Changes and current challenges in Public Administration

Focusing on the shifts in management modes of public service organizations, value generation logics of public service delivery, and performance management applied to governance

Vincenzo Vignieri, PhD
Post-doctoral Researcher in Business and Public Management
PhD in Business and Public Management
Department of Political Sciences and International Relations
University of Palermo, Italy.
vincenzovignieri.com
vincenzo.vignieri@unipa.it
vincenzo.vignieri@gmail.com

Performance Management in the Public Sector (12 ECTS)
Master of Science in Public Management
Department of Political Sciences and International Relations (DEMS), UniPa.
Changes and current challenges in Public Administration
Agenda


2. The specific complexity of Public Service delivery in the context of governance: is it co-production or co-creation of value?

3. Spanning the boundaries of Performance Management in the public sector: from single organization focus towards an interinstitutional perspective
Three shift in dominant modes of Public Administration
Overview

• Background and introduction
• The old Public Administration
• From old Public Administration to New Public Management: drivers of change
• Conceptualizing New Public Management
• Main traits of New Public Management
• Limitations, failures, and missed promises of NPM
• Public Governance
• Conclusion
• Outlook
Background and introduction

• Most of the great events occurred in our society were probably achieved through a significant contribution of what we today would call public administration.


• There’s not a single theory of Public Administration. Public administration consists of a body of knowledge to which particular theories have contributed through the decades.
Background and introduction

Public Administration has actually passed through three dominant modes:

• a longer, pre-eminent one of Public Administration, from the early 1900s to the 1980s;

• a second mode, of the New Public Management, from the 1980s to the 2000s;

• and, recently an emergent third one, the Public Governance.
Three management modes of Public Service Organizations

- **Old Public Administration** 1890
- **New Public Management** early 1980s
- **New Public Governance** 2000
Who’s behind the Old Public Administration

Max Weber
(1864 - 1920)
Burocracia “pura”

Woodrow Wilson
(1856 - 1924)
Public Administration

Frederick Taylor
(1856 - 1915)
Principles of Scientific Management
Old Public Administration: a schematic representation

Central Government

Health Care

Regional Administration

Local Administration

Service delivery

Regulations

Public services

Private Sector

Citizens

1900

1980
### Key elements of Old Public Administration

(The key elements of Old Public Administration (Osborne, 2006: 378)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
</table>
| **The key elements of Old Public Administration**<br>(Osborne, 2006: 378) | • the dominance of the “rule of law”;
|   | • a focus on administering set rules and guidelines;
|   | • a central role for the bureaucracy in policy making and implementation;
|   | • the “politics–administration” split within public organizations;
|   | • a commitment to incremental budgeting;
|   | • the hegemony of the professional in the service delivery system. |

---

### Principles of Old Public Administration

(Principles of Old Public Administration<br>(Pollitt et al., 2007a: 3)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
</table>
| **Principles of Old Public Administration**<br>(Pollitt et al., 2007a: 3) | • hierarchy and rules;
|   | • permanence and stability;
|   | • an institutionalized civil service;
|   | • internal regulation;
|   | • equality. |
### Drivers of New Public Management

<table>
<thead>
<tr>
<th><strong>Contextual driving forces</strong></th>
<th><strong>Theoretical driving forces</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Fiscal crisis faced by governments</td>
<td>• Neo-liberal view (Von Hayek,</td>
</tr>
<tr>
<td>• Plethora of public institutions and agencies</td>
<td>• Public choice theory</td>
</tr>
<tr>
<td>• Inefficiencies</td>
<td>• Transaction costs theory</td>
</tr>
<tr>
<td>• Non accountable system</td>
<td>• Principal-agent theory</td>
</tr>
<tr>
<td>• Innovation in technology and information</td>
<td>• Thatcherism</td>
</tr>
<tr>
<td>• Globalization and market competition</td>
<td></td>
</tr>
<tr>
<td>• Demand for quality in public service delivery</td>
<td></td>
</tr>
</tbody>
</table>
Elements of New Public Management

• Private-sector management practices
• Hands-on management
• Arm’s length organizations
• Policy implementation is organizationally distanced from the policy makers (as opposed to the ‘inter-personal’ distancing of the policy – administration split within PA)
• Focus on the entrepreneurial role of politics
• Inputs and output control
• Performance management and evaluation
• Service unit-based cost accounting
• The use of markets, competition and contracts for resource allocation and service delivery within public services
Conceptualizing New Public Management

Arm’s length organizations + Management styles and techniques from business sector = Efficiency, Effectiveness, Productivity, Accountability

early 1980s to 2000
Main limitation of New Public Management

- Policy fragmentation
- Increased the distance between executive and politicians
- Outdated private sector management techniques
- Intragovernmental focus
- Input and output measurement
- Compression of democratic values in a pluralist and plural world
Main limitations of New Public Management

Shift of mode in Public Administration

“different types of values,” “different types of policy-making process,” and “different types of organization and stakeholder” (Bovaird, 2005, p. 218)

Public Governance
Public Governance

In the attempt to tackle main limitations and pitfalls of NPM-oriented reforms, the need for a holistic approach to address societal issues has emerged.

Scholars have termed the traits of these new network relations mostly as governance, public governance, network governance, and new public governance.
Public Governance: some definitions

• the way in which stakeholders interact with each other in order to influence the outcomes of policies (Bovaird & Löffler, 2009, p. 7);

• “self-organizing inter-organizational networks” that function both with and without government to provide public services (Kickert, 1993, p. 199);

• governance is “about managing networks.” Governance as “minimal state, socio-cybernetic system and self-organizing networks” (Rhodes, 1997, p. 53);

• Frederickson (1999, p. 702) argued that “public administration is steadily moving [...] toward theories of cooperation, networking, governance, and institution building and maintenance”;
Public Governance

Societal Challenges
- wicked issues
- sustainable development

Public Sector
Society
Private Sector

Outcomes
Adaptation

2000 → 2020
Public Governance: purposes and keywords

- mitigating the limits of the NPM model
- governance as a process
- outcomes
- network relationships, stakeholders’ engagement
- new effective ways to satisfy public needs
- coordination and collaboration between public and private sector
- inter-institutional perspective on policy design and implementation.
## Conclusion

<table>
<thead>
<tr>
<th>Aspects</th>
<th>Management modes of Public Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Old Public Administration</td>
</tr>
<tr>
<td><strong>Theoretical roots</strong></td>
<td>Political science and public policy</td>
</tr>
<tr>
<td><strong>Nature of the state</strong></td>
<td>Unitary</td>
</tr>
<tr>
<td><strong>Focus</strong></td>
<td>The policy system</td>
</tr>
<tr>
<td><strong>Emphasis</strong></td>
<td>Policy implementation</td>
</tr>
<tr>
<td><strong>Relationship</strong></td>
<td>Potential elements of the policy system</td>
</tr>
<tr>
<td><strong>Governance mechanism</strong></td>
<td>Hierarchy</td>
</tr>
<tr>
<td><strong>Value base</strong></td>
<td>Public sector ethos</td>
</tr>
</tbody>
</table>
Outlook

New effective ways to satisfy public needs

Inter-institutional perspective on policy design and implementation.

Outcomes

Public service delivery logic in the context of governance (lecture n.2)

Spanning the boundaries of Performance Management: from single organization focus towards an inter-institutional perspective (lecture n.3)
References


Thanks
vincenzo.vignieri@gmail.com