

Beyond Programs

**Transforming Governance Institutions
to Improve Societal Outcomes**



**A Report from a Working Group of
the National Academy of Public Administration**

Beyond Programs and Agencies: Transforming Governance Institutions to Improve Societal Outcomes

The varied levels of government in the United States have repeatedly demonstrated the capacity to create public programs and agencies. Currently, however, many of the nation's most important societal challenges are not being met. Despite increased federal involvement and spending, the United States is falling behind peer nations and past performance on critical societal outcomes for [economic opportunity](#), [K-12 education](#), [health](#) (as measured by life expectancy), and [housing affordability](#). In other areas, including public health, resilience to extreme weather, workforce development and adaptation to dislocations, and environmental quality, policy aspirations outstrip the capacity of programmatic effort.

The problem goes beyond the performance of individual agencies or programs. The deeper challenge is that existing governance institutions often fragment authority, diffuse accountability, increase transaction costs, create perverse incentives, exhibit path dependencies that limit change, and commonly focus resources on program outputs rather than societal outcomes. An example is seen in 27 federal means-tested housing programs, mirrored in many more related state and local programs.

Prospects of crimped public revenues, projected by the [Congressional Budget Office \(2026\)](#), make increasing effectiveness more urgent.

This report draws on seven cases of the transformation of governance institutions to improve societal outcomes. Building on research from public administration, institutional economics, political science, public finance, and governance studies in examining successful transformation initiatives, it identifies practical strategies for creating institutions capable of producing measurable improvements in societal outcomes. **Transformation of governance institutions is the central challenge of twenty-first-century societies, and the report seeks to deepen the understanding needed to pursue that goal with purpose.**

The cases demonstrate recurring patterns: elected leadership matters; institutional change is often more important than program refinement; geographic boundaries should align with the desired outcome; financing mechanisms can mobilize both public and private resources; and governance systems should emphasize learning and adaptation rather than rigid compliance. The National Academy of Public Administration is uniquely positioned to advance this transformation agenda.

From Programs to Institutions

The report identifies a set of shifts associated with successful institutional transformation:

Traditional Approach	Transformative Approach
Programs	Institutions
Outputs	Societal outcomes
Professional leadership	Elected champions
Diffuse authority	Clear decision rights
Existing boundaries	Outcome-based boundaries
Public funding	Public-private financing
Fixed design	Learning and adaptation

These shifts do not eliminate the need for competent agencies. Rather, they align agencies, elected officials, civic organizations, and private actors around measurable societal outcomes.

Evidence from Seven Transformation Cases

The seven cases offer insights into effective institutional design principles and practices.

1. **Weather Ready Nation** transformed weather forecasting from a technical activity to mobilizing emergency managers and other public safety officials across every government level (local, state, national) in pursuit of the societal outcome of reducing deaths and damage.
2. **Veterans Health Administration Vision for Change** redesigned a large federal system around integrated service delivery and organizational focus on patient outcomes, improving health results for veterans served.
3. **Chesapeake Bay Program** created agreements capable of articulating actions across multiple states, federal agencies, and local governments to protect ecosystem quality and economic uses.
4. **Nurse-Family Partnership** aligned evidence-based interventions, financing, and implementation systems around measurable improvements for newborns in vulnerable families.
5. **Marine Life Protection Act Initiative** combined scientific analysis, stakeholder participation, and political legitimacy to empower the Fish and Game Commission to create a network of marine protected areas that is singular globally.
6. **Enhanced Infrastructure Financing Districts** provided new institutional tools for place-based investment and long-term value capture.
7. **Cincinnati's 3CDC** demonstrates how governance and financing innovations can mobilize private investment, improve public spaces, attract residents and employers, and transform urban outcomes.

Implications for Public Leaders

Several lessons emerge consistently:

First, elected officials are often indispensable. Transformative institutional change frequently requires political legitimacy, authority, and access to financing that professionals alone cannot provide.

Second, successful initiatives define societal outcomes before defining programs. Desired societal results become the organizing principle for institutional design.

Third, institutional boundaries should align with the geography of the problem rather than being constrained by inherited jurisdictional lines.

Fourth, financing matters as much as funding. Seek opportunities to leverage future value creation and private investment rather than relying solely on annual appropriations.

Fifth, transformation is iterative. Effective institutions analyze, test, learn, adapt, and implement.

Recommendations

1. Shift performance systems toward societal outcomes.
2. Encourage state authorization of innovative substate governance structures.
3. Expand use of value-capture and public-private financing mechanisms.
4. Design specific institutions to provide authority, tools, and incentives for multiple government and nongovernmental entities to join in pursuing the defined societal outcome.
5. Develop leadership capacity for institutional transformation.
6. Support experimentation and adaptive implementation.
7. Establish an Academy initiative focused on governance institution transformation.

Next Steps

The next generation of public-sector improvement will depend less on creating additional programs and more on designing and adopting governance institutions that produce measurable societal outcomes for places and people. The varied levels of government in the United States have a range of examples that illustrate an ability to transform institutions.

The challenge is to energize action and continuous learning to transform governance institutions to address problems that exceed the capabilities of traditional program-centered approaches. Success would be measured by improvements in achieving societal outcomes to be celebrated at the Nation's 300th Anniversary.