

T05P01 / Public Management Reforms across the Globe: Results, Challenges and Issues

Topic : T05 / Policy Formulation, Administration and Policymakers

Chair : Zeger Van der Wal (LKYSPP, NUS)

Second Chair : Salvador Parrado (UNED- Spanish Distance Learning University)

Third Chair : Anne-Marie Reynaers (Autonomous University Madrid)

GENERAL OBJECTIVES, RESEARCH QUESTIONS AND SCIENTIFIC RELEVANCE

The way in which public policy is developed or implemented has changed substantially in the past 30 years. Various new paradigms are said to have partially substituted traditional modes of public policy formulation and implementation, therewith creating room for initiatives stemming from markets, non-governmental organizations, and civil society. Scholars argue that Traditional Public Administration (TPA) has been replaced by or blended with new modes of delivery and implementation, and new perspectives on the role of government, most notably New Public Management (NPM), New Public Governance (NPG), and Public Value Management (PVM) (e.g., Bryson 2014; Moore 2013; Osborne 2010; Pollitt and Bouckaert).

All too often such paradigms are situated and discussed chronologically as if public management practices, values, and arrangements have neatly replaced each other over time, and behavior of public managers has changed along accordingly. Clearly, however, hierarchy still affects resource allocation mechanisms and policy processes. As such, traditional public administration (TPA) keeps providing the foundational software for many current 'upgraded' programs and applications. Noordegraaf (2015: 3) asserts: "This means that the 'era of new public governance' is relative and that public management can never be reduced to one (new) grand story, whether it is old public administration, new public management or new public governance."

This observation is even more salient when we compare different regions, countries, and systems. Indeed, what we designate as 'new' or 'change' is highly dependent on contextual and cultural environment and stage of development. Seemingly similar changes, approaches, and techniques have been implemented quite differently, and with varying degrees of success, across the globe. Indeed, some question the alleged 'convergence' of business-like, NPM-inspired public management reforms in the past 30 years, driven by key players in the global public management industry such as the World Bank and OECD (Andrews 2013; Pollitt 2000; Pollitt and Bouckaert 2011).

Lynn (2006: 157-158) asserts:

National developments that in the 1990s had been confidently proclaimed to be harbingers of a universal new approach to democratic governance have begun to be seen as nationally variegated adaptations to various forces for change rather than as transformations of constitutional institutions: as new wine in old bottles.

Thus, we should distinguish 'talk' from 'practice' (Pollitt 2010) in discussing public management reforms. Moreover, we should refrain from easy generalizations about the components and effects of such reforms across contexts. For example, in the West NPM has been declared 'dead' many times (Dunleavy et al. 2006), rightly or wrongly so. However, many of its core characteristics are still very much alive in externally driven as well as internally architected public management reforms in the developed world, with China being an intriguing example (Christensen et al. 2012).

Clearly, there is still a world to win for comparative and contextual research into the how, why, and what of both particular reforms and reform agendas in different parts of the world. For this panel, we aim to select contributions from different countries and continents in order to meaningfully compare experiences, results, and future challenges from different contexts.

CALL FOR PAPERS

This panel brings together (comparative) empirical and theoretical contributions that scrutinize the nature, results, and challenges of public sector reforms in different parts of the world. Reforms and reform agendas can be critically examined in terms of their effect on public values, efficiency and effectiveness of service delivery, democratic deficit, regulation, and quality of governance, to name a few.

In particular, this panel seeks papers on the following topics:

1. Theoretical, empirical, and methodological accounts of management reforms in agencies, sectors, and countries;
2. Comparative examinations of how reforms are conceptualized, implemented, and (politically) framed and branded in agencies, countries, and sectors;
3. Innovative perspectives and methods on (comparatively) studying public management reforms and their actual effects;
4. The political dynamics of reform and their interplay with administrative dynamics within agencies;
5. Specific – intended and unintended – effects of public management reforms on issues such as public values, public service motivation, job satisfaction, human resource management practices, and cross-sectoral collaboration.

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Session 1 Performance Management

Thursday, June 29th 10:30 to 12:30 (CJK 1 - 2)

Discussants

Salvador Parrado (UNED- Spanish Distance Learning University)

Performance Appraisals – The Patterns of Their International Prevalence

Naomi Aoki (Lee Kuan Yew School of Public Policy, National University of Singapore)

Stuti Rawat (Education University of Hong Kong)

A number of governments across the globe have been urged to adopt performance appraisals for their employees in keeping with a global paradigm endorsing managerial reforms, which has been expanding over the past few decades. However, the international prevalence of performance appraisals remains poorly evidenced, and reform discourse regarding what is old and new in the world of governance walks naked, in an empirical vacuum. Focusing on the education sector, and using 2012 internationally comparable datasets, our goal is to narrow this empirical gap. We not only report on the varying degrees to which performance appraisals were used and linked with monetary rewards across countries as of 2012, but also on whether these variations depended on a number of country-level contextual factors. We hypothesized that relevant factors included the type of political regime, market ideologies, the strength of teacher groups, national culture, isomorphic pressures, the structure of education systems, and the income levels of countries. We found that performance appraisals tended to be used and linked with salary and/or bonuses more in less liberal economies, in cultures with a lower degree of uncertainty avoidance and a higher degree of masculinity, in lower-income countries, and in those with more decentralized educational systems.

The application of the precepts of the NPM in the French Defense, failure or success?

Violette Larrieu (Université de Montpellier, CEPEL)

In France, the successive reforms since the 2000s are in line with the New Public Management (NPM), consecrating the rationalization of the administration, the privatization of services and a search for economy. Defense, although regarded as sovereign, was no exception, especially since the reform of the armies that ended the conscription in 1996. Since then, the general reform of public policies (RGPP) of 2007, the modernization of public action (MAP) in 2012 as well as the successive military planning laws (LPM) have only confirmed the desire to restructure the armies to better rationalize them. This includes an increase in outsourcing, both on the national level and abroad, from logistics to intelligence. The state thus increasingly chooses to go through the market to provide a service that it is used to provide itself. However, does bringing these reforms, inspired by the precepts of the NPM, meet the expected success? As many studies have dealt with the Anglo-Saxon cases, showcase of the NPM, the case of France remains little explored. Similarly, the question of the outsourcing of the armed forces has been studied very much, but the question of outsourcing support services is often taken for granted.

This is why we will focus in this paper on the case of the military support services, and more specifically to the catering and the clothing in the armies. Two policies of outsourcing were launched in the years 2010 under the Sarkozy government, with the underlying idea to generate savings and to rationalize and reform the armies. Yet, a few years later, the government decided to re-integrate these services, even if at first sight its considered strategically weak and out of the military core. The government decided to rationalize the service internally

through a process called “Régie rationalisée optimisée” (RRO, may be translate as “maximized and rationalized in-house services”), a term created for the occasion. Must we conclude, with the fail of this outsourcing, that NPM is difficult to apply in the field of Defense? Or should we consider these policies as an adjustment of the NPM to a sovereign domain, and the RRO as the best way to achieve the effective application of the principles of the NPM?

Through a deep analysis of the history of these policies, the actors involved, their perceptions and their cognitive frameworks (Muller 1990), we will try to explain how the application of the NPM by the political actors took place in the ministry of Defense, what were the obstacles encountered and the adaptations needed to impose the ideas under the reform.

To do this, we will rely on more than 80 interviews conducted in 2016 with the main actors as well as the reading of the grey literature.

This paper, which comes in the middle of my PhD, will also be an opportunity for me to present my first research results and to discuss them with the other participants.

Reforming the Performance Management System in the Philippines Based on NPM: The Case of the Performance Based Incentive System (PBIS)

Ador Torneo (Political Science Department, De La Salle University)

This study examines the results, challenges and issues that accompanied the adoption of the Performance-Based Incentive System (PBIS) by the Philippine government, particularly on the Department of Interior and Local Government (DILG), one of its largest national agencies. The PBIS is a key component of the policy reforms adopted by the Aquino administration to reform the bureaucracy. The PBIS is largely based on New Public Management (NPM) principles and adopts mechanisms originally used by the private sector such as performance measurement, competition, and financial bonuses to encourage public sector individual employees and administrative units to improve their performance.

The PBIS was adopted in 2012 and was accompanied by system wide changes including the adoption of results based framework and changes in the performance evaluation systems. This article combines the findings of a qualitative study based on interviews and thematic analysis from 2015 to 2016 and a survey study conducted from 2016 and 2017 as the PBIS was being rolled out and updated. Of special interest are the perceived effects of the new NPM based system on employee performance and morale.

The findings of this study expands our understanding of the results, challenges and issues that accompany the adoption of NPM based policy reforms in developing nations. While NPM has been declared to be dead in the developed West, its influence and adoption are still strong in many developing countries whose training and education was largely based on Western public administration. The Philippines provide a good case because its political and administrative structure was largely patterned after that of the US but its underlying development and institutional context is that of a developing Southeast Asian country with its own idiosyncracies. The author believes it provides a good empirical contribution that will help both scholars and practitioners understand the nature, results, and challenges of public sector reforms in different parts of the world.

Change Management, Redeployment and Designing an Integrated Labour Market Activation Service during the Irish Crisis

Stephan Köppe (University College Dublin)

Philip O'Connell (UCD Geary Institute for Public Policy)

This case study sheds light on the issues and success around the implementation of a one-stop-shop system of activation for unemployed job-seekers in Ireland in the depths of the Great Recession. The implementation of Intreo, which integrates both income maintenance and employment supports in a single system, represents one of the most far-reaching reforms in labour activation policy and benefits administration in many decades, a reform which brings Ireland into line with established practice elsewhere in Europe. The implementation, between 2010 and 2016, followed an iterative and incremental process, where the Department of Social Protection displayed a high adaptive capacity. Prior Intreo benefit payments and activation services were highly fragmented on the organisational and policy levels. During the fiscal and economic crisis several reform strands came together that led to an organisational merger, an integrated one-stop shop service model for jobseekers and innovative alignment of labour market activation measures. The key challenges highlighted in the study are change management with limited resources, complex industrial relations negotiations to redeploy staff and designing a new service, while catering for an existing and increasing client base. Throughout the implementation process senior management and the core change team found innovative and flexible solutions to overcome the challenges.

The case study shows first how a small and experienced management team served as a flexible coordination

hub. It shaped the broad vision and could react flexibly to changing agendas, but also relied heavily on support from other central units and frontline staff. This delegation of core tasks gave ownership of the change process to frontline staff and increased their support for the new service model. Second, the redeployment of staff benefited from coherent communication to frontline staff, respectful and strong labour relations, flexible union positions in the context of the crisis and the arbitration process set out under the framework of a series of national level industrial relations agreements negotiated in the context of the economic crisis. Third, the design process benefited from a broad vision right from the beginning that had been fleshed out in detail over time in an iterative process with strong involvement of frontline staff. In addition, the national roll-out included frontline staff. This enabled the basic template for service delivery to be amended locally to suit staffing levels, client base and physical infrastructure.

Context Matters: Linking Pay for Performance to Organizational Outcomes

Yujin Choi

Il Hwan Chung (Soongsil University)

Several decades have witnessed the growth of research in determinants of organizational outcomes with a focus on the role of management. However, past literature show a wide range of results, which leading to little consensus on the effect of management. O'toole and Meier (2015) argue that these various and conflicting findings can be attributed to the missing contextual link between management and organizational performance.

This study is a step toward filling this void to identify the role of context in the relationship between management and performance. Specifically, we take the advantage of the management reform (i.e., pay for performance plan), which several public schools has adopted in New York City during 2007 - 2012. Past literature finds that *pay for performance (PFP)* has no or little impact on organizational outcomes. We draw much attention to the role of context. In this vein, this study investigates the moderating effect of context such as leadership and organizational culture between pay for performance and organizational outcomes (student performance).

We make several contribution to the literature by connecting two different literature together: management literature and policy evaluation literature. Using a quasi-experimental design offers more valid evidence to the literature. In addition, we seek to find heterogenous effects as the context on organizational performance.

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Session 2 Managerialism expanding

Thursday, June 29th 13:30 to 15:30 (CJK 1 - 2)

Discussants

Zeger Van der Wal (LKYSPP, NUS)

The reform of the Belgian judicial, a paradigmatic revolution?

frederic schoenaers (University of Liège)

Émilie Dupont (Université de Liège)

In recent decades, the Belgian judicial has been the scene of many evolutions, some of them discreet, orchestrated in the Courts of Justice, in the hearing rooms, others more. The latest, the Reform of the Judicial Landscape introduced in April 2014.

Based on a principle of enlargement of scale, for a more modern and effective justice, this reform has redesigned the ancestral map of the judicial districts. It is also accompanied by a mobility of magistrates and members of the judicial staff, what should give the system some flexibility which the bureaucratic thesis believed to be lacking (Guarnieri and Pederzoli, 1996). This reform will be completed in the near future by the establishment of autonomous management for the local judicial organization. Local entities, in the person of chiefs of jurisdiction (the "local manager"), will become responsible for the management of their human and financial resources. This transfer of responsibility will be based on a contractual mechanism through which the managers will commit themselves to their future results. This wave of reform and the new legislations accompanying it place the local managers at the heart of change. The contours of their function are thus redefined under the influence of new managerial competencies and the responsibility for change, following and thus reinforcing a trend begun in the 1990s (Schoenaers, 2014).

Indeed, the first steps of this transformation of the role of Head of Corps and the evolution of expectations towards them have already been posed during the past reforms: with the signing of the Octopus agreement, consecrating the creation of the Superior Council of The Justice (CSJ) in charge of appointments of the chiefs of jurisdiction; with the introduction of the management plans for candidates-heads of jurisdiction, incorporating a series of objectives for the years to come; at the time of the introduction of fixed-term mandates whose renewal is subject to the "evaluation" and approval of the CSJ; when the writing of an annual operating reports entered into the courts; etc.

Over time and legislation, the injunction to the accountability of the chiefs of jurisdiction has become more and more prominent. It is now taking on a new form marked by the disinvestment of the State in the concrete management of change. Once the impulse is given by the top of the State, the framework summarized and a few key principles formulated, the political world adopts a position of withdrawal, which puts the weight of the implementation and, above all, the success of the change on the local managers. The expectations given to the heads of jurisdiction would thus be added to an even more strategic dimension. Through this contribution, we propose to take stock of the introduction of the 2014 Reform in the Belgian Judicial Order at the start of the action of the heads of jurisdiction. We will thus question the transformation of their role and their professional practices and the impact the change strategy on the functioning of the Belgian Judicial.

Explaining Neo-liberal Reforms in Neo-patrimonial Systems: The Commercialization of Health and Education in Saudi Arabia

Alberto Asquer (SOAS, University of London)

Ahmed Alzahrani (Institute of public administration)

The reasons and effects of public sector neo-liberal reforms have been investigated in the context of both Western democracies and industrialised countries and, to a more limited extent, developing and emergent economies. Yet, studies have typically conceived public sector reforms within conceptual frameworks for analysis that pay a tribute to the original environment of neo-liberal managerialism, where Traditional Public Administration variously adjusted to and combined with New Public Management, New Public Governance, or Public Value Management. In addition, studies have paid relatively little attention to the role of the context in the introduction of neo-liberal ideas into the public sector of developing and emergent economies, whose institutional and cultural features may largely deviate from those of Western democracies and industrialised countries. Paying attention to distinctive context features calls for an original reconceptualisation of the reasons and effects of neo-liberal reforms in the public sector, which depart from the conventional narratives of struggle and amalgamation between traditional tenets of bureaucracy and novel doctrines on public management and governance.

This paper aims to contribute to the comparative literature on public sector reform by explaining the introduction of neo-liberal reforms in the public sector in neo-patrimonial systems. Neo-patrimonial systems provide a kind of institutional and cultural context conditions that differ from those that are generally associated with Western democracies and industrialised countries. Neo-patrimonial systems combine features of legal-rational bureaucratic systems with those of patrimonial systems. The combination results in the operation of institutional logics that provide systems of formal justifications for decisions that are often taken in ways that do not correspond to canons of transparency and accountability, in the sense of Western democratic and industrialised countries. Additional features of neo-patrimonial systems, like blurred boundaries between the private and the public sphere and the primacy of vertical over horizontal lines, contribute shaping an institutional and cultural context that seems hostile to neo-liberal principles such as the marketisation of public services and the supremacy of consumers' choice.

The commercialisation of health and education services in Saudi Arabia provides the basis for a case study of neo-liberal reform in the public sector in a neo-patrimonial system. As one of the very few absolute monarchies in the world, the Kingdom of Saudi Arabia consists of an institutional and cultural environment where the policy process is highly dependent on the supreme authority of the king. Although the country established a generous system of welfare state, in the 2000s the provision of health and education services was partially opened to commercialisation with the establishment of so-called "business centres", such as at the King Fahad Medical City Fund and the Institute of Public Administration. Building on theoretical resources drawn from Bourdieu, this study offers theoretical arguments for explaining reasons and effects of the introduction of neo-liberal-style reforms of public services in a neo-patrimonial system that place particular importance on the political economy of systems of public service provision.

The relevance of council–administration relations for the adoption of New Public Management concepts

Jens Weiss (Harz University of Applied Science)

This paper is based on results from a case study on the implementation of strategic management in German local governments. Even though these German municipalities underwent a NPM-inspired wave of reforms in the 1990s, most still operate with a more Weberian style of administration. Rigorous models of performance management or strategic management can hardly be found. Based on findings from a case study about the implementation of strategic management, the relevance of council–administration relations has been singled out. Trust seems to be an important precondition for the implementation of performance measurement, performance management, and strategic management in German local governments, which are typified by strongly asymmetrical information between councils and administrations.

More generally, the question is what significance the council–administration relations have in explaining variations in the adoption of NPM reform ideas. Initial comparative evidence based on findings from Canada and Switzerland provide good examples of the great variety of institutional settings for interactions between councils and administrations. For example, the sheer number of council members, as well as the politicization of councils, may have an impact on the possibility to implement managerial instruments. But there are also clues that informal norms are of importance regarding this issue.

A model for a more detailed, comparative, and quantitative research is set up to analyze the relevance of council–administration relations for the implementation of public management reforms, but this model has not yet

been tested. The presentation will try to sketch an innovative perspective for comparative research on the implementation of local government reforms by focusing on the interplay between political and administrative dynamics.

The main concepts of the work to be presented have been developed in a cooperation between James McDavid (University of Victoria, Canada), David Giauque (University of Lausanne, Switzerland) and Jens Weiss (Harz University, Germany).

Compromising between Elites and Street-Level Bureaucrats: What Kind of Culture Should We Develop?

Reza Fathurrahman (Center for Study of Governance and Administrative Reform, Universitas Indonesia (UI - CSGAR))

Most of the reforms conducted in public sector failed to achieve the predetermined outcomes (Polidano, 2001). This phenomenon has encouraged scholarly attempts to identify the main problems as the basis for proposing solutions. The main emphasis of this study is to investigate two main issues at the agency level: 1) Whether the street-level bureaucrats think that a particular cultural change is required or not; and 2) Whether there is a perceptual conformity across four administrative hierarchies, i.e. the central government, the governor, the head of agency, and the street level bureaucrats, concerning the type of culture to be developed institutionally or not. Through a comparison between the upper- and lower-performing agencies, several implications are specified.

Growing literatures have employed administrative culture as the key point to understand the dynamics occur in various public sector organizations. Claver and his colleagues (1999), in particular, place a special attention in investigating a suitable administrative culture that may improve the services offered by public service organizations. In addition, Grindle (1997), based on her comparative study in six developing countries, suggests the concept of administrative culture as a useful hypothesis to explain the reason why several public organizations, particularly in developing countries, perform well than the others.

After more than a decade of continuous reform stagnation, starting from 2010 Indonesian government has introduced an ambitious fifteen-year reform plan envisions to obtain the world class government status by 2025. Indonesian government believes that a radical cultural transformation is required for creating professional public administrators (Kemenpan, 2012). Considering that the new ideal culture described by the central government is a conceptual term, therefore an operationalization of the concept is needed to translate it into a practical level. It is argued that the issue of perceptual conformity about 'what kind of culture to be developed' across four different hierarchies, namely the central government elites, the governors, the head of public agencies, and also the street-level bureaucrats (as the key organizational members experiencing daily life situation at the agency) is crucial to ensure a smooth cultural transformation.

This study combines three different methods to examine the perceptual conformity across four different administrative hierarchies to define 'what kind of culture to be developed' at the agency level: (1) The Competing Values Framework (CVF) developed by Cameron & Quinn (2011) to explore administrative culture as perceived by street-level bureaucrats; (2) Semiotic approach to investigate the portrayal of administrative culture as perceived by the key public sector leaders; and (3) Analysis of relevant documents and written regulations as a comparison to the CVF's finding to examine the perceptual interpretation gap that may exist between the government elites and the administrators at the first line level.

Primary data were collected from six public service agencies in Indonesia providing three different types of public services (i.e. e-procurement, one-stop, and public health services). The agencies operate under two provincial jurisdictions that are varied in public service performance rank according to a recent government's report. We use this case for two reasons. First, variations in types of services and performance level are necessary for the purpose of study. Second, an administrative reform imposing a radical cultural transformation was taking place, which allowed us to analyse the roles of administrative culture behind the reform progress.

This study reveals different emphasis across four governmental levels in operationalizing the concept of ideal culture into the practical level. The central government's idea to introduce a new culture that emphasizes the combination of Market & Hierarchy cultures is proven to be contradictory to the grass roots aspiration that are eager to develop a more Clan oriented culture. This situation complicates the government's effort to produce a tangible improvement at the agency level.

Considering the existing discrepancy, there are two alternatives available to solve the situation: Either to force the street-level bureaucrats to follow the combined "Market & Hierarchy" culture as imposed by the central government, or to reformulate the existing change management strategy by accommodating the Clan-based

approach and compromise. Based on the evidence, the second option is more promising. In contrast to the leaders from the three lower-performing agencies, it is found that the leaders of the three upper performing agencies prioritize the application of the Clan Culture in their institutions.

Peeping into Career Bureaucrats' mind: What do they make of innovation in public management?

Devasheesh Mathur (International Management Institute)

Bureaucracy inherently carries creative inertia for any change-big or small. Weberian bureaucracy is best suited to perform routine work and not to think outside the box. Innovation and bureaucracy are supposedly mutually exclusive. However, innovations do take place in public management and they are successfully diffused too. Paradigms like New Public Management (NPM) and Networked Governance have made it more possible for bureaucracy of a nation to understand and implement an innovation. However, the phenomenon and the environmental factors that give rise to innovation are still under study. Public service innovation is usually attributed to creative thinking and innovativeness of an individual officer who goes against the norm and innovates. This leaves the administration literature without any innovation theory of its own with the focus either solely on an individual or the broad macro factors. This paper explores and peeps into the psyche the environmental and individual factors according to a bureaucrat toward policy innovations using Q-sort technique which allows the researcher to peep into a bureaucrat's mind and his understanding of innovation in public services. This enabled the researcher to come up with a typology of potential innovators. There are a few departures from public administration and public innovation theories which provide a significant insight into a career bureaucrat's psychology.