services are rendered to institutions that show poor management performance.

2) Evaluation of government-funded science and technology research institutions

1 Evaluation direction

○ Render evaluations more people-centric by expanding the evaluation scope for research projects of research institutions and increasing the diversity and independence of the evaluation committee.

2 Targets of evaluation

○ 47 government-funded science and technology research institutions

Ministry/Research council	Research institution
National Research Council of Science & Technology	25 institutions including Korea Institute of Science and Technology, Green Technology Center, Korea Research Institute of Bioscience and Biotechnology, Korea Basic Science Institute, National Fusion Research Institute, and Korea Astronomy and Space Science Institute
Ministry of Science, ICT and Future Planning	17 institutions including Korea Advanced Institute of Science and Technology, Korea Institute for Advanced Study, National NanoFab Center, Gwangju Institute of Science and Technology, Daegu Gyeongbuk Institute of Science and Technology, and Korea Brain Research Institute
Ministry of Oceans and Fisheries	Korea Institute of Ocean Science & Technology, Korea Polar Research Institute, and Korea Research Institute of Ships & Ocean Engineering
Defense Acquisition Program Administration	Agency for Defense Development
Nuclear Safety and Security Commission	Korea Institute of Nuclear Nonproliferation and Control

3 Evaluation items

Evaluation items	Evaluation indicators	Remarks	Point allocation
Management category	· Research immersion environment, institutional operation, and dissemination of research outcomes	Qualitative/ quantitative	20
Research category	· Unit of performance objectives based on internal research performance plans	Qualitative/ quantitative	80

4 Evaluation methods

○ Institutions formulate research performance plans at their own discretion in the early phase of the term of the head the institutions, and comprehensive evaluations are conducted at the end of the term.

○ Internal evaluation of ministries and research councils → Meta-evaluation by the Ministry of Science, ICT and Future Planning

* Organize an evaluation committee consisting of experts from various fields (e.g. association of university, research institute, and industry) depending on research areas.

5 Utilization of evaluation results

○ Ministries and research councils link and incorporate evaluation results to and into performance-based annual salary, budget, and subsequent performance plans of public institutions concerned and the heads thereof.

3) Evaluation of government-funded economics, humanities, and social sciences research institutions

1 Evaluation direction

○ Ensure research performance and accountability of government-funded research institutions and suggest their development directions.

2 Targets of evaluation

○ 23 research institutions, 2 affiliated institutions, and 1 graduate school

Category	Economic policy	Resource infrastructure	Human resources	Public policy
Research institution	Korea Institute for International Economic Policy Korea Institute for Industrial Economics & Trade Korea Development Institute Korea Rural Economic Institute Korea Institute of Public Finance	Korea Research Institute for Human Settlements Korea Energy Economics Institute Korea Information Society Development Institute Korea Transport Institute Korea Maritime Institute Korea Environment Institute	Korean Educational Development Institute Korea Institute of Curriculum & Evaluation Korea Labor Institute Korea Institute for Health and Social Affairs Korea Women's Development Institute Korea Research Institute for Vocational Education and Training National Youth Policy Institute	Science and Technology Policy Institute Korea Institute for National Unification Korea Legislation Research Institute Korea Institute of Public Administration Korea Institute for Criminology
Affiliated institution	KDI School of Public Policy and Management	Architecture & Urban Research Institute	Korea Institute of Child Care & Education	

3 Evaluation items

Evaluation items	Evaluation indicators (points)	Remarks	Point distribution
Research area	· Research reports (360), national policy support performance (370), research management (40)	Qualitative/ quantitative	770
Management area	· Leadership and responsible management (50), organizational and human resource management (72), compensation and budget management (60), improvements based on audit and evaluation results (13), social consideration (35)	Qualitative/ quantitative	230

4 Evaluation methods

- ○ Conduct evaluations every year according to the research institution evaluation manual and the implementation plan, and make confirmation and verification through written and online evaluations, interviews during due diligence, etc.
- ○ Organize a general coordination team and a dedicated subdivision composed of external experts, public officials, and others for two areas.

5 Utilization of evaluation results

- ○ (**Budget/Personnel management**) Graded government contributions and performance-based annual salary for the head of an institution are granted; a recommendation of dismissal is made for the head of an institution; and rewards are conferred on outstanding research institutions and researchers.
- ○ (**Policy feedback**) Each institution formulates and submits its own improvement plans for issues discovered, and consulting services are provided to low-performing institutions according to evaluation results.

4) Evaluation of funds

1 Evaluation direction

○ (**Evaluation of the need for funds**) Evaluate the need for funds in consideration of the overall fiscal system to maximize the utility and efficiency of fiscal management.

○ (**Evaluation of asset management**) Conduct comprehensive evaluation of excess cash of funds to improve transparency and efficiency in management of funds.

2 Targets of evaluation

○ (**Evaluation of the need for funds**) 21 funds including the Electric Power Industry Foundation Fund and the Cultural Properties Protection Fund

* Evaluated all funds every 3 years (in 2004, 2007, 2010, and 2013). → Evaluated 1/2 of all funds (in 2015 and 2016). → Evaluate 1/3 of all funds every year (starting in 2017).

○ (**Evaluation of asset management**) 38 funds including the Employment Insurance Fund and the National Housing Fund

* Annual evaluations on 20 funds subject to management evaluation by public institutions and 4 funds with excess cash of at least one trillion won; and biennial evaluations on 14 remaining funds

3 Evaluation items

○ (**Evaluation of the need for funds**) Evaluate the adequacy of a fund's projects and financial resource structure and the justification for its existence.

○ (**Evaluation of asset management**) Evaluate a fund's management of its excess cash based on non-measurable items (50%) and measurable items (50%).

4 Evaluation methods

○ Organize an evaluation division consisting of no more than 30 qualified external experts.*

* Assistant professors and above from universities, Ph.D holders from government-funded research institutions, CPAs and attorneys with at least five years of work experience, etc. (Article 82 of the National Finance Act; and Article 38 of the Enforcement Decree of the Act)

5 Utilization of evaluation results

○ (**Evaluation of the need for funds**) Semiannually review implementation of recommendations for improvements made by an evaluation division.

○ (**Evaluation of asset management**) Execute follow-up measures such as an increase or decrease of 0.5%p in operating budgets of high-ranking funds (1/3) and low-ranking funds (1/3).

5) Evaluation of local public enterprises

1 Evaluation direction

○ Encourage local public enterprises to improve their management through impartial evaluation and assessment of their management to facilitate development of community and improvement of public service.

2 Targets of evaluation

○ Targets of evaluation: Waterworks/sewage systems, local public corporations, and authorities

- 345 agencies in 2017 (waterworks: 115, sewage systems: 89, corporations: 58, authorities: 83)

  · Public enterprises in metropolitan areas: 61 (waterworks: 8, sewage systems: 7, public corporations: 34, authorities: 12)

  · Public enterprises in basic areas: 284 (waterworks: 107, sewage systems: 82, public corporations: 24, authorities: 71)

* Exceptions: Newly-established public enterprises and public enterprises to be liquidated, etc.

3 Evaluation items

High-level classification(4)	Mid-level classification (8)	Detailed indicators (32 ~ 38)	Waterworks	Sewerage system	Urban railrways	Urban development	Specific public corporation	Facility corporation	Environment corporation
Total			**100**	**100**	**100**	**100**	**100**	**100**	**100**
Leadership / strategy	**Subtotal**		**8**	**8**	**11**	**11**	**11**	**11**	**11**
	Leadership	Management leadership	2	2	3	3	3	3	3
		Customer service and ethical management	4	4	-	-	-	-	-
		Customer and resident engagement	-	-	2	2	2	2	2
		Ethical management	-	-	3	3	3	3	3
	Strategy	Vision, mission, and business plan	2	2	3	3	3	3	3
Management system	**Subtotal**		**32**	**32**	**30**	**30**	**30**	**30**	**30**
	Management efficiency	Organizational management	2	2	3	3	3	4	4
		Personnel management	4	4	3	3	4	4	4
		Labor relations management	-	-	5	3	4	4	4
		Financial management	5	5	4	6	4	3	3
	Major project activities	Major project activities	21	21	15	15	15	15	15
Management performance	**Subtotal**		**55**	**55**	**49**	**49**	**49**	**49**	**49**
	Major project performance	Major project performance	19	19	17	13	14	17	24
	Management efficiency performance	Financial indicators	21	21	22	26	25	17	15
	Customer satisfaction performance	Customer satisfaction	15	15	10	10	10	15	10
Policy compliance	**Policy compliance**	**Compliance with policies by public enterprises**	5	5	10	10	10	10	10

4 Evaluation methods

○ Form a management evaluation division consisting of five to ten members (professors, certified public accountants, researchers from specialized research institutes, etc.) for each evaluation type.

5 Utilization of evaluation results

○ Grant graded evaluation-based incentives, render management consulting services, reward outstanding institutions, etc.