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Uvodnik

Spoštovani,

V prvi številki *Mednarodne revije za javno upravo* letu 2017 boste lahko prebrali prispevke, v katerih avtorji nadaljujejo razpravo o učinkovitosti in uspešnosti v javnem sektorju. Tudi tokrat je predstavljeno področje zdravstva, ki se v večini evropskih držav sooča s potrebo po spremembah.

To velja tudi za Hrvaško, ki je leta 1992 postala samostojna država. V desetletju po osamosvojitvi je bil hrvaški zdravstveni sistem večkrat reformiran. Cilj reform je bil preoblikovati razdrobljeni in večinoma decentralizirani sistem zdravstvenega varstva. Vstop države v EU leta 2013 je reforme še pospešil. Kljub prizadevanjem in uvedenim reformam so na številnih področjih zdravstva slabosti še vedno prisotne. Gre zlasti za neučinkovito ponudbo zaradi prevelikega števila zdravstvenih ustanov. Te ustvarjajo primanjkljaj in nimajo dovolj strokovnega upravljalvskega kadra.

Vse to kaže, da je spremljanje učinkovitosti človeških, materialnih in finančnih virov na področju zdravstva posameznih držav potrebna in pomembna naloga. Merjenje učinkovitosti zdravstvenega sistema ni preprosto. Največja težava so metodološka vprašanja in razpoložljivost podatkov. Če izhajamo iz dejstva, da zdravstveno stanje državljanov vpliva na raven blagostanja, produktivnosti in socialno-ekonomske stabilnosti držav, je izboljšanje sistema zdravstvene oskrbe pomemben cilj vsake države.

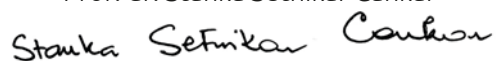
Asandului in sodelavci (2014) so raziskovali učinkovitost evropskih zdravstvenih sistemov. Avtorji navajajo, da so nekatere razvitejše države pri uporabi vlaganj v zdravstvo učinkovitejše, obstaja pa tudi nekaj razvitih držav, ki so na meji učinkovitosti kljub visokemu BDP. Učinkovitost je namreč odvisna tudi od dobrega upravljanja (angl. *governance*) zdravstvenega sistema. Gre za več organizacijskih vidikov, ki lahko vplivajo na učinkovitost in pravičnost zdravstvenega sistema in posledično na kakovost zdravstvenih storitev. Enega največjih vzvodov sprememb je povzročila spremenjena vloga zasebnega sektorja pri financiranju in izvedbi zdravstvenih storitev. Velika pozornost je bila namenjena tudi uvedbi mehanizmov za zaščito pravic pacientov ter skrbi za javno zdravje. Čeprav je način upravljanja zdravstvenega sistema tesno povezan z zgodovinskimi, kulturnimi, ekonomskimi in političnimi razsežnostmi v posamezni državi, je dobro upravljanje in vodenje sistema temeljna podlaga za razvoj učinkovitega in pravičnega zdravstvenega sistema.

Videti je, da spremembe okolja ter čedalje višja pričakovanja strank zahtevajo od vseh subjektov javnega sektorja izboljšanje procesov delovanja zaradi zmanjšanja stroškov, krajsanja časa izvajanja storitev ter boljše kakovosti opravljenih storitev. Članek o vitki organizaciji, ki izhaja iz dobrih izkušenj zasebnega proizvodnega sektorja, analizira prednosti in omejitve take

organizacije pri prenosu v javni sektor. Zaradi nekaterih posebnosti je uvedba vitke organizacije v javni sektor precej zahtevnejša in potrebuje natančno predhodno presojo učinkov sprememb, da se zaradi njih ne znižuje predvsem kakovost storitev.

Odgovorna urednica MRJU

Prof. dr. Stanka Setnikar Cankar

A handwritten signature in black ink, reading "Stanka Setnikar Cankar". The signature is written in a cursive style with some capital letters.

Editorial

Dear reader,

The first issue of the *International Public Administration Review* in 2017 delivers contributions in which their authors continue the debate on the efficiency and effectiveness in the public sector. Again, the health sector is discussed, which in most European countries faces the need for change.

This is also true for Croatia, which in 1992 became an independent state. In the decade after its independence, the Croatian health system was reformed several times. The aim of the reforms was to transform the fragmented and largely decentralized healthcare system. Croatia's entry into the EU in 2013 accelerated the reforms. Despite the efforts and the reforms introduced, in many areas of the healthcare system imperfections persist. Particularly, the system faces an inefficient supply due to an excessive number of health facilities. These generate a deficit, and they lack the professional management staff.

All these suggest that monitoring the effectiveness of human, material and financial resources in the health sector of individual countries is a necessary and an important task. Measuring the effectiveness of the health care system is not straightforward. The most substantial challenges are the methodological issues and data availability. If we proceed from the fact that citizens' health status affects the level of well-being, productivity and socio-economic stability of the country, the improvement of the health care system is an important objective of each country.

Asandului et al. (2014) investigated the effectiveness of European health systems. The authors note that in the investment in health, some developed countries are more efficient, but there are also some developed countries, which are on the margins of efficiency despite their high GDP. Namely, the efficiency also depends on good governance of the health care system. There are several organizational aspects, which may affect the efficiency and fairness of the health system and, consequently, the quality of health services provided. One of the biggest levers of change was generated by the transformed role of the private sector in the financing and delivery of health care services. Great attention was paid to the creation of mechanisms for the protection of patients' rights and public health concerns. Although the approach to the management of the health system is intertwined with the historical, cultural, economic, and political dimensions of each country, good governance and management of the system are an essential basis for the development of an efficient and fair health system.

It appears that changes in the environment and rising customer expectations require all public sector entities to improve the functioning of processes to reduce costs, shortening time to provide services and their better quality. The article on lean organization resulting from the successful experience of the private manufacturing sector analyses the advantages and limitations of such organizations in the transfer to the public sector. Due to some of its particularities, an introduction of the lean organization to the public sector is quite complex and requires a careful preliminary assessment of the effects of changes to prevent the lowering of the quality of service.

Editor in Chief of the International Public
Administration Review

Prof. Stanka Setnikar Cankar, PhD

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Strategic Management and Performance Measurement – A Connected or Disconnected Duo? Evidences from Croatian Public Administration

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ABSTRACT

The paper examines the link between strategic management and performance measurement in the public sector. The main hypothesis is that the stages of strategic management development are positively correlated with the number of performance dimensions measured by public organisations. In order to examine the stated hypothesis results from the empirical research conducted in Croatian public administration are being presented. A questionnaire has been sent to 253 central and local organisations and additional interviews have been conducted. The results confirm the hypothesis and determine that the enhancement of strategic planning and management is one of the main stimuli for performance measurement in Croatia.

Keywords: strategic management, strategic planning, performance measurement, performance dimensions, Croatia

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1 Introduction

Strategic management and performance measurement are managerial instruments whose implementation in the public sector has augmented since the late 1970s and the beginning of 1980s, which were marked by the origin of the new and influential doctrine of New Public Management (NPM). The basic premises of NPM were the adoption of private sector management tools in the public sector and the convergence of private and public sector management (s. McLaughlin et al., 2002). Among other things, NPM put great emphasis on performance measurement as well as on strategic planning and management (Gruening, 2001, p. 2).

* The paper was presented at the 2015 EGPA Conference in Toulouse. The author is grateful for all the comments received. The chapters two was developed by the author in the course of scientific project 'New Croatian Legal System' conducted by the Faculty of Law, University of Zagreb.

Although both instruments are being implemented, they are mostly treated separately in public management literature (Poister, 2010, p. 252). Hence, the basic goal of this paper is to empirically examine the relationship between strategic management and performance measurement. More precisely, the paper examines whether the stages of strategic management development have influence on the number of performance dimensions measured by public organisations. In order to examine the stated hypothesis results from empirical research conducted in Croatian public administration are being presented.

The next chapter describes the stages strategic management development, the connection between strategic management and performance measurement and sets the main research hypothesis. In the third chapter, research methodology and results are being presented while the last chapters discuss the main findings and offer some conclusions.

2 Research Variables – Stages of Strategic Management Development and Performance Dimensions

2.1 Stages of Strategic Management Development

As Vizant and Vizant (1996, p. 140) sustain, there is confusion and misconception about what strategic management actually is. Some authors consider strategic management and strategic planning to be overlapping terms (Goldsmith, 1997, p. 31 in Perko Šeparović, 2006, p. 104); however, this is not the case.

Strategic planning is defined by Bryson as a 'disciplined effort to produce fundamental decisions and actions that shape and guide what an organisation is, what it does and why it does it' (Bryson, 1995, pp. 4–5). Strategic management is said to be the management of the big picture (Kreitner, 2008, p. 181). It encompasses not only the strategic planning process but also resources allocation as well as control and evaluation (Vizant & Vizant, 1996, p. 140).¹ Thus, strategic planning is the basic component of strategic management, but strategic management encompasses also all the other managerial functions in the organisation.² Taking on the definition given by Poister (2003, p. 165), in the public sector strategic management needs to incorporate the strategic planning process with the budgeting process, performance appraisal of civil servants and organisational performance measurement and tie them together in a coherent manner. The task of strategic management is to integrate all the processes in the organisation with the basic purpose

1 Using the literature coming from private sector, Kreitner (2008, p. 181) states that strategic management consists of strategic planning, its implementation and control.

2 The well known definition of managerial functions is given by L. Gulick (1937) using the POSDCORB acronym (P=planning, O=organising, S=staffing, D=directing, CO=coordinating, R=reporting, B=budgeting); for this and other definitions of managerial functions s. Koprić et al. (2014, pp. 114–115).

of assuring systematic, coherent and effective achievement of the set strategic goals (Poister & Streib, 1999, p. 308).³

However, as Vizant and Vizant (1996, p. 140) state: 'one major difficulty in the study of strategic management in public organisations is the virtual absence of a definition of successful implementation', meaning that it is hard to identify whether certain organisation has evolved from simple strategic planning towards the full strategic management.

In this paper, Poister's (2003, p. 165) definition of strategic management is being combined with Vizant and Vizant's (1996, p. 141) four levels of strategic management implementation⁴ and following stages of strategic management development are being formulated and operationalised:

- The first one is the simple *enactment of strategic plan* in which the organisation has produced the strategic plan, but no actions for its implementation, control and evaluation are being taken.⁵
- The second stage is those of proper *strategic planning*. In this phase the entire circle of strategic planning process is being conducted and strategic plan is being implemented and its execution is being monitored.⁶
- The third and final stage is the *proper strategic management*. In this phase, apart from all the elements present in the previous stages, organisational budget is linked to the strategic plan. Moreover, this phase is characterised by the linking of all performance measurement systems, including performance appraisal, with strategic plans.⁷

3 For a literature review on strategic planning and management, s. Poister & Streib (2005).

4 Shortly, the Vizant and Vizant's (1996, p. 1414) four levels are the following: the first level is the completion of strategic planning process. The second level is the production of strategic planning document. The third includes the level two plus changes in the resource allocation process. The last level contains all the aforementioned elements plus changes in the control and evaluation processes. In this paper the first two levels have been inverted, while the last two have been combined and expanded with elements coming from Poister's (2003, p. 165) definition.

5 In this paper, this stage is operationalised as the pure existence of strategic plan; s. Appendix 1.

6 In this research, this stage is operationalised by: a) the existence of strategic plan with indicators according to which its implementation can be monitored, b) existence of reports on strategic plan execution (whether at the end of strategic planning period or annually), c) regular meetings on strategic plan implementation. These three elements show that strategic plan is a 'living' document, and that actions are being taken in order to obtain feedback on its implementation.

Bryson (1995, p. 36) states that action plans should be enacted in order for strategic plans' to be effectively implemented. According to Blackerby (1994 in Perko-Šeparović, 2006, p. 107) operational (tactic) plan should be enacted in order to explain how certain larger strategic goal will be achieved. In this paper, this component of strategic planning process is operationalised as the d) existence of annual working plans and e) existence of annual working reports that are connected to the strategic plan. Namely, the connection of annual working plans and annual working reports with the strategic plan should assure that strategic plan is being translated into the everyday work and thus implemented and its implementation controlled. Of course, strategic planning, annual planning as well as budget planning are different types of planning, but strategic management requires them to be connected in order to assure the coherence of the system (s. Poister, 2003, p. 165); s. Appendix 1.

7 In this paper, the last stage is operationalised by a) linking the budget to the strategic plan. This does not mean that in the previous stage resources have not been given for strategic plan execution (this is an indispensable element of strategic planning), but in this phase

2.2 Performance Measurement and Performance Dimensions

Performance measurement can be defined as a number of activities used to obtain information on a variety of performance dimensions, or as Van Dooren et al. (2015, p. 32) put it 'performance measurement is the bundle of deliberate activities of quantifying performance'. However, when speaking about performance it is important to notice that performance is "one of the most important as well as ambiguous concepts in the academic public management debate" (Siegel & Summermatter, 2008, p. 2). Siegel and Summermatter (2008) have identified different performance dimensions (input, throughput, output, outcome, efficiency, effectiveness, additional types of ratios, requirements, quality, stakeholder-related aspects, value and ethical aspects) and asserted that outputs and outcomes are the most used performance dimensions, but there is no final definition, as well as there is no final agreement about what each of this dimension is. That is why they suggest authors to make clear what is understood under the term performance and to use the comprehensive definition.

Thus, in this paper performance is understood as the achievement of expected outputs and outcomes in relation to the resources used to achieve them (efficiency and cost-effectiveness). Following this definition, four performance dimensions are being examined:⁸

- outputs – concrete results produced by the organisation over which the organisation has control;
- outcomes – effects produced by the organisation on which the environment has an impact; Bouckaert and Halligan (2008, p. 16) state that the public sector has to be oriented towards long-term outcomes;
- efficiency – ratio between inputs and outputs;⁹
- cost-effectiveness – ration between inputs and outcomes.¹⁰

2.3 Setting the Hypothesis

Since the future of public management points to the necessity of linking strategic management with performance measurement and management (Poister, 2010), the basic goal of this paper is to examine whether stages

strategic plan is the guiding element in the entire budgeting process. In addition, this stage is characterised by b) taking the strategic plan into consideration in the decision making process and d) connecting the strategic plan to civil servants' annual working plans, which altogether assures that strategic plan is the guiding document also in the human resource management process; s. Appendix 1.

8 For detailed explanations of these dimensions, as well as additional dimensions, s. Van Dooren et al. (2015, pp. 20–30).

9 Since efficiency is the ratio between inputs and outputs, different types of ratios can be measured (for example, ratio between input in the sense of human resources work and obtained outputs, ratio between costs of inputs and obtained outputs, ratio between inputs in the sense of equipment used and obtained outputs, etc.). However, in this paper, this distinction has not been implemented and all types of ratio between input and outputs are taken into consideration.

10 As with the efficiency, in this paper no distinction between different kinds of ratios between inputs and outcomes has been made.

of strategic management development have influence on performance measurement; precisely, whether the passing to a more mature stage of strategic management can stimulate the measurement of greater number of performance dimensions (output, outcomes, efficiency, cost-effectiveness).

Looking at the three stages of strategic management development it is possible to presume that the first stage, the pure enactment of strategic plan does not need to bring to any measurement. The plan exists but there is no monitoring of its execution and by the consequence, it does not stimulate any measurement. The second stage, the implementation of the entire strategic planning cycle should stimulate at least outputs and outcomes measurement since they are indispensable for future planning. The proper strategic management, which connects strategic planning with budget and human resource cycle, should stimulate also efficiency and cost-effectiveness measurement.¹¹ Starting from these premises the following hypothesis can be formulated:

H: The stages of strategic management development are positively correlated with the number of performance measures.

3 Empirical Research – Methodology and Results

3.1 Methodology

In order to test the set hypothesis the empirical research in Croatian public administration has been conducted. A questionnaire has been sent to three types of central state organisations: all ministries (20), other central state administrative bodies (34), central level agencies (76); and to the three types of local level organisation: second level units of local self-government - counties (20), all towns and municipalities with population superior to 10.000 inhabitants as first level units of local self-government (74) and regional and local development agencies (29). The questionnaires were sent between April and June 2014, in three rounds (first and third round as online questionnaires and the second round by regular post) to the heads of the organisations asking them to fill in the questionnaire or to delegate it to the person who is responsible for performance measurement system in their organisation.

In order to assess whether local units measure outputs, outcomes, efficiency and cost-effectiveness the respondent were ask to indicate the extent

¹¹ For the use of performance measurement in the strategic management process, s. Poister (2013, pp. 162-166).

Of course, during the strategic planning process information on other performance dimensions as well as on quality are need (for example, information on citizens' satisfaction). However, this paper concentrates on the four selected performance dimensions since, as indicated by Siegel & Summermatter (2008), outputs and outcomes are the most used performance dimensions and efficiency and cost-effectiveness deal with outputs and outcomes as well.

in which their organisation measures each of these performance dimensions on a four point Liker-type scale.¹²

In order to establish the stage of strategic management development, the respondents were asked a series of questions on strategic planning and management practice.¹³

The received data are analysed with the methods of data inspection and descriptive statistics using Statistical Package for the Social Sciences 20.0 and MS Excel. In addition, 12 semi-structured interviews with heads of the organisations or civil servants responsible for performance or quality measurement have been conducted.¹⁴

Looking comparatively, Poister and Streib (2005) have analysed the state of development of strategic planning and management in USA municipalities with over 25,000 inhabitants. In their research, they have utilised also the Vizant and Vizant's (1996) categorisation of strategic management development; and, among other, they have examined the relationship of strategic planning/management and performance measurement. However, Poister and Streib do not differentiate between various performance dimensions and extent of their measurement. Since in this paper the Vizant and Vizant's (1996) categorisation has been modified, a different approach in operationalisation of strategic management process has been applied, but the basic results of both researches can be compared.

3.2 Research Results

The total turnout to the questionnaire was 39.5% (100 responses) and the distribution was even between the groups of organisations (50 central and 50 local organisations).

Performance measurement is not highly implemented in Croatia. Only outputs are being measured to a greater extent, while all other performance dimensions are being rather neglected with the majority of organisations measuring outcomes, efficiency and cost-effectiveness only sporadically or not at all (Table 1). The difficulties in the measurement of other performance dimensions have being proven also during the interviews with respondents who state, for example, that they '*do not measure outcomes since it is hard to make them measurable*'.¹⁵

12 S. Appendix 1. For examples on research methodology on performance measurement, s. especially Van Dooren (2006); Foltz et al. (2009).

13 S. Appendix 1.

14 As the research has been conduct as part of PhD dissertation, details on methodology, questionnaire and results can be found in Manojlović (2014).

15 More on performance measurement in Croatian public administration, with particular emphasis on local self-government, s. Vitezić (2007) and Manojlović (2016a, 2016b).

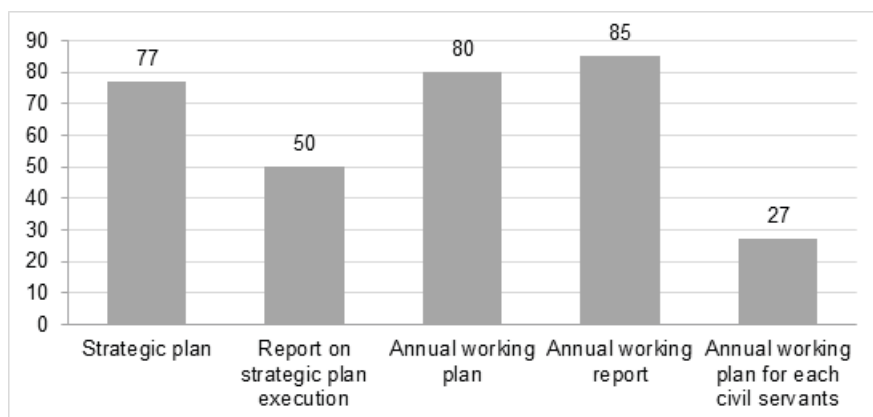
Table 1. Performance dimensions measurement

Performance dimension /extent of measurement	Outputs (%)	Outcomes (%)	Efficiency (%)	Cost-effectiveness (%)
Never	12.1	20.0	27.9	47.8
Sporadically	21.2	35.8	36.6	27.8
To a greater extent	47.5	27.4	25.8	16.7
Systematically	19.2	16.8	9.7	7.8

Source: Author

As for strategic management, the Figure 1 shows that 77 (77%) of organisations responding to the questionnaire have strategic plans, but only 50 of them have reports on strategic plan execution¹⁶, which is an initial indication that at least half of organisations do not enter into the second stage of strategic management development since the monitoring and evaluation of strategic plan implementation is missing.

Figure 1. Number of organisations having certain types of documents¹⁷



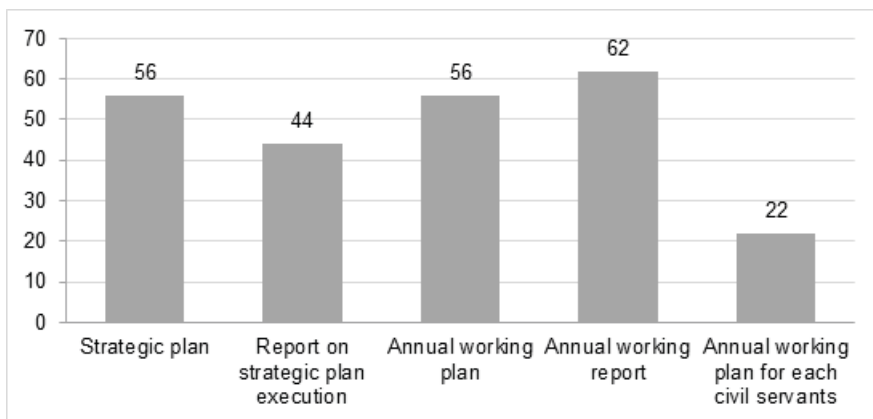
Source: Author

¹⁶ These reports might be prepared at the end of each year or at the end of entire strategic planning cycle. In this research such a distinction was not made, because the focus is on existence or non-existence of such a document.

¹⁷ The question could be why the existence of annual reports on the work of individual civil servants' is not included in the research. It is excluded since the empirical research is conducted in Croatian public administration where there is a legal obligation for state (Law on Civil Servants (*Official Gazette*, 92/05, 142/06, 77/07, 107/07, 27/08, 34/11, 49/11, 150/11, 34/12, 49/12, 37/13, 38/13, 01/15, 138/15)) and local civil servant (Law on Civil Servants in Local and Regional Self-Government, *Official Gazette*, 86/08, 61/11) to receive marks (assessment) at the end of the year. However, these marks (assessments) are not connected with organisational plans and do not stem from individual working plans (s. Parizek, 2009, p. 9; Marčetić, 2009, pp. 91–92). Thus, the inclusion of such question might compromise the results since most respondents would indicate that they have annual reports (meaning marks) and this would indicate that the performance of civil servant is being monitored, although this is not the case. Thus, in Croatian circumstance this element has been excluded, although theoretically it should be included.

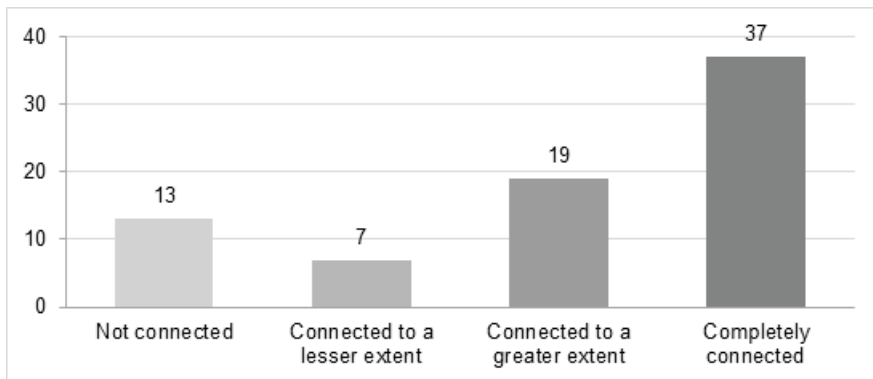
Furthermore, only 56 organisations use performance indicators in their strategic plans, and just 44 thereof use indicators in their reports on strategic plan execution which is a further proof that the monitoring stage is weak (Figure 2). The number of organisation having annual working plans and annual working reports is bigger than those having strategic plans, which points to the fact that strategic plan is not the leading document and that working plans do not stem from it. This indicates again that the second stage of strategic management development has not been achieved by the majority of organisations. A further testimony is the fact that only 37 organisations have their annual working plans completely connected with strategic plans (Figure 3).

Figure 2. Number of organisations having performance indicators in their documents



Source: Author

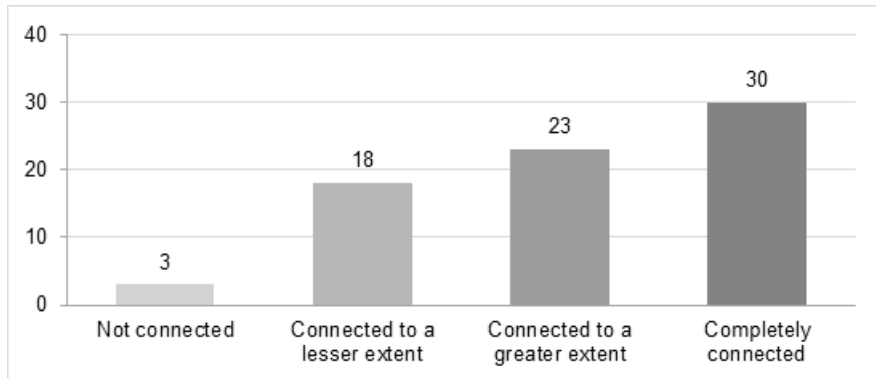
Figure 3. Number of organisations having annual working plans connected with strategic plans



Source: Author

The situation is similar when looking at the number of organisations having their budget connected to strategic plan: again only 30 organisations have done so completely (Figure 4).

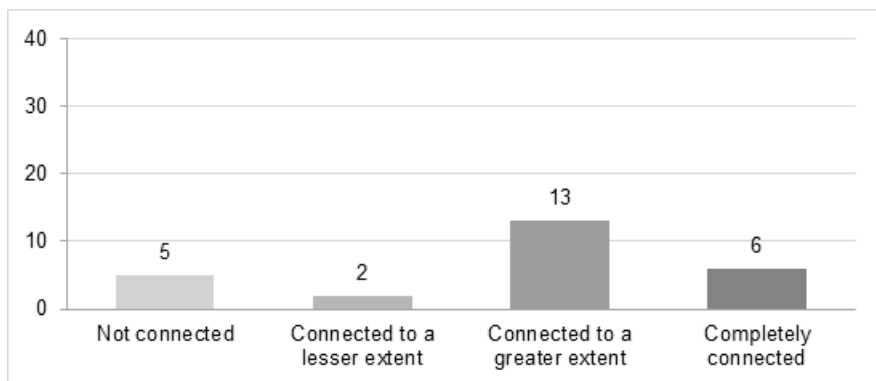
Figure 4. *Number of organisations having their budget connected to strategic plan*



Source: Author

However, the biggest problem is the fact that the work of individual civil servants is not being measured. Namely, only 6 organisations of those responding to the questionnaire have civil servants' annual working plan completely connected with strategic plan (Figure 5).

Figure 5. *Number of organisations having their budget connected to strategic plan*

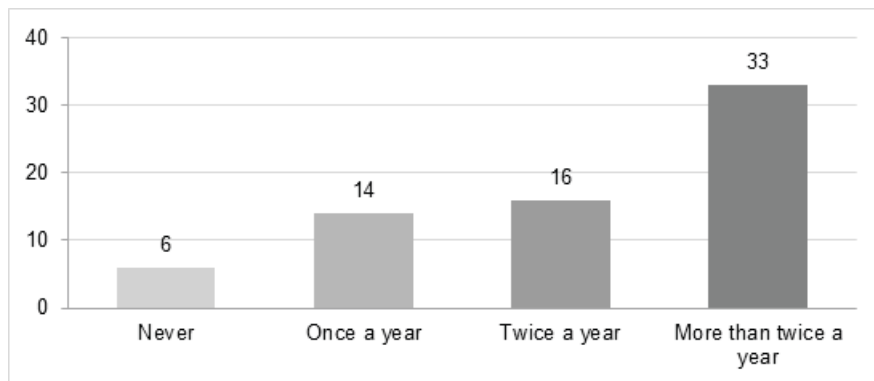


Source: Author

The data presented so far signalise that there are approximately 30% of organisations, which could be classified as entering into the second stage of strategic management development. This is further established by looking at the answers the respondents gave to the questions whether there are regular senior staff meetings in which the execution of strategic plans is being examined and whether the strategic plan is taken into consideration in the decision-making process. It is encouraging that 33 organisations held those meeting more than twice a year and in 41 organisations the decisions

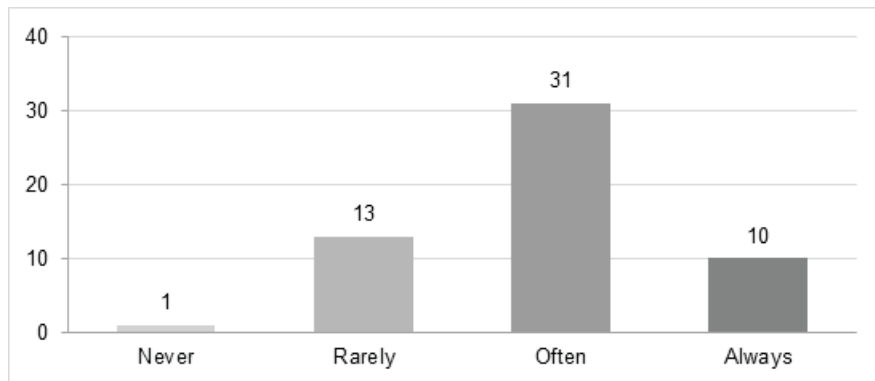
are very often or always based on their strategic plan. This indicates that those organisations, which are able to connect their strategic plans to annual working plans and budget, meaning getting the strategic plan 'to work', see the benefits of this process. This is confirmed also in the interviews during which the respondents coming from organisations, which classify for the higher stages of strategic management development have stated that *'strategic plan has facilitated and improved our operational planning, making the goals comprehensive and understandable'*.

Figure 6. Regularity of meeting on strategic plan execution (number of organisations)



Source: Author

Figure 7. Strategic plan taken into consideration in the decision making process (number of organisations)



Source: Author

The Appendix 1 contains a list of elements, which need to be present in order for certain organisation to enter into different stages of strategic management. Following that categorisation, it is established that there are 18% of organisations, which do not have a strategic plan. Looking in its totality, Croatian public administration is still in the first phase of strategic management development. Strategic plans are being adopted; however,

they are not being implemented and the majority of organisations do not know what to do with them (Table 2).

Table 2. *Classification of organisations according to the stage of strategic management development*

Category	No strategic plan	Strategic plan	Strategic planning	Strategic management
Total organisations	18 (18%)	41 (41%)	31 (31%)	10 (10%)
Central state organisations	7 (14%)	13 (26%)	22 (44%)	8 (16%)
Local level organisations	11 (22%)	28 (56%)	9 (18%)	2 (4%)

Source: Author

However, there are differences between central state administration and local level units. Namely, at the central state level, the State Budget Act (*Official Gazette*, 87/08, 136/12, 15/15) was amended in 2008 and it has created the obligation for all central state bodies to enact three-year strategic plans. The first generation of strategic plans was enacted for the 2010–2012 period. The Ministry of Finance plays a central role in this process since all the central state bodies are required to send their annual report to the Ministry. The Ministry also publishes guides on how to conduct the strategic planning process and indicates changes, which need to be adopted by these bodies.¹⁸ Obviously, because of the obligation introduced by the State Budget Act, central state administration is introduced with strategic planning process and 44% of organisation can be classified as entering into the second stage of strategic management development. However, the passing to the next stage, proper strategic management, is problematic since central state bodies have problems in connecting their annuals working plans with the strategic plan, budget and especially with the working tasks of single civil servants. As one respondent stated '*strategic planning has been formally introduced, we know it, but for now there is no more than that*'.

The situation gets worst at the local level. Namely, according to the Law on Regional Development (*Official Gazette*, 147/14) only the counties (second level local units) and urban conglomerations, have the obligation to enact a development strategy. According to the State Budget Act, towns and municipalities are expected to enact the three years development plans which are connected to the budget, but these are not a throughout strategic plans. The lack of legal requirement can be the explanation why 78% of organisations either do not have a strategic plan or they are still in the very first stage of strategic management development. Most of the respondents state they have their strategic plans because someone required and said to do so, but these plans are still not the guiding documents. Thus, it is possible to say that at the local level, strategic plan are mostly a 'show out' documents, not used for precise purposes.

¹⁸ Available at <http://www.mfin.hr/hr/stratesko-planiranje>

3.3 Testing the Hypothesis

In order to test whether the stages of strategic management development have influence on performance measurement, the correlation analysis is being conducted. As the Table 3 shows, out of 64 possible correlations, 46 are statistically significant and positive, which means there is a positive correlation between strategic management and performance measurement. In the remaining cases the correlation is weak, so it not possible to speak about real correlation. This is particularly visible in the case of cost-effectiveness. Since this is the least measured performance dimension, there are also the least correlations. However, the data show that the connection between strategic plan and budget is the most determinant factor for cost-effectiveness measurement.

Table 3. *Correlations between stages strategic management development and performance dimensions*

Strategic management / Performance dimensions	Results (O)	Outcomes (O)	Efficiency (O)	Cost-effectiveness (O)
Existence of strategic plan (B)	0.14	0.093	0.289**	0.135
Strategic plan contains indicators (B)	0.310*	0.355**	0.382**	0.137
Existence of report on strategic plan execution (B)	0.316**	0.350**	0.249*	0.109
Report on strategic plan execution contains indicators (B)	0.567**	0.386**	0.425**	0.265
Meetings on strategic plan execution (O)	0.336**	0.352**	0.386**	0.174
Existence of annual working plan (B)	0.227*	0.234*	0.174	-0.019
Annual working plan connected to strategic plan (O)	0.581**	0.533**	0.561**	0.364**
Annuals working plan contains indicators (B)	0.516**	0.458**	0.409**	0.322**
Existence of annual working reports (B)	0.169	0.16	0.172	0.038
Annual working reports connected to strategic plan (B)	0.417**	0.373**	0.532**	0.341**
Annual working reports contain indicators (B)	0.431**	0.445**	0.455**	0.288*
Budget connected to strategic plan (O)	0.143	0.262*	0.297*	0.472**
Strategic plan taken into consideration in the decision making process (O)	0.263	0.401**	0.353*	0.331*
Existence of annual working plan and program for individual civil servants (B)	0.237*	0.300**	0.292**	0.278*
Annual working plan and program for individual civil servants connected with strategic plan (O)	0.354	0.498*	0.481*	0.227
Annual working plan and program for individual civil servants contains indicators (B)	0.693**	0.694**	0.443*	0.375

Legend: * correlation significant with $p < 0.05$ (2-sided); ** correlation significant with $p < 0.01$ (2-sided); (B) – binary variables; (O) – ordinal variables

Note: The correlations between binary and ordinal variables were calculated using Pearson's correlation coefficient, while the correlations between two sets of ordinal variables were calculated using Spearman correlation coefficient.

Source: Author

The strongest correlation can be seen between outcomes measurement and existence of annual working plan for individual civil servant with indicators. Since the public sector has to be oriented towards long-term outcomes (Bouckaert & Halligan, 2008, p. 16), this can be used as a proof that the highest stage of strategic management is the one assuring outcomes measurement.

Altogether, the data signify that an organisation in which greater number of strategic management components are contained which by the consequence means that it is in a higher stage of the strategic management development, measures a greater number of performance dimensions and thus the hypothesis can be considered to be confirmed.

4 Discussion

The research results clearly show there is a connection between performance measurement and strategic planning and management.

Furthermore, the data show there are great differences between central state organisations and local units in Croatia. There are two possible explanations for this state of affairs. Firstly, central state organisations are required by the State Budget Act to enact strategic plans and submit regular reports on their implementation to the Ministry of Finance, which prepares guidance for the next strategic planning cycle. Local units do not have such guidance and are not required to submit such reports, which reduce the pressure to dive into the strategic management process. This brings to the conclusion that in the countries like Croatia, which are characterised by a strong procedure-oriented culture and public management is mostly procedure/rules and not performance oriented,¹⁹ new managerial instruments need to be legally introduced in order to have the chance of being implemented. Second, it means that organisations need to have an institutionalised form of help and guidance in order to be able to implement these instruments.

The results show that the connection of strategic plans with annual working plans is one of the three elements, which stimulate the measurement of all performance dimensions. It means that the connections of goals, which are being measured on the operational level with the larger, strategic goals, stimulates the performance measurement process. In Belgium context, Van Dooren (2005, p. 379) has proven that the decoupling of performance indicators from the organisational objectives is not a hindrance for performance measurement adoption.²⁰ Although this research has not examined the relationship between performance indicators and organisational objectives,

¹⁹ Halachmi and Bouckaert (1996, p. 4) state that there are two basic postures of government management: those process and those results oriented. This was already emphasised by Luhmann (1992, p. 120, in Koprić, 1999, p. 315) who has identified two types of programmes; the purposeful one, which are oriented towards goal attainments; and conditional one, which have the 'if-then' form, and the procedure has precedence over final results.

²⁰ But it is a hindrance for the use of performance information ('performance measurement implementation').

the overall data seem to indicate that in Croatian circumstances any sort of decoupling could bring to the abandonment of measurement.

While outputs, outcomes and efficiency are often used performance dimensions, cost-effectiveness is difficult to measure. However, its measurement is growing in importance (s. Hatry, 2006, p. 23) and these results show that the most important factor for cost-effectiveness measurement is the connection between strategic plan and budget.

One point for the discussion might be whether it is the strategic management process that influences the performance measurement, or it is the other way round. Because of the obligation stemming from the State Budget Act as well as Law on Regional Development and the use of EU funds,²¹ in the Croatian public administration strategic planning is far more known than the operational performance measurement, which could mean that it is exactly through strategic planning process that the organisations are acquiring knowledge on new managerial instruments and developing further processes.

The importance of strategic planning and management for performance measurement is proven also in Estonia, where Nomm and Randma-Liiv (2012, p. 873) state that poor strategic planning capacity can affect the outcome of performance measurement initiatives and produce deficient performance indicators. In Lithuania, there is a clear connection between strategic planning and performance management since the process formally called 'strategic planning' includes all stages of managing strategic and operational performance and thus Nakrošiš (2008, p. 59) calls the entire process performance management (s. Nakrošiš, 2008).

The results from USA municipalities with over 25,000 inhabitants show that 20 years after the introduction of strategic planning and management in USA local governments, 56% of municipalities do not enter into the Vizant and Vizant's (1996) strategic management category but 44% of local units are able to conduct the entire strategic planning process. In addition, the research shows that local units have problems of linking performance measurement to strategic plans and thus creating a comprehensive strategic management process (Poister & Streib, 2005). This is in line with theoretical critics of strategic planning and management, which state that it is hard to put strategic plans into action. Among other, this can happen because of the opposition coming from the employees or resistance among the managers (Poister & Streib, 2005, p. 46). When these results are compared to 4% of Croatian local units entering into strategic management stage and only 18% entering into the strategic planning stage, it shows that there is a long way ahead of Croatia. On the positive side, strategic planning/management as well as performance measurement are a complete novelty in Croatia so there is a room for improvement.

²¹ One of the basic principles of EU funds is the programming principle and the coordination of all strategic documents (s. Đulabić, 2007).

5 Conclusion

The basic purpose of this paper is to examine whether there is a connection between the stages of strategic management development and the measurement of greater number of performance dimensions. Examining the answers to the questionnaire given by 40% of public organisations in Croatian central and local public administration, there are strong indications that strategic management and performance measurement are positively correlated and that the development of strategic management influences the number of performance dimensions measured by public organisations. These findings open the space for further researches, which could concentrate on detailed examinations of factors influencing strategic management implementation and development, specifically in the context on transitional countries.

In Croatian circumstances, special attention should be devoted to local level organisations, which need to have clear guidance and help on how strategic planning and management process should be conducted. Apart from that, attention should be placed on connecting strategic plans with annual working plans and with individual civil servants working plans since it is proven that the connection of strategic goals with operational plans stimulates the measurement of all performance dimensions, including cost-effectiveness.

Strategic management, as well as performance measurement and management, are long-term processes and it takes time for an organisation to adapt to their full implementation. However, the future of public management points to the necessity of linking strategic management with performance measurement and management (Poister, 2010), so greater attention should be placed on examining their interrelations.

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Appendix 1. Coding of Performance Measurement and Stages of Strategic Management Development

Category	Indicators	
Results	- Degree of measurement existing in the organisation	a) Never, b) Sporadically, c) To a greater extent, d) Systematically, e) Does not know
Outcomes	- Degree of measurement existing in the organisation	a) Never, b) Sporadically, c) To a greater extent, d) Systematically, e) Does not know
Efficiency	- Degree of measurement existing in the organisation	a) Never, b) Sporadically, c) To a greater extent, d) Systematically, e) Does not know
Cost-effectiveness	- Degree of measurement existing in the organisation	a) Never, b) Sporadically, c) To a greater extent, d) Systematically, e) Does not know
Stages of strategic management development	- STRATEGIC PLAN STAGE	- Existence of strategic plan a) Yes, b) No
	- STRATEGIC PLANNING STAGE	- Strategic plan contains indicators a) Yes, b) No, c) Does not know - Existence of report on strategic plan execution with indicators a) Yes, b) No, c) Does not know - Meetings on strategic plan execution a) Never, b) Once a year, c) Twice a year, d) More than twice a year, e) Does not know - Annual working plan connected to strategic plan a) No, b) To a lesser extent, c) To a greater extent, d) Completely connected, e) Does not know - Annual working reports connected to strategic plan a) Yes, b) No, c) Does not know
	- STRATEGIC MANAGEMENT STAGE	- Budget connected to strategic plan a) No, b) To a lesser extent, c) To a greater extent, d) Completely connected, e) Does not know - Strategic plan taken into consideration in the decision making process a) Never, b) Rarely, c) Often, d) Always, e) Does not know - Existence of annual working plans and programs of individual civil servants a) Yes, b) No, c) Does not know - Annual working plans and programs for individual civil servants connected with strategic plan a) No, b) To a lesser extent, c) To a greater extent, d) Completely connected, e) Does not know - Annual working plans and programs for individual civil servants contains indicators a) Yes, b) No, c) Does not know

Source: Author

POVZETEK

1.01 Izvirni znanstveni članek

Strateško upravljanje in merjenje uspešnosti – ali sta povezana? Dokazi iz hrvaške javne uprave

Članek obravnava povezavo med strateškim upravljanjem in merjenjem uspešnosti v javnem sektorju. Tako strateško načrtovanje kot tudi merjenje uspešnosti spodbuja upravna doktrina novega javnega upravljanja, ki se v javnem sektorju številnih držav izvaja že od začetka osemdesetih letih prejšnjega stoletja.

Ker se strateško načrtovanje in merjenje uspešnosti pogosto obravnavata ločeno, je namen članka raziskati njuno medsebojno povezanost. Članek tako izoblikuje tri faze strateškega razvoja upravljanja, ki temeljijo na opredelitvi strateškega upravljanja T. Poistra (2003) in štirih ravneh strateškega upravljanja po Vizantu in Vizantu (1996). Prva faza je v celoti sestavljena iz vzpostavitve strateškega načrta. Druga faza vključuje izvedbo celotnega procesa strateškega načrtovanja, medtem ko tretja faza predstavlja ustrezno strateško upravljanje, pri katerem je proračun organizacije povezan s strateškim načrtom in z vsemi sistemi za merjenje uspešnosti, vključno z oceno uspešnosti javnih uslužbencev.

V članku se uspešnost razume kot doseganje pričakovanih donosov in rezultatov v zvezi s sredstvi, ki se uporabljajo za njihovo doseganje (uspešno in stroškovno učinkovito). Iz tega sledijo štiri dimenzije uspešnosti: donos, rezultati, uspešnost in stroškovna učinkovitost. Glavna hipoteza je, da so faze strateškega razvoja upravljanja v pozitivni korelaciji s številom dimenzij uspešnosti, izmerjenih s strani javnih organizacij.

Za preizkus navedene hipoteze so predstavljeni rezultati empiričnih raziskav, opravljenih v hrvaški javni upravi. Vprašalnik je bil poslan 253 osrednjim in lokalnim organizacijam, odzivnost je bila 39,5%. Vsi rezultati so bili statistično analizirani, medtem ko so bili opravljeni tudi dodatni polstrukturirani intervjuji.

Rezultati so pokazali, da je merjenje uspešnosti na Hrvaškem zelo omejeno. Večina organizacij namreč v večjem obsegu meri samo donos, medtem ko so rezultati, uspešnost in predvsem stroškovna učinkovitost zanemarjeni. Dodatni intervjuji so potrdili težave pri merjenju teh dimenzij uspešnosti. Rezultati v primeru strateškega upravljanja namreč kažejo, da je 77 % organizacij, ki so odgovarjale na vprašalnik, sprejelo strateške načrte, vendar ima le 56 % organizacij poročila o izvedbi teh načrtov, kar je prvi pokazatelj, da več kot polovica organizacij ni dosegla druge faze strateškega razvoja upravljanja. To dodatno potrjuje število organizacij z letnimi delovnimi načrti, letnimi delovnimi poročili, proračuni in letnimi delovnimi načrti za

posamezne javne uslužbenke, ki so povezani s strateškim načrtovanjem. Gledano v celoti je hrvaška javna uprava še vedno v prvi fazi strateškega razvoja upravljanja. Vendar obstajajo razlike med osrednjo državno upravo in upravo na lokalni ravni. V osrednjo državno upravo se namreč uvaja proces strateškega načrtovanja in 44 % organizacij je opredeljenih za vstop v drugo fazo strateškega razvoja upravljanja. Situacija se poslabšuje na lokalni ravni, kjer 78 % organizacij nima strateškega načrta ali pa so še vedno v prvi fazi strateškega razvoja upravljanja.

Da bi preverili, ali faze strateškega razvoja upravljanja vplivajo na merjenje uspešnosti, je bila opravljena analiza korelacije, ki je pokazala, da je večina korelacij med elementi strateškega upravljanja in merjenja uspešnosti pozitivna in statistično pomembna. Tako rezultati potrjujejo hipotezo in nakazujejo, da je krepitev strateškega načrtovanja in upravljanja ena od glavnih spodbud za merjenje uspešnosti na Hrvaškem.

Predvsem je treba v danih okoliščinah posebno pozornost nameniti organizacijam na lokalni ravni, ki potrebujejo jasne smernice in pomoč v zvezi z izvajanjem strateškega načrtovanja in procesa upravljanja. Poleg tega je treba več pozornost nameniti povezovanju strateških načrtov z letnimi delovnimi načrti in z delovnimi načrti posameznih javnih uslužbencev, saj je dokazano, da povezovanje strateških ciljev z operativnimi načrti spodbuja merjenje vseh dimenzij uspešnosti, vključno s stroškovno učinkovitostjo.

Balancing Between Efficiency and Equity in Publicly Funded Health Systems*

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ABSTRACT

The purpose of this paper is to provide a theoretical overview of efficiency and equity and give insights in the Croatian health system. Using selected indicators, a basic descriptive review of efficiency and equity in the Croatian health system was made, with an added comparison to other countries of the European Union. Observed at the macro level, Croatia shows relatively good efficiency of its health system, even above the average of the comparable countries by health expenditure per capita, but still significantly below the most developed EU countries. Still, Croatia requires further reforms that would enhance the efficiency of its health system (especially at the hospital level), without sacrificing equity which is a fundamental right of all citizens in need of health care. Although in total only small proportion of the population perceived an unmet need for health care, Croatia reported much larger inequalities in unmet need among different socio-economic groups, between high and low educated population, between women and men and among different age groups.

Keywords: efficiency, equity, health care, public sector, Croatia

JEL: D3, D6, I1, H4

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1 Introduction

The ultimate goal of health system in most countries is to ensure the best possible population health outcomes, providing high-quality care and ensuring equity by enabling ease of access and use of health services for different social groups, aimed at achieving universal health insurance coverage. To achieve this goal, health systems entail high costs, resulting in high public expenditure on healthcare. The burden of these health-care costs gains importance with the trend of aging population, increasing incidence and prevalence of chronic disease and advances in health technology. Croatia is no exception and is facing the same challenges as other countries.

Thus, there is a continuing need for limiting of rising healthcare system costs to address the fundamental problem of meeting unlimited health needs with limited financial resources. Accordingly, healthcare financing system is the key component of health system functioning and is often subject to continuous reforms focused on achieving rationalisation of health spending and improving health system performance by increasing efficiency. However, health system performance cannot be assessed only through efficiency; one should also consider equity of the system that is reflected in meeting health-care needs and ensuring health service availability to different social groups.

The Croatian health system experienced a number of reforms since Croatia declared its independence and went through the transition from a planned to a market economy. The focus of reforms was on reducing costs and increasing efficiency. It included, among others, the introduction of mandatory additional charges for health services (participation), interventions to promote rational use of medicines, reduction in hospital capacity by reducing the average length of stay in hospitals, etc. (Barić & Smolić, 2008, p. 4). Despite reforms, the health system in Croatia is still characterised by disproportionate use of public resources and rising expenditures. Health system reforms have also not been successful in fighting corruption. Research suggests that one-half of Croatian citizens perceive corruption in healthcare as a relatively frequent practice and corruption in the patient–healthcare worker relationship is perceived as a common occurrence. (UNODP & Ekonomski Institut, Zagreb, 2011)

Thus, the aim of this paper is to provide a theoretical overview of efficiency and equity of the Croatian health system, together with an analysis of selected indicators and a comparison of findings with the EU Member States.

2 Focus on Efficiency of Health Systems

Continuous improvement of health system's efficiency has become the primary goal of health policy-makers. The pursuit of efficiency is even more pronounced in the developed countries, for obvious reasons. Healthcare expenditures have significantly increased as a share of the gross domestic

product. The reasons for this are manifold. The supply side refers to today's health technology which is more advanced and costlier than ever, fast-changing under increasingly growing expectations of patients¹, even if found not to be cost-effective (Chandra & Skinner, 2011, p. 4). The demand side involves rapid aging of the population (Slijepčević, 2014, p. 201) and increasing incidence and prevalence of chronic disease, which are growing challenges to the current organisation of the health systems.

In economics, we can distinguish three concepts of efficiency (Hurley, 2000, p. 59). The first two concepts are related to the supply side, and the third is applied to the demand side. The first concept refers to the technical efficiency, which determines the position of isoquant (curve of equal output). Tangency of *isoquant* and *isocost* line (line of equal cost) leads to the second concept of efficiency – cost efficiency. As fundamental market analysis refers to the equilibrium of demand and supply, it means that supply side efficiency concepts should be aligned with the demand side – consumers. Therefore, we come to the third concept of efficiency, which is attained when optimal level of output is produced with a minimum cost of resources that are allocated on the basis of the value determined by consumers, policy makers, and any relevant stakeholder. Allocative efficiency is particularly important in ensuring that health expenditures are aligned with population preferences. Discrete choice methods have proved in recent empirical research (e.g. Baji, García-Goñi, Gulácsi, Mentzakis, E., & Paolucci, F., 2016; Mirelman et al., 2012) to be very useful in eliciting population's preferences (Dukić, 2012). Thus, it can be argued that aligning supply (through evaluation of health-care interventions) and demand (through evaluating patients' preferences) is the key of resources allocation in publicly funded health systems (Dukić, Tomas Žiković, & Žiković, 2015).

Efficiency can be measured at different levels of analysis. At the micro-level, health programs are evaluated as production process in providing medical treatment. At a higher level, by using output or outcome measures of health services, healthcare providers are analysed. Finally, at the highly aggregated level, the overall health system is analysed as a collective organisation of service providers for a wide range of medical conditions (Peacock, Chan, Mangolini, & Johansen, 2001, p. 67).

The main advantage of a system level analysis is the ability to compare different parts of the health system and examine its allocative efficiency. Only at this level of analysis, the impact of healthcare costs on health performance (outcome) can be assessed to offer a comprehensive evaluation of the overall efficiency of various health services (Häkkinen & Joumard, 2007, p. 7). The main disadvantage here is that outcome measures are based on rough indicators of health condition, which is influenced by many other factors whose influence is not easily controlled.

¹ Health industry lobbying is something that should not be ignored. However, this issue is not the narrow focus of this paper and will not be investigated further.

On the other hand, the advantage of the micro approach (analysis at the institutional level) is reflected in a direct connection from efficiency to the institution, as well as assessing efficiency through healthcare outputs depending on costs (inputs). Although the micro approach enables direct measurement of the technical efficiency of different segments of healthcare as well as identification of sources of inefficiency, the disadvantage of this approach is that allocative efficiency cannot be assessed at this level. In other words, the problem is how to connect efficiency with a complex relationship between different levels of healthcare and assess whether, e.g., we need fewer hospital services and more services on a secondary or tertiary level of healthcare as well as its contribution to improving health outcomes (Häkkinen & Joumard, 2007, p. 8).

Finally, it can be concluded that to perform accurate and reliable estimates of the efficiency of a country's health system and compare it with other countries, different levels of analysis and different methods of measurement should be used.

3 Equity of Access to Healthcare Services

Equity is an ethical concept, based on distributive justice² and fairness (Cerjan-Letica, 2004, p. 207). Although often used interchangeably, the terms 'equity' and 'equality' have distinct meanings. Equality means the state of being equal, enjoying the same rights and opportunities, having equal status. Theoretically speaking, health equality is not possible. However, normatively speaking, within such inequality there are some inequalities, which can be considered unfair. In this sense, the concept of health equity is focused on the allocation of resources and other factors that may create and maintain certain types of health inequalities among more or less privileged groups (Braveman & Gruskin, 2003, p. 255). Achieving equity means to reduce or ideally eliminate social, economic, and environmental factors, which produce inequitable health outcomes between social groups.

Starting from the basic idea of allocation of healthcare resources according to need, we distinguish between horizontal and vertical equity of access to healthcare services. The horizontal equity implies equal or equivalent allocation of resources for equal needs. The vertical equity means treating differently those who are having different needs. Health policy-makers find horizontal equity the most appropriate and the most usable – equal access for equal need. Specifically, considering that the main characteristic of health policy is to provide services according to need, not the ability to pay, unequal access for social groups differentiated in income or socio-economic status becomes the starting point for action and creating policies focused on equity

² In the context of health systems, distributive justice means fair distribution of insufficient health care resources.

(Oliver & Mossialos, 2004, p. 656). Accordingly, equity is measured based on need and access.

A health-care need cannot be defined uniformly because it depends on the individual's medical condition, individual's capability to benefit from healthcare or individual's health-care spending. Consequently, health-care needs are usually determined only by the individual's medical condition. The reasons are primarily found in the availability of data and ease of measurement, considering that measures for medical conditions are readily available and well developed (Allin, Masseria, Sorenson, Papanicolas, & Mossialos, 2007, p. 3). Individual's medical condition is usually evaluated by a subjective assessment of health status. The use of self-assessed health (SAH) status is common in European and national socio-economic and health surveys. For example, EU statistics on income and living conditions (EU-SILC), revealing relationships between socio-economic status and health³.

Access, narrowly defined, refers to time and money spent to obtain healthcare service (Allin, Hernández-Quevedo, & Masseria, 2009, p. 192). Access to healthcare is also a complex concept, as it is influenced by multiple factors on both supply and demand side. On the supply side, healthcare resources should be distributed by region or another administrative unit – by population, by health-care need and by different income levels within each population in the region. On the demand side, the main factor is an individual's socio-economic status or an individual's ability to pay for health care. Other factors on the demand side may include education, knowledge, and information (health awareness, beliefs and expectations), cultural beliefs, indirect financial costs such as travel expenses and personal preferences (Allin et al., 2009, p. 193; Allin et al., 2007, p. 5).

Different indicators may be used to measure access to healthcare, such as waiting time for healthcare, availability of resources and cost of access to available service, availability of medical personnel, infrastructure, and equipment (e.g. a number of hospital beds), distance, time and cost of travel. Access can also be measured directly by the inability in receiving needed medical care. Subjective unmet need and reasons for it (such as financial – out-of-pocket payment) are easily measured. Mostly using self-assessment questionnaires (e.g. EU-SILC), in combination with information on the use of healthcare⁴. It offers a useful insight into health system inequities (Allin et al., 2009, p. 194).

3 There is no single best measure, but SAH is considered to be good enough predictor of objective health status and mortality (Allin, Hernández-Quevedo, & Masseria, 2009, p. 197)

4 The logic of this approach is that the use of health care service is the evidence of access to health care service.

4 Balancing between Efficiency and Equity

Probably the most famous economic debate on balancing between equity and efficiency was introduced by Arthur Okun in 1975. He coined the leaky bucket metaphor to explain the problem of redistribution. Okun suggested that redistributing income through taxation could be thought of as like using a leaky bucket⁵ to move water, where the loss of income associated with the loss of efficiency is the water that falls out of the bucket on the trip. The cracks in the bucket might be referred to as the deadweight loss of taxation and transfer to the poor, ultimately resulting in lower total income and less efficient utilization of resources. The political question is to what extent members of society are willing to accept losses to achieve a certain level of equality/equity, given that the more funds are lost through the redistribution process the resistance of society becomes larger (Babić, 2006, p. 354).

Balancing between equity and efficiency often refers to the health system (e.g. centralized health infrastructure focused on economies of scale with lower equity due to geographical barriers to access and use of health services). On the other hand, according to some studies (Joumard, André, & Nicq, 2010, p. 6), in general, there is no balance between equity and efficiency in healthcare. Moreover, data imply weak complementarity, given the fact that countries with fewer inequalities also have the best results when evaluating the average health status. In some situations, through targeted measures, it should be possible to increase efficiency without sacrificing equity, or at least not large portions of it. For example, providing healthcare to some social groups where it contributes to preventing future health problems⁶.

Given that equity is a normative concept, assessing whether a redistribution effect is fair or not often depends on the concept of justice adopted by society (Sassi, Archard, & Le Grand, 2001, p. 15). People may prefer health interventions aimed at enabling access to a large number of people (equity) over those aimed at promoting the factors that maximize health (efficiency). In addition, in some situations, people may prefer more equity in the distribution of health resources among individuals or social groups, even though this means sacrificing the overall population health. However, such distribution of healthcare does not necessarily mean a balance between equity and efficiency, but balancing among all the different concepts of equity (Culyer, 2015, p. 12). Thus, every society decides, depending on its context, how much weight is given to efficiency or equity concerns.

5 Okun's law identifies four reasons for introducing the leaky bucket metaphor in redistribution: administrative costs, adverse changes in work effort, destimulating savings and investments, and changes in attitudes (such as a change of motivation for investing in human capital) (Bejaković, 2011, p. 14).

6 For example, prenatal health care and care for infants that can bring long-term benefits to public and private health care (Blank, 2002, p. 21).

5 Descriptive Analyses of Efficiency and Equity in the Croatian Health System

The purpose of this section is to assess the efficiency of the Croatian health system using descriptive selected indicators of *inputs*, *outputs*, and *outcomes*, and to make a comparison with the EU countries, with particular reference to the EU-10⁷. It is important to note that macro level analysis of efficiency does not exclude inefficiencies in production and provision of healthcare services at lower levels of observation.

Table 1. Health input indicators of the EU member states

Country	Health expenditure per capita [PPP* constant 2011 international \$] (WHO)		Practicing physicians per 100 000 inhabitants		Practicing nursing and caring professionals per 100 000 inhabitants		Available beds in hospitals per 100 000 inhabitants	
	2014	Rank	2014 or earlier	Rank	2014 or earlier	Rank	2014 or earlier	Rank
Luxembourg	6812	1	286	23	1823	4	494	15
Sweden	5219	2	412 ^b	5	1192 ^{b, f}	11	254	28
Netherlands	5202	3	335 ^a	15	1088 ^{c, f}	12	466 ^g	17
Germany	5182	4	411	6	1342 ^f	9	823	1
Austria	5039	5	505	2	870	18	759	2
Denmark	4782	6	365 ^b	12	2604 ^b	2	269 ^h	26
France	4508	7	312	20	1627 ^a	7	621	10
Belgium	4392	8	297	22	1753 ^{c, f}	5	623	9
Ireland	3801	9	281	24	1193 ^{a, e}	10	260	27
Finland	3701	10	302 ^b	21	3517 ^d	1	453	19
United Kingdom	3377	11	279	25	1914	3	276	25
Italy	3239	12	388	8	1666 ^a	6	331 ^b	23
EU-28	3108	>HR	:	:	:	:	521	<HR
Malta	3072	13	366	11	1551	8	467	16
Spain	2966	14	380	9	591 ^{c, f}	23	297	24
Slovenia	2698	15	277 ^a	26	1056	14	454	18
Portugal	2690	16	443 ^c	3	583 ^f	24	332 ⁱ	22
Slovakia	2179	17	343	13	772 ^a	20	579	12
Czech Republic	2146	18	369 ^b	10	1072	13	645 ^h	8
Greece	2098	19	632 ^c	1	406	28	424	20
Cyprus	2062	20	338	14	529 ^f	26	342	21
Hungary	1827	21	332	16	937	17	698	5
Lithuania	1718	22	431	4	1030	15	722	3
Estonia	1668	23	332	16	869	19	501	14
Croatia	1652	24	314	19	628	21	591	11
Poland	1570	25	231	28	583 ^f	24	663	7
Bulgaria	1399	26	399	7	487	27	713	4
Romania	1079	27	270	27	938	16	671	6
Latvia	940	28	322	18	607	22	566	13
EU-10	1722	>HR	330	>HR	835	>HR	621	>HR

* PPP – purchasing power parity; : no data; ^a professionally active; ^b 2013; ^c licensed to practice; ^d 2012; ^e nurses; ^f nurses and midwives; ^g 2009; ^h break in time series; ⁱ estimated, HR – Croatia

Source: Eurostat (2014a)

⁷ EU-10 consists of the former socialist countries (in transition), i.e. Central and Eastern European countries and Baltic European countries: Slovenia, the Czech Republic, Slovakia, Hungary, Poland, Bulgaria, Romania, Estonia, Latvia, and Lithuania.

Comparing *per capita* health spending in Table 1, Croatia with \$ 1,652 *per capita* ranks among countries which spend the smallest proportion of their GDP on healthcare (in 24th place among the EU countries), just ahead of Poland, Bulgaria, Romania, and Latvia. Table 1 shows that in the number of hospital beds per 100,000 inhabitants Croatia ranks 11th among the EU-28. The most developed countries such as Germany, Austria, France, and Belgium have the largest number of hospital beds per 100,000 inhabitants. Among the EU-10, Croatia is behind Bulgaria, Romania, Poland, Hungary, Lithuania, and the Czech Republic. In the number of physicians per 100,000 inhabitants, Croatia is slightly below the EU-28 average and slightly above the EU-10 average. After including nurses (Croatia = 628), no over-capacity of healthcare professionals is observed. However, for more specific conclusions it would be necessary to have an insight into the number of physicians and medical personnel by type (specialization), by level of care and by region (urban or rural or by county).

Table 2. Health outcome indicators of the EU member states

Country	Life expectancy [at birth]		Life expectancy [at age 65]		Rate of preventable deaths per 100 000 inhabitants		Healthy life expectancy – HALE* [at birth] (WHO)	
	2014	Rank	2014	Rank	2013	Rank	2015	Rank
Spain	83.3	1	21.5	2	82.86	2	72.4	3
Italy	83.2	2	21.2	3	85.03	4	72.8	1
France	82.8 ^{a, b}	3	22.0 ^{a, b}	1	72.84	1	72.6	2
Cyprus	82.8	3	20.2	10	83.3	3	71.3	13
Luxembourg	82.3	5	20.7	4	102.7	10	71.8	8
Sweden	82.3	5	20.3	5	92.58	6	72.0	5
Malta	82.1	7	20.3	5	113.54	16	71.7	9
Netherlands	81.8	8	20.1	12	86.48	5	72.2	4
Austria	81.7	9	20.3	5	101.26	9	72.0	5
Greece	81.5	10	20.3	5	113.64	17	71.9	7
Belgium	81.4	11	20.3	5	94.06	8	71.1	16
Ireland	81.4 ^a	11	19.8 ^a	17	106.02	12	71.5	10
United Kingdom	81.4 ^c	11	20.1 ^c	12	108.08	15	71.4	11
Finland	81.3	14	20.1	12	107.03	14	71.0	18
Portugal	81.3 ^c	14	20.2 ^c	10	103.48	11	71.4	11
Germany	81.2	16	19.9	15	106.75	13	71.3	13
Slovenia	81.2	16	19.9	15	118.24	18	71.1	16
EU-28	80.9	>HR	20.0	>HR	119.48	>HR	70.3	>HR
Denmark	80.7	18	19.5	18	93.91	7	71.2	15
Czech Republic	78.9	19	18.1	21	175.61	20	69.4	19
Croatia	77.9	20	17.5	22	187.3	21	69.4	19
Poland	77.8	21	18.4	19	166.82	19	68.7	22
Estonia	77.4	22	18.4	19	218.51	22	69.0	21
Slovakia	77.0	23	17.4	23	237.34	23	68.1	23
Hungary	76.0	24	16.9	26	244.98	24	67.4	24
Romania	75.0 ^c	25	16.6 ^c	27	295.85	26	66.8	26
Lithuania	74.7	26	17.4	23	297.74	27	66.1	28
Bulgaria	74.5	27	16.0	28	249.42	25	66.4	27
Latvia	74.5	27	17.0	25	320.43	28	67.1	25
EU-10	77.0	<HR	18.0	>HR	:	:	68.0	<HR

* HALE – healthy life expectancy; : no data; ^a provisional; ^b break in time series; ^c estimated, HR – Croatia

Source: Eurostat (2014a)

As shown in Table 2, Croatia ranks 22nd among the EU countries in life expectancy at birth (77.9 years); according to HALE, it ranks 19th. It can be concluded that in health outcomes Croatia is more successful than most EU countries with similar income level, and above the EU-10 average. The quest to reduce avoidable deaths (currently 187.3 per 100,000 inhabitants) should be a top priority to improve health outcomes; with an avoidable mortality rate around the EU-28 average, Slovenia (118.24) has a convincingly better score. Therefore, the focus should be on primary prevention in the sense of promoting a healthy lifestyle, physical activity, non-smoking environment and stopping the rising trend of child obesity in Croatia (World Bank, 2016). Besides primary prevention, Croatia should focus on improving secondary prevention through National programs, which failed in their effectiveness due to the poor response of the target population (Croatian Ministry of Health, 2012).

Table 3. Health output indicators of the EU member states

Country	In-patient average length of stay (in days)		Hospital discharges, in-patients, per 100 000 inhabitants		Consultation of a medical doctor (in private practice or as outpatient) per inhabitant	
	2014 or earlier	Rank	2014 or earlier	Rank	2014 or earlier	Rank
Netherlands	5.3 ^b	1	11574 ^b	5	8.0 ^f	6
Bulgaria	5.4	2	31545	27	5.9	16
Sweden	5.6	3	14582	9	2.9	25
Ireland	5.6	3	13685	8	3.8 ^d	24
Denmark	5.6	3	14959	11	4.5	21
France	5.7	6	15512	13	6.3	13
Cyprus	5.8	7	7787	1	2.2	26
Spain	6.6	8	10154	3	7.6 ^a	7
Belgium	6.8 ^a	9	15747 ^a	14	7.4 ^c	8
Slovenia	7.0	10	17675	19	6.6	12
Poland	7.0	10	16649	16	7.2	9
United Kingdom	7.1	12	12402	6	5.0 ^g	20
Estonia	7.4	13	16909	17	6.3	13
Slovakia	7.4	13	19212	20	11.3	2
Romania	7.5	15	20994	23	5.3	19
Portugal	7.8	16	7820	2	4.1 ^b	23
Lithuania	7.8	16	22944	24	8.7	5
Latvia	7.9	18	15905	15	5.9	16
Italy	8.0	19	11462	4	6.8 ^a	10
Malta	8.2	20	14652	10	:	:
Austria	8.2	20	26275	26	6.8	10
Luxembourg	8.7	22	13214	7	5.9 ^e	16
Germany	9.2	23	24986	25	9.9	4
Czech Republic	9.6	24	19746	21	11.1 ^a	3
Hungary	9.6	24	19965	22	11.8	1
Croatia	9.8	26	15093	12	6.3	13
Finland	10.5	27	17197	18	4.2	22
Greece	:	:	:	:	:	:
EU-28	:	:	:	:	:	:
EU-10	7.7	<HR	20154	>HR	8.0	>HR

: no data; ^a 2013; ^b 2012; ^c 2011; ^d 2010; ^e estimated; ^f break in time series; ^g 2009, HR – Croatia

Source: Eurostat (2014a)

Table 3 shows that Croatia ranks 12th among EU-28 countries in the number of hospital discharges with 15,000 hospital discharges per 100,000 inhabitants per year. Compared with the EU-10 Croatia is below the average (25% lower than the EU-10 average). However, most important, it is necessary to reduce the average length of hospital stay where Croatia with 9.8 days ranks at the very bottom among the EU countries. The exception is Finland. However, in Finland, a large number of hospitalizations refer to long-term care (OECD, 2012, p. 80). These studies made inefficiencies on the supply side obvious, which have resulted from the current payment system for hospital services based on capacity and material resources (inputs).

To achieve even greater efficiency and cost reduction, Croatia should follow the trend that is taking place in the West European countries based on the Beveridge model of financing – to reduce the number of hospital beds and the number of hospital discharges, and to increase the number of patients in day hospital, preferably with repeated hospital admission reduced to a minimum. For comparison, the EU-10 average is 7.7 days, while the EU-28 average (excluding Greece) is 7.4 days. Reducing the average hospital stay length and percentage of medical treatment at the tertiary level becomes even more important considering the fact that the Croatian Institute for Health Insurance spent about 30% of total expenditure in 2015 (an increase of the proportion of total expenditure in 2015 to 45% resulted from funds spent for hospital renovation in 2014) (See Croatian Institute for Health Insurance's Annual Report for 2015, p. 9).

An estimation of technical efficiency of health systems across all the EU Member States carried out by Medeiros and Schwierz (2015), using data envelopment analysis (DEA) and deriving 21 DEA models from various combinations of inputs, intermediate outputs and health outcomes, placed countries in three groups of performers based on their average efficiency scores. Croatia placed in the 2nd group of countries, scoring consistently around the interquartile range (between the 25th and the 75th percentile), and thus performing better than all EU-10 countries except Slovenia and Bulgaria which also scored around the IQR (Medeiros & Schwierz, 2015, p. 17). Although placing better than most similar post-transitional countries, there is still a lot of room for the efficiency of the Croatian health system to be improved.

Allocative efficiency of a health system could potentially be improved by redirecting funds to the primary level and increasing its efficiency. Current imbalance in the EU in part is confirmed by imbalance in Croatia between the primary and secondary level, reflecting in the fact that in most EU countries about 75% of health-care needs are covered in primary healthcare, while in Croatia that rate is only 50% (Mihaljek, 2006, p. 281).

To give an insight into horizontal equity in Croatia in comparison with the EU countries, a descriptive analysis of indicators of equity is performed using data from the Eurostat study *Statistics on Income and Living Conditions*

(EU-SILC), conducted to ensure data for indicators related to income and living conditions, and which also include indicators of healthcare (Eurostat, 2016). This indicator can be a good measure of horizontal equity as it involves the aspect of equal access for equal need. Considering that EU-SILC is implemented in all the EU Member States, it is a good basis for cross-country comparisons.

The tables below show percentages of the population with an unmet need for medical examinations by income level, by education, by gender, and by age.

Table 4. *Self-reported unmet needs for medical examination – Total and by Income quintile group as percentage of the population in 2014*

Country	Self-reported unmet needs for medical examination – total and by income quintile group					
	First quintile	Second quintile	Third quintile	Fourth quintile	Fifth quintile	Total
Bulgaria	11.1	7.0	4.6	3.6	1.9	5.6
Czech Republic	2.5	1.0	0.7	0.9	0.4	1.1
Estonia	12.4	13.9	10.7	9.8	9.8	11.3
Croatia	8.2	3.9	1.7	1.6	0.9	3.3
Latvia	25.8	15.3	10.6	7.5	4.1	12.5
Lithuania	6.3	3.8	2.9	2.2	3.3	3.7
Hungary	7.5	2.6	1.3	0.8	0.2	2.5
Poland	11.0	9.1	7.4	6.5	4.8	7.8
Romania	12.9	12.7	9.5	7.3	3.7	9.5
Slovenia	0.4	0.1	0.3	0.0	:	0.2
Slovakia	3.8	2.0	1.6	1.6	1.6	2.1
EU-28	6.4	4.3	3.3	2.3	1.5	3.6

Source: Eurostat (2014b)

Table 4 reveals that the percentage of the population perceiving an unmet need for medical examination or treatment is slightly lower in Croatia (3.3%) than the average of the EU-28 (3.6%). People experienced an unmet medical need for one of the following reasons: because they could not afford the treatment (financial barriers), because of travel problems (geographical barriers), or because of a waiting list (organizational barriers). Compared with the EU-10 countries, Croatia shows significantly better results than other countries except for Hungary (2.5%), Slovakia (2.1%), the Czech Republic (1.1%) and Slovenia (0.2%). Slovenia shows the smallest percentage of unmet need for medical examination compared to other EU countries. To be able to understand the background, a deeper insight into the publications is needed, but it is beyond the scope of this paper to examine it. All comparable countries (except Estonia) reported lower rates of unmet needs in high-income groups. This confirms the assumption, which predicts inequalities in access and use of health services among social groups differentiated by social status.

Table 5. *Self-reported unmet needs for medical examination – Educational attainment level as percentage of the population in 2014*

Country	Self-reported unmet needs for medical examination – educational attainment level		
	Less than primary, primary and lower secondary education	Upper secondary and post-secondary non-tertiary education	Tertiary education
Bulgaria	9.0	4.5	3.5
Czech Republic	1.8	1.1	0.7
Estonia	8.6	10.2	14.6
Croatia	7.6	1.7	1.0
Latvia	17.0	13.1	7.1
Lithuania	4.2	3.7	3.3
Hungary	5.3	1.9	0.4
Poland	10.7	7.7	5.2
Romania	17.3	5.9	0.7
Slovenia	0.3	0.2	:
Slovakia	3.9	2.1	1.1
EU-28	5.2	3.3	1.9

Source: Eurostat (2014b)

As revealed in Table 5, compared to the EU-28 countries, Croatia reported much larger inequalities in unmet needs for medical examination between high and low educated. It can be concluded that there is still considerable room for improvement in equity of healthcare for the social group of the lowest education level. The exception again is Estonia, which reported an inverse rate – the highest percentage of unmet needs was associated with the group of the most highly educated.

Table 6 shows that all countries except Slovenia reported inequalities in unmet needs for medical examination between women and men, where the unmet needs remain still higher among the women.

Health systems attach insufficient attention to differentiated needs of women and men in planning and providing healthcare services, and do not ensure equity for both sexes. This fact is not surprising, given that gender inequality in healthcare is strongly influenced by societal gender inequality. It is also affected by unequal restrictions on physical mobility, unequal control over financial resources and unequal decision-making (Sen & Östlin, 2007, p. 60).

Table 6. *Self-reported unmet needs for medical examination – By sex as percentage of the population in 2014*

Country	Self-reported unmet needs for medical examination – by sex	
	Male	Female
Bulgaria	5.1	6.1
Czech Republic	0.8	1.4
Estonia	8.7	13.5
Croatia	2.5	4.0
Latvia	10.8	13.9
Lithuania	2.4	4.7
Hungary	2.1	2.8
Poland	6.7	8.7
Romania	7.2	11.2
Slovenia	0.3	0.1
Slovakia	2.0	2.2
EU-28	3.1	4.0

Source: Eurostat (2014b)

Table 7. *Self-reported unmet needs for medical examination – Age as percentage of the population in 2014*

Country	Self-reported unmet needs for medical examination – age					
	16–24	25–34	35–44	45–54	55–64	65+
Bulgaria	2.3	3.8	5.6	4.8	7.6	7.6
Czech Republic	:	0.6	1.3	1.0	1.1	1.5
Estonia	4.7	9.6	9.6	12.7	11.8	16.1
Croatia	0.1	0.7	2.5	3.1	3.5	7.6
Latvia	3.4	5.6	12.3	14.7	16.4	17.7
Lithuania	0.4	2.3	3.5	3.5	5.3	5.9
Hungary	0.7	1.4	2.3	3.9	3.7	2.3
Poland	2.7	3.9	6.5	9.3	10.8	11.5
Romania	1.5	2.9	4.0	7.2	14.6	23.0
Slovenia	0.0	0.3	0.1	0.4	:	0.2
Slovakia	0.8	1.2	1.5	2.5	3.6	3.0
EU28	1.5	2.5	3.4	4.0	4.6	4.4

Source: Eurostat (2014b)

Table 7 indicates that as the age increases so does the rate of unmet needs for medical examination or treatment. In the 65+ group, compared to the EU-10 countries, Croatia reported a higher rate than the Czech Republic (1.5%), Hungary (2.3%), Slovenia (0.2%), and Slovakia (3.0%). Latvia and Estonia reported a very high percentage of unmet needs (> 15%) and Romania even higher (23%). Compared to the EU-28 countries, Croatia reported a higher rate in the group of the population over 65 years, while in other age groups the percentage is lower. The elderly population is the most vulnerable group from the aspect of the burden of healthcare spending and restrictions on access to healthcare. Increasing equity for the population older than 65 is

a priority for all EU countries, due to population aging trends. This means that an increasing percentage of the population is likely to have unequal access to healthcare.

6 Conclusion

This paper examined the concepts of equity and efficiency. Usually, some equity will be sacrificed for the sake of efficiency and vice versa. Therefore, in seeking a balance between equity and efficiency, healthcare reforms that are aimed at increasing efficiency must be implemented carefully so as not to decrease another essential goal of healthcare – equity in access according to the need of health care for different socio-economic groups.

Using descriptive analysis, it could be concluded that, generally speaking, the efficiency of the Croatian health system, by healthcare spending per capita, can be described as pretty good, even above average compared to the EU-10 countries, especially in health outcomes. Croatia ranks slightly below the most efficient countries in the EU-10, primarily with regard to Slovenia. The EU-15, the most developed countries, reported a much better efficiency of their health systems compared to Croatia. Croatia should progress in its aim to narrow the gap to those countries. In analysing intermediate outputs of the health-care process, it should be stressed again that Croatia reported very poor results in average length of hospital stay, the worst among the EU-28 countries, and should insist on improvement of this indicator in future health plans and reforms aimed at hospital system rationalization, considering that the tertiary level makes a very large proportion of the total healthcare expenditure. Increasing efficiency of the Croatian health system can help resolve the biggest problem of the system – healthcare financing policy, which is characterized by many deficiencies and imbalances and offers a large room for improvement, both from the micro and macroeconomic aspect.

A descriptive analysis of equity in the Croatian health system in comparison with the selected EU countries revealed high horizontal inequities. Croatia reported better results in unmet needs for medical examination comparing to the EU-28 average and by more than half of the EU-10 countries, although inequalities have been observed in all types of differentiation (gender, age, education, income level). Although limited by a lack of a statistical method that would enable the analysis of needs of individual groups and would include the concept of equal access for equal need, and regional differentiation, the findings confirmed the necessity of planning and implementation of health policies aimed at increasing equity of the Croatian health system.

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POVZETEK

1.02 pregledni znanstveni članek

Iskanje ravnotežja med učinkovitostjo in pravičnostjo zdravstvenih sistemov, ki se financirajo iz javnih sredstev

Temeljni namen zdravstvenih sistemov večine držav je zagotoviti najvišjo možno stopnjo zdravja prebivalstva, zelo kakovostno oskrbo ter pravičen in preprost dostop in uporabo zdravstvenih storitev za različne skupine prebivalstva (po spolu, starosti, izobrazbi, ravni dohodka), njegov cilj pa je univerzalno zdravstveno zavarovanje. Pri doseganju tega cilja zdravstveni sistemi povzročajo visoke stroške, kar se kaže v visokih javnih izdatkih za zdravstvo. Breme teh zdravstvenih stroškov postaja še pomembnejše ob trendu staranja prebivalstva, povečani pojavnosti in razširjenosti kroničnih bolezni ter napredku v medicinski tehniki. Hrvaška pri tem ni nobena izjema, saj se sooča z enakimi izzivi kot druge države. Zato je treba rast stroškov zdravstvenega sistema omejiti, da bi obravnavali temeljni problem neomejenih zdravstvenih potreb z omejenimi finančnimi sredstvi.

Vendar pa delovanja zdravstvenega sistema ni mogoče presojati le z vidika njegove učinkovitosti; upoštevati je namreč treba tudi pravičnost sistema, ki se kaže v zadovoljevanju potreb po zdravstvenem varstvu in zagotavljanju dostopnosti zdravstvenih storitev različnim socialno-ekonomskim skupinam prebivalstva. Kot po navadi je treba del pravičnosti žrtvovati na račun učinkovitosti in obratno. Pri iskanju ustreznega ravnotežja med pravičnostjo in učinkovitostjo je tako treba biti previden pri reformah zdravstvenega sistema, katerih cilj je povečanje učinkovitosti, saj si po drugi strani ne želimo zmanjšati enako pomembnega cilja zdravstvenega varstva, to je pravičnosti.

Od razglasitve neodvisnosti in med tranzicijo od planskega k tržnemu gospodarstvu je Hrvaška svoj zdravstveni sistem že večkrat reformirala. V osrčju teh reform je bilo zmanjševanje stroškov in povečevanje učinkovitosti. Med drugim so vključevale tudi vpeljavo obveznega doplačila za opravljene zdravstvene storitve (participacijo), ukrepe za pospeševanje racionalnejše rabe zdravil, zmanjšanje bolnišničnih zmogljivosti z zmanjševanjem povprečnega števila dni bolnišnične oskrbe itd. Kljub tem reformam je za hrvaški zdravstveni sistem še vedno značilna nesorazmerna raba javnih virov in naraščanje stroškov. Reforme zdravstvenega sistema prav tako niso bile uspešne pri spopadanju s pojavom koruptivnosti. Raziskave namreč ugotavljajo, da polovica hrvaških državljanov zaznava korupcijo v zdravstvenem sistemu kot razmeroma pogosto prakso, v razmerju med pacientom in zdravstvenim delavcem pa se koruptivnost zaznava kot običajna praksa. S tega vidika ta članek daje teoretično oceno učinkovitosti in pravičnosti hrvaškega zdravstvenega sistema

in hkrati podaja analizo izbranih kazalnikov, ki jih primerja z ugotovitvami v drugih državah članicah EU.

Rezultati kažejo na razmeroma dobro učinkovitost njenega zdravstvenega sistema, celo nadpovprečno v primerjavi s primerljivimi državami glede na izdatke za zdravstvo na prebivalca, vendar še vedno precej pod najrazvitejšimi državami članicami EU, zlasti v primerjavi s Slovenijo. Čeprav je skupno le majhen delež prebivalstva zaznaval, da njegove potrebe po zdravstveni oskrbi niso zadovoljene, je na Hrvaškem precej večja neenakopravnost glede zaznave zadovoljenosti potreb po zdravstveni oskrbi med različnimi socialno-ekonomskimi skupinami, med nižje in višje izobraženim prebivalstvom, med ženskami in moškimi ter različnimi starostnimi skupinami. Zato Hrvaška potrebuje nove reforme, s katerimi bo povečala učinkovitost svojega zdravstvenega sistema, zlasti na bolnišnični ravni (zdaj beleži zelo slabe rezultate glede povprečnega časa hospitalizacije, pravzaprav ima med 28 državami članicami EU najslabši rezultat), brez žrtvovanja pravičnosti, ki je temeljna pravica vseh državljanov, ki potrebujejo zdravstveno oskrbo. Čeprav v raziskavi ni bila uporabljena statistična metoda, ki bi omogočala analizo potreb posameznih skupin in bi vključevala koncept enakega dostopa za enake potrebe ter ki bi pokazala na razlike med posameznimi regijami, ugotovitve potrjujejo potrebo po načrtovanju in izvajanju zdravstvenih politik, s katerimi bi povečali pravičnost hrvaškega zdravstvenega sistema.

The Influence of the Register of Non-Tax Revenues on the Efficiency of the Non-Tax Revenue System in the Republic of Croatia

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ABSTRACT

Non-tax revenues and parafiscal charges in most cases represent a limiting factor for the business sector and are an additional burden for citizens. In accordance with the recommendations of the European Commission and the Croatian national strategic documents, a rationalisation of the system of non-tax revenues is necessary to achieve a further lessening of the burden of economic subjects and citizens and to foster economic growth. The aim of this paper is to analyse the non-tax revenues in the Republic of Croatia, analyse their role, their impact on the effectiveness of the system of non-tax revenues and contribute to its understanding, as it represents an important segment for strengthening the competitiveness of the Croatian economy. The study is based on a systematic analysis of non-tax revenues in Croatia. For the purposes of comparative analysis, the following forms of literature were taken into account: different national strategic documents of the Republic of Croatia, the European Commission reports, available statistical indicators and relevant foreign and domestic scientific and professional literature dealing with the problem of non-tax revenue. The time scope of the analysis is the period from 2008 to 2016 and the results were compared with the data obtained from other sources. Croatia has made limited progress in the area of non-tax revenues as one of the components required for the removal of macroeconomic imbalances in the economy.

Keywords: non-tax revenues, parafiscal charges, Register of non-tax revenues

JEL: H71, H21, H31

1 Introduction: Research questions and methodology

The prioritised components of the Croatian Government's economic policy are the increase in competitiveness, the creation of legal security, regulation of the system of non-tax revenues, and defining measures for the abolition and/or reduction of non-tax revenues (Government of the Republic of Croatia, 2016c), while the latest can be found among the most important structural measures of Croatia's National Reform Programme. Non-tax revenues or, as they are often known, parafiscal charges¹ are numerous and together with other unfavourable factors (Vedriš & Rančić, 2014), in most cases represent a limiting factor for the growth of entrepreneurial business, regardless of the legal form of the company. The existing legal framework governing non-tax revenues as well as secondary legislation (regulations, orders, instructions, decisions) relating to non-tax revenues regulation have recently been subject to frequent changes with the purpose of eliminating and/or reducing non-tax revenues. At the beginning of 2013, the Croatian government initiated activities that were primarily related to establishing the Registry of parafiscal charges where activities involving the reduction and abolition of parafiscal charges were continuously conducted throughout 2014. The obligation to reduce fiscal charges was determined to be in the amount of 0.1% of the gross domestic product (GDP) from 2014, as well as an additional 0.1% of the GDP in 2015 and 2016 (Government of the Republic of Croatia, 2015a).

The National Reform Programme from 2016 foresees a further reduction of non-tax revenues or parafiscal charges (Government of the Republic of Croatia, 2016). The reduction and abolition of parafiscal charges as a source of funding should not affect the execution of the fundamental functions of the state, local and regional self-government, legal entities with public authorities and commercial companies that are majority-owned by the state. The publishing of the Register of non-tax revenues by the Ministry of Finance in 2015 has increased the state's non-tax system transparency given that, by then, business entities and ultimately citizens never knew what non-tax and parafiscal obligations exist and which institution they involve. The benefits from numerous non-tax revenues are not clear even today, despite the efforts to unify the non-tax revenues on several occasions over the past few years. There is a need to further redefine and restructure a fairer system of non-tax revenues in Croatia. As the system of non-tax revenues and its regulation is an actual topic and subject matter of experts and the scientific community, the aim of this paper is to analyse the non-tax revenues in the Republic of Croatia, analyse their role and their impact on the effectiveness of the system of non-tax revenues. Another aim is to contribute to an understanding of the system of non-tax revenues, which represents a framework for strengthening the competitiveness of the Croatian economy.

¹ Parafiscal charges is a narrower term than non-tax revenue because parafiscal charges usually denote revenues/charges that are paid to different institutions or entities and not to the government budget. However, historically in the Croatian practice, these two terms are used as synonyms.

The study is based on a systematic analysis of non-tax revenues in Croatia. For the purposes of comparative analysis, the following forms of literature were taken into account: different national strategic documents of the Republic of Croatia, the European Commission reports, available statistical indicators and relevant foreign and domestic scientific and professional literature dealing with the problem of non-tax revenue. The time scope of the analysis is the period from 2008 to 2016 and the results were compared with data obtained from other sources. An analytical approach as a starting point is reflected in the analysis of the National Reform Programmes and other strategic documents concerning non-tax revenues in the observed period. Furthermore, an analysis and synthesis of the total value of the registry of non-tax revenues, the number of non-tax revenues in the registry and the affiliation of non-tax revenues under the classification of revenue sources was made. The paper also contributes in terms of researching aspects of the functionality of non-tax revenues in the Republic of Croatia and the analysis of the progress achieved so far in the system of non-tax revenues in terms of their reduction or removal.

The paper is structured as follows: the first part presents theoretical points concerning non-tax revenues and previous structural measures. The second part of the paper presents a comprehensive analysis of the structure of non-tax revenues in the Republic of Croatia for the period from 2008 to 2016 and the last part provides conclusions.

2 Theoretical points concerning non-tax revenues and previous structural measures

Under the term non-tax revenue, literature often includes terms such as parafiscal charges and non-tax levies (Roller, 2009; Jelčić, 2001; Deak, 2003). Non-tax revenues in the 1986 *GFS Manual* are shown as 'revenues retained by a government to cover the costs of collecting taxes in an agency capacity' (IMF, 1986, p. 53) and non-tax revenues includes 'requited receipts from property income, fees and charges, nonindustrial and incidental sales, and the cash operating surpluses of departmental enterprises – and some unrequited receipts such as fines, forfeits and current private donations' (IMF, 1986, p. 102). According to the *OECD Revenue statistics of 2016*, non-tax revenues includes 'court fees; driving licence fees; harbour fees; passport fees; radio and television licence fees where public authorities provide the service' (OECD, 2016, p. 323). According to the *National Audit Office's Report on the audit of the annual report on the execution of the Croatian State Budget for 2014* (2015), parafiscal charges and non-tax revenue are defined as '...all payments of entrepreneurs to state administration bodies, local government units and other legal entities for which they do not receive any rights, services or goods, or receive a disproportionately small amount compared to how much is paid, and they are regulated by law, regulations and acts proposed by relevant ministries or other authorities' (National Audit Office, 2015,

p. 37). Roller (2009) points out that the group of parafiscal charges includes numerous compulsory charges without the appointment of fiscal charges and should be considered separately from the tax levy in the narrow sense. On the other hand, non-tax revenues represent a non-tax revenue if they are seen as sources of funding. Non-tax revenues, according to Bajo and Jurlina Alibegović (2008), are charged by state administration services, public companies, local government units, associations and chambers of craftsmen. Since local non-tax revenues are earmarked revenues, they can only be used for a predefined purpose. According to Bajo (2007), the central government determines the maximum rate of non-tax revenues that can be determined by the local government units, and Perić (2000) points out that non-tax revenue arising from utility charges should be a corrective mechanism in the sense of relieving taxpayers of the burden of their payments.

Considering the above, it can be concluded that the basic characteristics of non-tax revenues are:

1. they are earmarked for specific uses;
2. they are linked to specific economic activities;
3. the revenue arising from non-tax revenues represent another important source of revenue for local governments (Bajo & Jurlina Alibegović, 2008);
4. they are not paid by all taxpayers, only by members of certain groups that are connected by a common economic and social interest;
5. they have almost the same economic effects as tax collection (Galić, 2016);
6. they are charged according to the established tariffs, price lists of services or regulations (Institute of Public Finance, 2010).

After the Republic of Croatia became a full member of the European Union in 2013, the country became obliged to undertake certain measures within the framework of the European semester as a key instrument of economic governance of the European Union in order to implement structural reforms and responsible fiscal policy. It is clear that the implementation of these measures is a precondition for successful economic growth. Also, a key role of the European semester is the implementation and supervision of the implementation of the provisions and objectives of the Europe 2020 Strategy (adopted in 2010), the Stability and Growth Pact (adopted in 1997), and procedures in the event of macroeconomic imbalances that have been in effect since 2011 (Samardžija, Jurlin, & Skazlić, 2016). The Republic of Croatia officially participated in all the activities of the European Semester for the first time in 2014, although even in 2013, Croatia prepared and submitted to the European Commission the economic program of Croatia for 2013 on a voluntary basis (Republic of Croatia, Ministry of Finance, 2013). It is clear that the reduction of fiscal imbalances and an increase in competitiveness is not possible without systematic structural reforms. In the *Economic Program*

of the Republic of Croatia from 2013, it was stated that along with numerous changes to the tax system, the Republic of Croatia needs to continue to work on the analysis of non-tax revenues, as well as assessing the viability of certain non-tax revenues with the purpose of relieving entrepreneurs and encouraging business competitiveness. The assessment of the cyclically adjusted budget balance that was being used at the time was based on the methodology and calculations of the European Commission where, among other components, non-tax revenues represented a cyclically sensitive component on the revenue side (Republic of Croatia, Ministry of Finance, 2013). Considering that the Republic of Croatia has participated in the 2013 cycle of the European semester on an informal and voluntary basis, the specific recommendations for Croatia were not adopted by the Council of the European Union for the same year (Government of the Republic of Croatia, 2014a). At the beginning of 2013, the Croatian Government has enacted the *Decision on the establishment of the Work Group for the business climate and private investments* in order to encourage the overall sustainable development of Croatia – and in mid-2014 it enacts the *Decision on the establishment of the Work Group for coordinating the participation of Croatia in the European semester* in order to develop the National Reform Programme and the convergence program. With the aforementioned documents, activities are continuously carried out aimed at improving the business environment, which includes the establishment and subsequent updating of the Register of parafiscal revenues and the abolition and/or reduction of parafiscal revenues that mostly burden entrepreneurs. Progress in these activities is continuously monitored by the European Commission (Government of the Republic of Croatia, 2015b). The first steps towards the establishment of the Register of parafiscal revenues have been made as a result of a joint project of the Institute for Public Finances and the Ministry of Finance, where the goal was to create the Register, methodology and a way of classifying non-tax revenues in Croatia, as well as to assess their fiscal effect (Institute of Public Finance, 2010).

3 Comprehensive analysis of the structure of non-tax revenues in the Republic of Croatia for the period from 2008 to 2016

In the National Reform Programme of 2014, the key area of reform is competitiveness within the framework of the business environment with measures and defined reductions of non-tax burdens in the economy as the main aim of this policy and the relief of entrepreneurs in order to initiate investments. This measure was attempted by reducing or abolishing parafiscal charges and by changing laws and secondary legislation. Due to the excessive number of parafiscal charges, 41 non-tax revenues worth 318.7 million HRK were reduced or abolished by the end of 2013. The overall effect of reducing/eliminating parafiscal charges in 2014 was 374.35 million HRK, while in 2015 it was 431.55 million HRK, which cumulatively amounts to 42 parafiscal charges

in 2014, and 53 parafiscal charges cumulatively in 2015 (Government of the Republic of Croatia, 2014b). According to the Report on the Implementation of the Plan of implementation of specific recommendations for Member States in 2014, the implementation of activities was carried out in accordance with the plan, but with some deviations from the established time limits (Government of the Republic of Croatia, 2014a). The *National Reform Programme* of 2015, as part of the measures for priority reform areas, defines goals and measures and thus Objective 3 notes: *The promotion of growth, external competitiveness and reestablishment of balance in the Croatian economy defined by the Priority 8 Reduction of the administrative burden and costs of company businesses*. Reform measures to reduce parafiscal charges still has the principal objective of ensuring the reduction of parafiscal charges that are a heavy burden on entrepreneurs, but also to simplify billing from the jurisdiction of state administration bodies. The legal instrument for the implementation is the decision on the reduction of parafiscal charges from 2015, the reduction goals from 2016 and the establishment of the commission for monitoring the implementation of the reduction of parafiscal charges, as well as laws and bylaws that determine the billing of parafiscal charges. Milestones and deadlines are defined as well. The Commission was to publicly disclose the Register of parafiscal charges, establish a list of parafiscal charges whose value would decrease during 2016, which would result in a further reduction of 0.1% of the GDP, then determine the possibility of a unified billing system for entities that collect revenues and continuously monitor changes of laws and bylaws that are regulating the reduction of parafiscal charges. The fiscal impact of changes in government revenue and expenditure is based on the projection of the reduction/abolishment of parafiscal charges during 2015 in the amount of 72 million Croatian kunas (hereinafter: HRK) and the projected reduction for 2016 is 278.9 million HRK.

Any savings on parafiscal charges encourages the development, innovation and consumption of the private sector because it can free up resources for possible reinvestment. In order to increase the transparency of the parafiscal charges, the Register of the parafiscal charges has been published on the web page of the Ministry of Finance (Government of the Republic of Croatia, 2015a). Table 1 shows the analysis of the National Reform Programmes that are adopted for a period of 12 months, which were analysed in terms of macroeconomic equilibrium relating to the reduction/abolition of non-tax revenues or parafiscal charges in the Republic of Croatia.

Table 1. Analysis of non-tax revenues within the framework of National Reform Programmes (billion HRK)

	Date of the Document	Planned value of reduction/abolition of non-tax revenues	Realised plans of reduction/abolition of non-tax revenues
Economic programme of the Republic of Croatia from 2013	18.4.2013	2013: 318.7	2013: 318.7 (41 charge)
National Reform Programme from 2014	24.4.2014	2014: 374.35 (42) 2015: 431.55 (53)	2014: 409.44 (as part of 28 charges and the complete abolition of 26 parafiscal charges)
National Reform Programme from 2015	23.4.2015 Key elements of Reform: a) publication of the Register of parafiscal charges b) establish a list of parafiscal charges whose value will be reduced in 2016 c) establish the possibilities of the unified billing of charges to the authorities who collect them d) continuously monitor changes in laws and bylaws relating to the reduction of parafiscal charges	2015: 278.9	2015: 309.5
National Reform Programme from 2016	28.4.2016 Establishment of the Commission for regulating the system of non-tax revenues and the reduction of non-tax revenues	2016: 330 (minimum 0.1% of 2014 GDP)	

Source: authors' work²

In September 2008, the Register of non-tax revenues was first introduced for the purpose of simplifying and rationalising the system of non-tax revenue. The register lists revenues that are considered non-tax revenue and are classified according to type, legislative framework, affiliation, payers and entities collecting them (Republic of Croatia, Ministry of Finance, 2008). In 2014, the registry of parafiscal charges was reduced by 66 items with a total value of 318.5 million HRK and 55 items (worth 1.7 billion HRK) were deleted from the Register. Temporary IT support for the Register of parafiscal charges was set up in such a way that Ministries are obliged to report parafiscal charges via e-link (Government of the Republic of Croatia, 2014a). In September of 2015, the Register of non-tax revenues was made public (Ministry of Finance, 2015). As to this document, the non-tax revenues contain 161 items with a total value of 8.9 billion HRK and the effects of the reduction of non-tax revenues in 2015 amounted to 302,149,397.27 HRK and will be visible in the Register for 2016, which publication is expected in 2017 after all the data is processed. Table 2 shows the total value of the Register in billion HRK and the total number of non-tax revenues analysed through the observed years. It should be noted that in the period from 2008 to 2015, there was a change

² According to the Economic programme of the Republic of Croatia from 2013 (Government of the Republic of Croatia, 2013) and the National reforms programme from 2014, 2015 and 2016 (Government of the Republic of Croatia 2014b; 2015a; 2016a).

in the terminology and wording in Croatia of non-tax revenues / parafiscal charges / non-tax revenues so the Register accordingly changed its name. Reform measures for the further reduction and abolishing of non-tax revenues aims, by the end of 2016, to reduce the parafiscal burden of businesses by at least 330 million HRK, introduce a mechanism of prior control when prescribing new and making changes to existing non-tax revenues, as well as suggest possibilities for administrative relief when paying non-tax revenues. Envisaged measures should be without fiscal effect on expenditures since parafiscal charges methodologically do not represent fiscal revenue, but it is possible to expect a positive fiscal impact on the revenue side due to increased economic activity as a response to parafiscal relief. The competent authority for the implementation of measures is the Croatian Ministry of Finance (Government of the Republic of Croatia, 2016a).

Table 2. *Total value of the Register and the number of non-tax revenues in the Register through the observed years*

	Total value of the Register (billion HRK)	Number of non-tax revenues in the Register
Register of non-tax revenues 2008	12.5	245
Register of parafiscal charges on 31. 12. 2013	6.41	233
Register of parafiscal charges on 31. 12. 2014	3.23	178
Register of non-tax revenues for 2015	8.9	161

Source: authors' work³

The Register of non-tax revenues, released in September 2015, recorded 161 non-tax revenues worth 8,907,603,332.73 HRK. From a total of 13 Ministries listed in the Register, the highest number of non-tax revenues refers to the Ministry of Agriculture with 46 non-tax revenues, worth 2.35 billion HRK in total, and the Ministry of Maritime Affairs, Transport and Infrastructure, with a total of 36 non-tax revenues worth 2.19 billion HRK. Within the Ministry of Agriculture, the most abundant non-tax revenue is the charge for water regulation whose share in the total non-tax revenues in that Ministry is 33.15%, and within the Ministry of Maritime Affairs, Transport and Infrastructure the most abundant non-tax revenue is the annual charge for the use of public roads to be paid on the registration of motor vehicles and trailers with a share of 47.44% in the total non-tax revenues of that ministry. Despite the reduction in the number of non-tax revenues in the Register from 2015 compared to 2014, the total value of non-tax revenues increased by 5.67 billion HRK. During 2015, regulations that burden businesses and citizens were

³ Authors' analysis according to the Report on the implementation of the plan of implementation of specific recommendations to Member States in 2014 - for a period from 01 of October to 31 of December 2014 (Government of the Republic of Croatia, 2014a, p. 9); National Reform Programme 2016., (Government of the Republic of Croatia, 2016a). The Register of non-tax revenues for 2008 (Republic of Croatia, Ministry of Finance, 2008) and the Register of non-tax revenues for 2015 (Republic of Croatia, Ministry of Finance, 2015).

amended and simplified procedures for the collection of non-tax revenues and administrative burden were introduced, which together with the increase in economic activity due to load shedding number of non-tax revenues allow to increase the total value of non-tax revenues in 2015 despite the reduction in the number of non-tax revenues. The Register, in addition to the non-tax revenues, determines a law and bylaw under which certain non-tax revenue is regulated. It also lists the taxpayers (payers), calculation method and non-tax revenue collecting techniques. It states the purpose it is being used for and its value for 2015, as well as the amount charged to businesses and how much to citizens. According to data from the Registry, entrepreneurs pay the highest charges, worth a total of 5.1 billion HRK while citizens pay charges worth 3.8 billion HRK (Republic of Croatia, Ministry of Finance, 2015).

Table 3. *Non-tax revenues and their affiliation according to the classification of revenue sources*

Source of revenue	Number of non-tax revenues	Total value of non-tax revenue (in HRK)	Most important non-tax revenue / value of non-tax revenue billion HRK / affiliated Ministry
General revenue of the State Budget	62	990,439,469.88	Fee for the right to use radio frequency spectrum / 876.1 / Ministry of Maritime Affairs, Transport and Infrastructure
Revenue of the state budget with has regulated purpose of use	33	236,739,553.72	Medical examinations on the carrier state of people who should be under medical supervision / 87.3 / Ministry of Environment Protection
Revenue of extra-budgetary users	21	5,307,445,384.00	Radio and television fee / 1,193.9 / Ministry of Culture
Common Revenues	6	145,264,673.77	Monument annuity / 105.0 / Ministry of Culture
Revenue of legal entities with public authority that are not budgetary or extra-budgetary users	27	1,761,996,054.60	Fee for the stimulation of electricity produced from renewable energy sources / 1,104.6 / Ministry of Economy
Other	12	465,718,196.76	Fees of holders of private copyright and related rights on the basis of rights of public communication, reproduction and making available to the public copyright works and objects of related rights / 171.1 / Ministry of Science, Education and Sports
Total	161	8,907,603,332.73	

Source: authors' work⁴

For the purposes of this paper, a comparative analysis and categorisation of non-tax revenues as a source of general revenue to the state budget, revenue of extra-budgetary users and revenue of legal entities with public authority that are not budgetary or extra-budgetary users in the Republic of Croatia in 2015 was undertaken and presented in Table 3. This comparative overview is given in order to obtain insight into the effect of the collected non-tax revenues from the point of origin of their collection. According to data from the Register, the highest value of non-tax revenues is used within

⁴ Calculations and processing of data by the author according to the Register of non-tax revenues from 2015 (Republic of Croatia, Ministry of Finance, 2015).

the framework of extra-budgetary user's revenue, which includes 59.58% of all the revenue arising from non-tax revenues, mostly because of radio-television license fees that are found under the Ministry of Culture. Going by the number of non-tax revenues, the analysis shows that the largest number of non-tax revenues is in the category of general revenues of the state budget (38.51% of all non-tax revenues), which does not necessarily mean the highest value of non-tax revenue.

Table 4. List of parafiscal charges (non-tax revenues) with established reduction values and/or abolitions in 2015, 2016 and 2017 (billion HRK)

	Planned reduction in 2015	Realised reduction and/or abolition in 2015	Estimated values in 2016 and 2017 *
Ministry of agriculture	40	189.50	40.88
Ministry of economy	15	134.53	6
Ministry of Entrepreneurship and Crafts	4.3	*	*
Ministry of tourism	30	220	10
Ministry of healthcare	49.6	110.72	55.36
Ministry of maritime Affairs, transport and infrastructure	100	876.49	131,81
Ministry of culture	10	*	*
Ministry of Environmental Protection	30	0.045	0.045
Ministry of internal affairs	*	3	3
Total	278.90	1,534.29	247.10

* Estimated value of the reduction and/or abolition on an annual basis compared to the amount achieved in 2015

Source: authors' work⁵

Table 4 presents the values of the planned reduction of parafiscal charges in 2015, the reduction and/or abolition of non-tax revenues in 2016 and 2017 and the resulting decrease in the value of parafiscal charges from 2015. The estimated value of the reduction and/or abolition of non-tax revenues in 2016 and 2017 amounts to a total of 247,096,267 HRK and from a total of 24 non-tax revenues, 13 of them are planned to be abolished. The highest decrease in non-tax revenues is under the Ministry of Maritime Affairs, Transport and Infrastructure in the amount of 131,806,800 HRK – or if viewed according to the number of abolished non-tax revenues, then it is the Ministry of Health, which plans to abolish 6 non-tax revenues and reduce another 6. It should be noted that the greatest effect from the reductions and/or abolition of non-tax revenues should be reflected on the business sector in the amount of 155.5 million HRK, while the effects from the decrease in non-tax revenues amounting to 91.6 million HRK would be felt by the citizens, especially in the reduction of fees for the right to use the radio frequency spectrum, which is

⁵ Summarised by the author according to the decisions of the Croatian Government from the Government session that took place on 23rd of April 2015 (Government of the Republic of Croatia, 2015b) and the Government session that took place on 27th of July of 2016 (Government of the Republic of Croatia, 2016b).

a non-tax revenue imposed by the Ministry of maritime Affairs, transport and infrastructure (Government of the Republic of Croatia, 2016b). Considering that the National Reform Programme envisions partial non-tax revenue reduction and/or abolition with the aim of a reduction of 330 million HRK, this can be considered as the first step towards achieving the defined objective.

According to the report for Croatia in 2016 published by the European Commission, despite the fact that they observed improvements in the non-tax revenues and the fact that the responsible authorities have published the Register of non-tax revenues with a necessary and comprehensive review of all charges, the business environment in the Republic of Croatia still does not provide enough support for stronger economic growth. In fact, there has been some limited progress in addressing the problems relating to the reduction of non-tax revenues (European commission, 2016). The European Council issued five recommendations for Croatia in July 2016 (European commission, 2016) within the European Semester cycle in 2016, which among other things included the area of reducing parafiscal charges. In their documents related to the review of progress and the correction of macroeconomic imbalances in 2014 and 2015, the European Commission concluded that the abolition of parafiscal charges and their reduction in Croatia is slower than expected (European commission, 2014, p. 3; European commission, 2015, p.18). In accordance with the Convergence program of the Republic of Croatia for the period from 2016 to 2019, in order to increase the transparency of non-tax revenue, disclosure requirements for non-tax revenues will be introduced. A list of non-tax revenues will be published on the websites of holders of public authority, including a flow chart of the process of establishing disclosure requirements on non-tax revenue where the updating of the Register of non-tax revenues will remain mandatory activity (Republic of Croatia, 2016, p. 56).

4 Conclusion

Some of the major obstacles to the growth of investments and strengthening the competitiveness of the Croatian economy are non-tax revenues or parafiscal charges. According to the criteria of non-tax revenues, it is evident that the Croatian economy is burdened by a number of charges with regard to the number and amount of taxes, dues, subscriptions, and fees that burden legal and physical entities. The main role of the Register, regardless of how its name has changed since 2008, is to analyse the fiscal importance and to rationalise the system of non-tax revenues, with the primary goal of unburdening economic entities and citizens. Authorities encouraged by the recommendations of the European Commission in the field of parafiscal charges acted on the instructions and guidelines by founding the Work Group that is charged with analysing and reviewing the Register of non-tax revenue (2013), which was renamed the Register of parafiscal charges (2014) and currently the Register of non-tax revenues (2015). Under pressure from the European Commission and in line with the economic policy of the Croatian

Government, as well as according to the latest National Reform Programme for 2016, in the last few years some actions have been set in place to make the system of non-tax revenues clearer and more transparent. By analysing each individual non-tax revenue and identifying its necessity and meaningfulness, within the period of analysis, non-tax revenues system improvements have been determined, though there has been no significant disburdening of Croatian economy and citizens as a result. These forms of levies and charges are still unpopular in character, especially because the state revenue coming from these does not present a clear action for a counteraction, which should be one of the basic principles of the financial activities of public sector entities. Even though notable progress has been made overall, there is still room for improvement of the system of non-tax revenues considering that according to the latest recommendations of the European Commission, Croatia has made limited progress in the area of non-tax revenues as one of the components required for the removal of macroeconomic imbalances in the economy. Therefore, it represents an area in which more powerful changes need to be made.

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POVZETEK

1.04 Strokovni članek

Vloga Registra nedavčnih dajatev pri izboljšanju učinkovitosti sistema nedavčnih dajatev v Republiki Hrvaški

Nedavčne dajatve oz. parafiskalne dajatve v večini primerov predstavljajo omejitve pri poslovanju podjetnikov, ne glede na njihovo pravno obliko podjetja. V Republiki Hrvaški se namreč pojem parafiskalnih dajatev istoveti s pojmom nedavčnih dajatev, čeprav ima pojem parafiskalne dajatve ožji pomen. Parafiskalne dajatve oz. nedavčne obveznosti so vsi prispevki, ki jih morajo podjetniki plačati organom državne uprave, lokalnim enotam in drugim pravnim subjektom, za katere država ne zagotavlja povratne storitve ali pa te storitve ne ustrezajo plačanemu znesku, predpisani pa so z zakonom ali drugim predpisom ali aktom, katerih predlagatelji so pristojna ministrstva ali drugi organi. Obstoječi zakonski okvir, ki ureja nedavčne dajatve, kot tudi podzakonski predpisi (pravilniki, odredbe, navodila, odločbe), ki se nanašajo na njihovo urejanje, so v zadnjem času podvrženi pogostim spremembam z namenom ukinitve in/ali zmanjšanja nedavčnih dajatev.

Potem ko je Republika Hrvaška postala polnopravna članica Evropske unije, se je zavezala k sprejemu določenih ukrepov v okviru evropskega semestra kot ključnega instrumenta ekonomskega in fiskalnega upravljanja Evropske unije s ciljem izvedbe strukturnih reform kot tudi odgovorne fiskalne politike, izvajanje teh ukrepov pa je pogoj za uspešno gospodarsko rast. Ekonomski program Republike Hrvaške iz leta 2013 poudarja, da mora država poleg številnih sprememb davčnega sistema nadaljevati aktivnosti na področju nedavčnih dajatev ter ocenjevanja učinkovitosti določenih nedavčnih obveznosti. Na začetku leta 2013 so v Republiki Hrvaški začeli aktivnosti, ki so zajemale predvsem vzpostavitev novega Registra parafiskalnih dajatev, v letu 2014 pa so nadaljevali z izvajanjem aktivnosti za zmanjšanje oziroma ukinitve parafiskalnih dajatev. Vzpostavljeni Register je skozi leta večkrat zamenjal svoje ime, in sicer se je najprej imenoval Register nedavčnih prihodkov, nato Register parafiskalnih dajatev, zadnji dve leti pa je Register nedavčnih dajatev. Zmanjšanje in ukinjanje parafiskalnih dajatev kot vira financiranja ne sme vplivati na opravljanje osnovnih nalog države, lokalne in območne samouprave, pravnih oseb z javnimi pooblastili ter gospodarskih družb, ki so v večinski lasti države.

Glede na to, da sta sistem nedavčnih dajatev in njegova ureditev še kako aktualna tema in predmet preučevanja strokovnjakov in znanstvene stroke, je cilj delovanja analizirati nedavčne dajatve v Republiki Hrvaški oziroma analizirati njihovo vlogo in preučiti njihov vpliv na učinkovitost sistema

nedavčnih dajatev. Cilj delovanja je tudi prispevati k razumevanju sistema nedavčnih dajatev, ki predstavlja okvir za krepitev konkurenčnosti hrvaškega gospodarstva. Preučevanje temelji na teoretičnem konceptu nedavčnih dajatev ter na celoviti sistemski analizi nedavčnih dajatev v Republiki Hrvaški v obdobju 2008–2016. Pri analiziranju nedavčnih dajatev je bilo ugotovljeno, da so v Register uvrščeni prihodki, ki imajo značaj nedavčnih prihodkov in so klasificirani glede na vrsto, zakonodajo, pripadnost, plačilne zavezanice in subjekte, ki jih zbirajo. Prav tako je bilo ugotovljeno, da se je število nedavčnih dajatev od leta 2008 do danes zmanjševalo. Po podatkih iz Registra najviše prispevke plačujejo prav podjetniki. S kategorizacijo nedavčnih pristojbin kot virom splošnih prihodkov državnega proračuna, prihodkov izvenproračunskih uporabnikov ter prihodkov pravnih oseb z javnimi pooblastili, ki niso proračunski in izvenproračunski uporabniki v Republiki Hrvaški za leto 2015, je potekala analiza učinkovitosti nedavčnih dajatev glede na vir njihovega zbiranja. Po podatkih iz Registra je največja vrednost nedavčnih dajatev v okviru prihodkov izvenproračunskih uporabnikov, kar 59,58 % vseh prihodkov na osnovi nedavčnih dajatev, zbrana iz naslova RTV-prispevkov v okviru Ministrstva za kulturo. Glede na število nedavčnih prihodkov je državni proračun tisti, ki ima največje število nedavčnih prihodkov, in to 38,51 % vseh nedavčnih dajatev, kar pa ni nujno tudi največja vrednost nedavčnih prihodkov. Ne glede na spremembe v nazivu je osnovni namen Registra od leta 2008 analiziranje fiskalnih lastnosti nedavčnih dajatev kot tudi racionalizacija sistema nedavčnih dajatev s primarnim ciljem razbremenitve gospodarstva in prebivalstva.

Cilj reformnih ukrepov za nadaljnje zmanjšanje in odpravo nedavčnih dajatev je zmanjšati parafiskalno obremenitev poslovanja v znesku najmanj 330 milijonov kun ter uvesti mehanizem predhodnega nadzora ob predpisovanju novih in ob spremembah obstoječih nedavčnih dajatev, pa tudi predlagati možnosti zmanjšanja administrativnih obremenitev pri plačilih nedavčnih dajatev. Takšne oblike obveznosti in dajatev še naprej ostajajo nepriljubljene, še posebej zato, ker prihodki od teh dajatev ne predstavljajo jasne dajatve ali storitve za protidajatev ali protistoritev, kar je eden temeljnih postulatov finančnih dejavnosti javnega sektorja. Kljub vidnemu napredku je še vedno veliko prostora za izboljšanje sistema nedavčnih dajatev, glede na to, da je Republika Hrvaška po zadnjih priporočilih Evropske komisije dosegla omejen napredek na področju nedavčnih dajatev kot elementa za ukinitvev makroekonomskih neravnovesij v gospodarstvu. Zaradi analiziranja vsake posamezne nedavčne dajatve ter z določanjem njene nujnosti in smotrnosti se v sistemu nedavčnih dajatev kažejo določene izboljšave. Čeprav vsak prihranek parafiskalnih dajatev omogoča razvoj, inovativnost in porabo zasebnega sektorja, saj je s tem na voljo več sredstev za morebitno reinvestiranje, pa sistem nedavčnih dajatev še naprej ostaja področje, na katerem so potrebne večje spremembe.

Interest Representation, Interest Alignment and the Role of Seeking Consensus in the Renewal Process of Hungarian State Management¹

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ABSTRACT

The interest representation of owners, employee participation and endeavours to achieve consensus can be identified as the operational factor of well-managed publicly owned companies in the renewal process of state management. Higher quality expectations that appear to arise in respect of public services and the higher quality standard expected of public sector employees in the course of the performance of their duties all point in the direction of achieving a well-functioning state. This study focuses on representing the interest of the state as an owner, the changes in the institutional system of interest alignment and the search for consensus, the development that has materialised over the past decades, its alternatives arising from the regulatory environment and the attitudes and motivations of economic actors affected by the trend in the Hungarian economic environment. The analysis highlights the balancing role of the state, which is becoming more prominent.

Keywords: state, owner's interest representation, lobbying, seeking consensus, labour relations, social dialogue

JEL: A12, E6, G01, H12, H83, I18, J45, J5

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1 Introduction

The role of interest alignment and the search for consensus have appreciated in today's economic and social relations. On this intellectual horizon, a considerable emphasis is placed on participation that affects labour relations and the dimension of cooperation between social partners and the state. Responding to national level economic and social issues and interest harmonisation in conformity with EU regulations are crucial constituents of the stable operation of the state and sustainable development. The state is not merely a market regulator, but also an ever more crucial employer, given that the companies that provide community services are increasingly in national ownership.

The role of publicly owned companies in the economy is increasing in comparison to the situation in 2009 in terms of the competitiveness of the national economy of Hungary and the economic and social relations of the country. As part of the turn in the fiscal and the economic policy that started in 2010², the state and municipalities organise the supply to residents and government instrumentalities through companies in their ownership in the case of natural monopolies (such as gas, electricity, water and waste) (Domokos et al., 2016, p. 193). In addition, highlighting the role of state-owned companies in the economy, more than 60% of the state-owned companies operate in a real competitive environment, under market conditions (Milicz, 2016, p. 220). All economic actors use their public services and consume the public goods produced by them and the goods that they produce under the competitive conditions of the market economy. In the market economy, it is the job of corporate management to achieve the best possible results by optimally combining input resources (raw materials, labour force). The classic requirement of the maximisation of profit is, however, replaced today by the ever more prominent role of the capabilities that enable the undertaking to continue.³ This means that all owners, employers and employees are interested equally in the continuous operation of the corporate organisation, thus the income from work and the sources of dividends can regenerate safely – if not maximally, then at least continuously. In addition, it is a fundamental social expectation that the public sphere should be characterised by the responsible management of public funds, operation with a view to profit and endeavours to be ever more efficient, including the operation of large state-owned corporations. Economic and financial transactions have costs and it is a key task of the business management to reduce these costs. It is necessary to set up an institutional and regulatory system that makes it possible to cut transactional costs. Dani Rodrik, a professor at Harvard,

² For more detail see Veres & György (2016).

³ Its corporate base is an enactment of the accounting principle of continued business. The ability of a business to go on. On the level of the national economy, this is about a sustainable budget in adherence to these concepts. A corporation whose operation is sustainable or expanding provides grounds for dividends to owners, bonuses to the management and income to employees. Masses of operable companies are the pledge of a prospering national economy. For more detail see Lentner (2015).

characterised the group of institutions that are indispensable for economic and social growth as the focus of institutional thinking, in the course of which he identified institutions that guarantee the protection of title to property, institutions capable of handling market failures and addressing asymmetries in information, institutions that ensure stabilisation and institutions for legitimisation (Rodrik, 2000, 2003).

The topicality of institutional thinking has crucial importance in the economic relations of Hungary. The legitimacy of this economic orientation was substantiated by the financial and economic crisis in 2008–2009. One of the key fields in the process of institutionalisation is the strengthening and simultaneous restructuring of the role taken by the state employees' participation as an instrument for making the interest alignment processes more fruitful in terms of labour relations in the interest of efficient state management. State management means the entirety of the management, planning, controlling and regulatory practices and methodology over the formation of budgetary revenues and expenses of the public finances and assets in state ownership by the government. Within state management, the appreciation of the management, ownership and controlling aspects in the operation of state-owned companies has come to the foreground in Hungary. Thus, public finances comprise not only the formation of budgetary revenues and expenses, but also the operation of the assets in its ownership, as well as the regulatory environment that influences the operation of companies that are active in the public administrative sector of the country without being in state ownership.

With the model of the active state, the concentration of state assets has become more important (their re-purchase after privatisation or the entirety of the management methods applied here). The market cannot be left alone; economic issues can be understood together with their consequences. Institutions matter, as Douglas North (1993) expressed, straight to the point. By institutions, this economic school (Veblen, 1965; Hamilton, 1919; Commons, 1936) mean a factor that makes an impact on all economic decisions (statutes, state rules, informal rules, culture). In Hungary the institutionalisation of state management was initiated to achieve state operation that reacts well to negative external circumstances, fends off adverse effects and gives effective responses, breaking with the earlier superficial treatment of institutional issues, which Ronald Coase, Nobel Prize winning British economist also found problematic (Coase, 1937, 1991).

This study examines the system of interest representation in the labour market, which strengthened when the role undertaken by the state after the 2007–2008 crisis became more prominent, with a focus on Hungary. It is a key goal of the study to trace the tendencies of the system of interest representation after the political turn and to compare the state characterising the period after the crisis to the era before the crisis. It is the goal of the paper to show the trend of the labour market relations becoming better regulated

and simultaneously more seamless by the more comprehensive ownership role taken by the state in the labour market and as a consequence of active regulation and control with the result that in the labour market, the conditions for the long-term cooperation between market actors came into existence.

2 The Basic Relationships Between Interest Alignment, Labour Relations and Participation

2.1 Theoretical Background in the Context of Concepts

The process of interest alignment means the quasi-labour relations between the employer and employees on the corporate level, in which the state and the interest representative system play the role of a catalyst and coordinator. The scope of this category is expanded by the state being a market participant itself⁴, therefore its function is not narrowed down to just coordination between the company and the employees as an economic governmental function. The state also needs revenues to perform its tasks to operate the state and social responsibilities, its tasks to give aid and support and to maintain institutions. Through the budget the state taps the resources needed to maintain its operation from earners of revenues or income (corporations, employees) through revenue centralisation institutions. The determination of the rates, ratios and shares depends on lobbying by corporations and employees and on the interest advocacy of corporations and labour markets, which is 'confronted' with the lobbying ability and strength of the state's will-power. Through the channels and processes of seeking consensus, they have to find the optimal level of their needs and the ways to satisfy their needs. Confrontation and mutual damaging are in the interest of neither the parties nor the whole of the economy. Several aspects of reciprocity appears in the parties' relations.

In this extremely complex system, it is crucial to recognise the values and significance of the human factor. Nowadays it is a general expectation of employees to be well prepared, creative, ready to accept new responsibilities, adaptive, inquiring, motivated, and flexible. Simultaneously, employees' expectations of their workplaces have changed, as they find development, promotion, continuous learning and training, and self-fulfilment extremely important (Parragh, 2010, p. 169). In the process of seeking consensus, conflict treatment and resolution, the state therefore plays a balancing role in respect of the relations between employers and employees.

The interest representation and lobbying of the state as an owner is of key importance in the expectations of successful operation of publicly owned corporations. In the interest of successful, efficient, economical and socially recognised operation, it has become necessary to place the role of the state

⁴ Based on 'Governmental finances and private finances come closer than ever to each other' (Parragh, 2015).

as an owner, the representative functions and management roles in the context of the market. A complex approach is indispensable in the consistent renewal of leadership and management roles with a view to finally restructuring the motivation on a system level, which manifests itself in the responsible management of national and public assets.

The creation of good governance and the ever more complete achievement of the integrity of public life, place the concept of interest representation into a new dimension linked to integrity in comparison to how it was earlier, with the help of institutions and related legal regulatory frameworks to be set up in the new approach. Thus as a new approach, lobbying centred on integrity is closely linked to the conceptual system of integrity.⁵

The weakening of the operation of the neoliberal market economy and its ever more disputed principles from the aspect of efficiency and sustainability makes the *active role undertaken by the state prominent*. The strengthening of the role of the state as an owner and the strengthening of importance of the publicly financed institutions that conform to the rules of budgetary management leads to the expansion of the employment responsibilities of the state as the owner of corporations and public utilities and the operator of publicly financed institutions. Consequently, the state as an employer has an ever-stronger presence in the labour market.

It is a global level UN initiative to support and intensify cooperation between the economy and other social groups.⁶ Thus, in the course of corporate operation, the protection of human rights becomes more prominent and therefore the combatting of corruption and the protection of work, social and environmental standards. The supreme corporate value⁷ is a combination of added value and profitability, sustainable financial management and the protection of corporate assets.

- On the market side, a successful corporation has a passion for its customers.⁸ In its operation, it serves innovation, creativity and social development. It respects staff and endeavours to cooperate with its partners involved in interest representation. It accepts responsibility for the environment and undertakes social responsibility.⁹ The term of undertaking responsibility and the realisation of social development extends over a longer period. The constituents of a successful and

5 For more detail, see Dávid & Lóczi's work (2013). Vocational Ethic and Culture, Lobbying, National University of Public Service, 2013.

6 Global Compact values. In addition to the UN, the OECD and the ILO also support these values. UN Global Compact (UNGC): The annual research of the UNGC gives a comprehensive overview of how businesses of various sizes align their operation strategies and practices to sustainable principles.

7 Superior Value – Core corporate values superior to any other.

8 Passion for our Customers – The emphasis is more on customer contentment, retention and increasing their loyalty in the interest of long-term cooperation and trust.

9 Corporate Social Responsibility. For more detail of the requirements for the enactment of internal synergies that become more prominent instead of supporting groups outside the company see Lentner (2013).

efficient corporate management philosophy are long-term thinking, a strategic approach, responsible thinking and a long-range perspective, which appears as a basic need in respect of all economic actors.' (Parragh, 2015)

- In terms of corporate operation in a market context, the state ensures the 'preservation and increase of public wealth, responsible and cost-saving utilisation and the application of public funds, high standard (public) services and products that are affordable and sustainable to the satisfaction of the public' (Domokos et al., 2016, p. 198).

The two participants of the labour market, the employer and the employee, represent somewhat different interests however, due to goals that are different from the start.¹⁰ In the classical approach, it is the primary interest of the employer to maximise profit. In contrast, employees are motivated to maximise the income earned from their work and to enjoy appropriate circumstances at work. Both sides do their best to make their criteria come true. The main point of *interest alignment* is to resolve these 'conflicts' and harmonise interest and possibilities. The system¹¹ of labour relations within a corporation helps to ease the conflict of interests between the two sides and resolve these conflicting interests, which only meant bipartite relations¹² between social partners at first. Nowadays, tripartite relations between social partners and the state are typical.¹³

2.2 The Hungarian Aspect of Labour Relations, Participation

In Hungary the concept of interest representation gained a particular meaning in the science of sociology, by which all institutions of labour relations were termed at the time of the political turn. *By labour relations, we mean the institutional relations between employees, employers and representative and interest representative organs and the institutional relationships they have with the state (governmental instrumentalities).*

The foundation of labour relations is the objectively existing difference in interests between the world of work and capital, which is bridged by employment. From another approach, the base is the relationship between the employer and the employee in which the vital interests¹⁴ of the company also have a role. The outcome of the relationship can be cooperation or conflicting interest, interest harmonisation or dispute. However, the purpose of labour

¹⁰ However, it is our basic concept that safe and sustainable operation is the common interest of a business and the employees. This is profit and salary that is acceptable for both sides and job and business retention.

¹¹ For more details on the system of labour relations than presented in this chapter see Kőműves (2015).

¹² Primary concept of labour relations: about the relations between social partners see Kőműves (2015).

¹³ A secondary concept of labour relations: the relation between social partners is complemented with state participation; the introduction of the secondary concept can be linked to the name of Kőműves (2015).

¹⁴ Understood for both the business and employees.

relations is to seek consensus. As based on the definition of the concept by labour relations, we mean the system of institutional relations between employers and employees and their interest representative organisations, i.e. contractual and/or legally regulated relations, which are basically intended to sustain cooperation between participants, prevent conflicts as far as possible and resolve any already existing conflict. A good interest alignment system can give a competitive edge to employees on the labour market and to employers on the entrepreneurial market simultaneously.

To sum it up, *the institutional system of labour relations is assisted by the system of collective bargaining and agreements, employee participation and amicable and pressurising instruments of labour conflicts and disputes*. The national level negotiations and agreements with a view to determining the mainstream of the economy and social policy have an effect on the quality of labour relations. On the labour market taken in a narrow sense, in the scenario of employees and employer, the harmonising and interest alignment activity of the state and economic chambers help to resolve the existing asymmetry in power and the exertion of pressure¹⁵ notwithstanding formal equality.

3 Effective Principles of Industrial Democracy Relying on Consensus – In Historical Contrast

By the 'industrial democracy' approach, the authors mean the concentrated market of employers and employees, which is shaped by the rules of supply and demand. Nevertheless, in the period after the crisis, the state/government exerted a stronger influence over tendencies in which interest representations have a coordinating role.

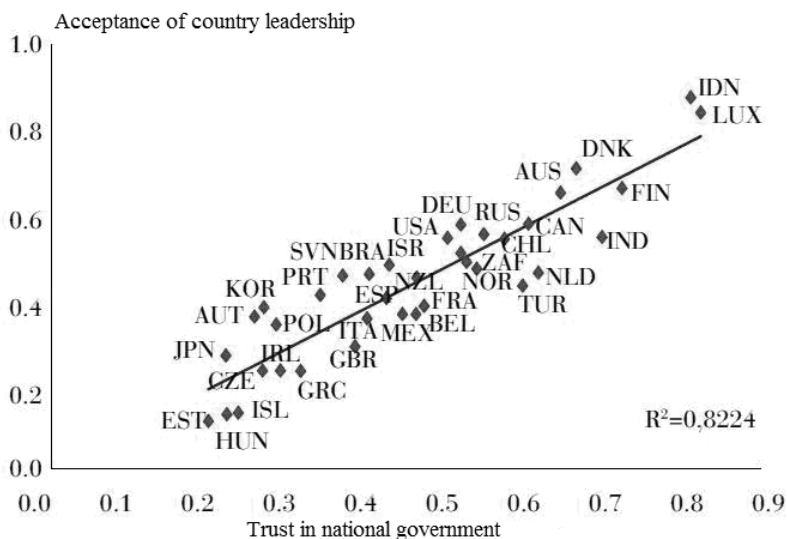
It is a pledge of our economic coming to the fore and social rise that Hungary finds the 21st century model for rising to lead. This cannot be the same as the Anglo-Saxon free market model, nor can it be the post-WW2 European pure social market economy. As a rule, free market formation leads to crisis due to the regulatory weaknesses of the state, while the social market economy model loses competitiveness due to the high-level of income and social security. The two and a half decades following the political turn generated problems with economic growth and balance¹⁶. It was characterised by an extremely low level of employment, as well as tightening possibilities in the labour market and increased strain in the world of capital and work. According to Tobin and Buitner (1982), the underemployment of work and capital is sufficiently frequent and long-term that it justifies the need for intervention in the economic policy. Economic and social tensions are coupled with a worsening position for the population to advocate their interest

¹⁵ An area that needs to be reinterpreted: Employees do not necessarily need to be on the minus side and employers in a power surplus. A reverse situation is not out of the question, for example in the case of physicians, well-trained engineers, skilled labourers.

¹⁶ Based on certain thoughts of Matolcsy et al. (2008).

and earn income. The trust of the society in leadership is shaken by international comparison, as illustrated in Figure 1.

Figure 1. Social distrust in the Hungarian government – international comparison, 2009



Source: OECD (2010)

In Hungary, several social problems are associated with a high level of state redistribution and the ensuing low employment level. In the fields of domestic natural monopolies, former state monopolies were replaced by foreign private monopolies, thus no real competitive environment could come into existence. Employment fell victim to the structural problems of the labour market and in the relationship between employers and employees, the possibilities of advocacy in employee interests became limited. From 2010, increasing the number of jobs, the elimination of fiscal traps for public finances and families in households and economic growth were in focus.¹⁷ The instruments of economic influence, which is associated with an active state model, state regulation and control, manifested themselves in a sustainable budget and then economic improvement. The ‘fruits’ of all this is the restoration of the decency of work and the creation of new jobs, leading people living in social, territorial and professional seclusion back to the working environment, which eases the dependency of employees on employers, which strengthens their lobbying ability.

Expanding state resources, increasing the number of jobs, the expansion of effective demand and purchasing power, and state influence on the working environment all improve the conditions for working. Furthermore, the position of interest representation becomes easier as the social aspect

¹⁷ Its results taxonomic summary can be seen in Matolcsy (2015).

of labour relations becomes more prominent.¹⁸ The methods and possibilities of interest advocacy between the participants in the labour market have become more harmonised. The positive trends are clearly shown in the 2013 data presented below in comparison with the data from 2008. The society trusts the government in Hungary more in CEE comparison as well, which is illustrated in Table 1.

Table 1. *Classification of organisations according to the stage of strategic management development*

	National Parliament 2013	Trust Parliament since 2008	National Government 2013	Trust Government since 2008	Political Parties	Trust Political Parties since 2008
EU Average	29%	-7%	29%	-8%	19%	-3%
Central and Eastern EU	17%	-3%	22%	-4%	13%	1%
Czech Republic	11%	-5%	13%	-7%	10%	-2%
Hungary	29%	13%	31%	13%	20%	12%
Poland	13%	0%	14%	-5%	10%	3%
Slovakia	29%	-12%	29%	-19%	19%	3%
Slovenia	6%	-29%	11%	-25%	5%	-13%

The complete data line of Table 1 is available in the said source, also in European dimension.

Source: Eurobarometer 70.1 (2008) & Eurobarometer 79.3 (2013), Public Integrity and Trust in Europe, 2015, Berlin

After 2010, the world of work plays a key role in building the society and economy and capital revenue is not a competitive alternative to work. In Hungarian life, strategy work, recognition at work and entrepreneurial success rank by far above community, recreational values and individual self-expression. In addition to financial reasons, people therefore chose to work even in their spare time because they desire to be successful financially. The active presence of the state in the labour market and the labour relations between employees and employers improved the success of interest reconciliation.

4 An Effective System of Social Dialogue in Hungary

In the conciliatory forum that started in 1989 in Hungary with the establishment of the National Interest Reconciliation Council, a tripartite regime (trade union, employers, government) and then, from 2004, a bilateral conciliatory regime was in place. In this system, the government only took part with the right of consultation, enacting the concept of the neoliberal government to withdraw from influencing the economy and the operation of market participants.

In Hungary, the regulatory bases of operation on a statutory level are created in a consultative body so that the cost efficiency and representation of wider

¹⁸ The classic contrast between capital and work (which can be described by Marxist attributes) is less sharp.

social layers can be achieved. Thus, the new body can consult on the directions of national policy and the aspects of these directions that are capable of influencing the economy and the society.

It is a fundamental expectation of EU member states to maintain social dialogue. In 1997 in the course of the Amsterdam amendment to the Treaty of Rome, the Agreement on Social Policy originally attached to the Maastricht Treaty finally became part of the Treaty of Rome. Under Article 1 of the Agreement on Social Policy, it is the objective of the member states to promote dialogue between social partners.

The highest-level forum of the institutional system of social dialogue, which is the present procedure for economic interest alignment, is regulated by Act XCIII of 2011 on the *National Economic and Social Council* ("Council"), its organisation and operation. The purpose of the act is to assist the formation of an advisory board with consultative power that discusses general economic and social policy issues affecting the whole of society instead of central coordination conciliation forums¹⁹ whose functions overlap in many cases and which operated side-by-side. This advisory board helps to make the most important economic and social political decision with its recommendations, rulings, analysis and opinions.

With the establishment of the Council in 2011, the new consultation mechanism provides a wider scope of possibility for social dialogue than before. The Council is a body for consultation, recommendations and giving advice operating independently of Parliament and the government that was established to discuss the comprehensive issues that affect the development of the economy and society, national strategies reaching over governmental terms and to promote the development and implementation of harmonic and balanced economic growth and appropriate social models. Its members are the interest representative organisations of employers and employees, economic chambers, civil organisations active in the area of national policy, representatives of sciences and arts from Hungary and across the border and churches.

The tasks of the National Economic and Social Council are manifold. Within the scope of its tasks to consult, comment and recommend, it monitors and analyses the social and economic development of the country²⁰. The mission of the body is to discuss national issues that affect the comprehensive development of the economy and society and national strategies reaching over government terms that arise in the wake of such issues and to promote the development and implementation of harmonic and balanced economic

¹⁹ A detailed description of the former system can be found in Judit Lux's paper (2003).

²⁰ For example in 2013, the Council adopted a ruling on the release of Hungary from the excessive deficit procedure against Hungary. In the opinion of László Parragh, the incumbent chair, it was 'the first ruling based on consensus that the council accepted'. This means that the release of Hungary from the procedure was in the interest of the whole of society, on which all five sides of the Council agreed.

growth and appropriate social models. The primary goal of interest representation is to promote and protect the interests of employees related to employment and defend their interests.

5 Conclusion

This study set the objective to analyse the system of interest representation in the labour market, which strengthened as the role undertaken by the state became more prominent after the crisis in 2007–2008. It has been shown that among the process of transformation in the period following the political turn in Hungary, the issue of lobbying occupied an important area, which underwent several phases of development before it reached its present form. It is essential to ensure interest harmonisation in line with the EU regulations, in the framework of which the cooperation of interest representative organisations and employees must become dominant in addition to the stable operation of the state, foreseeable corporate finances and the simultaneous improvement of the financial situation of households based on mutual effects – ideas that have been justified in the structural unity of the theme of this paper.

Focusing on Hungary, it was a key question of the study to follow the tendencies of the system of interest representation after the political turn and to compare the state characterising the period after the crisis to the era before the crisis, which was answered in detail in the study.

It has been the main goal of the paper to show that the labour market relations have become better regulated and simultaneously more seamless thanks to the more comprehensive ownership role taken by the state in the labour market and as a result of active relation and control, with the result that in the labour market the conditions for long-term cooperation between market actors came into existence. An important result of the study is that the higher quality expectations that appear in the provision of public services point towards the achievement of good governance and the renewal of state management, in the course of which trend, a search for consensus, interest alignment and advocacy are indispensable.

It can be seen from the change in the more intensive role of the state that followed the period of crisis in 2007-2008 that effective and institutional conditions for social dialogue help labour relations to operate transparently and efficiently. In Hungary, the institutional conditions that enable and can implement effective social dialogue that addresses and considers the challenges of our age have become an indispensable constituent of long-term sustainable social and economic growth.

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POVZETEK

1.04 Strokovni članek

Zastopanje in usklajevanje interesov ter vloga iskanja konsenza v procesu prenove upravljanja države na Madžarskem*

Zastopanje interesov lastnikov, udeležbo in prizadevanja zaposlenih za doseg konsenza je mogoče opredeliti kot operativni dejavnik dobro vodenih podjetij v javni lasti v procesu prenove upravljanja države. Večja pričakovanja glede kakovosti, ki so se pojavila v zvezi z javnimi storitvami, in višji standard kakovosti, ki se pričakuje od zaposlenih v javnem sektorju v času opravljanja dolžnosti, kažejo v smer doseganja dobro delujoče države. Študija se osredotoča na zastopanje interesov države kot lastnika, spremembe v institucionalnem sistemu usklajevanja interesov in iskanje konsenza, razvoj v zadnjih desetletjih, možne alternative, ki izhajajo iz zakonodajnega okolja, in odnose ter motivacijo gospodarskih subjektov, na katere vpliva trend v madžarskem gospodarskem okolju. Raziskava izpostavlja usklajevalno vlogo države, ki postaja vse izrazitejša.

* Raziskava je bila izvedena v okviru Operativnega programa za razvoj javne uprave in javne službe 2.1.2 (konkurenčni osrednjemadžarski operativni program) VEKOP-15-2016 z naslovom »Nadaljnji razvoj nadzora nad dobrim upravljanjem javnih financ in državnega proračuna – v zgodovinski in mednarodni dinamiki« (akademska delavnica na temo javnih financ, Wekerle Sándor).

Vitka organizacija v javnem sektorju

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IZVLEČEK

Javni sektor v sodobnih družbah pomembno vpliva na vsa področja človekovega organiziranega delovanja, s tem pa tudi na celoten gospodarski, socialni, kulturni in splošni civilizacijski razvoj družbe. Spremembe okolja ter vedno višja pričakovanja strank kot uporabnikov javnih storitev zahtevajo od subjektov javnega sektorja izboljšanje procesov delovanja zaradi zmanjšanja stroškov, krajšanja časa izvajanja storitev ter boljše kakovosti opravljenih storitev. Politične oblasti so predvsem v Veliki Britaniji, Združenih državah Amerike in na Švedskem spodbujale subjekte javnega sektorja, naj za povečanje učinkovitosti uvedejo v svoje delovanje prakse zasebnega sektorja, med drugim tudi koncept vitke proizvodnje, ki ima izhodišče v Toyotinem proizvodnem sistemu. Izkušnje so večinoma zelo pozitivne, saj se je čas trajanja postopkov oziroma izvajanja storitev bistveno skrajšal, povečala se je produktivnost zaposlenih, izboljšalo pa se je tudi zadovoljstvo uporabnikov storitev. Zaradi določenih posebnosti je uvedba vitke organizacije v javni sektor precej zahtevnejša kot v subjektih realnega sektorja.

Ključne besede: javni sektor, vitka organizacija, javna uprava, vitka proizvodnja

JEL: Z00

1 Uvod

Država kot temeljna in osrednja socialna tvorba potrebuje za svoje delovanje institucije oziroma službe, ki delujejo na posameznih področjih družbenega življenja. Spremembe okolja ter vedno višja pričakovanja strank kot uporabnikov javnih storitev zahtevajo od subjektov javnega sektorja izboljšanje procesov delovanja zaradi zmanjšanja stroškov, krajšanja časa izvajanja storitev ter boljše kakovosti opravljenih storitev. Pritisk davkoplačevalcev na zmanjševanje stroškov delovanja javnega sektorja je stalen in izrazit, zato politične oblasti z namenom povečanja učinkovitosti javnega sektorja v njegovo delovanje prenašajo prakse zasebnega sektorja, kot so upravljanje sprememb, procesni vidik poslovanja, strateški modeli upravljanja ipd. Tako so izvršilne oblasti v nekaterih državah kot eno izmed možnih sistemskih orodij izboljšav že uvajale metode in tehnike vitke proizvodnje oziroma vitke organizacije v delovanje institucij javnega sektorja.

Namen prispevka je predvsem prikazati rezultate uvajanja vitke organizacije v javni sektor v določenih državah in pri tem izpostaviti vse specifikke tovrstne uvedbe. Želimo priti do celovitih ugotovitev, ali so metode in tehnike vitke organizacije uporabne za izboljšanje učinkovitosti delovanja javnega sektorja ter kako bi vitko organizacijo bilo mogoče uvesti tudi v subjektih javnega sektorja Republike Slovenije.

Pri raziskovanju bomo uporabili metodo kompilacije, s katero bomo zbrali nekaj dognanj avtorjev s širšega področja vitke organizacije in opredelitev osnovnih pojmov s pomočjo strokovne literature, ter metodo študija primerov kot eno od oblik kvalitativnih raziskovalnih pristopov.

2 Vitka organizacija

Vitka organizacija (angl. *Lean Organisation*) je strateška usmeritev, ki celovito in sistematično prepozna in odstranjuje potrate iz procesa poslovanja. Cilj njene uporabe je iz delovanja odstraniti vse, kar z vidika kupca ne prinaša dodane vrednosti proizvodu ali storitvi (angl. *non-value-added activities*). Zato njena uporaba lahko pomembno skrajša čas od prejema naročila kupca do dostave končnega izdelka.

Pojma vitka organizacija ter vitka proizvodnja sta vsebinsko sicer zelo identična. Praktično vsak avtor ima svoj lastni pristop in tisti, ki govorijo o vitkosti v proizvodnih procesih, praviloma uporabljajo termin »vitka proizvodnja«, avtorji, ki pa preučujejo načela vitkosti v storitvenih dejavnostih in pisarniškem poslovanju, pa največkrat koristijo izraz »vitka organizacija«.

Malayeff (2007) opredeljuje vitko organizacijo kot menedžerski pristop, ki si prizadeva maksimirati vrednost za stranke, tako notranje in zunanje, s hkratnim odpravljanjem nepotrebnih aktivnosti in opravil.

Bhatia in Drew (2006) opredeljujeta vitko proizvodnjo kot skupek metod in tehnik, s katerimi se izboljšuje produktivnost skozi bolj strukturirano reševanje problemov v skupinah, ustrežnejšo razporeditev resursov in bolj prefinjen pristop k upravljanju znanja.

Vitka proizvodnja je tako koncept oziroma filozofija, usmerjena v izločanje potrat iz delovnega procesa in maksimiranje toka vrednosti. V delu *Lean Thinking* sta Womack in Jones (1996) ugotavila, da vitko proizvodnjo pravzaprav določajo trije osnovni elementi (Koskela, 2004, str. 7):

- Tok: Proizvodnja mora potekati v obliki zveznega toka enega izdelka skozi vse proizvodne procese. Definirajo se aktivnosti, ki dodajajo vrednost proizvodu, bodisi neposredno bodisi so nujne v obliki podpornih procesov. Vse druge aktivnosti, ki ne dodajajo vrednosti, se iz procesa izločajo.

- Poteg: Vedno kupec vzame predhodni proizvod od dobavitelja – predhodne faze skozi proces le na osnovi realnih potreb in zahtev. Torej kupec vzame tisto, kar želi, ko želi in kolikor želi.
- Težnja k popolnosti: Spremembe sistema se morajo odvijati kontinuirano in na vseh ravneh procesov s ciljem optimiziranja sistema. Nепrestano se še naprej izločajo aktivnosti, ki ne prinašajo dodane vrednosti, iz česar izhaja, da podjetje nikoli ne more postati popolnoma vitko.

Vitka proizvodnja sicer zajema skupek tehnik in orodij, med katerimi so najbolj znana in uporabljena naslednja:

- Q-orodja: Vsaka izboljšava zahteva predhodno poznavanje procesa, kar omogočajo predvsem različne grafične tehnike, kot so diagrami poteka, Pareto diagrami, histogrami, procesni diagrami, diagrami vzroka in učinka (Novatus, b. d.).
- Poka-Yoke (otročje lahko): Bistvo je preprečevanje nenamernih napak v proizvodnih procesih (Khamesra, Deskmukh & Nayar, 2013, str. 4). Gre za pristop, ki preprečuje, da bi sestavni deli neustrezne kakovosti vstopili v nadaljnji proces, in odstranjuje vzroke za nastanke napak.
- TPM (celovito produktivno vzdrževanje): Cilj TPM je izboljšati učinkovitost strojev in opreme z zmanjševanjem zastojev zaradi neustreznega vzdrževanja ter zagotoviti, da na proizvodih ni napak, ki bi bile povzročene na proizvodnih linijah (Čala, 2011, str. 60).
- SMED (metoda hitre menjave orodij): Med menjavo in nastavitvami orodij ne ustvarjamo nove vrednosti, zato mora biti ta čas čim krajši, ker tako zmanjšamo celotne stroške, povezane z menjavo orodij in nastavitvijo strojev (QM partner, b. d., str. 1).
- Uravnoveženost procesa: Usklajenost operacij in opravil v proizvodnem procesu vpliva na učinkovitost poslovanja, zato mora biti trajanje posameznih operacij prilagojeno tempu proizvodnje (Kavčič, 2006, str. 9). Tako se odpravijo prekomerne zaloge končnih izdelkov ter zmanjšajo medfazne zaloge.
- Proizvodne celice: Pri celični proizvodnji so proizvodne delovne enote in oprema razporejeni v zaporedju, ki podpira nemoten pretok materialov in sestavnih delov skozi proizvodni proces z minimalnimi fizičnimi premiki (transportom) ali zamudami (Inman, b. d.). Obdelovanci se premikajo skozi celotni proizvodni proces kos za kosom, z dinamiko, ki je prilagojena zahtevam oziroma potrebam kupca.
- Kanban: Je vizualni signal, ki se uporablja za zagon določene aktivnost. Bistvo je v sistemu dispečiranja in oskrbe delovnih mest z materialom in obdelovanci po načelu vlečenja (*pull*), ki zahteva proizvodnjo potrebnih delov le v zahtevanih količinah in ob pravem času in na pravem mestu (Radigan, b. d.).
- Kaizen: Izraz izvira iz japonskih besed *kai*, ki pomeni »sprememba«, in besede *zen*, ki pomeni »na boljše«. Osnova filozofije Kaizen je izraba

znanja, izkušenj in veščin vseh zaposlenih v podjetju in sloni na zamisli, da lahko vsakdo prispeva k boljšemu delovnemu okolju (Čufar, 2010, str. 591). Ta proces stalnih izboljšav je dolgoročen in kontinuiran, zajema vse ravni v organizaciji in omogoča odzive na spremembe okolja.

Lahko torej strnemo, da vitko organizacijo najpomembneje določata njena strateška usmeritev ter proces nenehnega izboljševanja s ciljem odstranjevanja vseh elementov ali aktivnosti, ki ne ustvarjajo dodane vrednosti. Z vidika končnega kupca, ki uporablja proizvod ali storitev, je v dodani vrednosti zajet vsak ukrep ali postopek, ki ga je kupec pripravljen plačati.

3 Vitka organizacija v javnem sektorju v tujini

Država kot temeljna in osrednja socialna tvorba za delovanje potrebuje institucije oziroma službe, ki delujejo na posameznih področjih družbenega življenja. Sistem javne uprave in, širše, javnega sektorja torej opravlja naloge javnega pomena in zagotavlja javne dobrine, ki so za obstoj družbe nujno potrebne, do njih pa ni mogoče priti prosto, po načelu trga, ampak le preko institucij države ali subjektov, ki jim je država podelila pristojnosti za izvajanje raznih javnih storitev.

S ciljem povečati učinkovitost delovanja in hkrati zmanjšati stroške delovanja javnega sektorja so izvršne oblasti predvsem v Veliki Britaniji, Združenih državah Amerike in na Švedskem spodbujale subjekte javnega sektorja, da v svoje delovanje uvedejo pristope vitkosti. Posledično je uporaba vitke organizacije v javnem sektorju že bila predmet številnih raziskav v zadnjih 15 letih. Med temeljnimi spoznanji o uporabi vitke organizacije v javnem sektorju lahko tako omenimo predvsem naslednje.

Beck in Hjelle (2009) ugotavljata, da vitkost ustvarja dodano vrednosti v javnem sektorju. Rezultate lahko najdemo tako na strani večje učinkovitosti kot tudi izboljšanja delovne klime. Kot glavno oviro uvedbi izpostavljata pomanjkanje znanja o načelih in metodah vitkosti pri zaposlenih v javnem sektorju, zato sta potrebna tako izobraževanje sodelavcev kot tudi vzporedna pomoč izkušenih zunanjih svetovalcev.

Radnor (2005) navaja, da je učinkovita uvedba in uporaba vitkosti v javnem sektorju odvisna tako od organizacijskih dejavnikov kot tudi od kulture organizacije. Osredotočanje samo na reduciranje stroškov, zmanjševanje napak ter izboljšanje zanesljivosti oskrbe ne more ustrezno preoblikovati organizacije.

Perger (2002) poroča, da vitko razmišljanje išče poti za odstranjevanje nepotrebnih stvari iz proizvodnega procesa, ki se razteza od oblikovanja do prodaje kupcu prilagojenega proizvoda.

Hines (2012) navaja, da bo vitkost v organizaciji mogoče vzpostaviti le, če bo velik odstotek sodelavcev ne samo mislil, da vitkost deluje, pač pa videl koristi od tega tudi zase.

Krings, Levine in Wall (2006) ugotavljajo, da so sodobni menedžerji prevzeli koncept vitkosti in naredili pomemben korak v procesih državne in lokalne uprave z jasnim identificiranjem aktivnosti, ki morajo biti odpravljene, poenostavljene ali izboljšane.

Di Pietro, Mugion in Renzi (2013) trdijo, da izvajanje programa Kaizen v okviru metod vitkosti zahteva holističen oziroma celovit pristop. Nujna je integracija notranjih in zunanjih vidikov javnih storitev, kajti le ta lahko vodi k zmanjševanju porabe ter povečanju zadovoljstva državljanov.

Miranda (2012) izpostavlja, da uporaba metod vitkosti v praksi pomeni prednost, ker se problemi praviloma rešujejo v operativi brez pomembnejšega sodelovanja vrhnjega menedžmenta. So pa menedžerji vključeni v faze predloga rešitve in odločanja o rešitvi.

Za namen raziskave smo preučili določene primere uvedbe vitke organizacije v javni sektor v Združenih državah Amerike, Veliki Britaniji ter na Švedskem.

3.1 Uporaba vitke organizacije v javnem sektorju v ZDA

V Združenih državah Amerike so vitko organizacijo že uvedli v posamezne subjekte javnega sektorja, in sicer tako na ravni federacije – Agencija za okolje (EPA) ter Ameriška vojska (US Army) –, kakor tudi v posameznih zveznih državah – Kolorado, Connecticut, Iowa, Maryland, Maine, Minnesota, Michigan in New Hampshire. Koncepte vitkosti pa so vpeljali tudi v upravah posameznih mestnih oblasti – Cape Coral (Florida), Grand Rapids (Michigan), Jacksonville (Florida), County of Ventura (Kalifornija) ter Brown County (Wisconsin) (Lindquist & Taylor, 2013, str. 1). V nadaljevanju bomo navedli nekaj primerov, kjer so učinki uvedbe vitkosti ustrezno konkretizirani.

Agencija za zaščito okolja – angl. *Environmental Protection Agency* (EPA)

Agencija za zaščito okolja ima poleg glavnega štaba teritorialno razdeljenost na deset regionalnih uradov, vsak od njih pokriva določene zvezne države. Skupno zaposluje okrog 15.500 uslužbencev, letni proračun Agencije je približno osem milijard dolarjev (EPA, b. d., str. 1).

S sistematično uporabo metod vitkosti so uspeli zaposleni tako na sedežu EPA kot tudi na regionalnih uradih skrajšati trajanje procesov določenih skupin storitev. Tako so na primer v zvezni državi Iowa, na Oddelku za naravne resurse, uspeli zmanjšati število odločitvenih korakov pri potrjevanju dovoljenj za podzemna skladišča za 80 %, hkrati pa število procesnih opravil reducirati s prejšnjih 43 na sedanjih 26. To je v končni fazi pomenilo skrajšanje procesa odločanja z 38 na tri mesece po novem načinu dela (EPA, 2009, str. 8).

V Agenciji za kontrolo onesnaževanja v Minnesoti so do leta 2003, pred uvedbo metod in tehnik vitkosti, izdali manj kot 10 % soglasij za izpuste odpadnih vod znotraj predvidenega roka, ki je bil 180 dni od prejetja zahtevka. Za cilj so si zadali, da z ustreznim usposabljanjem zaposlenih in prenovo procesov do leta 2005 dosežejo, da bo 90 % dovoljenj izdanih v 180 dneh. Dejanski dosežek je bil 75 % izdanih dovoljenj v predvidenem roku v letu 2006, hkrati se je število popravkov dokumentacije zmanjšalo z 20 na 8,5 % (EPA, 2003, str. 1).

Ameriška vojska – angl. *US Army*

Med letoma 2004 in 2006 je bil v posamezne rodove ameriške vojske uveden program Lean Six Sigma Excellence Awards, znan kot LEAP. Od takrat je bilo usposobljenih več kot 11.000 strokovnjakov za procese vitkosti in kakovosti, ki so iskali in nato odpravljali neučinkovitosti, zmanjševali odstopanja od zelenega stanja ter povečevali splošno kakovost storitev in produktov. Ti strokovnjaki so sedaj razporejeni praktično v vseh enotah vojske (Schmidt, b. d., str. 1). Vsako leto je bilo zagnanih okrog 2000 posameznih projektov, prihranek zaradi izboljšav procesov pa je ocenjen na približno pet milijard USD.

Oddelek za kakovost okolja zvezne države Michigan – angl. *Michigan Department of Environmental Quality*

Vodilni v industrijskih podjetjih v zvezni državi Michigan so menili, da je izdajanje okoljevarstvenih dovoljenj s strani pristojnega državnega urada okorno, počasno in neodzivno (EPA, 2003, str. 1). Oddelek za kakovost okolja na državni ravni je zato pričel iskati možnosti za izboljšanje procesa. Vodstvo oddelka je pripravilo srečanje z menedžerji industrijskih podjetij (General Motors, DaimlerChrysler itd.), ki so ga vodili strokovnjaki za vitkost iz korporacije General Motors. Skupaj so pripravili diagrame procesa, da bi bolje razumeli potrebne aktivnosti in identificirali ozka grla.

Prenovljen proces obravnave vlog se je izkazal za enostavnejšega ter ažurnejšega, odpravil je čakanje ter ponovne postopke. Temeljni rezultati prvega leta uvajanja vitke organizacije so bili naslednji (EPA, 2003, str. 2):

- postopek za reševanje vloge se je za najpomembnejša dovoljenja skrajšal s 422 na 98 dni,
- za manj pomembne vrste dovoljenj se je postopek skrajšal s 143 na 50 dni,
- za 16 % se je izboljšala popolnost vlog prosilcev,
- izboljšani so bili odnosi med vsemi deležniki v procesu ter
- opazno se je povečala delovna motiviranost zaposlenih na oddelku.

Minnesota

Zvezna država Minnesota je vzpostavila Komisijo za inovacije storitev – angl. *Commission on Service Innovation (CSI)*, ki je nato priporočila zagon programov vitkosti na vseh ravneh te države (MWCC, b. d.). V program vitkosti je bilo v treh letih vključenih 17 državnih agencij, ki so preoblikovale skupno več

kot 170 različnih poslovnih procesov. Agencije so realizirale cilje izboljšanja produktivnosti, saj se je v povprečju čas trajanja storitev od začetka do konca postopka skrajšal za dve tretjini, medtem ko se je učinkoviti čas v smislu delovnih ur za postopek zmanjšal za 45 % (MWCC, b. d.).

Na podlagi doseženih rezultatov, predstavljenih v navedenih raziskavah in poročilih ustreznih organov, lahko ugotovimo, da so orodja in tehnike vitke proizvodnje v organizacijah javnega sektorja ZDA bistveno izboljšale delovanje teh organizacij. Pomembna so predvsem hitreje izvajanje procesov, znižanje stroškov ter povečanje kakovosti dela, kar izkazujejo kazalniki notranje učinkovitosti (zmanjšanje potrebnih aktivnosti v procesu, skrajšanje skupnega časa od sprejema vloge do izdaje dovoljenja ipd.). Pri vseh predstavljenih primerih tudi ni bilo izpostavljenih oziroma zabeleženih negativnih rezultatov uporabe vitke organizacije.

3.2 Uporaba vitke organizacije v javnem sektorju Velike Britanije

V Veliki Britaniji se je pod premierko Margaret Thatcher pričelo obsežno prestrukturiranje javnega sektorja. Temeljilo je na načelu, da so tržni mehanizmi najučinkovitejši način za alokacijo resursov znotraj javnega sektorja, in tako se je pričel prenos določenih izbranih javnih storitev na zasebna podjetja (Andrews, 2013, str. 8). Za institucije javnega sektorja, ki so še naprej zagotavljale določene vrste javnih storitev, pa se je pričela uveljavljati paradigma novega javnega menedžmenta (NPM).

Še posebej intenzivno se orodja in metode vitkosti uporabljajo v državni upravi Velike Britanije po letu 2011, ko je Urad kabineta objavil strategijo nenehnih izboljšav v vseh centralnih vladnih službah, ki zahteva med drugim tudi njihovo uvedbo ter vgradnjo načela nenehnih izboljšav v procese poslovanja.

Zdravstvo

Javne zdravstvene ustanove so zaradi deleža BDP, ki se namenja njihovemu delovanju, eden od ključnih subjektov, kjer je v masi mogoče doseči precejšnje prihranke. Tako so se metode vitkosti pričele v sisteme javnega zdravstva uvajati po letu 2005, in to predvsem v bolnišnice, da bi odpravili podvajanje procesov in nepotrebnih procedur (Fillingham, 2007, str. 3). Ena od prvih bolnišnic, ki je z metodami in tehnikami vitke organizacije skušala izboljšati svoje procese poslovanja, je Royal Bolton Hospital v Greater Manchestru. Razvili so sistematičen in celovit pristop k organizacijski kulturi, ki vodi k izboljšavam in varnosti. Rezultati uporabe vitke organizacije so omogočili pomembno izboljšanje učinkovitosti in kakovosti delovanja na različnih področjih. Tako se je npr. (BCS, 2009, str. 2):

- čas bivanja v bolnišnici se je skrajšal za 33 %,
- povečala učinkovitost dela na patologiji, kjer so bili izvidi narejeni tri- do desetkrat hitreje, hkrati so površino prostorov patologije zmanjšali za 40 %,

- izboljšala se je uspešnost delovanja, saj je bilo ustvarjenih 3,1 milijona funtov prihrankov pri stroških na letni ravni.

Davčna in carinska uprava

Davčna in carinska uprava Velike Britanije (*HM Revenue and Customs* ali kratko HRMC) je eden od najbolj preučevanih ter tudi najbolj kontroverznih primerov uvajanja vitke organizacije v javni sektor.

Gre za ogromen organ državne uprave, ki ima preko 70.000 zaposlenih na več kot 100 mestih znotraj države (Bourton Group, 2009, str. 2). Vanj so program vitkosti pričeli uvajati leta 2006 s ključnim ciljem izboljšati učinkovitost in storitve za uporabnika za 30 % po kazalnikih produktivnosti ter številu napak. Najpomembnejši cilji so bili naslednji: izboljšati delež pobranih dajatev, zmanjšati stroške delovanja ter povečati zadovoljstvo uporabnikov.

Za merjenje in vrednotenje učinkovitosti so uporabili niz kazalnikov, in sicer: število primerov/zahtevkov, obdelanih v enem dnevu (produktivnost), število primerov/zahtevkov, obdelanih pravilno, (kakovost) ter čas, potreben za obdelavo primera/zahtevka (trajanje postopka). Temeljni rezultati izvajanja projekta so bili naslednji: za polovico se je skrajšal odzivni čas, čas reševanja pritožb se je skrajšal s 15 na 6 mesecev ter zahtevki za vračilo plačanih davščin so bili obdelani v 15 delovnih dneh namesto v prejšnjih 25 (Bourton Group, 2009, str. 4).

Spremenjeni procesi poslovanja pa so prinesli tudi pozitivne učinke, ki jih je težko neposredno izraziti s kazalniki, so pa zelo pomembni za samo poslanstvo in temeljne cilje HMRC. Pomembno je postalo timsko delo in zaposleni, ki so se domislili določenih rešitev ter jih vpeljali v svoje urade, so te pozitivne izkušnje oziroma rešitve prenesli tudi do sodelavcev v drugih uradih (Bourton Group, 2009, str. 2).

Po drugi strani pa posamezne objavljene raziskave omenjajo tudi negativne učinke uvedbe vitke organizacije v Davčno in carinsko upravo Velike Britanije. Tako npr. Emiliani (2011, str. 1) ugotavlja, da so bile javne storitve žal upravljane z degenerirano ter disfunkcionalno obliko nove prakse upravljanja, saj nista bili upoštevani dve temeljni zahtevi vitke organizacije – kontinuirane izboljšave in spoštovanje ljudi (zaposlenih, strank, dobaviteljev in drugih deležnikov).

Negativne učinke omenja tudi profesor John Seddon v poročilu, pripravljenem za Komisijo za zakladništvo spodnjega doma britanskega parlamenta, kjer navaja, da je neuspeh Davčne in carinske uprave Velike Britanije lekcija, kako se ne smejo voditi reforme javnega sektorja. V svojem poročilu izpostavlja naslednje probleme: (a) sorazmerno velikemu deležu davčnih zavezancev je bila davčna obveznost odmerjena nepravilno, (b) precej se je povečalo število transakcij ki so povezane z reševanjem davčnih zadev strank zaradi nepravilnih obračunov ter (c) upadla je morala zaposlenih, povečale pa so se odsotnosti ter bolniški staleži (Seddon, 2011, str. 2).

Hkrati je prišlo do zanimivega neželenega učinka standardizacije, ko se je vodstvo preveč posvečalo standardizaciji dela in tako vzpostavilo sistem, ki preprečuje absorbiranje različnosti in variacije potreb strank. Tako se je na koncu celo povečal obseg transakcij, s tem pa so narasli tudi skupni stroški.

Da je realni učinek uvedbe metod vitke organizacije v HMRC predvsem zanikanje dosedanjih humanističnih konceptov obogatitve dela in vračanje k že zdavnaj preseženim menedžerskim tehnikam z začetka 20. stoletja, ugotavlja Danford (b. d., str. 25) v svoji raziskavi.

3.3 Uporaba vitke organizacije v javnem sektorju na Švedskem

Agencija za migracije – šved. *Migrationsverket*

Agencija za migracije je eden izmed organov javnega sektorja na Švedskem in je pristojna za izvajanje politike migracij. Gre za agencijo (prej urad), ki je med prvimi pričela uvajati orodja in tehnike vitke organizacije v svoje procese poslovanja (Crawford, 2012, str. 4). Leta 2007 je namreč švedska vlada zaradi dolgih zamud pri odobranju prošenj za azil, na Migracijski urad naslovila zahtevo, naj najdejo ustrezne načine za tekočo obravnavo prispelih vlog (Crawford, 2012, str. 18). Ker so predolgi postopki za obravnavo prošenj za azil imeli negativne učinke tako za državni proračun (prosilci, dokler je v postopku za odobritev azila, stane državo okrog 100.000 SEK letno), prav tako pa so negativnosti še kako čutili tudi prosilci, so leta 2008 pričeli s projektom za skrajšanje reševanja prošenj za azil, imenovan »Shorter Waiting«. Glavni začetni izziv je bil, kako zasnovati proces, v katerem bodo najstarejše vloge za azil obravnavane prednostno oziroma bo postopek končan najpozneje v šestih mesecih.

Pred začetkom projekta uvajanja vitke organizacije je bil povprečni čas trajanja postopka za odobritev azila 267 dni, po dveh letih pa se je povprečni potrební čas skrajšal na 111 dni (Crawford, 2012, str. 21). Zaradi teh uspehov se je uporaba tehnik in orodij vitkosti prenesla z delovnega področja reševanja vlog azilantov na celotno področje dela, ki je v pristojnosti Migracijskega urada.

Glavna sprememba po uvedbi vitke organizacije v proces delovanja je, da prej ni bilo definirane odgovornosti za reševanje vsakega posameznega primera med zaporednimi delovnimi fazami, sedaj pa je povsem jasno strukturirano, kdo mora izvesti naslednjo fazo v procesu in v kakšnem roku.

Čeprav so naloge Agencije za migracije ostale v pretežni meri nespremenjene, pa se je razporejanje nalog ter spremljanje merljivih ciljev bistveno spremenilo zaradi standardizacije metod dela. Ključen je bil novi sistem za naročanje strank, ko tajnica poda termin prosilcu za obisk urada, hkrati pa isti termin vnese tudi v delovni koledar uradnika. To je hkrati tudi glavni vzrok nesoglasja med vodstvom urada na eni strani ter med uradniki na drugi strani, saj nekateri od njih trdijo, da na ta način izgubljajo nadzor nad razporejanjem delovnih opravil. Menedžerji oziroma vodje organizacijskih enot pa hkrati zagotavljajo,

da je standardizacija delovnih nalog, še posebej glede časovnih normativov, nujna, če hočejo koordinirati delovne aktivnosti osebja oziroma uradnikov (Crawford, 2012, str. 23).

Verjetno je ravno takšen način razporejanja delovnih nalog razlog, da se je zadovoljstvo zaposlenih od leta 2009 stalno zmanjševalo. Vodstvo Migracijskega urada meni, da je razlog za to povečanje obsega dela, intenziven razvoj ter zmanjševanje proračunskih sredstev. Zanimivo je, da je za 14 % padel tudi indeks zadovoljstva strank, pri čemer vodstvo kot razlog za to ocenjuje, da prosilci menijo, da niso ustrezno obveščani o statusu reševanja svoje vloge (Crawford, 2012, str. 23).

Gotovo normiranje porabe časa za izvedbo posameznih delovnih nalog zahteva kompromis v odnosu do kakovosti storitve in tudi v odnosu do samih prosilcev. Kakovost delovanja je pretežno izražena z merljivimi kazalniki, kot so delež zadev, ki je vrnjen s sodišča v ponovno odločanje na prvo stopnjo. Vzrok za vrnjene zadeve je lahko tudi pomanjkanje časa za ugotovitev dejanskega stanja, ker je čas za ugotovitev dejanskega stanja normiran (pre)kratko.

3.4 Značilnosti uvedbe vitke organizacije v javnem sektorju v tujini

Pri uvedbi vitke organizacije v javni sektor oz. še posebej v organe javne uprave je vsekakor treba omeniti tri posebnosti – tj. načelo enakosti, pomanjkanje konkurence ter kontraproduktivne spodbude, s katerimi se zasebni sektor ne sooča (Audier, Sanders & Winslade, 2010, str. 2):

Načelo enakosti – V javni upravi velja za večino javnih storitev temeljno načelo, da mora biti vsaka stranka obravnavana enako, da se preprečijo pristranskost, diskriminacija ali samovoljno izvajanje pooblastil. Vendar pa takšna pravila hkrati lahko povzročijo, da je državni aparat bolj neprilagodljiv, počasen v odločanju, zmanjšana pa je tudi njegova zmožnost za spodbujanje inovativnih pristopov, ki bi bili prilagojeni za različne potrebe državljanov.

Pomanjkanje konkurence – Samo majhen delež organizacij javne uprave deluje v konkurenčnem prostoru, večina pa je zaradi stvarne ali krajevne pristojnosti edini ponudnik določenih vrst storitev, zato uporabnik tako nima možnosti proste izbire. Ker ni konkurence, tudi ni z njo povezanih dejavnikov, ki sicer pospešujejo inovacije.

Kontraproduktivne spodbude – Menedžerji v javnem sektorju pogosto niso nagrajeni za izboljšanje učinkovitosti oziroma so morda celo deležni negativnih učinkov zaradi takih izboljšav, če npr. prihranki privedejo do zmanjšanja proračunov organov državne uprave, namesto da bi bili namenjeni izboljšanju kakovosti storitev.

Radnor in Johnston (2013, str. 19) pa ugotavljata, da je uvajanje vitkosti v ustanove javne uprave bistveno bolj kompleksno kot v zasebna podjetja, saj ne moremo vedno natančno določiti kupca.

Tudi Drotz (2014, str. 19) meni, da je v javnem sektorju pojem kupca težko definirati, in to tako pomensko kot tudi konceptualno. Vsekakor pa je treba kot kupce upoštevati tako državljane kot tudi stranke oziroma odjemalce storitev. Državljeni nastopajo kot kolektivna družba, ki skozi politični in družbeni ustroj opredeljuje temeljne cilje organizacij javnega sektorja in izraža preference glede ponujenih storitev. Stranke pa so tisti odjemalci, ki v neposredni interakciji z institucijami javnega sektorja storitev od njih prejmejo neposredno.

Ustvarjanje toka vrednosti je eno od najpogosteje uporabljenih orodij vitkosti, saj organizacija s tem lahko zmanjša izgube, izboljša organizacijsko strukturo ter do določene mere poenoti delovne postopke. Je pa vitkost lažje uporabiti v podpornih oziroma back-office procesih organizacije, saj so tukaj procesi bolj predvidljivi in ponovljivi kot pri osnovnih oziroma front-office procesih, kjer je stik s stranko neposreden in je tudi zaznavanje ravni kakovosti storitve drugačno (Drotz, 2014, str. 21).

4 Možnost uvedbe vitke organizacije v javni sektor Republike Slovenije

Vitka organizacija je le eno izmed upravljaljskih orodij za izboljšanje procesov delovanja, doseganja standardov kakovosti ter doseganje odličnosti organizacije. Za Slovenijo velja, da sicer nekateri avtorji (glej npr. Dimovski, 2003; Gider, 2007; Zeni, 2014) poudarjajo pomen vitke organizacije za izboljšanje učinkovitosti delovanja javnega sektorja, vendar za zdaj ni evidentiran oziroma objavljen noben primer, da bi se vitka organizacija dejansko uvedla v delovanje katerega koli subjekta v javnem sektorju v Republiki Sloveniji. Pri nekaterih subjektih so sicer v uporabi določene delne metode in tehnike vitke organizacije, kot je Kaizen kot metoda stalnih izboljšav, vendar popolne uvedbe z vzpostavitvijo toka vrednosti ter izločanjem potrat, ki bi imela tudi merljive učinke izboljšav v učinkovitosti delovanja, nismo zasledili.

Če se bo kdaj začelo uvajanje v subjekte javnega sektorja Republike Slovenije, bo predvsem treba izhajati iz dejanskih potreb strank oziroma odjemalcev storitev, za katere opazen prispevek ne more biti zgolj notranja učinkovitost konkretnega subjekta.

Vodstvo izbrane skupine subjektov ter ključni sodelavci, ki bi delovali na pilotskih projektih, bi morali najprej z intenzivnimi usposabljanji in realnimi študijami primerov pridobiti potrebna dodatna znanja. Uvedbo vitke organizacije bi sicer teoretično lahko izvedli tudi s projektnim delom posameznega subjekta, vendar bi bil takšen pristop nepopoln in ne bi omogočal potrebnih sinergijskih učinkov. To bi se odražalo tako v sorazmerno visokih stroških na posameznega

udeleženca usposabljanj kot v vprašanju, ali smo dejansko sploh pridobili vsa potrebna znanja. Druga slabost je možnost motiviranja zaposlenih v konkretnem subjektu, da intenzivno in zavzeto pristopijo k uvajanju vitke organizacije, saj se bodo pri večini sodelavcev zagotovo pojavljala vprašanja in dvomi, kaj pravzaprav predstojnik dotičnega subjekta sploh želi in zakaj, če pa drugi istovrstni ali primerljivi subjekti ne uporabljajo te rešitve.

Odločiti bi se bilo treba tudi za način uvedbe, pri čemer se izpostavljajo vsaj naslednje možnosti:

- ali vitko organizacijo pilotsko uvesti v nekaj izbranih subjektih ali pa projekt pričeti pri vseh istovrstnih subjektih hkrati,
- uvajati vitko organizacijo globalno na način popolne uvedbe, hkrati od zgoraj navzdol in od spodaj navzgor v obsegu celotnega subjekta, ali pa uporabiti delni pristop pri nekaj procesih, da se že kratkoročno pokažejo pozitivni učinki,
- ali najprej pričeti uvajanje v podporne procese, kjer dela in naloge niso neposredno povezane s strankami (finančne in kadrovske zadeve, informatika, nabava, arhiviranje ipd.), ali pa vitko organizacijo uvajati v ključnih procesih in postopkih, kjer bo prišlo tudi do vidnega učinka izboljšav na same odjemalce storitev (skrajšanje časa trajanja storitev in postopkov).

Pri sicer neobhodni standardizaciji procesov bo nujen tudi pragmatičen način razmišljanja, in sicer bo treba poenotiti postopke le do mere, ki ne preprečuje absorbiranja različnosti in variacij potreb strank. Preveč togo predpisan postopek za izvajanje neke upravne storitve bi čas reševanja samo podaljšal.

Vsekakor je vitko organizacijo mogoče uvesti tudi v subjekte javnega sektorja v Republiki Sloveniji, vendar je prvi pogoj iniciativa političnega vodstva države, ki bi moralo izbrati način uvedbe, ki bo v razumnem času pokazal merljive in konkretne pozitivne učinke ter tako prispeval k izgradnji pozitivne podobe javnega sektorja kot učinkovitega servisa za državljane.

5 Razprava

Vitka organizacija v procesih delovanja subjektov javnega sektorja ima pretežno pozitivne učinke, predvsem glede dviga učinkovitosti delovanja, to je višje produktivnosti in nižjih stroškov. Predvsem se zaznava skrajšanje časa, ki je potreben za izvedbo določene storitve, nato reduciranje potrebnih aktivnosti v procesu ter vzporedno še prihranek sredstev zaradi zmanjšanja potrebnega števila zaposlenih kot strošek dela. Z vidika tako imenovanih »mehkih elementov« pa je poudarjeno zmanjšanje stresa pri zaposlenih, ker postopki tečejo bolj tekoče in z manj ovirami.

Se je pa treba zavedati tudi nekaterih omejitev, med drugim tudi dejstva, da je v zasebnem sektorju precej lažje definirati cilje kakovosti poslovanja

kot v javnem sektorju, saj je v slednjem raven neke storitve praviloma opredeljena z zakonsko regulativo in to bodisi neposredno ali pa preko kvote resursov, ki so v danem trenutku na voljo – število kadrov, finančna sredstva ipd. Torej država oziroma vladajoča politika že v splošnem določi, kakšna bo raven neke konkretne storitve do uporabnika (npr. normativi v vrtcih in šolah, čakalna doba za operacije v bolnišnicah ipd.).

Osnovno načelo vitke proizvodnje, da so potrebne aktivnosti le tiste, ki dodajajo vrednost in jih je kupec tudi pripravljen plačati, težje uporabimo v javnem sektorju, saj uporabnik neposredno ne plača storitve (razen morda kakšne upravne takse ipd.). Zato je težko povečati vrednost z dodajanjem določenih atributov neki storitvi.

Merjenje tehničnih karakteristik kakovosti, kot je povprečni čas reševanja vlog in podobno, je gotovo lahko zelo uporabno v javnem sektorju, vendar je kakovost storitve z vidika stranke vseeno treba obravnavati v vsej njeni kompleksnosti in pridobiti povratne informacije o potrebah kupcev in njihovih pričakovanjih glede javnih storitev, da jih lahko nato uporabimo kot vhodno informacijo za izboljšave procesa. Gotovo pa v vsaki organizaciji obstajajo možnosti za uporabo metod in orodij vitkosti, da se vzpostavi učinkovitejši proces poslovanja.

6 Zaključek

Pritisk davkoplačevalcev za zmanjševanje stroškov delovanja javnega sektorja je stalen ter izrazit in dejstvo je, da bo javni sektor moral pospešeno iskati ustrezne načine za povečanje svoje učinkovitosti. Ni pa enostavno povsem enoznačno odgovoriti, ali je uvajanje koncepta vitkosti kot način za povečanje učinkovitosti in racionalnosti res najboljša rešitev za javni sektor. Vsekakor so se orodja in tehnike vitke proizvodnje pričele uvajati v subjekte javnega sektorja šele pred dobrimi desetimi leti, pri čemer je npr. Toyota potrebovala več kot 20 let, da je koncept vitke proizvodnje ustrezno izpopolnila (Crawford, 2012, str. 33).

Iz dosedanjih izkušenj z uvajanjem koncepta vitkosti v javni sektor v določenih državah pa lahko sklepamo, da vitka organizacija dejansko lahko pripomore k boljši učinkovitosti in racionalnosti delovanja subjektov javnega sektorja, vendar programov vitkosti nikakor ne smemo usmeriti niti razumeti kot preprosto rezanje stroškov, pač pa zgolj kot pristop, s katerim lahko težavno situacijo spremenimo v organizacijsko priložnost za osmislitev načina, kako naj bodo javne storitve nudene v prihodnosti. Skratka, gre za iskanje poti, kako javni sektor narediti čim učinkovitejši in ga približati uporabnikom s ciljem ustvarjanja ustreznega družbeno-ekonomskega okolja za razvoj družbe.

Mag. Emil Trontelj je načelnik Upravne enote Slovenska Bistrica. Magistriral je na Ekonomsko-poslovni fakulteti Maribor, smer management in organizacija, na temo vitke organizacije v upravni enoti. Že več let se ukvarja z optimizacijo procesov poslovanja ter s preučevanjem možnosti uvedbe metod in tehnik vitke proizvodnje, sprva v poslovanje gospodarskih družb, sedaj pa v poslovanje organov državne uprave. Prispevek temelji na avtorjevem magistrskem delu z naslovom Vitka organizacija v upravni enoti.

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SUMMARY

1.04 Professional article

Lean Organisation in the Public Sector

In modern societies, the public sector has a significant impact on all areas of organised human activity and the general development of society. Changes in the environment and the increasing expectations of clients as users of public services require improved processes of the public sector subjects' operation to achieve reduced costs, the quicker implementation of services and better service quality. In some countries, executive authorities have already introduced the methods and techniques of lean production or lean organisation into the operation of public sector institutions as one of the possible systematic improvement tools.

The primary purpose of this article is to demonstrate the results of introducing lean organisation into the public sector in some countries and to point out all the specifics of this implementation. We want to obtain comprehensive answers on whether or not the methods and techniques of lean organisation are a useful approach for improving the efficiency of the public sector.

Lean organisation is a strategic policy that approaches the identification and elimination of wasteful elements from the business process in a comprehensive and systematic way. The goal of its application is to eliminate all elements or activities that do not bring added value from the customer's perspective. Therefore, its application can significantly shorten the time needed to produce a product or carry out a service.

For the purpose of research, we have studied certain examples of introducing lean organisation in the public sector in the United States of America, the United Kingdom and in Sweden. Our findings are as follows.

In the United States of America, lean organisation has already been implemented in some public sector subjects at the federal level – the United States Environmental Protection Agency and the US Army, as well as in individual states – Colorado, Connecticut, Iowa, Maryland, Maine, Minnesota, Michigan and New Hampshire. Lean concepts have also been introduced in the administrations of certain city authorities – Cape Coral (Florida), Grand Rapids (Michigan), Jacksonville (Florida), the County of Ventura (California) and Brown County (Wisconsin).

With the systematic implementation of lean methods, the employees at the United States Environmental Protection Agency head office and regional offices have managed to shorten the duration of processes of certain groups of services. In the state of Iowa's Department of Natural Resources, they managed to reduce the number of decision stages for issuing permits for underground storage tanks by 80 % and, at the same time, reduce the number of process steps from 43 to 26. Consequently, the decision-making timeframe dropped from 38 to 3 months.

At the Michigan Department of Environmental Quality, they also renovated their permit application processing procedure. The procedure has become simpler and more up-to-date. It has eliminated waiting time and duplicated procedures. One year after the introduction of the new processes, the timeframe for major permits was reduced from 422 to 98 days, and the timeframe for minor permits dropped from 143 to 50 days. Relationships among all the stakeholders were improved and employees' work motivation increased.

The state of Minnesota established the Commission on Service Innovation, which then recommended the deployment of lean programmes at all levels of government. In three years, 17 state agencies entered the programme, redesigning more than 170 business processes. Agencies have realised productivity improvement goals, with the duration of services being shortened by two-thirds on average, while the effective time (labour hours per procedure) was halved.

In the United Kingdom, an extensive restructuring of the public sector was launched under Prime Minister Margaret Thatcher. It was based on the premise that market mechanisms are the most effective way to allocate resources in the public sector, so they began delegating certain public services to private companies. For the public sector institutions that were still providing public services, the New Public Management paradigm was introduced.

Lean methods began to be implemented in hospitals (e.g. the Royal Bolton Hospital, Greater Manchester) to eliminate process duplication and unnecessary procedures. They improved the efficiency and quality of operations in various areas, such as a shortened length of stay in the hospital, reduction of floor space and material costs savings.

One of the most frequently studied and controversial examples of introducing lean organisation in the public sector is the HM Revenue and Customs of Great Britain. The lean programme was implemented in order to improve efficiency and services for the customer by 30% in terms of productivity indicators and number of errors. In reality, the response time was halved, the solving of claims was shortened from 15 to 6 months, and claims for tax returns were processed in 15 working days instead of 25. The changed processes also improved teamwork and encouraged the sharing of best practices.

On the other hand, some published research also mentions the negative effects of introducing lean organisation in HM Revenue and Customs, as they failed to take into account two fundamental requirements for lean organisation – continuous improvement and respect for people (employees, clients, suppliers and other stakeholders). The negative results included various errors in tax assessments, employee morale dropped and sick leave rates went up.

Swedish Migration Agency is one of the first public sector bodies in Sweden that started implementing the tools and techniques of lean organisation in their operational processes due to problems with long delays in processing asylum seekers' applications. Before the lean organisation project was

introduced, the average duration of asylum approval was 267 days, while after two years the average duration was shortened to 111 days.

Based on these case studies, we can conclude that the implementation of lean organisation in the processes of public sector subjects brings positive effects, primarily in the field of efficiency. The chief benefit was a shortening of the time necessary for the implementation of certain services. The number of activities in the process was reduced and, consequently, the labour cost was reduced. In terms of the so-called “soft elements”, an important benefit is the reduced stress on employees, because the procedures run more smoothly and with fewer obstacles.

In the implementation of lean organisation in the public sector, esp. in public authorities, three specific features should be mentioned that the public sector is not faced with the principle of equality, lack of competition, and counterproductive encouragement.

The principle of equality – in public administration, the basic principle for the majority of public services is that each client should be treated equally in order to prevent bias, discrimination or the arbitrary exercise of powers. However, such rules can also cause the government apparatus to be rigid, slow in decision-making and lacking innovation.

Lack of competition – Only a small number of public administration organisations experience competition. The majority of them are, due to their material or local jurisdiction, in the position of being the only provider of certain types of services.

Counterproductive encouragement – Managers in the public sector are often not rewarded for increasing efficiency or may even receive negative feedback for such improvements (e.g. savings can cause a reduction in public administration budgets, instead of being allowed to use the savings for improving the quality of their services).

The implementation of lean organisation in public administration institutions is significantly more complex than in private companies. One of the reasons is that we can't always precisely identify the customer. In any case, citizens and clients or service users need to be considered as customers.

If lean organisation is ever implemented in the public sector of the Republic of Slovenia, it will need to be based on the actual needs of the customers or service users, for which the internal efficiency of a specific subject cannot be the only observable input.

It is also necessary to be aware of certain limitations, including the fact that in the private sector, it is much easier to define quality objectives than in the public sector. In the latter, the level of a service is usually defined by law, either directly or by the quantity of resources that are available at a given moment. Lean programmes should not be understood only as the simple cutting of costs, but as an approach for determining how to shape public services in the future.

Navodila avtorjem

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Vsakemu avtorju pripada 1 tiskan izvod revije in separat članka v e-obliki.

Članki niso honorirani.

Citiranje člankov, izdanih v *Mednarodni reviji za javno upravo*, pomembno prispeva k uveljavljanju revije. Zato vas glavna urednica prosi, da pregledate arhiv revije na naslovu <http://www.fu.uni-lj.si/zalozba/mednarodna-revija-za-javno-upravo/arhiv-stevilk/>, kjer najdete članke, izdane v reviji v letih 2003–2016, odnosno od letnika I do letnika XIV, ki bi bili morda zanimivi za vašo tematiko, in jih citirate v literaturi svojega članka.

Uredniški postopek:

1. Uredništvo lahko še pred recenzijo zavrne objavo članka, če njegova vsebina ne ustreza najavljeni temi, če je bil podoben članek v reviji že objavljen, ali če članek ne ustreza kriterijem za objavo v reviji. O tem uredništvo pisno obvesti avtorja.
2. Članek naj bo lektoriran, v uredništvu se opravlja samo korektura. Izjemoma se po dogovoru z avtorjem besedilo tudi lektorira.

3. Vsi članki se recenzirajo in razvrstijo.¹ Med recenziranjem avtorji in recenzenti niso imenovani. Članki po 1.01, 1.02 morajo za objavo prejeti dve pozitivni recenziji, od tega eno od tujega recenzenta. Če recenzenti razvrstijo članek različno, o končni razvrstitvi odloči uredniški odbor.
4. Članek, ki ga je avtor poslal v slovenskem jeziku in sta ga recenzenta razvrstila po 1.01, 1.02, mora avtor nato poslati še v prevodu v angleški jezik.
5. Avtor prejme rezultate recenziranja praviloma v treh mesecih od oddaje članka.

Oblikovanje članka:

1. Naslovu prispevka naj sledi: a) polno ime avtorja/avtorjev, b) naziv institucije/ institucij in c) elektronski naslov/naslovi.
2. Članek mora vsebovati še: a) *izvleček*, ki naj v 8 do 10 vrsticah opiše vsebino prispevka in dosežene rezultate raziskave; b) *ključne besede*: 1–5 ključnih besed ter c) *kodo iz klasifikacije po Journal of Economic Literature – JEL* (<https://www.aeaweb.org/jel/guide/jel.php>).
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5. Slike in tabele, ki jih omenjate v članku, vključite v besedilo. Opremite jih z naslovom in oštevilčite z arabskimi številkami. Revijo tiskamo v črno-beli tehniki, zato barvne slike ali grafikoni kot original niso primerni. Če v članku

1 Članke razvrščamo po tipologiji COBISS:

1.01 Izvirni znanstveni članek. Izvirni znanstveni članek je samo prva objava originalnih raziskovalnih rezultatov v takšni obliki, da se raziskava lahko ponovi, ugotovitve pa preverijo. Praviloma je organiziran po shemi IMRAD (Introduction, Methods, Results And Discussion) za eksperimentalne raziskave ali na deskriptivni način za deskriptivna znanstvena področja.

1.02 Pregledni znanstveni članek. Pregledni znanstveni članek je pregled najnovejših del o določenem predmetnem področju, del posameznega raziskovalca ali skupine raziskovalcev z namenom povzemanj, analizirati, evalvirati ali sintetizirati informacije, ki so že bile objavljene. Prinaša nove sinteze, ki vključujejo tudi rezultate lastnega raziskovanja avtorja.

1.04 Strokovni članek. Strokovni članek je predstavitev že znanega, s poudarkom na uporabnosti rezultatov izvirnih raziskav in širjenju znanja, zahtevnost besedila pa prilagojena potrebam uporabnikov in bralcev strokovne ali znanstvene revije.

1.05 Poljudni članek. Poljudnoznanstveno delo podaja neko znanstveno ali strokovno vsebino tako, da jo lahko razumejo tudi preprosti, manj izobraženi ljudje.

1.08 Objavljeni znanstveni prispevek na konferenci. Predavanje, referat, načeloma organiziran kot znanstveni članek.

1.19 Recenzija, prikaz knjige, kritika. Prispevek v znanstveni ali strokovni publikaciji (reviji, knjigi itd.), v katerem avtor ocenjuje ali dokazuje pravilnost/nepravilnost nekega znanstvenega ali strokovnega dela, kriterija, mnenja ali ugotovitve in/ali spodbija/podpira/ ocenjuje ugotovitve, dela ali mnenja drugih avtorjev. Prikaz strokovnega mnenja, sodbe o znanstvenem, strokovnem ali umetniškem delu, zlasti glede na njegovo kakovost.

1.21 Polemika, diskusijski prispevek. Prispevek, v katerem avtor dokazuje pravilnost določenega kriterija, svojega mnenja ali ugotovitve in spodbija ugotovitve ali mnenja drugih avtorjev.

uporabljate slike ali tabele drugih avtorjev, navedite sklic pod sliko, tabelo ali kot sprotno opombo. Enačbe oštevilčite v oklepajih desno od enačbe.

6. Članek naj obsega največ 30.000 znakov.
7. Članku dodajte kratek življenjepis avtorja/avtorjev (do 8 vrstic).
8. V besedilu se sklicujte na navedeno literaturo na način: (Novak, 1999, str. 456).
9. Na koncu članka navedite literaturo po abecednem redu avtorjev in vire, upoštevajoč APA standard, po naslednjem vzorcu:

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Disertacija:

Richmond, J. (2005). *Customer expectations in the world of electronic banking: a case study of the Bank of Britain* (doktorska disertacija). Chelmsford: Anglia Ruskin University.

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² Če ima članek dodeljeno DOI številko, jo v seznamu literature obvezno navedite.

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