

PERFORMANCE-BASED MANAGEMENT AND INSTITUTIONAL RESILIENCE: SOLUTIONS FOR SUSTAINABLE ECONOMIC GROWTH

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Purpose of the article: *In a world marked by rapid economic and institutional change, the ability of public administration to adapt and remain efficient has become essential for ensuring sustainable economic development. This paper examines how performance-based management and institutional resilience can contribute to strengthening national economies and facilitating their integration into the global dynamic.*

Methodology: *The article presents performance-based management and institutional resilience as solutions for sustainable economic development, building on the OECD/SIGMA Principles of Public Administration. These principles emphasize measurable results and managerial accountability, while the SIGMA report on the Republic of Moldova highlights the lack of clear indicators and budgetary fragmentation, factors that limit support for reforms. Drawing on a comparison with European good practices, the article proposes solutions for integrating performance indicators into the budget cycle and public policies, using methods such as normative-comparative analysis, the LogFrame approach, composite indicators, and the KPI framework. To test institutional resilience, prospective scenarios and impact assessments are employed, offering a realistic picture of the public system's ability to cope with economic and geopolitical shocks.*

Conclusions: *The findings underline that a modern public governance system, grounded in performance and resilience, can serve as a genuine driver of sustainable economic growth, both nationally and internationally.*

Originality: *The originality of the study lies in bringing together two concepts often treated separately—institutional performance and organizational resilience—and connecting them directly with sustainable economic development objectives. While many studies examine either administrative efficiency or institutional capacity to withstand crises, this paper proposes a common framework, closer to real-world practice. Its novelty also stems from applying this framework to the Republic of Moldova, a country in transition and in the process of EU integration, where challenges and opportunities overlap in unique ways. The comparative analysis with EU and OECD best practices adds further value, turning the study into a practical resource rather than a purely theoretical exercise. In this way, the research shows how institutional performance and resilience can become concrete tools for economic competitiveness and global convergence.*

Keywords: *public governance; performance-based management; institutional resilience; performance indicators; sustainable economic development.*

JEL Classification: E61, H11, H83, O21, O43.

INTRODUCTION

Recent years have been marked by a succession of polycrises—economic, health-related, climatic, and geopolitical—that have placed unprecedented pressure on states' capacity to govern effectively and to ensure the continuity of essential public functions. A polycrisis refers to the simultaneous interaction of multiple crises, characterized by cumulative effects, high uncertainty, and increased coordination challenges, which exceed the response capacity of traditional administrative mechanisms (Barbera et al., 2024; *Nature Climate Change*, 2025). This context has exposed the limitations of public administrations built primarily around procedural stability, formal compliance, and input control, often at the expense of adaptability and results-oriented governance.

In the scholarly literature, the quality of public governance is understood as the set of mechanisms through which the state formulates, implements, and monitors public policies in a transparent, accountable, and public-interest-oriented manner. A substantial body of research demonstrates that effective public governance is a key driver of sustainable economic development, understood as a process of growth that integrates efficient resource use, social cohesion, and long-term adaptive capacity (World Bank, 2021; OECD, 2023). From this perspective, the analytical

frameworks developed by OECD/SIGMA emphasize strategic planning, sound financial management, and the use of performance monitoring systems as core pillars of good governance.

Over recent decades, public administration reforms have increasingly promoted Performance-Based Management (PBM), defined as a set of managerial practices that link strategic objectives to measurable indicators, systematic performance assessment, and managerial accountability for results. PBM reflects a shift away from the management of inputs and procedures toward a focus on outcomes and the societal impact of public policies (Putri et al., 2025). Yet, the experience of recent crises suggests that in many administrations PBM continues to be used mainly as a reporting and control tool, offering limited support to institutional adaptation under conditions of uncertainty.

In parallel, the concept of institutional resilience has gained prominence in the literature. Institutional resilience is commonly defined as the ability of public institutions to anticipate risks, absorb shocks, adapt, and transform in response to crises, while preserving essential functions, legitimacy, and service delivery capacity (Gherghina et al., 2023). Recent studies highlight that resilience is not a static attribute, but the outcome of organizational capacities such as preparedness, decision-making agility, robust coordination mechanisms, and institutional learning (Weber et al., 2024; Georgescu et al., 2024).

Despite the relevance of both concepts, the literature points to a persistent conceptual and operational disconnect between administrative performance and institutional resilience in public policy practice. Performance management systems are rarely designed explicitly to support resilience, while managerial control mechanisms tend to prioritize stability and compliance over adaptation and organizational learning (Weber et al., 2024; Barbera et al., 2024). This separation constrains the ability of public administrations to use performance not only as a tool for efficiency, but also as a strategic mechanism for strengthening their capacity to respond to polycrises.

Against this backdrop, the objective of this article is to examine the relationship between performance-based management and institutional resilience in public administration, with the aim of clarifying the extent to which PBM can contribute to enhancing the state's capacity to cope with polycrises and to support sustainable economic development. Positioned at the intersection of the literature on performance management, public governance, and institutional resilience, the article advances an integrated approach that conceptualizes administrative performance as a strategic driver of institutional resilience.

MATERIALS AND METHODS

The study adopts a mixed-methods research design, with a predominant emphasis on structured qualitative analysis, complemented by exploratory quantitative techniques. This methodological choice reflects the conceptual–applied nature of the research problem, which focuses on the relationship between performance-based management (PBM) and institutional resilience—a relationship that remains insufficiently operationalized in the existing literature (Weber et al., 2024).

The mixed-methods approach enables:

- the integration of normative and institutional analyses, particularly those developed within the OECD/SIGMA framework;
- conceptual triangulation between performance, governance, and resilience;
- enhanced analytical robustness through the combination of multiple data sources and methodological perspectives.

Data Sources (Materials)

The analysis draws on three main categories of materials.

First, it relies on peer-reviewed academic literature, including articles published in journals relevant to public administration, performance management, and institutional resilience (e.g., *Public Money & Management*, *European Political Science*, *Journal of Management Control*, *Sustainability*).

Second, the study uses institutional and public policy documents as primary sources for examining normative and managerial frameworks. These include:

- *The Principles of Public Administration* (OECD/SIGMA, 2023);
- World Bank reports addressing resilience and competitiveness;
- government strategic documents relevant to public administration reform.

Third, conceptual studies and thematic syntheses on resilience governance and performance management are employed to identify theoretical and methodological gaps and to support the development of an integrated analytical framework.

Analytical Methods

Systematic Literature Review

The first analytical step consists of a systematic literature review (SLR) conducted in line with PRISMA principles, adapted for social science research. Publications were selected based on thematic relevance, academic impact, and their theoretical contribution to the concepts of PBM and institutional resilience.

The review focused on:

- definitions and dimensions of PBM in public administration;
- conceptual models of institutional resilience;
- mechanisms through which performance systems influence organizational adaptive capacity.

Qualitative Content Analysis

Selected documents and studies were examined through qualitative content analysis, using a deductive–inductive thematic coding scheme. Initial analytical categories were derived from the literature (e.g., results orientation, adaptive capacity, managerial control, institutional learning) and subsequently refined during the coding process.

This approach made it possible to identify points of convergence and divergence between performance-oriented and resilience-oriented perspectives, as well as to highlight the structural limitations of current public management systems.

Innovative Methodological Element: Mapping the PBM–Resilience Interface

An innovative methodological component of the study is the development of a PBM–Resilience Interface Mapping framework, inspired by the literature on resilience-oriented management control systems (Weber et al., 2024).

This analytical approach involves:

- mapping the core components of PBM (objectives, indicators, evaluation, feedback);
- linking these components to key institutional resilience capacities (preparedness, agility, robustness, learning);
- examining the extent to which performance instruments can function as mechanisms for strengthening resilience, rather than merely as tools of managerial control.

Methodologically, this represents a cross-sectional conceptual analysis that moves beyond the separate treatment of performance and resilience, enabling the formulation of hypotheses regarding the integration of performance management into the architecture of institutional resilience.

Validity and Reliability

To strengthen the validity of the study, several measures were applied:

- triangulation of sources, combining academic literature, public policy documents, and institutional reports;
- the use of the OECD/SIGMA framework as an internationally recognized normative reference;
- alignment of the analytical findings with recent empirical studies on institutional resilience.

Reliability was supported through the application of explicit source selection criteria and the consistent use of the thematic coding scheme throughout the analysis.

The study is predominantly conceptual and analytical in nature, which limits the empirical generalizability of its conclusions. Nevertheless, the adopted approach provides a solid foundation for future quantitative research and applied case studies aimed at empirically testing the relationship between performance-based management and institutional resilience.

RESULTS AND DISCUSSIONS

The analysis points to a substantial evolution of performance-based management in public administration, alongside a conceptual maturation of the notion of institutional resilience. At the same time, a persistent separation between these two paradigms can be observed in both the academic literature and governance practice, which underscores the need for an integrated analytical framework.

Performance-Based Management in Public Administration

Performance-Based Management (PBM) has undergone significant development over recent decades, moving beyond its original association with the New Public Management (NPM) paradigm and gradually taking shape as a core component of results-oriented governance (*performance governance*). During the NPM phase, PBM was primarily used as a tool for administrative efficiency, with a strong emphasis on cost control, procedural standardization, and the measurement of outputs. While this approach contributed to strengthening managerial discipline, it proved insufficient in addressing the complexity of public policies and the challenges posed by environments marked by uncertainty and polycrisis (Putri et al., 2025; Barbera et al., 2024).

The shift toward performance governance reflects a substantive change in focus—from quantifying activities to assessing outcomes and policy impacts, and to embedding performance considerations within strategic decision-making processes. In this respect, the conceptual frameworks promoted by OECD/SIGMA position performance as a transversal mechanism that links strategic planning, medium-term budgeting, policy implementation, and managerial accountability within a coherent public governance system (OECD/SIGMA, 2023). Performance is thus no longer treated solely as a technical reporting exercise, but as a tool for strategic orientation and institutional coordination.

Within this logic, PBM gains relevance as a mechanism for the efficient allocation of public resources. Aligning strategic objectives with performance indicators and budgetary instruments allows resources to be directed toward areas with the greatest potential impact. Experiences drawn from program-based budgeting show that performance can serve as a criterion for budget prioritization rather than merely as an ex post descriptive element, thereby reinforcing managerial accountability. Institutional leadership is assessed not only in terms of procedural compliance, but also with regard to the results achieved under given resource constraints (OECD/SIGMA, 2023).

A central element of this evolution is the strengthening of the link between PBM and data-driven decision-making. The systematic use of key performance indicators (KPIs), logical frameworks (LogFrame), and outcome indicators enables administrative data to be transformed into information that is meaningful for decision-making. The distinction between output indicators and outcome or impact indicators is critical in this context: the former capture the immediate deliverables of administrative activity, while the latter reflect changes at the system or beneficiary level (Putri et al., 2025). High volumes of processed cases may signal operational efficiency, yet in the absence of outcome indicators—such as beneficiary satisfaction or reductions in waiting times—such performance remains limited in terms of the public value generated.

At the same time, persistent structural limitations in the application of PBM are reflected in the tendency toward excessive formalization of indicators. The proliferation of quantitative KPIs that are weakly connected to strategic objectives often leads to the use of performance as an instrument of compliance and external reporting, rather than as a mechanism for organizational learning and strategic adjustment (Barbera et al., 2024). In such contexts, managerial evaluation focused exclusively on numerical targets creates incentives to optimize indicators themselves, without achieving substantive improvements in service quality or institutional capacity.

Another major limitation concerns the decoupling between indicators and the real impact of public policies. This dysfunction, documented in World Bank assessments, emerges when reported performance does not translate into meaningful improvements in outcomes or into enhanced institutional capacity to cope with external shocks (World Bank, 2021). In these situations, PBM

contributes to an appearance of stability, without supporting adaptation or the strengthening of institutional resilience.

Taken together, PBM remains a valuable instrument for transparency and managerial accountability. However, when applied in a strictly classical form, it is insufficient to sustain the adaptive and responsive capacity of public administration under conditions of uncertainty. This observation provides the rationale for extending the analytical framework toward the integration of performance with the institutional resilience dimension—an approach that is developed in the following subsections.

Institutional Resilience: Concepts and Dimensions

The concept of resilience has undergone a clear process of conceptual maturation, moving beyond early approaches focused on organizational resilience—understood primarily as the ability of individual entities to withstand disruptions—and progressively taking shape as institutional resilience. This latter perspective encompasses the full set of mechanisms, rules, and capacities through which public institutions preserve their essential functions in contexts marked by uncertainty and polycrisis (Gherghina et al., 2023; Weber et al., 2024). In its contemporary understanding, institutional resilience is defined through a set of interdependent dimensions, most notably preparedness, agility, and robustness, complemented by the capacity for institutional learning.

This perspective departs from interpretations that reduce resilience to a punctual reaction to crisis events and instead situates it within a systemic and anticipatory logic. Resilient institutions are characterized by their ability to identify risks before they materialize, to rapidly adapt internal processes, and to maintain public service delivery under conditions of operational stress. Resilience is therefore closely linked to institutional architecture, interinstitutional coordination mechanisms, and the ways in which information is generated, shared, and used in decision-making processes (Nature Climate Change, 2025).

These dimensions can be illustrated operationally through the functioning of a public agency responsible for the administration of digital public services, tasked with coordinating electronic platforms that mediate the state–citizen relationship. The agency faces a combined external shock resulting from a sudden surge in demand for online services, budgetary constraints, and low-intensity cyber incidents, all occurring within an unstable regional context. This setting allows for an empirical observation of how different dimensions of institutional resilience manifest in practice.

The preparedness dimension is reflected in the existence of operational continuity plans, an up-to-date risk register, and regularly tested crisis scenarios. An agency that has previously invested in staff training and in the redundancy of its IT infrastructure is better positioned to maintain the functionality of critical systems, thereby reducing disruptions in public service delivery. This level of preparedness limits reaction costs and contributes to the stabilization of institutional activity during the early phases of a crisis (Gherghina et al., 2023).

The agility dimension becomes visible through the institution's capacity to rapidly adapt internal rules and processes. In the scenario described, authorization and validation procedures are temporarily simplified, and workflows are redistributed across teams without requiring formal legislative interventions. Decision-making agility, supported by delegated managerial authority and the use of real-time operational data, allows the institution to absorb shocks without significant deterioration in overall performance (Weber et al., 2024).

The robustness dimension is expressed through the institution's ability to continue functioning within acceptable limits even when resources are under pressure. Redundancy in staff competencies and the interoperability of information systems enable the rapid reallocation of critical tasks and the preservation of essential functions. OECD/SIGMA analyses emphasize that such robustness depends on the quality of internal governance and on the coherence of financial and operational management frameworks, which together sustain institutional stability over the medium term.

A transversal element across all these dimensions is institutional learning, which distinguishes genuinely resilient institutions from those that merely react to crises. In the scenario examined, data

generated during periods of operational stress are used to revise performance indicators, adjust continuity plans, and formulate risk-informed budget proposals. This capacity to transform crisis experiences into inputs for reform helps prevent the recurrence of vulnerabilities and contributes to the strengthening of institutional capacity over time (Barbera et al., 2024).

From this perspective, institutional resilience cannot be treated as a separate domain, isolated from core public management instruments. When confined to the realm of risk management or crisis response alone, resilience remains a latent capacity. Its integration into strategic planning, budgeting, and performance management processes is essential for maintaining the continuity of public services and for managing economic and social shocks effectively—particularly in public administrations operating under resource constraints, such as those in the Republic of Moldova.

Integrating Performance and Resilience: A Shared Conceptual Framework

The need for an integrated conceptual framework linking performance-based management (PBM) with institutional resilience arises from the distinct ways in which these concepts have evolved and been applied in public governance. Traditionally, they have developed along parallel trajectories, both in theoretical debates and in administrative practice, supported by different instruments and intervention logics.

Performance-based management is rooted in the New Public Management paradigm and in economic theories of efficiency and accountability. It has been associated with objectives such as the predictability of administrative action, efficient resource use, and managerial control over achieved results (Putri et al., 2025). From this perspective, the frameworks promoted by OECD/SIGMA define administrative performance as a mechanism that links strategic planning, budgeting, and evaluation, with a strong emphasis on transparency and managerial accountability (OECD/SIGMA, 2023). Performance has therefore been used primarily to sustain decision-making stability and managerial discipline in contexts perceived as relatively predictable.

By contrast, the concept of institutional resilience originates in the literature on risk management, crisis governance, and adaptation to systemic change. Its relevance lies in the ability of public institutions to absorb shocks, adapt rapidly, and ensure the continuity of essential public functions in contexts marked by uncertainty and polycrisis (Gherghina et al., 2023; *Nature Climate Change*, 2025). Unlike PBM, which operates mainly within an ex ante logic of planning and control, resilience has often been examined ex post, as a response to disruptive events.

This conceptual separation has become increasingly difficult to sustain in the current public governance environment. Recent analyses suggest that performance without resilience tends to produce administrative systems that are efficient but fragile, while resilience that is not anchored in performance leads to ad hoc responses that are difficult to maintain over the medium and long term (Barbera et al., 2024; World Bank, 2021). This tension highlights the need to identify a functional point of intersection between the two paradigms.

This point of intersection can be understood through three complementary components. The first consists of **composite indicators** that combine the measurement of results with the assessment of institutional capacities. Unlike traditional KPIs, which focus exclusively on outputs or efficiency, composite indicators integrate dimensions such as adaptability, operational continuity, and institutional robustness. Embedding these dimensions within management control systems makes it possible to move beyond a logic of compliance and to reorient performance tools toward strengthening organizational capacity (Weber et al., 2024).

The second component is learning-oriented managerial control, rather than control focused solely on verification and compliance. Using performance as a feedback mechanism for adjusting strategies and internal processes enhances institutional adaptive capacity and transforms PBM into a tool for anticipation and uncertainty management, rather than merely retrospective reporting (Barbera et al., 2024).

The third component is budgetary feedback as a mechanism for strategic adjustment. Linking performance information to resource allocation and risk analysis enables public institutions to manage

fiscal constraints and economic shocks more effectively, facilitating a shift from rigid budget allocation logics to adaptive, sustainability-oriented approaches (World Bank, 2021).

Within this conceptual framework, performance is defined as a source of predictability, efficiency, and managerial accountability, while institutional resilience is understood as a source of adaptability, continuity, and shock-absorption capacity. Integrating these two dimensions allows PBM to be reconceptualized not merely as an instrument of control, but as a strategic mechanism for strengthening institutional capacity to respond to polycrises. This approach extends existing frameworks and provides a coherent theoretical basis for the development of public management systems that are oriented simultaneously toward measurable results and institutional resilience.

Accordingly, performance and resilience should not be viewed as competing objectives, but as complementary dimensions of modern public governance, capable of being integrated within a unified conceptual framework that is relevant both for academic research and for public administration reform.

The Role of Financial Governance and Performance-Based Budgeting in Strengthening Resilience

Institutional resilience is closely linked to the quality of public financial governance, particularly to the robustness of Public Financial Management (PFM) mechanisms. Institutions that operate with coherent, transparent, and results-oriented budgetary systems demonstrate a stronger capacity to manage external shocks and to ensure the continuity of essential public functions. In this respect, the conceptual frameworks promoted by OECD/SIGMA place financial governance at the core of the state's adaptive capacity, emphasizing that the absence of such mechanisms significantly constrains institutional resilience, regardless of the level of existing organizational competencies (OECD/SIGMA, 2023).

Within this framework, performance-based budgeting emerges as a key instrument for stabilizing operations and anticipating shocks. Integrating performance objectives into the budget process allows resources to be allocated not only on the basis of historical spending patterns, but also in light of risks, strategic priorities, and institutional capacities. This approach enhances allocative flexibility and creates the conditions for timely and well-justified reallocations in crisis situations, without undermining fiscal discipline (SIGMA Monitoring Report).

In practice, linking performance indicators to operational risks enables public institutions to justify budget adjustments that prioritize critical functions. Resource allocation thus becomes a data-informed process grounded in assessments of institutional capacity, strengthening organizational robustness and reducing vulnerability to unexpected disruptions.

A complementary role is played by the Medium-Term Budgetary Framework (MTBF), which contributes significantly to increasing institutional predictability—one of the key dimensions of resilience. Anchoring budgetary decisions in a multiannual perspective enables gradual investment planning and the development of institutional capacities, reducing reliance on ad hoc decisions and political volatility. The resulting financial predictability facilitates institutional adaptation and supports the continuity of public services, even under conditions of fiscal constraint (OECD/SIGMA, 2023).

Institutions that operate within a coherent MTBF aligned with their strategic objectives are able to invest progressively in digitalization, professional training, or functional redundancy, thereby strengthening their capacity to absorb shocks without generating abrupt budgetary pressures. In this way, multiannual planning transforms the budget into an instrument for building resilience, rather than merely a mechanism for controlling expenditure.

At the same time, recurrent budget deviations and chronic underfunding are associated with heightened institutional vulnerability. Institutions operating under conditions of structural underfinancing are often compelled to adopt reactive, short-term survival strategies at the expense of medium- and long-term capacity development. In such contexts, even formal performance management systems tend to be used primarily as compliance tools, lacking the ability to support adaptation and institutional resilience (World Bank, 2021).

Taken together, institutional resilience is not determined solely by organizational competencies or leadership quality, but depends critically on budgetary discipline combined with fiscal flexibility. Robust financial governance, coupled with performance-based budgeting and multiannual planning, provides the foundation for integrating performance and resilience within a coherent public governance system. This integration enables a shift from ad hoc reactions to strategic management of uncertainty, strengthening the state's capacity to cope with polycrises and to maintain the functionality of public services under conditions of systemic stress.

Administrative Capacity and Human Capital as Drivers of Resilience

Contemporary approaches to public administration reveal a clear shift in focus from an emphasis on formal structures, rules, and procedures toward human and organizational capacities as the primary determinants of institutional performance and resilience. The effective and adaptive functioning of public institutions is increasingly explained less by rigid organizational architectures and more by the quality of human capital and by the way in which performance-based management tools are used under conditions of uncertainty and systemic pressure (Georgescu et al., 2024).

Within this context, human resource performance management assumes a central role in strengthening institutional resilience. Systems for individual performance appraisal, continuous professional development programs, and mechanisms for developing managerial competencies directly shape the ability of public institutions to respond adaptively to external shocks. The conceptual frameworks promoted by OECD/SIGMA position a high-performing civil service beyond the requirements of stability and legality, emphasizing the need for learning, innovation, and adaptive leadership (OECD/SIGMA, 2023). From this perspective, the application of performance-based management to human resources goes beyond individual performance control and becomes an instrument for developing institutional capacities.

Institutions that link civil servants' performance evaluation to participation in training programs and to the ability to manage unforeseen situations create clear incentives for the development of adaptive skills. In such cases, individual performance indicators capture not only workload or output volume, but also the capacity to identify alternative solutions, collaborate across functions, and operate effectively under operational pressure, thereby contributing directly to institutional resilience.

A complementary dimension of administrative capacity concerns the relationship between managerial stability and organizational flexibility, which are often perceived as being in tension. Managerial continuity provides a favorable framework for strategic coherence and the consolidation of organizational culture, yet excessive rigidity in leadership structures can constrain an institution's ability to adapt to change. Institutional resilience does not stem from managerial instability, but from leaders' capacity to manage transitions, recalibrate objectives, and adjust performance-based management instruments to dynamic conditions (Georgescu et al., 2024).

Institutions characterized by stable leadership combined with flexible mechanisms for delegating responsibilities and adjusting operational objectives are better able to rapidly reorient priorities without generating functional bottlenecks. This balance between stability and flexibility supports the maintenance of operational performance while strengthening institutional robustness during periods of crisis or accelerated transformation.

Another essential element in this framework is an organizational culture oriented toward results and adaptation. The way performance is interpreted and used within an institution significantly shapes its capacity to cope with external pressures. Institutions in which performance is viewed as a tool for learning and continuous improvement, rather than solely as a sanctioning mechanism, tend to develop higher levels of institutional resilience. Organizational culture influences individual and collective behavior, determining whether performance indicators facilitate adaptation or, conversely, inhibit flexible responses to change (Barbera et al., 2024).

Overall, institutional resilience emerges as a capacity that is deeply dependent on the quality of human capital and on how performance-based management tools are applied in practice. Administrative performance does not automatically translate into resilience in the absence of

appropriate competencies, adaptive leadership, and a learning-oriented organizational culture. Integrating human resource performance management into the PBM–resilience conceptual framework therefore represents a critical condition for strengthening institutional capacity to manage polycrises and to ensure the continuity of public service delivery.

Digitalization, data, and performance as the infrastructure of resilience

Digitalization of public administration is increasingly emerging as a structural component of modern governance, with direct implications for institutional performance and resilience. Beyond its technological dimension, digitalization shapes how public institutions manage complexity, process information, and respond to external shocks. Institutions equipped with integrated digital systems demonstrate a higher capacity to react swiftly and to maintain the continuity of public services in contexts marked by uncertainty and systemic pressure (Barbera et al., 2024; OECD/SIGMA, 2023). In this sense, digitalization can be understood as an infrastructure of resilience, supporting institutional anticipation, adaptation, and learning.

A core element of this infrastructure is represented by performance information systems and real-time monitoring mechanisms. The shift from periodic, ex post reporting to continuous monitoring of performance indicators enables the early detection of operational deviations and timely intervention before these evolve into major dysfunctions. This evolution transforms performance-based management from a retrospective evaluation tool into a prospective management mechanism, oriented toward risk prevention and the maintenance of institutional stability (OECD, 2023).

Institutions that rely on digital performance management systems can observe, in real time, increases in service demand, prolonged processing times, or the overloading of specific operational functions, and can rapidly adjust resource allocation or workflow arrangements. This capacity for rapid response directly contributes to the absorption of operational shocks and to the preservation of service continuity, even under heightened pressure.

Administrative data play a complementary role, becoming a critical support for managerial decision-making in crisis situations. Data generated by information systems—covering workflows, resource utilization, and performance levels—enable a shift from ad hoc reactions to evidence-based decisions. The intelligent use of such data strengthens adaptive management and reduces decision-making uncertainty, even in contexts characterized by severe time constraints (Barbera et al., 2024).

Under conditions of institutional stress, access to structured administrative data allows decision-makers to simulate the potential impact of different courses of action on performance and operational capacity. Selecting solutions that minimize risks and maximize the continuity of essential public functions thus becomes an analytically grounded process, rather than one relying solely on intuition or prior experience.

At the same time, digitalization entails significant risks when approached in a purely formal manner. Introducing technology without transforming underlying processes and without adapting organizational culture leads to the replication of inefficient bureaucratic practices in digital form. In such cases, information systems are used primarily for formal reporting and compliance, generating limited added value for performance or risk management and, in some instances, amplifying existing vulnerabilities (OECD/SIGMA, 2023).

By contrast, functional digitalization—focused on managerial use and the integration of data into decision-making processes—strengthens institutional adaptive capacity. This approach presupposes system interoperability, rapid access to relevant data, and the development of digital competencies among staff. Within this framework, performance-based management is supported by a digital infrastructure that facilitates risk anticipation and the continuous adjustment of processes.

Taken together, effective digitalization transforms performance-based management from a retrospective evaluation instrument into a prospective mechanism of institutional resilience. When coherently embedded in the architecture of public governance, digitalization enables institutions to anticipate change, respond rapidly to disruptions, and use performance as a strategic tool for strengthening their capacity to cope with polycrisis.

Interinstitutional Coordination and Multi-Level Governance

Institutional resilience is strongly conditioned by the level of interinstitutional coordination, both vertically—across different levels of government—and horizontally—among institutions with complementary mandates. Administrative fragmentation, manifested through weakly aligned sectoral policies, divergent objectives, and non-harmonized performance systems, amplifies institutional vulnerability in contexts of crisis and polycrisis. Under such conditions, even institutions that perform well individually may fail to ensure the continuity of public services at the system level (Barbera et al., 2024).

Vertical and horizontal coordination thus emerge as essential dimensions of institutional resilience. Public institutions strengthen their adaptive capacity not only by optimizing internal processes, but also by acting in a coordinated manner within institutional networks. Vertical coordination facilitates the alignment of national strategic objectives with sectoral and local implementation, while horizontal coordination enables the management of complex problems that transcend traditional institutional boundaries, such as economic crises or social shocks (OECD/SIGMA, *Role and Functions of the Centre of Government*).

In the absence of such coordination, systemic dysfunctions become apparent even when each institution formally meets its performance indicators. For example, a lack of alignment among institutions responsible for budgetary policy, public procurement, and social protection may generate operational bottlenecks during an economic crisis, despite individual procedural compliance. By contrast, the use of harmonized objectives and indicators at the governmental level enables coherent responses and enhances the administrative system's capacity to absorb shocks.

A decisive role in this process is played by the centre of government, which acts as a key actor in integrating performance and strengthening institutional resilience. OECD/SIGMA analyses highlight the centre of government's function in ensuring policy coherence, coordinating strategic planning, and monitoring performance at the system level, rather than solely at the level of individual institutions. Within this logic, performance acquires the role of a transversal governance instrument, facilitating risk anticipation and the management of interdependencies among policies and institutions.

When the centre of government uses common sets of indicators to monitor priority policies, sectoral institutions are encouraged to align their objectives and to collaborate actively. This alignment reduces the risk of contradictory decisions and enhances the state's capacity to respond rapidly and coherently in crisis situations, thereby strengthening resilience at the system level.

In this context, performance-based management can function as a common language across institutions. When applied in a compatible manner and aligned with governmental objectives, PBM facilitates communication, comparability, and interinstitutional coordination (Barbera et al., 2024). Performance indicators become shared reference points that enable the integration of institutional actions within a systemic logic oriented toward results and adaptation.

In the absence of such harmonization, PBM risks exacerbating fragmentation by encouraging behavior focused exclusively on achieving individual institutional targets. By contrast, using PBM as an interinstitutional coordination tool transforms performance into a mechanism of systemic resilience, supporting the continuity of public functions and administrative adaptation in contexts of uncertainty.

This integrative logic can be illustrated through an applied example at the level of the National Agency for Solving Complaints (ANSC). In a context marked by a sudden increase in the volume of complaints—driven by the acceleration of externally funded public investments—combined with legislative changes and staffing constraints, the institution faces significant operational risks. In the absence of adaptive mechanisms, these pressures may lead to backlogs, missed legal deadlines, and declining trust among stakeholders in the public procurement system.

Initially, the agency's performance management system is centered on traditional output indicators, such as the number of complaints examined, average processing time, and compliance with

procedural deadlines. While these indicators provide insight into operational efficiency, they do not capture the institution's capacity to manage large fluctuations in workload or other external shocks.

As part of an internal reform process, ANSC extends its PBM framework by integrating resilience-oriented indicators that capture both results and institutional capacities. These include the degree of absorption of unforeseen workload increases, the flexibility of case redistribution among panels, the ability to maintain legal deadlines under operational stress, and the frequency of internal procedural adjustments. This set of indicators is linked to budget planning, ensuring that resource allocation reflects not only historical performance but also operational risk levels and the need to strengthen institutional capacities.

Using data generated by the PBM system, units exposed to high volatility receive additional resources for digitalization and training, while managerial decisions are grounded in systemic assessments rather than ad hoc reactions. Within this framework, the institution succeeds in maintaining the continuity of its core function even under heightened external pressure, demonstrating that performance-based management can operate as a resilience instrument when designed beyond the formal logic of indicators.

To capture systematically the relationship between administrative performance and institutional resilience, the analysis proposes a hierarchical structuring of indicators that reflects the transition from measuring operational efficiency to assessing systemic adaptive capacity. This approach highlights the limitations of traditional performance indicators and substantiates the need for integrated PBM–resilience indicators, which constitute the core originality of the proposed analytical framework.

Tabel 1. Performance-Based Management Indicators (PBM – the Classical Dimension)

Cod	Indicator	Type	Description
PBM-1	Average duration of complaint resolution	Output	Average number of days from case registration to final decision
PBM-2	Legal deadline compliance rate	Output	Percentage of decisions issued within the statutory time limit
PBM-3	Number of cases resolved per employee	Output	Measure of operational productivity
PBM-4	Average cost per resolved case	Efficiency	Ratio of total expenditures to the number of resolved cases
PBM-5	Budget execution rate	Financial	Percentage of executed budget relative to the approved budget
PBM-6	Share of decisions upheld by courts	Outcome	Indirect indicator of the quality and legal robustness of decisions

Source: defined by the author, based on information provided by the National Agency for the Settlement of Complaints (ANSC).

The first category consists of performance-based management indicators (PBM – the classical dimension) – Table no. 1. These indicators are widely used in public administration to measure efficiency, productivity, and procedural compliance. In the present analysis, they are treated as indicators of normal system functioning, providing an overview of how the institution fulfils its mandates under stable conditions. While they are highly relevant for managerial accountability and transparency, the literature indicates that such indicators capture institutional capacity only partially, as they do not reflect how performance is sustained under conditions of stress or rapid change (OECD/SIGMA, 2023).

The second category in Table no. 2 consists of institutional resilience indicators, which capture the systemic capacity of the institution to anticipate, absorb, and manage shocks. Unlike classical PBM indicators, these measures do not focus on immediate results but rather on latent capacities, such as operational robustness, decision-making agility, functional redundancy, and the continuity of critical activities.

Tabel 2. Institutional Resilience Indicators

Code	Indicator	Resilience Dimension	Description
RZ-1	Capacity to absorb workload increases	Robustness	Percentage of additional cases handled without exceeding statutory deadlines
RZ-2	Continuity of critical activities	Continuity	Percentage of essential functions maintained under stress conditions
RZ-3	Procedural adaptation time	Agility	Number of days required to adjust internal procedures
RZ-4	Flexible case reallocation rate	Adaptability	Percentage of cases reallocated across panels or organizational units
RZ-5	Level of functional redundancy	Robustness	Percentage of staff trained to perform alternative critical functions
RZ-6	Frequency of operational risk updates	Preparedness	Number of updates to the operational risk register per year

Source: Indicators defined by the author

The analysis of these indicators enables an assessment of institutional preparedness and structural vulnerabilities, even in situations where apparent operational performance remains high (Gherghina et al., 2023; Weber et al., 2024).

Tabel 3. Integrated PBM–Resilience Indicators

Code	Integrated Indicator	What It Measures	Relevance
INT-1	Compliance with deadlines under stress conditions	Performance + robustness	Ability to maintain performance under pressure
INT-2	Performance elasticity	Adaptive performance	Ratio between workload increase and performance decline
INT-3	Linkage between performance and budget allocation	PBM–PFM	Budget adjustments based on risk exposure and institutional capacity
INT-4	Implementation rate of managerial feedback	Organizational learning	Percentage of recommendations translated into operational changes
INT-5	Composite PBM–Resilience indicator	Systemic	Aggregated score combining performance and capacity dimensions
INT-6	Stability of decision quality during crisis	Outcome	Maintenance of legal quality under stress conditions

Source: Indicators defined by the author

The third category is represented by the integrated PBM–Resilience indicators – Table no. 3. These indicators are designed to capture the interaction between performance and adaptive capacity, assessing how the institution sustains performance under pressure and uses achieved results as inputs for strategic adjustment. From an analytical perspective, integrated indicators function as a synthesis level that connects operational efficiency with institutional resilience, moving beyond the limitations of each approach when considered separately.

The logic underpinning the relationship between the three categories of indicators is sequential and complementary. Classical PBM indicators answer the question “*How well does the institution function?*”, resilience indicators address “*How prepared is the institution to face shocks?*”, while integrated PBM–resilience indicators respond to “*To what extent does performance effectively contribute to strengthening adaptive capacity?*”. This structuring enables an analysis not only of performance or resilience levels, but also of the dynamics between them, which is essential for understanding public governance in contexts of polycrisis.

Integrated indicators are not conceived as rigid control tools, but as adaptive monitoring mechanisms intended to support managerial decision-making and the consolidation of institutional resilience.

CONCLUSION

The study shows that performance-based management and institutional resilience are not competing approaches, but complementary dimensions of modern public governance. Their integration becomes particularly important in contexts marked by polycrisis and systemic uncertainty, where traditional administrative models are increasingly insufficient.

The analysis highlights the limits of classical performance-based management frameworks focused on efficiency, compliance, and output measurement, which fail to capture how institutions sustain effectiveness under conditions of pressure and rapid change. In contrast, institutional resilience is best understood as a systemic and anticipatory capacity, grounded in preparedness, agility, robustness, and organizational learning.

A key contribution of the study lies in conceptualizing the functional intersection between performance and resilience through integrated PBM–resilience indicators. These indicators link operational results with adaptive capacity, enabling performance to serve not only as a tool for accountability, but also as a mechanism for strategic adjustment and continuity under stress.

The findings further emphasize the role of financial governance, performance-based budgeting, human capital, and digitalization as enabling factors of resilience, as well as the importance of interinstitutional coordination and multi-level governance in transforming performance into a source of systemic resilience.^a

Overall, the proposed framework contributes to the literature by bridging performance-oriented governance and institutional resilience, while offering relevant insights for public administration reform in transition states exposed to complex and overlapping crises.

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