

# Dictionary of Public Administration Management

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# DICTIONARY OF PUBLIC ADMINISTRATION MANAGEMENT

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## Foreword

This dictionary of public administration management was created as an output of the courses of Public Administration Management at the university programme Political Science—Studies of Democracy and Governance (academic year 2020/21) and at the programme Political Science—Policy and public administration (academic year 2021/22) at the Faculty for Social Sciences, University of Ljubljana.

After introducing students to the rich and ever expanding field of administrative sciences, students explored and wrote definitions for three keywords connected to the public administration and management. To foster their academic capability, there were two-stage anonymised peer review processes that mimicked the norm of academic publishing. As a professor of the course, I edited and followed the process, honouring individual authors' styles and encouraging strict reviewing processes. Therefore, authors of keywords are rightfully listed as authors of this contribution. Presented manuscript is the end result of this process, which can serve as an addition when studying public administration management. Of course, here, only a fraction of public administration management terminology is presented, but we tried to capture the main buzz words. This subject dictionary also serves as an example of excellent students' work, and how trusting the professionalism of young intellectual minds is a solid investment in the future.

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## Accountability

is by definition an obligation of responsibility through which administrators in the public sector are held liable for their actions, which must be in line with general principles of democracy and ethics. According to Fox and Meyer (1995), accountability is usually understood as the basic commitment of government officials to answer for results in achieving goals set beforehand to either legitimate institutions or the public who elected them. Accountability is always between two different parties—the responding one (under question) and the authority (expecting answers). The process of accountability can be explained in three points: first, transparency (all information must be available), then discussion (present all facts and reasons), and lastly, conclusion (and possible consequences for answering officials, for example, a warning, demotion or even loss of job). In practice, this means that all public officials are supposed to complete tasks to the best of their ability, experience, and efficiency. The key idea of accountability is to ensure a ‘checks and balances’ system in the public administration system, where everyone realises they are held accountable for their actions and that consequences are there in case of wrongdoing. With democratisation and progress of representative types of government, accountability has earned needed relevance—and that is because there is no direct participation by the people, so public administrators or elected officials are expected to work hand-by-hand with common values and core principles of democratic framework. However, considering that accountability derives strong roots from traditions and thus varies from country to country, it ultimately depends on a country’s constitutional and legal foundation.

## Administration

is a general term describing the management of a business, operation, organization, institution or a state and the tasks needed to control them. Public administration (PA) is a set of public bodies that contribute to the implementation of state policies.

Historically, public administration has undergone many transformations from the point of view of structure and functions. In the 19th century, it consisted of administrative structures that were subordinated to executive power. It mainly enforced laws and ensured order (police, public order, defence, justice).

Over the course of the 20th century, public administration activities aimed at promoting social and economic well-being were added to the traditional administrative functions.

Public administration has gradually gained autonomy, and so, administrative power was separated from the executive power. At the same time, territorial administrations, politically independent from the central government, developed due to the processes of autonomy and decentralization. Since the 1980s, further transformations have taken place. The policies of liberalization, privatization, de-bureaucratization that were strongly practiced in Great Britain and the United States of America, have, in several countries, caused a reconsideration of the size and functions of public administration, underlining the need for a “leaner” and more effective PA, in terms of rendering services and regulating economy without excessive interference in its functioning.

## **Administrative decentralisation**

is the transfer of the execution of administrative tasks to territorial state bodies. The term territorial organisation of the state administration mainly refers to the territorial distribution of the state administration. With territorial decentralisation, the state divides the efficient execution of administrative tasks and, above all, a more rational operation of the administration into the entire country territory. The state is obliged to distribute administrative services evenly over its entire territory. For this reason, there is a need for state authorities, which are just a ‘territorial substitute’ for central authorities. The entire territory of each country is divided into individual territorial units that enforce the decisions of the central authorities. Administrative decentralisation can also be called deconcentration, which according to the main body of literature (e.g. Ozmen, Schneider, Rondinelli) refers to the central government that distributes responsibility of each territorial organisation within a specific policy. The central government may delegate some of its powers relating to the decision-making and execution of decisions to the heads of individual territorial units. Administrative decentralisation is not the only form of administrative territorialisation; it is also important to highlight political decentralisation, which by no means the same. Administrative decentralisation should be understood

differently as political decentralisation—it is the transfer of decision-making on public affairs to local authorities and also (according to Schneider) refers to the degree to which central governments allow non-central government entities to undertake the political functions of governance, such as representation.

The main advantage of administrative decentralisation is the spatial distribution of the state administration and, consequently, the efficient execution of administrative tasks on the entire territory and the cheaper operation of the administration. On the other hand, it is difficult control, new organisational requirements (coordination, professional assistance) are needed, and there is the possibility of the influence of local factors on the implementation of administrative tasks.

## **Administrative law**

is a field of public law that deals with the variety of governmental agencies' procedures, rules and regulations. It tackles the decision-making capacities of such administrative entities, as they carry out legislation approved by the state and federal legislatures. The body of law deals with the establishment, duties, rules and powers of government administrative agencies. Values of a society are reflected in the law. No nation can function efficiently, unless its members follow and respect the laws of the country. As a result, public administration law/administrative law refers to the set of rules and regulations that govern a state's or nation's administration. Administrative law deals with the powers and responsibilities of administrative and political staff who are in charge of a state governance.

Administrative law is the branch of law that vests power in administrative agencies and imposes specific standards on those agencies. It provides for the exercise of power and for the redress of wrongdoing and inappropriate administrative actions. It is that branch of public law whose goal is to define citizens' rights in the event of (intentional or unintentional) violation of rights by the government or its agencies. Administrative law is a part of public law that deals with the structure, functions, responsibilities, rights and liabilities of a variety of government agencies, which are supported by government administration. It is the law pertaining to government administration.

## Administrative responsibility

is the duty to respond to damages or losses caused by action or inaction of administration while providing public services. The role and purpose of administration is to serve the public good; countries recognize that their administration can be held accountable in case it fails to perform adequately or correctly. This idea of accountability stems from the understanding that while performing its tasks, administration can commit mistakes that can be harmful to its users. If the latter suffer damage from the administration's action (or sometimes inaction), the prejudice has to be repaired by administration itself. Holding people accountable brings democratic and political dimensions to public administration. It is not always the entire administration that is held accountable; sometimes it is only a specific employee who has to correct their mistake(s). In many countries, there are specialized tribunals that determine whom the responsibility falls on.

The idea of administrative responsibility was initially developed in countries where administrative structure worked well (such as France or Germany). It appeared roughly around the end of the 19th century and has since then gained importance, focusing more and more on repairing the prejudice and helping users who have been wronged. Having regional entities that produce laws as well (such as the European Union), there is the need to incorporate this set of rules into a national entity. Administrative responsibility can also be understood as the responsibility that administrative workers have towards each other. Most administrative employees are supervised by their superiors; however, the former also supervise their latter, making the supervision a mutual process.

## Agencification

is a process of regulatory and administrative competencies' transfer from the government to semi-autonomous organisations, called 'agencies', that are not established in the governmental structure. The main characteristic that sets agencies apart from any other form of administration is that its officials do not have political mandate, though the leadership is appointed by state organs. The aim of the agencification is cutting costs, improving service quality, and leading to efficiency and innovativeness. Additionally, it is aimed at replacing the government units with politicians at the top by the agencies with managers as leaders. However, it does not lead to total

removal of political actors, since the political responsibility for agencies' actions still remains. According to C. Hood, agencification involves the separation of the purchasing and providing functions within public institutions. In other words, it provides the permanent organisational separation of policy implementation from the policy formulation, which is still a prerogative of politicians. Such a split gives users a bigger influence on the decision-making process, emphasises their interests more, and reduces transaction costs. In addition, it tries to solve the principal-agent problem (information asymmetry: the principal knows less but expects his task will be done in his own interests; however, the agent has much more information and that's why he can complete the task in his own interests). Agencification, as a conception of disaggregation and creation of task-specific organisations, is one of the structural reforms introduced by New Public Management (NPM). That notion appeared practically for the first time in the 1980s in the United Kingdom, where Margaret Thatcher decided to realise the 'Next Steps' initiative that would make agencies carry out the executive functions of government within government's set policy. This project inspired other countries to follow the trend of decentralisation and to implement this part of New Public Management (NPM) reforms, making agencies a popular organisational form nowadays. The critics argue that agencification eventually does not guarantee higher efficiency, as scientific studies show that there's no strong co-relation with improving performance level. Process can also lead to different unintended effects, such as fragmentation, loss of coordination and political control, lower levels of financial performance and accountability, and reduced quality of public services. Moreover, a trend towards de-agencification and re-centralisation to deal with the mentioned problems has been recently observed in some countries.

## **Budgeting**

is a decision-making process of creating a budget. The verb budgeting stems from the word "budget" - an administrative action that applies both to public and private sector, according to which the expected revenue and proposed expenses for a specific period of time (generally it is annual) are determined. Budgeting is a form of financial management and stands for the fiscal and financial activities necessary to economically support the completion of programs, projects, services or activities of organizations, agencies or nations. It is an important function of bureaucracy and can



have many shapes and forms, depending on the field of use, scope and targets.

In the field of public administration, budgeting is conducted by civil servants and requires a collective action of all departments of public administration in a state, as all of them directly or indirectly affect the final budget. Each nation's government is responsible for making agreements on a budgetary policy that shapes the final budget when that government takes office. The budget affects all public organizations and agencies. The budgetary policy is determined by the projected expenditures and revenues of a government's plans, projects and expected national and international economic developments over the next year. Budgeting in the public sector is also in line with the principle of public interest, in order to ensure that all citizens can access and use public services with the minimum possible financial burden to an organization's, agency's or nation's budget. Budgeting, if done properly, can allow the prioritization of public resources and their allocation to where it is needed. It also ensures the transparent use of taxpayers' money and provides insights that can increase financial efficiency of an organization or state. If done improperly, the cost overruns and/or the misuse of public funds can occur, which puts pressure on national budget.

Budgeting is a time-consuming process that demands human resources, which can result in higher operating costs and decreased productivity when a budget is drafted and when fiscal corrections and discipline are needed. Nevertheless, budgeting is necessary everywhere, whether the budget in question is for a small, local branch of public agency or a country. A budget has to do with control and management of public spending to ensure the implementation of a government's targets.

## **Bureaucracy**

is a system of administratively organising large numbers of people who have to work together. In other words, it is a series of organisational principles and practices that are designed to maximise human compliance. Every country, company, or organisation in the public and private sector relies on bureaucracy to function. The term 'bureaucracy' originally comes from France, where it was first mentioned in 1764 and literally means 'rule by

desks/offices,' which highlights the often-impersonal nature of bureaucracies. The first to study bureaucracy and contribute to its popularisation the most was German sociologist Max Weber (1864–1920), who defined bureaucracy as a rational form of organisation and in his opinion it is the purest form of legal system of authority. Rational or legal authority means a situation in which impersonal laws and rules are formed and obeyed because there is a proper authority. According to him, bureaucracy was necessary in an industrial society, and he believed that public and private companies could not function successfully without bureaucratic control. In his theory, Weber also described the characteristics of bureaucracy, which are hierarchy (defined chain of command), specialisation (division of labour), merit system (selection and promotion based on qualification), separation between professional and private, well-defined written rules and regulations, rationality, and consistency. Weber's model of rational bureaucratic organisation reflects the social situation in Europe at the time, but it quickly established itself as the universal, ideal type of organisation. It has most significantly contributed to the functioning of the public sector in the 20th century. Nevertheless, bureaucracy mostly had a negative connotation. The reason for this is that bureaucracy is a system in which formalism and blind adherence to regulations dominate, without a sense of their meaning and regardless of people's actual needs in concrete situations. It is characteristic of ruthless social systems and due to its inhumane tendency, subordinates' demands to the state and administrative apparatus. A high degree of formality and paperwork also results in unnecessary delays in decision-making, wastage of time, effort and money, which is not ideal for efficiency.

## **Bureaucratic structure**

is a codified set of role expectations, specifying who is expected to do what, how and when. The majority of large, complex organizations in the government and business world utilize a bureaucratic structure. The understanding of bureaucratic structure will help you understand how governments and large corporations operate. An organization's bureaucratic structure has two fundamental characteristics: first, the structure is hierarchical, which means there are clearly determined levels of management, where lower levels are subordinate, or answerable, to higher levels. Second, the organization is governed by a set of objective laws, rules and procedures as the basis of authority and direction.

Max Weber is considered the founding father of modern bureaucratic management theory. Weber was a German sociologist and political economist who viewed bureaucracy as a positive development from past management and leadership based on traditional authority. He defined the concept as a rational way to organize a complex business. Bureaucratic organizational structures take a chapter out of Weber's book, with clearly defined roles and responsibilities, hierarchical structure and respect for merit. This organizational structure is characterized by: routine operating tasks achieved through specialization; formalized rules and regulations; functional departmentalization; centralized authority; narrow spans of control and decision-making that follows the chain of command. Bureaucratic organizational structures are pyramid-like, with a CEO at the top and an increasingly greater number of employees at each level as you go down the pyramid who are crucial for the functioning of bureaucratic organizations.

Bureaucratic organizational structures are ideal for organizations that require standardization (banks, government offices) and for organizations looking for the ability to perform basic tasks efficiently. Some advantages of bureaucratic structures are that managers have tremendous control over organizational structure decisions, which works best for managers who have "command and control" style of managing. Strategic decision-making is also faster because there are fewer people who need to approve of a decision. Established rules and procedures allow for a high efficiency and consistent execution of work by all employees. Bureaucratic structure is especially inevitable in organisations where legislation plays an important role in delivering a consistent output.

A disadvantage of bureaucratic structures is that it can discourage creativity and innovation, which can make it hard for a company to adapt to the changing conditions in the marketplace. Jobs are divided into categories which restrict people from performing tasks that they are capable of performing. Because employees in a bureaucratic organization have no opportunity to voice their opinion or influence the decision-making, bureaucracy may demotivate employees in the long run. Employees also remain fairly distanced from each other and the organisation. In addition, nepotism is often a problem, as managers at the top may favor their own people and help them rise quicker than more deserving individuals.

If the bureaucratic organizational structure looks familiar, it is because it is still tremendously popular with organizations today. Even as trends are changing towards teams and other types of structures that help businesses compete, organizations still hold onto hierarchical structure of a bureaucratic structure as the norm.

## **A civil servant**

is a person hired by a government of a state, in accordance with civil service law. The civil servant works in the public sector: he is responsible for setting up the administration of the country and its various services. It varies according to individual countries who are counted as civil servants (university personal, medical personal, military, etc.). They can work at the local, national, federal, and international levels. The status of civil servant was born in China during the imperial era to select the most competent persons to carry out administrative tasks within the State Bureaucracy. It came to Europe during the 18th century after the birth of the modern state. It is at the heart of the British Empire that this function first developed with the creation of the East India Company.

The civil servant must defend the public interest, not his personal interest, and treat all citizens equally. Civil servants can be recruited through the merit system, i.e. based on their skills (for most of them), or through the spoil system, i.e. based on their political affiliation (for high-grade civil servants). Except those recruited for their political affiliation, civil servants must be politically neutral in their functions (Durkheim & G. Koubs). They are not subject to private labour laws, but to specific rules that vary from country to country: based on administrative law and jurisprudence (Germany, France), standards and recommendations from commissions of inquiry (UK), or a mix of the two (USA). There is a country-specific classification that determines their responsibilities, status, salaries and benefits. In general, civil servants recruited for their skills have greater protection than private employees against dismissal so that they can carry out their actions without political pressure. Civil servants are not directly responsible for their actions: the administration will be taken responsible for the actions of its agents (there are exceptions). Recently, the limit between civil service legislation and labour law has been blurred by NPM and the introduction of evaluation and competition in the management process.

## Civil service

is a concept describing the bureaucratic system used by governments today and is a collective term describing the body of government officials employed in civil occupations of a state. In the field of public administration, civil service is a set of services and employees that keep the state running, no matter what is happening, even when a government changes.

Historically, the term was introduced with the creation of Her majesty's civil service in Great Britain in 1855, while the first instances of examinations to hire administrative officials for the state date back to the Sui dynasty in Imperial China (around 605 AD). Civil servants are not appointed or elected in any way, must have no official political allegiance and are chosen and promoted based on their qualifications, seniority, merit and on the selection system used by each state. Additionally, civil servants, executing the responsibilities and powers vested in them, are accountable to upper administrative levels and to the judicial authorities of each state to ensure fairness and compliance with the pre-established rules. Civil service is completely independent of politics, judicial system and military sector.

Civil servants are considered to be agents of public power, implementing the work of governments, ensuring the function of all essential public services provided by the state, ranging from the police and other emergency services, to the public health and education systems, covering the entire spectrum of public services. Without civil service and the work of civil servants, a state is not able to operate, implement and enforce its policies.

Criticism of civil service mainly focuses on the centralized and closed system of employment and the promotion mechanisms used by states, as they are considered to be inefficient. Public administration managers do not have the same tools and flexibility on how to acquire new talents to enrich their agencies, as the private sector. Furthermore, protectionist labor regulations that are in place in most nations around the world do not allow states to dismiss their employees, but only to demote them, even if they are inefficient or are conducting their tasks incorrectly. This may limit the speed and flexibility a government can have to bring forward and enforce new policies.

## Contingency theory

is an organizational as well as a behavioural theory which claims that there is not one optimal way to organize a corporation, lead a company or make decisions. Instead, the optimal course of action is contingent on the internal and external situations. Contingency theory is guided by the general orienting hypothesis that organizations, whose internal features best match the demands of their environments, will achieve the best adaptation. The theory also proposes structural changes or designs, leadership styles and control systems in an organization that allow it to react to environmental contingencies. It is based on the premise that all management is essentially situational in nature and states that there is no one good way to address any decision. Consequently, managers must take into account these contingencies when making decisions that affect the organization.

This theory was developed in 1950s in the United States as a result of the findings of leadership behaviour research, conducted by researchers from Ohio State University. One of the first contributions of research using a contingency approach was the establishment of the distinction between “mechanistic” and “organic” forms of organization and management. The mechanistic form was associated with a stable environment and routine technology, while the organic form was associated with an unstable or turbulent environment and changing technology. The contingency approach was further refined by Lawrence & Lorsch (1967) when it was concluded that organizations functioning in a complex environment adopted a much higher degree of differentiation and integration than those operating in a simple environment.

The primary characteristics of contingency theory include: non-universality of management theory - there is no one best way of dealing with matters; contingency - management decision-making is contingent upon the situation; in order for the environmental-managerial policies and practices to be effective, they must adjust to changes in the environment; diagnostics - managers must possess and continue to improve diagnostic skills to anticipate and be ready for environmental changes; human relations - managers should have sufficient human relations skills to accommodate and stabilize change; lastly, information and communication - managers must develop a communication system adequate for dealing with environmental changes.

A major strength of contingency theory is that it has the support of the abundance of empirical research, which is critical, as it proves (based on various trials and research) that the theory is reliable. The primary advantages of contingency theory are that it includes a realistic view of management and organization and it discards the universal validity of principles. Managers are situation-oriented and unbiased.

Although there are many strengths of contingency theory, there are also weaknesses and criticisms. For example, the contingency theory does not have a theoretical base - the executive is expected to know all the alternative courses of action before taking action in a situation that is not always feasible. The theory does not prescribe a course of action and a situation can be influenced by many factors which are difficult to analyze.

## **Customer/Consumer**

are terms, often interchangeably used and confused with one another, because an individual can synchronously play both roles. A customer is considered an individual, an organisation or a business that is defined through the act of buying the offering of the seller, for themselves or someone else, via monetary exchange or a financial transaction. At this point, we have to emphasise that the financial exchanges in public administration represent involuntarily imposed obligations of a citizen, who consequently takes on the role of a customer. If they are using the bought product, service, or goods for themselves, they're also considered consumers. In public administration, the distinction between these two terms is more difficult to impose. NPM reforms proposed to governments a more market-oriented approach as a crucial element for promoting competition between service providers as a way of avoiding market failure. NPM advocates therefore spoke in terms of customers and customer-driven government, while New Public Service spoke of citizens and citizen participation. As part of this new focus, Nancy C. Roberts characterises the citizen as both consumer and customer in a political and market economy. Citizens were viewed as active participants in a dialogue between the government as the provider (of a service, product or goods) and the public as customers. Among others, one of the key authors in the public administration field, Hindy L. Schachter, credits Osborne and Gaebler for their articulation of the citizen as customer metaphor, yet warns that casting people as customers may

undermine both their inclination to voice problems to government and government's openness to hearing them. The idea of citizens as customers (and consumers) took hold with governments because the programmes they imposed in the 1960s and 1970s were evaluated as ineffective and NPM put an emphasis on consumer sovereignty, which was supposed to enhance the performance of public markets via so-called customer/consumer satisfaction surveys.

## Corruption

comes from the word corrupt, which means guilty of fraudulent or deceitful processes, as payoff; corruption is exploitation of someone or something for personal gain. It can be explained as a trade-off, where a subject or a customer uses its sources or something of value to get quicker and more out of a service that cannot be accessed by other customers in the same situation. Corruption is an elusive term that differs historically and geographically. Its historical presence is extensive, which is why we cannot precisely place it on a chronological scale. Nevertheless, corruption has transferred from trade affairs to relations between the government and the public. As of its transfer, it remains a solid issue in public administration. The use of the term has become popular in the early 1990s, as globalisation has helped it flourish in governments and economies around the world. Corruption can also be understood or recognised as extortion, bribery, nepotism, and politicisation. Corruption can occur in the public and private sectors. It often involves large sums of money or items of higher value and actors that usually make rules, policies, or executive decisions. Actors can be individuals, companies, or organisations. We can categorise corruption into two sections: grand corruption, which usually takes place in the public sphere's higher levels as well as private business, and petty corruption, which usually affects a specific person and its contact with an official. In some countries, what might be known as corruption (bribery of public officials), it can be seen as a cultural appropriation in others. Corruption with public officials can occur in many ways, but the three main types are 1) taking a bribe to survive; when the wages of servants cannot guarantee survival; 2) getting a promotion or reaching a higher rank; it presents itself as an opportunity to get higher status or position; and 3) favouritism; to help or give advantage to someone you know (family members, friends, etc.). With the introduction of the merit system, it has started an offset from



potentially corrupt relations in the spoil system. This is also connected with bureaucratic organisation, which with its own highly organised and formal operations prevents corruption. In the future, higher accountability and systematic sanctioning mechanisms can reduce corruption in public administration, but if we employ a higher rate of discretion, then some examples of corruption can still be detected.

## Cutback management

is a process connected to cut back, which is a reduction or discontinuance, usually referring to finances (saving money). The term '*cut-back management*' was first introduced by Levine (1978) and emerged in the literature in the early 1980s. It became relevant again after 2008 and can be applied to both private and public sector organisations. According to Levine (1978), cutback management is '*managing organisational change toward lower levels of resource consumption and organisational activity*'. Levine also defined these as processes and actions executed by managers when institutions they are leading have insufficient budgets. In practice, decision makers are caught between lower budgets or limited funding and increased demands for public services. Authors through time have offered different views on the term and its conceptualisation through two strategies: traditional (also 'alpha') and new (also 'beta'). Bombyk and Chernesky (1986) defined traditional style based on power and force, whereas new style is more about participation and joint decision-making. These strategies, also defined as '*managing with less*', are mostly implemented at the local level, where services are provided on a day-to-day basis. Traditional strategies are usually across-the-board cuts (which affect everyone in the organisation) and targeted measures such as systematic priority setting, diversifying programmes, not filling vacant positions, improving working practices and productivity, adapting changes to clients' needs, etc., while new strategies include added consideration about staff needs, acquiring power over the task environment (networking), altering the organisational domain (for example merging), and more nonlinear measures (which do not necessarily affect all). The alpha approach is, according to Weatherley (1984), top-down and rational (quantitative), and beta is bottom-up and value-based (qualitative). Ingraham and Barrileaux (1983) reflected different approaches in practice and came to conclusion that in times when cutback strategies have to be applied, motivational rewards such as

promotions and raises, and threats like demotions and firing are not relevant and successful. What they suggested is that methods of cooperated decision-making and decentralisation of authority to lower levels is more appropriate during cutbacks, as well as strategies that are efficient when it comes to managing with less during times of increased demands of public services (for example, utilising slower processes, realising employee needs, and generally adapting to funding reductions). In addition, depending on the type of situation and crisis managers have to deal with, these strategies can turn out to be short-time measures or result in long-lasting or even permanent.

## Discretion

in public administration is the ability of civil servants who possess decision authority in a bureaucracy to make compelling decisions that indirectly affect processes for which they are in charge; it is particularly noticeable in separation-of-powers ('checks and balances') systems. One of the definitions according to Lipsky (1980) is that it is *'public officer's own judgement or intuition to make decisions, especially where the rules, regulations and procedures appear grey or such usage becomes imperative due to a context-dependent situation'*. Discretion in public administration can be viewed from two perspectives: macro and micro. Macro-perspective is when a public agency has complete freedom to make their own judgement and choices, and micro-perspective concerns individual civil servants who make decisions according to specific circumstances. Discretion comes from different sources; organisations in public administration are granted legal power to exercise authority to fulfil set goals, and civil servants have independence to decide by themselves when to use their powers. In terms of the legality of discretion, in practice civil servants are usually always able to justify their actions even when there is no legal basis for them. Usage of discretion is especially necessary when a civil servant is put in a position where he needs to act quickly and take immediate action in order to resolve a problem. However, even though sometimes civil servants are not under scrutiny about their actions, abuse of discretion is a legal ground of reviewability, and abuse of powers can be punished and even pursued in court.

## Division of labour

is a way of improving the productive powers of labour and is one of the ways managers try to increase productivity of workers. The concept of dividing labour has existed since the beginning of human history and has been talked about in the past from the likes of Plato, Petty, Smith, Durkheim, etc. In the organisational form, Max Weber characterised an ideal organisation as being specialised. Frederick W. Taylor considered specialisation one of the core principles of his idea of scientific management. Managers would use division of labour as a method to increase productivity and minimise costs. Henri Fayol was also one of the supporters of specialisation, since he emphasised that specialisation brings the minimalisation of wastage, which is the key to success for organisations. Fayol also theorised that the division of work is a principle present in nature.

Division of labour means that instead of one worker producing a product all by himself from start to finish, he is highly trained or specialised in a certain subtask to make the product. This means that the production is split into many simple parts, and each part is taken by different workers, who specialise in the production of a specific part. This way of dividing labour is ideal for large-scale production, and it increases labour productivity enormously. A worker specialising in a certain subtask improves his dexterity due to repetition of the task, which leads to higher productivity. One of the reasons for productivity gain is that there are savings in time it takes for the repetition of each task. The downsides of specialisation can be lower motivation and boredom, where quality suffers as well as productivity can lower. Many times, the workers have poor working conditions as well as long hours of repetitive work, which can lead to conflicting situations. Specialisation can also lead to a lack of product variety for consumers. Division of labour is also used in the structures of public administration, with the creation of new directorates and agencies that are specialised in certain tasks.

## Durkheim Émile

David Émile Durkheim, born in France in 1858, was a famous sociologist who wrote different theories based on philosophy, education, anthropology and social integrations. He taught philosophy in schools and later moved to Berlin to study sociology. For his doctoral dissertation, he wrote

a renowned book called *The Division of Labour in Society*, in which his two different theories can be found - mechanical solidarity and organic solidarity.

The most important Durkheim's theories on social structure were the division of labor, functionalism and anomie. The theory of the division of labor deals with organic and mechanical solidarity. The difference between them is that mechanical solidarity works when a society has the same beliefs and promulgates collective thinking as the best method of working. In contrast, organic solidarity theory suggests that societies are more complex and industrialized, and so every citizen is responsible for service while others perform different tasks. With such organization, everyone is independent; however, they need each other to form the society. These two theories explain how society is organized and how they can help a society progress.

The second theory, called the functionalism theory, is based on the idea of societal equilibrium, in which a society must acclimate to achieve a stable state if an issue disrupts the order of the system. Every person is important and has the power to impact the whole system, but cannot function without others. This term can be seen as highly related to public administration, as it tries to maintain order and equilibrium in a society by providing a good network. For example, public health or education would not exist if it were not for the citizens' taxes.

The third theory talks about anomie, also known as "normlessness". It usually occurs in individualist societies where people can easily behave abnormally due to the lack of standards or rules. That is how Durkheim came to the conclusion that societies with higher numbers of suicides are the ones that are more individualistic and have anomie. Otherwise, Durkheim found that societies with more influential atmospheres, in which citizens feel more involved, have a very low number of suicides. Anomie can be seen as related to public administration when administrative laws and norms are not well-managed, which causes the anomie of a nation. Durkheim argued that bureaucracy contributes to anomie, which he also saw as related to the extreme division of labour, as the more fragmented a social system is, the harder it is to feel part of it.

## Efficiency

is a measure of an ability to make an operation with the most possible profitable results, achieving them through the lowest possible costs and minimum time, efforts or resources spent. If improving public administration processes without damaging other aspects is still possible, it means that work is not efficient enough. 'Efficiency' should not be confused with 'effectiveness' (a degree of success in achieving the expected results), because the first conception is one of the central points in NPM. It is aimed at obtaining the greatest output, achieving the results in the most optimal way with no interference of the external factors. For the first time, the notion gained very close attention only in the 1980s when the time for NPM came, though it was mentioned in all previous management theories. Often conception is narrowed down to its three main types. The first is allocative efficiency, which happens when the most rational and timely allocation of resources occurs. The second is productive efficiency, when the lowest possible costs provide to the intended results. The third one, the most widespread in defining, which is often substituted with the whole notion, is technical efficiency, where the most possible outputs are achieved with given inputs. The vision of efficiency in NPM is criticised by its sceptics for aiming only at one objective without attention to external effects. Concentrating on the spending of resources as little as possible provides to the detriment of quality and also other factors. That's how it eventually leads to taking the shortest path and the cheapest means for the goal achievement. According to D. Waldo, it is not enough to pursue efficiency for its own sake. In certain situations, the manager should sacrifice it to advance other goals.

## E-government

stands for "Electronic government" and denotes the strategic and coordinated application of Information and Communication Technologies (ICTs) to government functions and procedures. It is the usage of information technology, in particular the Internet, to deliver public services in a much more convenient, customer-oriented and cost-effective way. It has been proposed as a way to increase the public administration's (PA) efficiency and transparency.

The idea is that E-government can improve operations and the way in which most public information and services are delivered. E-government has been created as a solution for the problem of declining public trust and confidence in the government. In fact, in recent decades, public has lost confidence in the performance of the main institutions of representative governments. In order to restore the trust of the public, one of the principles of digitization process of public administration is total disclosure. This means that through technologies, public administration becomes completely open, available and accessible. Offices are also obliged to publish the curricula of officials and managers, their salaries, etc.

With the implementation of the ICTs in PA, it is hoped that a more open and transparent government and a more efficient provision of many types of public services (including online transaction and the dissemination of information on the functioning of the government) can help to restore such confidence and allow citizens' participation in the process of governance.

E-government emerged in the late 1990s, when each desk was equipped with computers with access to the Internet. The public sector's conservative approach to the use of ICT began to change. With the new software applications and a more powerful hardware, old technologies were replaced by flexible systems that relied on networks and new methods of communication. Technologies, such as electronic e-mail, document imaging and data exchange, made their way into public agencies and made the processing and sharing of information possible in ways that were unimaginable prior to the 1990s. After this moment, technology became a key component in improving the way public sector conducted its business and provided service to citizens.

ICTs changed management. Managers do not need to wait until an item makes its way through the hierarchy, as copies appear on their own computer screens. Information and data of all kinds can be transmitted cheaply and database is stored electronically, so that it is accessible from different locations at the same time. Some public servants can use their computers from home instead of going to an office, and so local offices become less necessary, as service can be provided remotely through call centers or over the Internet. E-government allows public agencies to provide many

services whenever its clients require them, without having to be physically present in the office. Providing services more conveniently reinforces the view of a citizen as a customer.

It is often argued that organizations will need fewer middle managers as the result of such technological change. Middle managers are the contact points between higher and lower levels, whose main role is: to process information from below and pass it onto higher levels; to transmit information and instructions from higher levels; and to supervise staff. With ICT, higher-level staff get their information directly, often in automated form; lower-level staff do not need such close supervision as they once did - whether someone is working or not can often be monitored electronically.

## **Ethics (in public administration)**

is a term that refers to a set of rules that define what is right and wrong in terms of obligations, interpersonal relationships and rights. The word “ethics” is derived from the ancient Greek word “*ēthikós*” (ἠθικός), which means “refers to one’s character” and is derived from the root word “*ēthos*” (ἦθος), which means “character, moral nature”.

Ethics in public administration is a concept that has a significant role, reflects the core values, norms, specific standards of conduct of each individual who is part of the administration and serves as a guideline for the development of the code of conduct in the workplace. This concept is an important part of administrators’ work, as ethics and morality enable them to make rational decisions, provide them with respect and equity and make them feel obliged to respond to and help people who need them.

In public administration, ethics is crucial to ensure that public finances and resources are handled properly and that funds for social services are accurately accounted for. Ethics promotes a sense of shared responsibility between citizens and government agencies, as well as the confidence among citizens that government agencies are acting in the public interest. The most important principles for managing ethics in administration are as follows: ethical standards for public service should be clear and should be reflected in the legal framework; ethical guidance should be available to public servants; public servants should be aware of their rights and

obligations when reporting wrongdoing; managers should promote ethical behavior through their own example. For a more successful operation of the code of ethics in public administration, it is necessary to employ new mechanisms for the development of moral functioning, make use of various tools and techniques that help a more successful operation of ethics, deal with certain difficulties and seek solutions.

## Evaluation

is implemented to improve individual and organizational performance in public administration. It's generally recognised within the public administration as advantageous in its consequences, creating motivation and increasing performance of employees. It appeared in the school of public choice in the United States in the 1960s, based on the idea that civil servants functioned in the same selfish and rational way as those in the private service, so the state must also adopt this rationalist and evaluative approach to its employees. Traditional performance appraisals were recently criticised because of their lack of interest or inefficiency. It evolved with NPM attached to public administration, introducing competitiveness into the system. Performance Evaluation Integrated System follows a new perspective, adopting the Management By Objectives method defined by Peter Drucker in 1954, determining precise objectives (which may be quantitative and/or qualitative) to be achieved in a given period. Evaluation is increasingly decentralised. However, an individual evaluation seems difficult because of the organisational or external dimension of the performance of many public services and the lack of information. This evaluation system is gradually replacing the model of lifelong employment and progression indexed to seniority. It has consequences for career development, payroll, and job security. It can consist of objective agreements, performance contracts, self-or team-evaluations, and evaluations directly made by citizens. It's part of customer-oriented service: users of the public actions are treated like they would be as customers in private companies. It is part of a global reform of the public sector. Evaluation and public reform have been closely linked since the last 50 years, but there are still some difficulties in studying them together in the same field of study. It involves quantity objectives (increase in performance and productivity), quality objectives (beneficiary satisfaction), and external or social criteria. It can create confusion and frustration for those evaluated, and requires



constant improvement of evaluation systems to be better accepted: they have to be used to develop indicators that are useful to improve performance. According to some authors (Meyer & Gupta), evaluation can be counterproductive: there is a 'performance paradox' according to which performance indicators do not necessarily lead to strongly improved performance. Moreover, the assessment method may vary, which makes comparisons complex. Evaluation methods need to be scalable to adapt to the changing political and social context, clear for everyone, and done only when variables are available and secure.

## Fayol Henri

was an engineer who rose through the ranks of the "Compagnie de Commentry-Fourchambault-Decazeville" mining firm in France by the end of the Industrial revolution to become the company's manager. The faltering business thrived under his leadership. He published studies on administration and authored several publications on mining engineering. The Industrial Revolution and its repercussions had a huge impact on him. He also saw the aftermath of the First World War. Fayol argued that managerial abilities should be taught in schools to help children prepare for future management positions. He strived for a shift in the way courses were taught in schools, arguing that subjects that are not relevant in the workplace should be eliminated and practical training should be offered instead.

Fayol's "14 Principles of Management" defined the talents required for effective management. If one takes a look at the definition of "Administrative Theory", it can be said that this theory is defined by "on-the-ground" people who share personal experiences, develop methods and assist others in running a business. Fayol referred to managerial talents as "administration duties". He wrote about his experiences in managing a workforce in his 1916 book, *Administration Industrielle et Générale*. Fayol's work, along with his 14 Principles, contributed to the development of Administrative Theory. He argued that in order to get the most out of staff and to operate a corporation efficiently, it takes a top-down approach to the organization, laying out methods for managers.

The 14 Principles of Management are as follows: the division of work, authority, discipline, unity of command, unity of direction, collective

interest over individual interest, remuneration, centralization, scalar chain, order, equity, stability of tenure of personnel, initiative, esprit de corps.

Fayol also compiled a list of five basic management functions which correspond to the Principles: planning, organizing, commanding, coordinating and controlling. He drew attention to the distinction between managerial and technical abilities and was one of the first to conclude that management is a profession that requires study, teaching and development.

Fayol also defined the six industrial activities: 1. Technical, including production, fabrication and adaptation, meaning that a high level of technical proficiency is required. 2. Commercial, which includes marketplace, contracts, purchasing, selling and bartering. It has a significant influence on revenue and cost reduction. 3. Financial, which entails locating and utilizing capital to the best of one's ability. For a company to succeed, it must make the best use of its funds. 4. Safety, which includes the safeguarding of people and property. 5. Accounting - inventory, balance sheet, costs, and statistics, etc. 6. Planning, organization, command, coordination and control are all aspects of management.

Speaking of relevance of Fayolism in the face of the present changing market conditions, the "Five Functions" demonstrate the necessity for organizations to plan and be nimble. Fayol talked about motivating people by inspiring initiative, demanding respect via ideals and ensuring that individuals have the time and training they need to be happy and effective at work. For him, a modern manager is someone who is respected for their principles, who leads by example, takes time to get to know people and provides them with required training.

## **Governance**

is a concept used to describe a modernised understanding of the role of the state in public administration. The concept which became prominent after the 1980s and 1990s public sector reforms conducted via the implementation of private sector approaches and methods in the public sector means a shift from classic hierarchic bureaucracy towards a greater use of networks, partnerships, markets, public-private joint ventures and the voluntary sector—one of the crucial activities is forming strategic coalitions with actors

in the external environment as it is believed that the state is increasingly dependent on other organisations to function properly. Hughes presents it as the idea of different forms of governing that are not by definition in the formal government's hands. Often referred to as 'governance without government', governance sees power as something more than just centralised authority of the modern-day nation state. The concept of rowing has been replaced with the concept of steering, which means, as Peters puts it, that governments make policy, set priorities and define goals (*steering*), while other actors take care of the implementation and the provision of public goods and services (*rowing*). Public officials' roles have been diminished, as external actors have gained more power and, subsequently, there is less political control over the public service. The latter could be considered problematic, because it makes accountability (i.e., the requirement to justify or explain your decisions to those who conferred powers onto you) less clear and harder to achieve. Governance essentially aims at governing better, including all stakeholders, strengthening institutions of civil society, making government more open and responsive, and it also advocates for the blending of the public and private, both values and resources. At this point, it is worth noting that, as Peters and Pierre emphasise, governance is a product of political theory and is heavily influenced by political culture. This means that in different countries, governance will be developed and enacted in different ways.

## Hawthorne experiment

is series of experiments conducted by George Elton Mayo and Fritz Roethlisberger. The original research took place between 1924 and 1927 at the Hawthorne plant of Western Electric located in Chicago, Illinois, USA. The purpose of the Hawthorne studies was to examine how different aspects of work environment, such as lighting, temperature, humidity, the timing of breaks and the length of workday affected workers' productivity.

The study began by isolating two groups of workers and organizing the experimental and the control group. They experimented with various incentives on workers' productivity while the employees knew that their behavior was being observed. In the most famous of all experiments, the focus of the study was to determine if increasing or decreasing the amount of light that workers were exposed to would have an effect on the worker's

productivity during their shifts. In the experimental group, the lighting gradually increased and so did the productivity, as well as in the control group. When they reduced the lighting, productivity also increased. Other incentives, such as payment and rest pauses, were manipulated at regular intervals and although production varied, productivity grew. The initial assumption was that increased productivity arises from variation alone. Unable to explain what had led to the increase in productivity, which was apparently not related to lighting, in 1928, the researchers called a group of Harvard scientists, led by the psychologist Elton Mayo, to help them explain the obtained results.

Mayo and his co-workers conducted research at the plant between 1928 and 1932 to discover the factor that had influenced the increase in productivity. They came to several conclusions, for example, that supervisory style was of vital importance. The supervisor involved in the experiment was relaxed, friendly and had a less formal approach. They also realized that closer interpersonal relationships and the active involvement of workers in creating working conditions during the experiment led to increased productivity. Workers developed a sense of participation in the project. Therefore, Mayo came to the conclusion that job satisfaction increased, as workers had more freedom to determine and affect the conditions of their working environment. Also, the interaction and cooperation among employees created a high level of group unity.

Productivity and satisfaction with the job depends more on cooperation and a feeling of worth than on physical working conditions. An interesting finding is that financial motivation is not the most important; the employees were motivated to work for money only until they would ensure an adequate income. Relevance of these experiments lies in the fact that formality of strict rules and procedures produces informal approaches and groups that are based in human emotions, sentiments and interactions. For this reason, managers have to pay attention to the human side of an organization and need to develop skills to handle human relations and situations. There is also a term “Hawthorne Effect” which signifies a change in behavior of subjects when being observed.

The conclusions drawn from Mayo’s Hawthorne studies mark the beginning of the importance of management style and interpersonal skills as a

major contributor to industrial productivity. This study laid foundation for understanding human relations in the workplace and industrial behaviour. Elton Mayo is often perceived as the father of the “Human Relations Movement”; his experiment and studies are the most referenced work, not only for the needs of public administration but also for people management in organizations.

## Hierarchy

is the core principle of classical organisation theory. For Max Weber, the key principle of hierarchy was authority and chain of command, where lower offices are subordinated to the higher offices in a given organisation. Weber also thought that every organisation needs a system that provides order and structure for that organisation to function properly. If there are no systematic organisation principles, that arrange power relations between employees in an organisation, this organisation would have a hard time performing well. There probably wouldn't be any division of labour, no structure of command, there wouldn't be any coordination and all the employees would act autonomously. Basically a lawless and chaotic state of organisation, which would most certainly be inefficient and dysfunctional, because there is no rational system that ensures order. Hierarchy is just that. It is a system of organisation, which arranges power relations between employees of a given organisation. It is based on structural inequality using different levels of authority, usually in vertical links. The chain of command is very traditionally oriented from top to bottom, so that tasks are delegated from the higher levels of command to the lower levels. Because of this structure, the upper levels of hierarchy have more responsibilities and more decision-making powers. We can easily visualise this system as a pyramid, where all parts of organisation, except one, are subordinate to a single other entity. Pyramidal structure is also the consequence of different numbers of individuals assigned to each level. The lowest number of individuals is at the top of the hierarchy, and then with every lower level the number of individuals increases, so that the bottom of hierarchy has the most individuals of all levels of organisation. A hierarchical system of organisation is also the most popular in large organisations. Almost all state organisations are organised on hierarchical principles. It is also used in the private sector and big corporations. In many organisations, the principle of hierarchy is used for more efficient management. Hierarchy makes

organisations more stable, and it speeds up the problem-solving process. With the emergence of NPM, this traditional view of hierarchy changed. The proponents of NPM argued that hierarchical organisations are not efficient enough and that they should be more decentralised, less hierarchical and therefore more flexible. However, Thomas Diefenback found that NPM reforms, where implemented, did not ‘flatten’ the hierarchy but paradoxically created additional layers of management. This affirms that hierarchy as a principal is still at the core of public administration.

## Human Resource Management (HRM)

includes a wide variety of activities to satisfy the interests of the whole organisation and the interests of the workers. It manages workers inside a company to increase production and relationships. The roots of HRM can be found deep in pre-historic times. At that time, tasks between people were divided as they are now in modern organisations. People got their tasks based on their skills, age, or status. HRM was also introduced in ancient times when people had similar tasks as people in pre-historic times. This development of HRM continued later in the industrial revolution. A lot of new machinery was introduced to the workers, so each one of them got a specific job. Many authors have written a lot about HRM. However, the modern view of HRM first gained importance in 1981. It became an important factor for the efficient growth of organisations when industry trends started changing in the competitive world of the free market. HRM is focused on employees. In theory, the feelings and attitudes of the workers affect their work, the amount of salary is not the most important factor and the employees need to have group norms and values (for example good working conditions). It is also believed that an organisation will thrive if its employees thrive as well. To increase the profit of public organisations and ensure good public services, civil servants have to be satisfied. Civil servants must feel comfortable in the organisation and be treated well, and this can be achieved by giving them benefits, such as giving an award or a prize to the best ones, giving them support and safety at work, and also legal and managerial rights. Profit can also be increased by selecting qualified workers with knowledge and abilities and then focusing on them, coaching them, giving them on-the-job training, and putting them in condition to have enough preparation, more knowledge, and more skills. Therefore, the organisation aims to achieve success through workers. If workers are

not generating profit and are not willing to cooperate to increase profit, they could be sanctioned. HRM is carried out to ensure greater ingenuity, motivation, creativity, efficiency, and effectiveness of the individual at work, and on the other hand to increase the efficiency, effectiveness, and competitive advantage of the organisation and at the same time increase customer satisfaction.

## **Institutional theory**

is a theory regarding social structures and their deeper aspects, as well as the way in which norms and values of society are established. In the late 1970s, John Meyer and Brian Rowan introduced this theory with the goal of understanding the connection between organizations and their social environment better, along with how social environment influences the way in which organizations are shaped.

Institutional theory is the basis for the continuous analysis of innovation, utilizing theoretical evidence of differences between various types of institutions and levels in these institutions. Developments in the institutional environment can influence the organizational structure, such as legitimization of technical innovation, which can immensely change the structure of an institution. If these popular innovations are not adopted early on, they will be seen as a form of neglect of the organization. Because of the pressure from institutional environment, these (technical) innovations will be adopted, even if they do not improve efficiency. Meyer and Rowan claim that this type of environmental pressure and the changes it makes is motivated by acknowledgement of institution's legitimacy in the eyes of institutional environment.

Institutional isomorphism is a concept in this theory, which explains the homogeneity of institutions over time, meaning that they look the same later on. There are three main types of institutional isomorphism: normative, coercive and mimetic. Normative isomorphism means that similarities between firms can be explained by similarities between professionals working in organisations, based on their educational background or professional experiences. People with similar backgrounds in education or work experience will approach and solve problems in a similar manner. The second type of isomorphism is coercive, which explains the similarity

between firms through pressure of other organisations which the institution relies upon and through expectations of the environment. Coercive isomorphism partially relates to normative isomorphism due to the fact that it is based on professional standards. The last type of isomorphism is mimetic, which explains these similarities through uncertainties and insecurities in the firm. Because of this, the institution decides to mimic another organisation and their structure, as they believe that the other organisation's structure is more beneficial.

There are two main trends in institutional theory: old- and new institutionalism. Old institutionalism is an approach in the study of politics that focuses on formal institutions of a government, while new institutionalism is a social theory that aims to develop a sociological view of institutions - the way these institutions interact and the effects of institutions on a society.

Institutional theory is connected with public administration management, as the theory tackles social structures in and around institutions which include public departments and therefore public administration. It also discusses ways in which these institutions are influenced and studies how their social structures can change, which can occur due to its management and leadership choices.

## Leadership

is an ability or a strategy that is used by a person of superior level, higher employment status or seniority that leads a group of people that are working together. The person who gets an official leading working title or uses this ability is called a leader. Every group, institution, and company needs to have a leader or leaders, depending on the hierarchical scale of the unit. The most recognised use of leadership and its interpretation relies mostly on its use in ancient Greece and its city-states. There, it was most often associated with the economic stability of the city-state and leading warfare. Leadership is often connected with political actors who have higher status in their political party or in government, such as party leaders, ministers, prime ministers, and presidents. Political leadership gives higher priority to political processes and outcomes, but in public administration, the leadership of public managers is more focused on implementation of



policies, quality of service, achievement of goals, and their mandate purpose. According to Max Weber (1964), we have to unite three concepts of legitimate authority—traditional, legal-rational, and charismatic—to achieve effective leadership. Still, his approach comes with a proposition of dehumanisation of the bureaucracy that devalues the use of leadership; civil servants lose their sense of transition from following to leading. In this example, civil servants, even if they have some characteristics or could use leadership in some cases, are mostly just keeping the services working properly unlike higher or elected officials, who are by definition seen as leaders who have to make big and decisive decisions; they have to supervise the work of entire institutions. Public administration is not ideal; therefore, civil servants have to take the lead, so implementation is possible, as there can be inconsistent or incomplete leadership from executives. Still, we can also witness the problem in public administration when we see the stagnation of leaders' morale and their leadership ability or their level of participation, because there are a lot more predetermined work tasks, stricter rules, system instability and higher accountability than in the private sector.

## Lean management

was first introduced in the late 1940s in the Toyota production system in which they used the lean method to get rid of processes that didn't bring any value to the end product. The Toyota company became successful after World War II after Japanese factory owners adopted a lot of American techniques regarding production and quality. Toyota also encouraged its employees to be a part of the production process. Lean management is about working together, sharing responsibilities, and empowering all employees by giving them power. The main goal of lean management is to improve work processes, purposes, and people. With lean management, responsibility and leadership are shared, so the spotlight is not on only one individual. With that, it helps build a stable organisation that can constantly evolve and is quicker at finding and identifying problems, therefore quickly removing them. In lean management, there are eight forms of waste that need to be fixed/changed/dealt with. These are defects (efforts caused by rework, scraps, and incorrect information), overproduction, waiting (wasted time waiting for the next process), non-utilised talent (underutilising people's talents, skills, and knowledge), transpor-

tation (unnecessary movements of products and material), inventory (excess products and material not being processed), motion (unnecessary movements by people), and extra processing (more work or higher quality than it required by the customer). Lean management is based on respect for people and on continuous improvements. When lean management is used, big changes can be seen in productivity, efficiency, the time spent working and cost efficiency. With resource optimisation mentioned above (costs, customer service, quality), lean management creates value for the customer. The main goal of lean management is to make the customer happy; in the public sector, the customers are citizens.

## Managerialism

was introduced by James Burnham in his book, 'The Managerial Revolution', in 1941 to explain the fact that from now on, it is the managers, and no longer the owners of the capital, who are responsible for the organisation. Managerialism is an ideology that manages organisations and institutions with the use of professional managers and managerial techniques in all areas of society. Managerialism is the basic principle of advanced industrial societies and can be seen as a set of management ideas. It consists of trust in what value professional managers bring with their concepts and methods, so that the managers are the central figure and beyond the top social position of the society. Managerialism can be linked to neoliberalism, hierarchy, control, accountability, measurement, and the importance of tightly managed organisations and not to individuals, because managerialism sees organisations as the most important part in what builds a society, and not so much the people and their needs and wishes and may lead to a society that neglects the individual. Managerialism is about giving business managers decision-making power and taking it away from those who are 'operational' experts (when managing a hospital, the decision-making power is in the hands of the managers and not the doctors). Or it can also be seen as an ideology that is action-oriented in a way that influences our opinion and justifies our actions. The managerialist approach expects managers to improve efficiency, cut costs, and strengthen organisational performance. Managerialization—the process of putting managerial ideas into practice—is accomplished by applying specific techniques as practical measures. Robert Locke and J.C. Spender believe that managerialism is an answer to people's resist-

ance in society and workers' refusal to accept managerial regimes, as it takes away owners' right to decision-making and stops workers from resisting managerialism (for example, the remaking of the Welfare State in the UK).

## Managing

is a dynamic task or work process of an individual (manager), responsible for planning, organising, leading, and controlling an organisation (POLC). These four key functions originate from renowned management theorist Henri Fayol's (1841–1925) 14 principles of management. They are based on timely decision-making, covering a range of possible actions, analysing the adequacy of measures according to internal and external circumstances of the organisation, and the final classification of measures according to performance and standards criteria, followed by final selection and realisation. Planning is divided into strategic, tactical, and operational planning. Strategic plans often have long time frames and are typically based on the organisation's mission included in the founding act of the organisation. The development of tactics for implementation of the strategic plan takes place within tactical planning, which is usually intermediate range. Finally, operational planning is designed to develop action steps that support the previous plans and is usually short-range oriented. Organising mostly refers to the structure of an organisation, which consists of job design decisions such as departmentalisation and allocation of human resources. Leading involves influence managers used to inspire action taken by others. It is connected to controlling, which ensures that performance does not deviate from the standards. The effectiveness of this function is evident only through monitoring the actual performance against the established performance standards and taking corrective action when necessary. However, this function does not imply that managers should attempt to control or manipulate personnel. The process of managing therefore starts with setting a plan that evolves into organising resources according to the proposition. The manager then leads employees to work towards the set goals, while controlling everything by monitoring and measuring the effectiveness of the scheme. Managing is therefore a key activity of managers, concerned with planning and taking action upon the policies set by the administration. Support of implementation of public policy is common to both administration and managing, but the administration is

responsible for policy development while managers are complementarily responsible for policy implementation. The dynamism of the systematic process is reflected in the multitude of skills (technical and conceptual as well as HRM skills), the knowledge and experience of the manager, and the use of various resources (human, material, financial) to meet the services of the organisation and achieve its goals. Effective management is based on a set of quick problem identifications followed by the implementation of appropriate action, therefore finding solutions for the best use of resources to achieve the goals of an organisation.

## **Mayo George Elton (1880-1949)**

was an Australian psychologist, sociologist, professor, organizational theorist and industrial researcher. His research and discoveries found their place in neoclassical organizational theory called “Human Relations Theory”, which views people as individuals with different psychological motivations and dynamic group behaviors that influence productivity. He is best known for the “Hawthorne Experiment”, which began in 1927.

Mayo and his colleagues wanted to prove the assumptions of Taylor’s theory of scientific management but research showed different results. The study first explored how the amount of light affected work performance, but no noticeable differences were found. They isolated a working group of six women and exposed them to different working conditions, only to find that the group’s performance was affected more by interpersonal relationships than by the change in working conditions. These studies showed that workers’ productivity increased when the researchers paid attention to them. The workers’ productivity increased because they were aware of being subjects of research. This phenomenon is known as the Hawthorne effect.

Worker productivity is also influenced by the informal social environment and the treatment of workers by their supervisors. Therefore, management in organizations must be more concerned with managing relationships among employees than with the economic efficiency of organizations. The critique of this theory lies in the lack of empirical evidence, as it is difficult to measure the effectiveness of this approach. Thus, we cannot claim that a satisfied employee is also more efficient at work.

Nevertheless, we cannot deny the great influence Mayo had on today's understanding of organizational psychology. He discovered that many problems between workers and management arise due to often very complex social and psychological factors. Management can successfully lead employees only if the workers in their informal groups accept that leadership without reservations.

## The merit system

is a system of recruitment of civil servants. This system is based on recruitment according to professional criteria and not political criteria, which is typical for the spoil system. The merit system was first introduced in 1883 in the United States in the Pendleton Civil Service Reform Act and was confirmed by the Civil Service Reform Act (1978), which legalises this system. The Pendleton Act was adopted with two fundamental goals, namely, to remove politics and political influence from the administration and to provide competent and professionally trained civil servants. The merit system aims to employ the best civil servants; thus, there is a bigger chance for increasing the quality of public services and to be more democratic and ensure equal access to every position for everyone that has the capacities to do so. It also aims to reduce nepotism and corruption. Woodrow Wilson demonstrated an ideal civil servant as capable, hardworking, loyal, and selfless. Civil servants are recruited because of their capabilities and knowledge; for this reason, they are permanently employed; therefore, the merit system is ensuring the sustainability of employment. A candidate should have competence and expertise for the job they are applying to in public administration. Civil servants have a duty to be subjective, objective, and also politically and professionally responsible. Hence, it is possible that the civil servants' productivity is lower because of their commitment and they have to perform tasks that do not always correspond with their own ideology. Loyalty to elected political authorities can also be low. It should be noted that there is still some recruitment based on the spoil system for high-ranking officials. Merit system ensures, even when major political changes happen, continuous operation of the administrative system and because of that is more appropriate for democratic states and countries in a democratic transition.

## Neo-Weberianism

is a state theory which was developed by Pollitt and Bouckaert in the book titled *Public Management Reform* (2000). This theory was already discussed in the 1970s, but no real definition was given at that time. Pollitt and Bouckaert explain neo-Weberianism as a combination of the Weberian model of administration with some of the “New Public Management” principles.

The Weberian administration was developed by Max Weber as he was trying to explain the state organization. According to him, the Weberian administration has some specific characteristics: it is a pyramidal structure which relies on the division of tasks, while trying to have a merit system with written rules. Weberianism also relies on the idea of legal rational authority. New public management principles were developed in the 1970s and started to be applied mostly in the 1980s by Margaret Thatcher and Ronald Reagan’s governments in order to react to the economic hardships that their countries faced. New public management principles include the goal of meeting citizens’ needs, a better implementation of professional culture of quality and service, control of the administration agents’ work. Neo-Weberianism is an attempt to modernize traditional bureaucracy, while maintaining some stability (a classical Weberian goal) by making it more professional, efficient and citizen-friendly (some of the new public management principles).

Therefore, the Weberian and the neo-Weberian states are different. In the Weberian state, for instance, the main focus is on the state, whereas in the neo-Weberian state, the main goal is to meet citizens’ needs by creating a professional culture of quality and service. In the Weberian state, representative democracy gives legitimacy to the state, whereas in the neo-Weberian state there is a space for consultations of citizens (bringing participative democracy). In the Weberian state, the administrative law is the rule that has to be followed thoroughly, while neo-Weberian state sees reaching the expected results as more important.

For Pollitt and Bouckaert, applying all new public management principles to Weberian system, as it was done in the 1980s and after, was not the right solution. Not implementing some of the social policies in order

to cut expenses only increased the effects of the economic crisis, as local cultural particularities have to be taken into consideration. Neo-Weberianism is a theory that can be only be observed in specific countries. There is a difference between countries that are Anglo-Saxon, where new public management was applied as such (for example, New Zealand), and European continental countries that are more focused on the rule of law (for example, France). It is in this second category of countries that neo-Weberianism can be observed. In the European continental countries, state is the key institution which has a very specific organizational mode, a particular political regime, a way of applying democracy, where public service is a very important actor.

## **Nepotism**

happens when people are not hired because of their knowledge, skills, or experience, but are employed only because of their friendship or kinship status; therefore, jobs are assigned to relatives. In politics, nepotism is when a person comes in the office and gains political power due to their (blood) relation with other politicians. Political nepotism can also be seen in public administration, where people close to the political leaders are appointed to high positions in public administration organisations. Nepotism has existed since the start of human society. It was first introduced several thousand years ago when society was divided into three groups: tribe, clan, and caste. This type of nepotism can still be found in Africa and the Middle East today. Secondly, in the antics, nepotism was popular among the highest class of citizens. Only a few groups of people had civil rights and the right to vote. After that, nepotism was popular in medieval Europe, where religion had a strong impact on peoples' lives. It mostly began to appear in the Renaissance papal state, and it was then that nepotism took on the meaning we know today. During that period, popes employed their nephews who were not qualified for work. The term nepotism also comes from the Latin word 'nepos', which means nephew. Later on, Max Weber determined the elements of bureaucracy in which he included the merit system. That means that leaders or employees should be qualified for the job; therefore, the job cannot be assigned to someone because of acquaintances. This was a step towards reducing nepotism. Nepotism in public administration has negative consequences for the country and society because civil servants are not competent and professionally trained. When

a relative of a public servant is employed and has important duties such as public tender duties, personnel decision-making, or some other administrative duties, a problem arises. Often when nepotism is introduced in public administration, we can also find a conflict of interests between civil servants because of personal considerations. The professionalism of administrative work is reduced, as it is not necessary that competent and expert civil servants are recruited. As a result, it causes instabilities in the political system. Nepotism is also one of the biggest tools for corruption in public administration, but it is very difficult to prove it. The key precondition for effective and efficient public administration without corruption is to avert nepotism in recruitment procedures.

## **Nepotism II**

is a term that has its origins in Latin word nepos meaning nephew, grandson. This concept was created in the Middle Ages in Church when popes employed their nephews who were not qualified for work. It is one of the forms of corruption and stands for the act of using power or influence to provide a good job, unfair advantages or other favors for members of your own family. The main characteristic of nepotism is family connections with which one obtains material benefits, social positions and other privileges without any regard to their knowledge and qualifications. Nepotism is understood as the abuse of public life, as it violates fair and equitable opportunities in a democratic state by giving an unfair advantage to relatives, with which fair competition among subjects is disrupted.

A type of nepotism related to public administration is called political nepotism, where people closely associated with political leaders are appointed to high positions in public administration organizations. Nepotism in public administration has negative consequences on the functioning of the state and society, as such civil servants are not competent and adequately trained to perform their duties. Because competence is not the main criterion in hiring civil servants, the professionalism of administrative work is reduced. Nepotism in public administration can also cause a conflict of interests between civil servants due to personal considerations.

In order to achieve productivity, efficiency and effectiveness of public administration, it is necessary to suppress nepotism. It goes against public



interests and breaks the link between employment and meritocracy and can create opportunities for state exploitation. Nepotism also imposes costs on a society that can range from unfair competition for employment opportunities to embezzlement of public funds. Although nepotism is one of the biggest tools for corruption and a common problem in public administration, it is very difficult to prove.

## **New Public Management**

(NPM) designates a new form of public administration, which seeks to borrow logics of the private sector to improve the performance of the public sector and the cost/efficiency ratio of the public service (Hood, 2011). Introduced in New Zealand in order to characterise the reforms initiated in the 1970s and the 1980s during the neoliberal turn, NPM has been implemented as a solution to the failures and inadequacies of the previous public administration, which was not efficient enough, too rigid and corrupt and was leading to distrust from publics (Dunleavy & Hood, 1994). NPM involves many reforms, such as organisational restructuring, budgetary reforms, or privatisations, for example. These reforms can be divided into five categories (Hammerschmidt, 2019): agencification (development of agencies), contracting out (to outsource to someone outside the public administration and therefore generally from the private sector), public sector downsizing (to reduce the number of employees, notably through layoffs), service users as customers (citizens are now in a client relationship with the state, which needs to provide the best public service at the lowest cost), and finally, flexibility of employment practices (work rationalisation). The aim of these numerous reforms is to improve cost efficiency, service quality, equal access to services and policy coherence and coordination. All these measures don't have the same efficiency: contracting out can be, for example, less effective (Hammerschmidt, 2019). In order to measure the scope and effectiveness of the public policies implemented, the public administration may also set up an evaluation; that is why we can speak of the culture of results due to NPM. NPM is therefore a real revolution and modernisation of the management of public administration. It can be considered an enterprise of rationalisation and the introduction of greater pragmatism in the management of public administrations. However, if NPM denies (or minimises) any difference in nature between public management and private management, the State cannot function

as a company because the public sector cannot be based on profit but on the public benefit of the citizens and the government's flexibility is not the same as the private sector.

## **Organic solidarity**

is a term that comes from the field of sociology and it is based on Durkheim's theory called "The division of labour". Durkheim uses this concept as a type of regulation in societies. Organic solidarity establishes a system of functional relationships, where each individual is specialized in a task, while others perform a different duty. The network and connections are based on the independence of one another, but in order to subsist, everybody needs the service of others to form this type of society. The definition of the term in Cambridge dictionary defines "solidarity" as the agreement and support between members of a group. The exact meaning of "organic" is the development which is not forced or planned by anyone. In contraposition to organic solidarity is "mechanical solidarity".

The difference between the two is that in organic solidarity, a society does not dictate regulations on citizens; the function of regulation is to regulate relations between groups while they are coexisting. On the other hand, mechanical solidarity promulgates collective conscience as the best method of working. Organic solidarity is found in industrialized societies, which are more structured, while the mechanical solidarity is found in less structured societies. Citizens are more alike because they have the same beliefs, similar lifestyle, education and work. They share a homogenic and familiar network that makes them feel connected. Building solidarity makes people aware of the importance of mutual care and development, of division of labour, equality, work ethic, responsibility and understanding.

This concept is really important in the field of public administration, as it deals with people's needs and contemplates the best way to satisfy them. The purpose of management in public administration is to connect different organisms and make them work by regulating community and society relations through various contracts and laws. Societies that make organic solidarity work are more developed and complex than others who do not.

## Organization

is a group of people who work together in an organized way to achieve the goal and purpose of their company or government department. The term “organization” has its origins in the Greek word “organon” which means an instrument, organ, etc. Every type of organization has its own missions, visions, values, duties and strategic priorities for its own purpose and priorities. Every organization’s goal is to complete its tasks and contribute to the success of their firm or government department. The most important characteristics of an organization are division of work, common objectives, coordination, cooperative relationships and a well-defined authority.

Each of these characteristics helps an organization achieve its goals, use its resources wisely and make certain their employees perform well. With the advancement of technology, organizations will be more fulfilled with the new type of work, with different strategies, development, manufacturing and distribution. The study of organization offers a great deal of focus on organizational structure which defines how work duties are formally divided, categorized and coordinated.

Organizations in public administration sector tend to adapt to and evolve in different social and political conditions, which brings significant changes to their working development and strategy. With organizational structure, public administration managers provide construction and maintenance of activities that can give structural support to a variety of other qualities that are vital to the pursuit of organizational goals, such as values and routines. The key effect of public administration organizations is to provide citizens with social, educational, scientific, cultural and other paid or free services, as stipulated in legal acts. As all of the public sector organizations’ tasks are interconnected and focused toward meeting public requirements, the public sector organizations’ ability to plan, prepare and make decisions effectively, as well as control the implementation of those choices, is of vital importance.

## Organizational positivism

is a concept, the summary of positivistic psychological principles, coined by Martin Seligman in 1998 and adopted by organizations in the 20th century. This period is characterized by despair and the dominance of neg-

ative feedback in the workplace environment, such as a constant display of hostility, exhaustion, prejudice, humiliation, persecution, interpersonal conflicts and anxiety. These circumstances had a negative outcome on productivity and had a destructive effect on organizations. Organizations adopted this theory for improvement and promotion of mental health, human dignity and personal development of workers.

These principles have shown an interdependence between employees' mental and physical health and their effect on thinking and operating, showing an increase in the organization's efficiency. Studies showed that economic indicators in developed countries are not in harmony with nations' well-being and that psychological capital is in fact a non-traditional but fundamental type of capital investment. By investing in human resources, an organization is using psychological capital to achieve a competitive advantage in such environment. More specifically, managers of an organization aim to focus on the capabilities of its staff in order to boost their self-confidence, rather than focusing on their weaknesses. Employees with positive feelings, such as hope, resilience, efficacy and optimism, as well as the feelings of belonging and solidarity in the workplace, had a more productive performance.

This professional technique is easier to implement in the private sector, since investing in psychological capital has logistic aspects, usually difficult for public sector. Nevertheless, the bodies of public administration adopted this practice after World War II, since it is effective in every type of workplace environment.

## **Outsourcing**

is a management tool often used in different types of organisations, which represents organisations hiring outside specialised sources offering a service to the organisation. Hiring a party outside of the organisation is a way of trying to cut costs in the organisation's processes as well as increasing efficiency. Since the classical approach to organisations was that they should be self-sufficient, and all work should be done inside the organisation, outsourcing came to life gradually, with market development and growing needs from organisations and consumers. When organisations could no longer meet their needs, they demonstrated a desire to outsource.

Private and public organisations shifted to outsourcing more and more, firstly focusing on increasing productivity and decreasing cost, and later on began outsourcing as a way to compete on the market, be more innovative, and have access to growth and improvement in various areas of their expertise. The goods and services, now being executed by sources outside of the government, were historically executed by public servants and organisations. Outsourcing is common in public organisations, as certain aspects of public processes operate better when implemented by an outside source found via public tender. As has been proven in private organisations, outsourcing is efficient in improving flexibility of organisations as well as cost reduction. Government outsourcing includes goods and services that were used and financed by the government, and it refers to moving functions from the public to the private sector for the public's best interest, as well as the efficiency of the government. However, there are several cons when it comes to outsourcing, especially when it comes to natural monopolies, such as obtaining and selling water and being privatised, resulting in higher prices of public goods. Some critics argue that outsourcing can add to inequalities when we are talking about wealth and economic classes, since it shifts jobs to lower-income areas, since the foreign pay rate is lower. But there are also quite a few pros, since outsourcing can rapidly increase the quality of public organisation processes and can expand good consumer choice. Outsourcing to lower-income areas can also be seen as beneficiary, since more people are being employed and benefit from it. Outsourcing also encourages slight competition between providers, making public tenders a field of innovative ideas from different parties. The recommendation of outsourcing within a particular part of a public institution depends on the characteristics of the service, as well as market conditions. Outsourcing is a relative novelty and is an integral part of NPM. Industrialised countries that have followed the lead of NPM have implemented outsourcing in public services, improving efficiency and cutting costs, which includes employment reduction in the public sector.

## **The Pendleton Civil Service Act**

(1883, also referred to as the Pendleton Civil Service Reform Act) is a federal law that stipulated that government jobs should only be awarded based on merit and not nepotism, favoritism or political affiliations. The act was enforced by George H. Pendleton, a senator from Cincinnati,

Ohio, USA. It was approved by the Congress and signed by the President Chester A. Arthur on January 16, 1883. The Pendleton Civil Service Act was named after its main sponsor - George Pendleton - but it was primarily written by a noted attorney and a crusader for civil service reform, Dorman Bridgman Eaton.

Before the Pendleton Act was passed, the government had a “spoils system”, which meant that government officials were appointed on the basis of friendly relations in the winning political party. This system appeared during the presidency of James A. Garfield, who was assassinated in 1881 by Charles J. Guiteau. The latter shot the president at a train station because he was dissatisfied with his political office and wanted a position in the Garfield administration.

The case of president James A. Garfield influenced the U.S. Congress and his successor Chester A. Arthur to reform the civil service. The law aimed at selecting and appointing government officials based on merit – the Civil Service Commission has been set up for this purpose. The Civil Service Commission was an impartial federal agency that oversaw the hiring of federal civil servants. The commission consisted of three members, appointed by the president with the advice and consent of the Senate, of which no more than two could be members of the same political party. Arthur appointed Dorman B. Eaton as the first chairman of the civil service commission, a position he held until his resignation in 1886. The nominees had to prove their ability to do the job by successfully passing an examination from the civil service.

The Pendleton Act transformed the nature of public service. It made firing government workers exclusively for political reasons illegal and provided Americans with a more permanent and competent bureaucracy. With the abolition of the spoils system, more qualified people began working in the federal service. Initially, only 10% of positions in the federal government were covered, but each new elected president expanded this number which is currently 90%. The success of the measure at the federal level also inspired reforms by the state and city governments.

## **Peters Guy B.**

is a professor of American Government at the University of Pittsburg in Pennsylvania, USA. He also lectures Comparative Governance at the Zepelin University in Germany and is the adjunct honorary professor at the City University in Hong Kong, China. Peters is the author and co-editor of multiple publications. Some of his works include *The European Political Science Review*, *Governance*, *The Handbook of Public Administration in Latin America*, several book series for Macmillan, *Representative Bureaucracy in Action* and *Institutional Theory in Political Science*. His areas of expertise are public administration and public policy in America and comparative political analysis of American and non-American political structures. He was awarded for his contribution to the academic world. Peters has stated that in order to improve the practice of governing, we need to understand public policy and administration, making a correlation between these two variables. The reason for this are multiple variations of public policies which require conceptualization. He criticizes the “New Public Management” and the governance styles of reforms that achieve a systemic change through ideology, as these reforms cannot be applied equally well in all settings.

## **Pierre Jon**

is one of the most renowned and prolific researchers in the field of contemporary public governance and public management studies who remains active. Currently a professor at the University of Gothenburg, the Melbourne School of Government and the adjunct professor at the University of Pittsburgh on administrative reform, governance and public management, his work on modern governance and public administration has been broadly quoted and both his papers and books have had a huge impact on this field of study. His research is mostly focused on developing contemporary governance theory and the changing role of political institutions, as well as on the issues related to the capacity that new modes of governance have to deliver to democratic accountability and political responsiveness.

Although he has written or taken part in more than 165 publications since 2004, there are two of them that stand out from the others due to the citations and connection to his main fields of study: *Governance, Politics and the State* and *The New Public Administration: Debates and*

Dilemmas. Governance, Politics and the State. They draw from the base of the establishment of governance as the ruling paradigm to understand modern (global, national and subnational) politics, considering the way in which societies can and are being steered in a complex political context, where the state must influence and interact with other institutions.

In *The New Public Administration: Debates and Dilemmas* Pierre, along with B. Guy Peters, he proposes a series of matters occurring in a reality in which traditional values of public administration (PA) blend with the principles inherited from the “New Public Management” (NPM). The authors state that a democratic government cannot function without a professional and effective public administration and that the quality of a democracy is determined by the quality of its public administrative system. Other conclusions the authors come to in the book are that governmental sectorization is not always possible due to the tendency of state agencies to defend their own interests or that public servants are willing to work in the public sector because of the will to form part of the state (solidary incentives).

## Politicisation

comes from the word to politicise that translates into making a topic, event, or issue into something political. Politicisation is a process usually found in government administration, where the leading political party uses its connections to guarantee employment to people with the same political agenda. It was first used in 1932, in Soviet Russia, where it was used to set the political framework of the growing country. It is a mechanism of wider level, that can implement and raise leading government power, but can be used on a lower level too, as some public servants can help out the ones who come from the same political field or receive a favour—bribe; this act is often consequently depicted as corruption; it can often be mistaken or be linked with politicisation. The government would strive to keep politics out of public administration, but it still continues to endanger its function, as it becomes exclusive to a certain sector of individuals and their groups with sound political connections and inter-relationships. The pre-existing correlation or relationship between a government official and politics usually coexists with other mechanisms that can develop into different formats, based on various government types. With politicisation, we can notice the development of corruption, insubordination of employ-



ees, ineffectiveness, etc. The use of politicisation can cripple the power of the administration, as it can work in both ways. It could strengthen the institution for the leading government, but at the same time it could affect public officials' neutrality and public administration effectiveness. Politicisation is mainly targeted at officials that have or hold significant power either in forming, implementing, or influencing public policies. When there is a change in power, the use of politicisation can be witnessed in all government and public administration; the change in employee lists, or changing leading public officials, can disturb the stability of a system and even hurt the effectiveness of public institutions. With a higher value or perception of politicisation, the bureaucracy loses its capacity, performance standards and professional values, which it needs to effectively work for or towards its users, the citizens.

## Principal-agent theory

is a specific area of contract theory, which is the study of how people and organizations develop legal agreements. In principal-agent theory, two actors (principal and agent) come into contact through a contract. More particularly, in this contract, an actor (called agent) undertakes a task or work from another actor (called principal). Principal-agent theory deals with the stipulation of contracts, so it has a large field of implementation.

A practical example of principal-agent theory would be a situation in which one calls a plumber to fix their sink. In this case, that person would be the principal and the plumber would be the agent. The problem with principal-agent theory occurs when there is a discrepancy between information and interests between the two actors. In our example, the plumber's interest would be to gain as much money as possible for his service. The other person's interest, instead, would be to pay as little as possible. Economically, the plumber's position is called "agency costs". Since the agent is given decisional power on behalf of the principal, he is using it for his own interest, exploiting the knowledge that the principal lacks. In principal-agent contracts, the asymmetric information is often favorable to the agent; therefore, principal actors are often discouraged to take part in the contract, which leads to the contract not being stipulated. This is why the main element in principal-agent model is trust.

Principal-agent theory in public administration can be applied to bureaucratic and political relations, in which problems may arise from malignant conflicts of interest. The agent can use asymmetric information or shirking (when the agent evades a certain duty or acts in a way that is contrary to the principal's best interest) and slippage (when the principal think that agents are doing their work but in reality, they are not) to delay the bureaucratic process. In this case, agents are causing principal-agent problems on purpose. These problems can also come from adverse selection, for example, when a politician (principal) hires the wrong company (agent) to complete an infrastructure. This can happen due to incomplete or wrong information about that company. In such case, principal-agent problems are caused by the principal's lack of knowledge.

## **The private sector**

is that part of the economy which, in contrast to the public sector, the economic activity takes place through private companies that are not controlled by the state and are run by individuals for profit. The essence of the public sector is in satisfying the public interest, while in the private sector it is about satisfying the needs of individual consumers. Private administrations are business and commercial activities, and public administrations are a political process. Both sectors are customer service oriented and open to change (technology and workforce). In the private sector, the principles of a market economy apply (private ownership, freedom of choice, self-interest, optimised buying and selling platforms, competition, and limited government intervention), and the value and performance of a company are reflected in the market. The basic orientation of companies is to find ways to offer the consumer in exchange more value than the competition offers. The competitive advantage may stem from a clearly defined component of the product or service, which means greater value in the eyes of the consumer, or simply from the competitive weakness of other organisations. The clear goal of the private sector is to make a profit for private benefit. Another important feature of the private sector is that employees' salaries do not flow from the state budget and that there is competition in the labour market and employment. Sometimes the public and the private sectors work together to promote shared interests. Private businesses tend to leverage state assets and resources while owning, operating, financing,

and developing public services and facilities. For example, a private firm pays a state a fee to operate a freeway in exchange for revenues from tolls.

## **Productivity (in public administration)**

is a term that explains the capability to achieve selected goals in correlation between resources (inputs) and goods and services (outputs) in the process of production. Productivity is measured by comparing these two variables in order to achieve production of more products with less input. When speaking about productivity in public administration, the most common resources are taxes, labor, facilities and time. Public administration productivity is usually influenced by workers' motivation, skills, engagement and also technology. By keeping all these variables under control, higher productivity can be achieved.

There are certain factors that can stand in the way of productivity development in public administration, such as political influence, bureaucratic inflexibility, unclear goals, lack of accountability, lack of good performance, lack of evaluation, etc. Some of them are really important and can be a great barrier to public administration productivity, for example, political influence. Unclear goals can also affect productivity - when we do not have a clear picture of what needs to be done, it can lead to unadequate and unsatisfactory performance of tasks. The most common examples of unclear goals in public administration are: "to improve education"; "to ensure public safety", etc. Lack of performance evaluation can also influence productivity. If public administration does not measure its work and productivity, it can lead to a decrease in quality of service. Performance can be measured through the development of measures (adoption) and the actual use (implementation). The feedback of citizens is very important when it comes to implementation of policies. A productive public administration is one that meets the expectations of the public. When discussing productivity in public administration, efficiency needs to be mentioned. It describes the extent to which resources are used well for the determined task or purpose, with a minimum amount of waste and the lowest possible cost.

## Public administration

is a system of authorities who are implementing public policies and ensuring that citizens have access to public goods. Public administration performs tasks of public importance and provides the society with essential public goods that they cannot be provided by themselves from the private market. Public administration provides users with various services such as mail delivery, water, waste collection, lighting of public spaces, primary health care, etc. Every employee in public administration has certain roles and responsibilities, as well as the means and procedures to achieve a certain goal in the organisation. Within the public administration, civil servants operate within a special administrative system—the civil service system, which does not include political officials. The civil service system within the public administration as we know it today emerged in 1883 in the United States with the so-called Pendleton Act, which aimed to remove political influence from the administration and to provide more competent and professionally educated civil servants. At this point, it is important to point out two main principles of public administration, which are legitimacy and efficiency. Public administration is a part of the executive branch of the government, which means it covers two closely related subjects—the government (as a political body) and the public administration (which is often difficult to separate from its political context).

## Public agencies

are one of the forms of non-governmental administration. The basic idea is to reallocate a certain part of the management of public affairs from the competence of the government and its bodies and to transfer it to organisations that are not an integral part of the state apparatus and are more or less independent from it. Other similar forms include—public service providers, public institutes, social insurance funds, public funds, public enterprises—those organisations which are funded from the state budget. Public agencies were first implemented with one of NPM reforms in the United Kingdom in the 1980s and soon spread to other countries with similar legal systems, such as Australia and Canada. In Slovenia and Central Europe in general, no common tradition of such organisations can be found. One of the indicators of that is already in the naming, as we can find different names for them in literature, for example parastatal administrative institutions, independent regulatory bodies, independent admin-

istrative agencies, administrative agencies or public agencies. As independent administrative institutions, public agencies are the result of growing complexity in society. They emerged in situations where the management of different activities, mostly public utilities and infrastructure activities, required the coordination of public and private interests. Public agencies were expected to bring the following improvements: more economical use of public funds, greater efficiency and quality of task implementation, greater user orientation, a shift away from day-to-day politics interference, and a greater degree of legitimacy in decision-making. Greater autonomy and specialisation of these organisations and their focus on the user should therefore contribute to the state making 'more with less' and at the same time reduce the problem of individuals' distrust in the functioning of public sector institutions. On the other hand, critics would argue that by removing certain functions from direct administrative control, it is possible that organisational capability within government is weakened and that these losses of capability may outweigh potential gains in efficiency.

## Public enterprise

is a business organisation founded and controlled either by the state or a local authority that provides (*sells*) goods and services to the public. Tornielli explains that the emergence of the first versions of public enterprises can be traced back to the Renaissance, when mining and the production of metal were considered strategic sectors due to defence concerns and thus owned and controlled by the state. However, such public entities were not very common at that time. Public enterprise evolution then reached its peak after World War II, but went into decline after the economic crises of the 1970s and 1980s and due to the emergence of concepts such as NPM. Public enterprise can be partially or fully owned by state or local authorities; in some countries, it can be majority (but never fully) owned by private actors, as there are no limits to the share of ownership. However, this is not problematic, as the founders of public enterprises retain special rights that they can exercise regardless of the share of ownership. Brezovšek, Haček and Kukovič explain that public enterprises are run by directors appointed (and discharged) by state or local authorities through public tender. They emphasise that when there is no competition present, there are no sufficient incentives for the optimal utilisation of resources. This is especially important for the following section. Some public enter-

prises are founded in areas that are state-sensitive, meaning they are of too great importance to be left to the private sector, as they tend to be monopolistic by default and operate in a space without competition and market pressures. Meant here are public utilities that provide citizens with access to electricity, gas, water, sewerage, and telecommunications. This kind of public enterprise is also most common. Very common, but operating in a slightly competitive space, are public enterprises that provide public transportation and postal services. These two areas are subject to some competition, but are still predominantly in the domain of state or local authorities due to their non-profitable business schemes. Less common today are public enterprises operating in fully competitive markets in areas of finance (e.g. banks, insurance companies), transport (e.g. airlines), energy (e.g. oil companies, coal mines), industry (e.g. vehicle production), agriculture (e.g. food, alcohol, tobacco), and so forth. If poorly managed, these can be a heavy burden for state or local authorities. If well managed, however, they can fill the state or local budget with their profits.

## Public goods

or collective goods are collective products provided by state or local authorities through a system of public administration that is subject to collective consumption. They are usually provided and funded through taxes by the state or a local authority because the market fails to supply them or under-supplies them. In their study, Vincent and Elinor Ostrom claim public goods can also be provided by nature (e.g. the air we breathe). It is important to note here that nature plays no active role in this 'provision' – clean air, water and environment are *natural* public goods available for people's collective consumption and they are a given, as long as they are taken care of and not degraded. Each individual, as well as state and local authorities, is responsible for the latter. Public goods are not the same as public services, for they are two separate categories with fundamentally different attributes and unlike private goods (also referred to as individual goods), their usage is not based on a payment—they benefit all users whether they have paid a price. Public goods are: a) *non-excludable*, which means that if provided for one person, they are provided for everyone and thus, nobody can be excluded from enjoying their benefits; b) *non-rivalrous* (nondepletable) in consumption, which means that consumption by one does not restrict the consumption available to others—enjoyment by one does not

diminish the amount of the good left for others; and c) *non-rejectable*, which means they cannot be rejected. Oftentimes, public goods are also immeasurable, their allocation depends on the political process and individuals don't have the capability to decide on the goods' quality, which are other important features that distinguish them from private goods. Public goods include, but are not limited to, infrastructure (e.g. street lighting, sidewalks, cycling paths, roads), environmental protection (e.g. national, regional parks), defence (e.g. national defence, flood defence), urban planning (e.g. city parks, public restrooms) and so forth. Nevertheless, some public goods could be described as *semi-public* or *quasi-public* as they can become rivalrous—if there is limited space and too many consumers decide to use the good at the same time (e.g. beaches, parks), and excludable—if there are tolls or charges to be paid (e.g. highways, tunnels) in consumption.

## Public sector performance

is the orientation of the public sector to achieve goals like a private organisation could do, but creating efficient outputs related to contributing to policy objectives. Performance is focused on outcomes and outputs, not just inputs, and it is guided by New Public Management (NPM) following these three key points: performance improvements require a and oriented culture to increase outputs; public sector organisation need to start from management based on targets and it has to be checked; public sector organisations need a hierarchical organisation to decentralise power. The characteristics that make public sector performance different from the private one are: task of serving citizens; it is driven directly or indirectly by politicians, to reflect the interest of citizens; the state is rigid during the process of decision; it has the task of giving in equal measure and to manage resources; sometimes it is poorly founded; citizens are often poorly informed and suspicious about the government. Related to NPM, it works following in different measures four topics: cost efficiency, service quality, policy coherence and coordination, and equal access to services. NPM reforms were made to make the performance more efficient and less expensive and with two most important tasks: to prove a systematic identification of NPM elements and to analyse consequences. In particular, nowadays it is applied to all public sectors: government and similar

organisations, regional and local governments, higher education institutions, health services and the criminal justice system.

## **The Public Service Market (PSM)**

represents a field of output decisions that are the result of demand and supply forces. For Hayek, the market represents an information processing machine that aggregates the preferences of individuals and consequently the prices that would bring balance to supply and demand. As economist Xenia Dassiou explained, the nature of goods in the public service market often differs from those in private and utilities markets, as the former are typically merited goods whose users do not internalise the social benefits of their choices and where the user-pays principle does not always apply. In utility markets, the goods are typically purchased by the user who pays the price, and the providers meet their demands. In contrast, the user in PSM is not necessarily the buyer, and they typically do not pay for it. The goods (or services) are, unlike utilities, free (for example health) or fixed (for example universities). Julian Le Grand named these markets quasi-markets, which represent markets that have been opened to the 'market mechanism' through the introduction of competition and user choice over the last 40 years. Public choice is considered to view government from the standpoint of markets and customers, which serves as a practical effort to reduce government and make it less costly. Choice can be made by an agent on behalf of the user, which raises whether the agent makes the decision to promote the interests of the principal, who is in this case the service user. The creation of markets where services (typically merit goods) are characterised by large positive externalities in their consumption has given rise to a number of market failures, which are economic situations defined by an inefficient distribution of goods and services. It can also be defined as a state disequilibrium in which the quantity supplied does not equal the quantity demanded. The failure might manifest through asymmetry of information, for example, where an individual makes a decision that positively affects their life but negatively affects their community or a group. Such market failures justify state (government) or regulatory intervention with measures such as limited funding or vouchers, for example, in order to establish balance of the market.



## Public services

are one of the institutes of the state and are created for the benefit of all citizens. Public services are also an activity through which public goods are provided - the provision of which is in the public interest. The main goal of public services is to make public goods and public services accessible to all citizens on equal terms and not to make a profit. According to the main body of literature (e.g. Duguit), the people in power must provide public services. If public services cannot be provided in any other way, they must be provided by coercive instruments, because every delay in public service management leads to a) disorder in society and b) the end of society. Public service can be understood in an organisational (of crucial importance is the organisation that must provide a public service) and in functional meaning (public service content; for example, waste collection). We should also distinguish between the material and formal concept (the key is the organisation that provides the public service) of public service. Public services have become a more open system through reforms of NPM, and mobility between individual sectors has increased significantly. Market flow and mobility between the public and private sectors have increased. There is no need to emphasise that the quality of public services certainly varies greatly between the countries. Perhaps we can distinguish between two types of governing—welfare state and neoliberalism. In a welfare state, the national government plays the most important role in the protection of the social well-being of its inhabitants. On the other hand, neoliberalism is often associated with a reduction of funds for the social affairs of residents.

## Rational system

is a theory that sees organizations as collectives that strive towards achieving relatively specific goals. Theorists of this approach focus on the formalization and goal specificity of organizations. Through these elements, the rationality of organizations is demonstrated. Scholars of rational system approach developed their theories in the early 20th century as a response to industrialization and transportation revolutions and the demands of managing an ever-increasing territory, as well as people. The expanding market economy required a more efficient public administration. The theories listed below were developed for organizations with hierarchical organizational structures, in which decision-making and control are centralized.

The rational systems approach is based on the work of the following scholars: Max Weber and his bureaucratic theory, which views bureaucracy as a specific type of administrative structure, developed through rational and legal authorities; Frederic Taylor with his scientific management that focuses on the use of time and motion studies to optimize work processes in order to increase productivity; Henri Fayol developed administrative theory, which focuses on administrative principles that would serve as guidelines for formalizing organizational structures and relationships; Herbert Simon developed the theory of decision-making and clarified that goal specificity and formalization contribute to rational behavior and decision-making in organizations.

Although the formal aspect of an organization is very important, the rational system approach does not consider the informal aspects and neglects the influence of individuals and their behavior on organizations. The rational system approach is still used in public administration organizations today. We can see it in the form of bureaucracy within public administration, which is based on rules and regulations, division of labour, permanence, professional management, hierarchical coordination and control, strict chain of command and legal authority. It also has formalized and specific goals. It can be said that public administration organizations have characteristics of a rational system.

## Scientific Management

is a concept developed by inventor and engineer Frederic Winslow Taylor (1856–1915). The main goal of scientific management was to develop a scientific method that would replace the practice of managers, who at that time had very little to do with factory activities. Basically, the supervisor took full responsibility for the production of the company. The workers just used the tools at their disposal and adopted the method of work that best suited them. Taylor highlighted the fact that even though managers have useful and reliable information about the efficiency and capacity of their machines, they do not have this kind of information about their employees. With this, he highlighted two problems, namely, how to increase work efficiency and how to encourage the worker to work more diligently. To increase the efficiency of the work, he proposed a procedure that took place by selecting the most skilled workers for the study, care-

fully observing their motions, and accurately measuring the time required for each motion. With the obtained results, they were able to identify redundant workers and managed to take advantage of fast motions and avoid slow and unnecessary ones. To introduce this new method of work into practice, they began training individuals to perform motions accurately, and consequently production increased significantly. Given the success of this method, Taylor made two more suggestions for raising employee motivation. The first represented the idea of dividing work into tasks, as the average worker would be more satisfied with a job if he were given a defined task every day and a certain amount of time in which to perform the task. With the set standard, the employee can monitor his progress, and this gives him satisfaction. Second, Taylor advocated adequate pay for workers. Employees work to the best of their ability only if they are provided with a large and lasting increase in their income. The desire for higher income would thus be expressed in greater efficiency at work. To sum it up, the principles of scientific management, according to Taylor, are: standardisation (one best form of work to be introduced as a standard); skilled workers (with the shortest possible training time); maximising specialisation (achieved by reducing the number and variety of work tasks); and a systematic and accurate description of each task.

## **SIGMA or Support for Improvement in Governance and Management**

is a joint initiative of the European Union and The Organisation for Economic Cooperation and Development (OECD) – an international organization that was established in 1992 with the goal of creating better policies that would encourage equality, security, prosperity and opportunities for everybody. SIGMA does not advocate for the improvement of economic well-being of people only but for their social well-being as well. Elements of socio-economic development are: building the capacities of the public sector, improving horizontal governance and improving the design and implementation of public administration reforms, including proper prioritization, sequencing and budget planning.

SIGMA's team consists of around 20 experts who provide assistance in six areas: strategic framework of public administration reform, which entails designing and implementing public administration reform policies; pol-

icy development and coordination, where SIGMA helps by coordinating the priorities of governments into effective work programmes; public service and human resource management, which includes help with building civil services, reforming state administrations, etc.; accountability, where countries can get assistance in regards to monitoring the implementation of laws on transparency and access to information; service delivery, where SIGMA assists countries by offering advice on the use of quality assurance tools; and lastly, public financial management, public procurement and external audit, where one of the ways in which SIGMA helps countries is by helping ministries of finance as central bodies for implementing, monitoring and controlling budgeting.

SIGMA works with potential EU candidate countries, such as Serbia, Turkey, Albania, Kosovo etc., and has developed more tailored principles of public administration, which define detailed requirements for a well-functioning public administration in practice. The principles were formed on the basis of good practices in EU and OECD countries and according to international requirements and standards.

SIGMA often organizes and co-organizes different events, such as conferences and workshops. Some of the events they had hosted in the past are: “Workshop on the Serbian Public Financial Management Reform Programme Action Plan” and “Seminar on the Improvement of the Quality Management of Public Services in Algeria”. Participation in these events is only possible with an invitation but most of them are filmed and later published on their webpage, where they are available for public viewing.

## **Simon Herbert**

was an American political scientist, economist and a Nobel prize winner in Economics. He was interested in various fields in addition to politics and economy, such as psychology, computer science, artificial intelligence, mathematics, etc.

He was born on June 15th, 1916, in Milwaukee, Wisconsin, USA, to German immigrants. After finishing primary and secondary school in his hometown, he enrolled at the University of Chicago in 1933, where he studied social science and mathematics. Later on, he focused on econom-

ics and political science. Simon was interested in many scientific areas and was a very ambitious student, which can be observed in the fact that he studied additional subjects (such as physics and philosophy) to gain more knowledge. He graduated in 1936 and started his researching career as an assistant in municipal administration, more specifically in operations research. From 1939 to 1942, Simon was the director of the Bureau of Public Administration at the University of California, Berkeley. During those three years, he finished his doctoral thesis at the University of Chicago. His dissertation focused on administrative decision-making - the process of choosing the best possible option within the government environment to implement new policies, while ensuring maximum benefits and minimum amount of risk.

Based on his dissertation, “Administrative Behavior” was published in 1947, where he described how organizations in terms of their decision-making process can be seen and understood. After earning a doctoral degree, Simon was a professor of political sciences at Illinois Institute of Technology in Chicago until 1949. During that time, he started visiting seminars of The Cowles Foundation for Research in Economics, where he focused on studying economics, especially institutionalism. He was interested in mathematical economics as well, so during the 1950s, he and David Hawkins discovered and proved the “Hawkins-Simon theorem” on the conditions for the existence of positive solution vectors for input-output matrices. Before the Nobel prize, Simon won the Turing Award in computer science in 1975. In 1978, he got the Nobel prize “for his pioneering research into the decision-making process within economic organizations.”

Simon stated that “decision-making is the heart of administration and administrative theory must be derived from the logic and psychology of human choice.” He was the first to bring psychological aspects into the decision-making process. Simon examined how public administrators make decisions and what influences them to make them. His great interest for so many scientific fields, especially relating to organizations and administration, resulted in his great knowledge, numerous books and important awards.

## A spoil system

is a system in which civil servants are recruited based on their allegiance or personal links to the ruling party. They are replaced each time there is a change of ruling party, which implies a high turnover. This system was born during Andrew Jackson's presidency in the United States in the 19th century. For him, this system arises from the legitimacy of the election of one party to the power and permits better accessibility to the public function for everyone. The term is famous since senator William Macy's speech in 1832 where he said: *'To the victor belongs the spoils of the enemy'*. A new government places its followers in administrative positions, thus ensuring their loyalty and incorporating profiles from civil society or the private sector with innovative ideas. The goal is to protect the government from possible opposition to the administration and permit optimal coordination between them. This system also still exists in France for high-ranking civil servants, or in Germany (after a pre-selection, the minister freely chooses the civil servant). It is in contrast to the merit system, where civil servants are recruited based on their skills, outside any personal relationship, to avoid possible side effects and have competent civil servants. These systems can be combined: merit system for majority of civil servants serving in low-politicised positions, and spoil system for the most politicised positions. This system has several side effects: incompetence, conflict of interests, and corruption. It's also criticised because it is defined by partisan interests, yet civil servants must work for the general interest. It was reduced with the Pendleton Civil Service Act but still exists today in the USA for some civil servants, like those in the White House (Executive Office of the President of the United States) following the Pre-Election Presidential Transition Act (2010) and Presidential Transitions Improvements Act (2014). The check and balances system has put in place a necessary validation of one-third of these officials by Congress to avoid such problems.

## System theory

is an interdisciplinary concept that addresses interrelated and interdependent structures—systems. This theory springs from natural sciences and is suitable for the constitution of public administration and management. It suggests that a system consists of a variety of elements that are bonded and function together. System theory argues that the open system approach is key, considering that the environment works closely with each element

that constructs the system. The approach highlights the limitations public administrations face and proposes a comprehensive analysis of the system as a whole in its environment. System theory divides organisations that work through an open system that consists of inputs (resources, materials, capital, information, technology), transformational processes (employee work activities, management activities, operations methods), outputs (products or services, financial results, information, human results), feedback (results from outputs influence inputs), and the environment (internal and external factors that affect the system). The theory is based on effectiveness that reflects long-term growth or sustainability. When all elements of a system work together, this creates a state of homeostasis, which provides growth. Systems theory explains the effectiveness of organisations through their adaptability to external environments, which can be static or dynamic, meaning that some are more and some less predictable, which range from static to dynamic, meaning some environments are more predictable than others. The concept of system theory can be used in implementing protocols for regular feedback to the organisation. This theory is also adaptable when trying to understand the role of research and feedback in creating a strategy in public management. Public management should be studied and approached as a whole, inspecting all elements of its work areas, which will result in a better understanding of organisation processes, their compatibility and providing better results.

## **Taylor Frederic Winslow**

was an American mechanical engineer and management consultant in the 19<sup>th</sup> century, also known as the founding father and the backbone of scientific management along with H. L. Gantt, F. B. Gilbreths, H. Emerson, C.G. Barth, H. K. Hathaway and M. Cooke. Scientific management theory is considered to be the beginning of the management profession. Taylor analysed the work of the workers in the steel works company, where he worked as an engineer. He was interested in making the work as efficient as possible, with specialisation of the work force for each step of the production process. He was also studying the work process of the workers very closely, to optimise them on the micro level to speed up the work. Taylor's studies became known as the time and motion study. His goal was to standardise the work, with the one best way that he would find most efficient for production. His method was the least amount of time

that it took to perform each task of production and the fewest number of motions required for each task. He would then train the workers to this standard, the ones that were more productive would be paid more, those who did not meet up to his new set standard would be fired. Taylor implemented the position of a manager that would divide the work in steps. This way of managing a factory is known as Taylorism. The result of his work was boost in productivity, automatisisation, and more work done with fewer people, but there were downsides such as deskilling, demotivating, and dehumanising workers. Even today, the task-oriented optimisation of work is highly used in almost all industries.

## Taylorism

is a management system developed in the late 19th century that divides a production process into small steps which reduce the degree of skills required to perform each activity. The aim of Taylorism is to increase productivity and to reduce training times to increase output levels. This theory was established by Frederick Winslow Taylor and according to it, industrial progress passes not only through the control of technique, but also through the rationalization of the organization of work.

Taylor, who started the “Scientific Management” movement, and his associates were the first people to study the work process scientifically. They studied how work was performed and examined how this affected workers’ productivity. Taylor’s philosophy focused on the belief that making people work as hard as they could was not as efficient as optimizing the way in which the work was done. Taylor believed that all workers were motivated by money, so he promoted the idea of “a fair day’s pay for a fair day’s work.” In other words, if a worker did not achieve enough in a day, he did not deserve to be paid as much as another worker who was highly productive.

Taylor’s scientific management theory claimed that it was the job of workplace managers to develop a proper production system for achieving economic efficiency. He believed that the “one way” of performing tasks “right” and in the most efficient manner requires trained individuals, who are guided by scientific management. Although Taylor paid little attention to public administration, the influence of scientific management helped create and sustain the idea of a dichotomy between politics and administration.



The harsh application of Taylorian principles by his successors led to a heavy criticism of Taylor's theory for its harshness towards workers. He was also criticized for turning the worker into an "automaton" or "machine", making work monotonous and unfulfilling by doing one small and rigidly defined piece of work, instead of using complex skills with the whole production process done by one person. The criticism of Taylorism was based on different perspectives concerning the limitations and problems associated with the science of administration in the field. However, Taylorism led to the increase in productivity, meaning fewer workers or working hours were needed to produce the same amount of goods. In short term, productivity increases, such as those achieved by Taylor's efficiency techniques, can cause considerable disruption.

Taylor's four principles are as follows: 1. Use the scientific method to study work and determine the most efficient way to perform specific tasks; 2. Match workers to their jobs based on capability and motivation and train them to work at maximum efficiency; 3. Monitor workers' performance and provide instructions and supervision to ensure that they are using the most efficient ways of working; 4. Allocate the work between managers and workers, so that the managers spend their time planning and training, allowing the workers to perform their tasks efficiently.

## **Thatcher Margaret Hilda**

was a British politician born on the 13th of October in Grantham, England. She studied at the Somerville College at the University of Oxford and graduated with a degree in chemistry. After her studies, she became a research chemist for a short period of time and would later move on to become a barrister, a type of lawyer who represents clients in the higher courts of law. In 1959, she had a breakthrough in her political career when she was elected a Member of the Parliament. In 1970, she was appointed as the Secretary of State for Education and Science by Edward Heath. In 1975, Thatcher won the leadership election for the Conservative Party and became the Leader of the Opposition, which made her the first woman to lead an important political party in the UK. After working in the political environment for a while, she won the general elections and moved on to become the first female prime minister of the United Kingdom from 1979 to 1990.

Thatcher was the prime minister who was in office for the longest period of time in the 20th century. She was also known as the “Iron Lady” due to her political leadership approach which later became known as “Thatcherism”. This term is not a defined ideology but rather a political practice that united elements of traditional British conservatism, nationalism and (neo-) liberalism. The political policies are based on a free market economy (also called deregulation), low government spending and tax cuts, accompanied by a British nationalist message. Privatization of state-owned companies also played a big part in the Thatcher’s leadership style, with one of the first companies being the National Freight Company, as an experiment which resulted in a positive response. The shares of privatized organizations were sold below their market value to guarantee more and quicker sales, without the growth of national income in mind. Thatcher is seen as one of the first to use the approach of the “New Public Management”, which aims to make public services act more like businesses by using management models of the private sector with the goal of improving efficiency.

However, Thatcherism has been criticized because of its conservative approach. It was introduced in an effort to combat financial crisis of that period. However, the success of Thatcherism was believed to be at the expense of British society, as unemployment rate increased from 1.5 million to 3.3 million under her rule. Thatcher was also criticized for her Euro-scepticism, which related to her speech at the College of Europe in 1988, in which she opposed the transition from the European Economic Community into what would later become the European Union. This speech was perceived as an attack on the European project; however, Thatcher did not aim for this speech to be anti-Europe. She was anti-federalist and opposed the idea of a European super state exercising dominance from Brussels. This speech caused a divide within the Conservative party, which would later cause her resignation due to an increasing number of pro-EU members of the party.

Margaret Thatcher and Thatcherism are connected with public administration management, as she was a public administrator who worked in a public department – the British government. Therefore, Thatcherism is a leadership form of a public department, namely the management of public administration.

## Transparency

represents the visibility and publicly open operation of certain organisations and their work, especially when government work and decision-making processes are available to the public. This provides an important insight into the work of the public sector, as it provides increased trust in the government from the public. Transparency is a key element of public organisations, as organisations strive to build a certain level of transparency, which leads to trust from the viewers of its services on all levels of its operations. It is a principle that is used in the public sector highlighting democratic and liberal measures for informing the public as well as acknowledging their part in the democratic society. Transparency also provides the credibility of public authority and serves as a key tool for the communication of policymakers and their intentions. There are different levels of transparency, which vary from only notifying the public that a change has been made or a decision has been accepted to full inclusion of the public in the decision-making process. Levels of transparency signify the openness and honesty of the sector towards the citizens. By analysis and observation of public sector communication and information provided, we can determine how transparent they are about their work and motives. Along with the globalisation processes, the modern media and digital press, transparency has become more relevant than ever before, and it has become a pressing matter when it comes to citizens choosing their leaders. Transparency can also work as a factor in eliminating corruption, encouraging honesty and loyalty to the citizens. It signifies the importance of clear and accountable roles in the public sector and offers responsibility when it comes to making decisions as well as the usage of positions of power. The relationship between trust and transparency is more straightforward in public services, where people have higher trust in administrations that are more transparent. Of course, the levels of transparency differ because public sector processes can be difficult to understand. This results in complexity of transparency, which can sometimes act as an illusion of openness, while the processes behind it are not fully disclosed to the public. Public sectors must act towards citizens the best intentions, while remaining certain levels of transparency, as well as integrity and accountability. Meaning, they take responsibility for their actions and act as a truthful source of providing information.

## Trust (in Public Administration)

is a psychological state when a person has confidence in the public institutions that is reflected in the acceptance of their decisions. It is an outcome of feeling organisations' reliability and being provided with results that meet expectations. It also comes from an optimistic belief that the risk and uncertainty of possible unintended consequences of public organisations' decisions, betrayal or violation from the side of the organisations will be avoided. Conception should not be confused with 'reputation', which in turn means positive or negative beliefs about different aspects of institutions. Trust is one of the most important problems in Public Administration. This issue is a consequence of the asymmetry of the relationship between a person and a public institution because people's knowledge of bureaucratic operations is limited and there is often little transparency and accessibility of such actions. That is why trust implies that a person is willing to become vulnerable due to giving a possibility to the public institution of carrying out the whole decision-making process and providing results without interference from the side of that person. Trust in public organisations is very important, since it makes the public system stable and durable, encourages civil servants to work better and is required for the successful functioning of organisations. It can be achieved when they act in people's best interests by conducting their work effectively and in accordance with professional standards, but also if such work is done based on the principles of fairness, responsiveness and responsibility. However, it is very hard to gain trust, especially since New Public Management leaves more space for negative consequences like nepotism or power abuse. That provides to the higher level of corruption, breaking the law and not complying with obligations, which leads to the loss of trust in institutions. At the extreme point, when there is no trust at all, the rule of law is undermined, organisations lose any legitimacy for a person, which results in trying to deal with any issues bypassing public organisations.

## Weber Max

(1864–1920) was a German sociologist and political economist who lived at the end of the 19th century. It was a time when traditional irrational values (rituals, God) were undermined by the rationalism of modernity. He also saw this process unfolding in organisations, and that's how he developed an ideal form of administration called bureaucratic theory.

In his time, there were still traditional modes of operation in managing organisations. He believed that the existing approaches for managing had really obvious problems, especially around the area of authority. Traditional authority was not based on competence but on nepotism. Employees were hired or fired for a variety of non-organisational reasons, such as their religion, sex, and relation or family connections. The decision-making was isolated in the hands of a few people, and it was very unlikely that they were going to be the most qualified people to run the organisation. He thought that this was a big disadvantage and favoured a more rational approach to doing things. Bureaucracy is a key part of the transition from the traditional to the modern state, which would make organisations more rational and efficient. It's composed of a hierarchy of positions with an extremely clear chain of command. Bureaucratic organisation also offers rigid division of labour so that every person in hierarchy has its own role and acts like a 'cog in the machine'. Organisations, according to Weber, should run by formal rules and policies, which would make them more efficient. Also, an important characteristic of Weber's bureaucracy is the principle of qualification, where all workers in bureaucracy are selected through merit as opposed to nepotism. Finally, all relations between civil servants and citizens are impersonal and formal; everybody had to be treated equally, regardless of their personal characteristics. For Weber, this was an ideal form of administration, which should be applied to the public as well as the private sector. He believed bureaucracy in its ideal form was the most efficient and rational way to run an organisation. Despite that, Weber still had some second thoughts about this highly rational approach of doing things. He predicted that this process of rationalisation would lead to a technically ordered, rigid, and dehumanised society. In the end, Weber's ideas inspired many scholars and are still very relevant in every branch of social sciences.

## **The welfare system**

is a system that designates all the measures implemented by the state in the social field in order to guarantee the well-being, protection, and assistance of its population in the face of social risks. Social risks represent all the situations that can cause a decrease in resources or an increase in expenditure, such as old age, unemployment, maternity, illness, invalidity,

or death. Welfare systems offer a variety of help through coupons, health care assistance, unemployment compensation, educational assistance, or even disaster relief.

This term was first conceptualised by thinkers such as Chancellor Bismarck in Germany at the end of the 19th century and Lord William Beveridge in England with his 1942 report. The bismarckian system, also called the 'insurance system,' is financed by social contributions, protection is compulsory, and benefits are paid to individuals who are insured against such risk. The beveridgean system, also called the 'assistance system,' is on the other hand financed by taxes, and benefits are paid to individuals who need them. The objectives of the welfare system fall into two categories: material objectives, such as guaranteeing the survival of individuals with large families or sick and elderly people, and social objectives, such as reducing inequalities in terms of life risks. The welfare system consists of an 'extension and deepening' (Rosanvallon) of the sovereign functions of the state, known as justice, police, and diplomacy.

The quality of the welfare system and its scope vary depending on the country, so we cannot speak about a unique welfare system but a plurality of welfare systems. Nevertheless, it is possible to distinguish three main models of the welfare system (Esping-Andersen, 1990): the social-democrat or universalist model, the corporatist-conservative model and the liberal or residual model. Foremost, the social-democrat model guarantees a high level of social protection and an important offer of public and social collective services. Implemented, for example, in Sweden, this model is financed by taxes (beveridgean inspiration), and its aim is to ensure the equality of all citizens through social redistribution. On the other hand, the corporatist-conservative model is financed by social contributions (bismarckian inspiration) and is focused on salaried work. Implemented, for instance, in Germany, its aim is the maintenance of the employee's income, so an employee can receive social protection when they can no longer keep working and lose at least part of their income. Finally, the liberal or residual model is a mixed system combining voluntary private insurance and tax-financed measures that benefit the poorest portion of the population. Implemented in particular in the USA, there is no obligation of insurance in this model.

## Wilson Woodrow

(Thomas Woodrow Wilson) was born on December 28, 1856, in Staunton, Virginia, USA. He was a politician, educator and the winner of the Nobel Peace Prize in 1919. On March 4, 1913, he became the 28th President of the United States. Prior to his presidency, Wilson was the president of Princeton University and the governor of New Jersey for two years.

In the United States, Woodrow Wilson is considered the father of public administration. Wilson's most renowned essay "The Study of Administration" examines the history and subject matter of the study of public administration and explores the administrative government and methods for implementing it. In the introduction, he states: "It is the object of administrative study to discover, first, what government can properly and successfully do, and second, how it can do these proper things with the utmost possible efficiency and at the least possible cost either of money or of energy." The essay consists of several parts: The first part discusses administrative and political government and the Constitution, where Wilson argues that the increasing complexity of society and corresponding issues of public policy require administrative methods, so the government can deal with them. The second part explores administrative and political government and the Constitution. Wilson argues that administrative government is and ought to be separated from political government and that the two are only connected when political officials set tasks and goals for administrators to carry out.

In the context of historical transition to administrative government, Wilson divides the history of government in Europe and the United States into three parts; the first is based on absolute sovereign rulers, the second on democracy and constitutions, and the third on administrative government, implemented and approved through democracy. According to Wilson, administrators must be given great power and discretion in order to perform their roles effectively and efficiently. In the last part, called "improving constitutional democracy with administrative methods", Wilson argues that constitutional democracy must be improved with the implementation of administrative methods of government and by hiring a qualified civil service on the basis of competitive examinations.

## Work flexibility

refers to the flexibility of the labour factor, which is with the capital one of the two main means of production. It also refers to the organisation of a company, allowing it to be able to adapt itself to fluctuations in its environment and its demand. During the post-war economic boom, the model of workforce management was highly regulated, and workers had many social guarantees. However, with the growth of unemployment and the neoliberal turn of the years 1980–1990, this model was questioned. Therefore, work flexibility emerged as one of the key concepts of human resources theory to tackle the issues that both public and private sectors were facing. We can distinguish two major forms of labour flexibility: quantitative flexibility and wage flexibility. In the first case, the company or the public administration can vary its volume of labour, in particular by employing the precarious labour market through the offer of fixed-term and temporary contracts when it needs additional labour, but also by varying the annual working time, by outsourcing and subcontracting, or by requiring employees to be flexible so that they can change jobs at no additional cost. In the case of wage flexibility, the company or the public administration can vary wages based on performance. The base salary is therefore generally low, and employees can receive bonuses if the context allows and if they have been sufficiently productive. If labour flexibility was mainly conceptualised for the private sector, presented as a solution to the rigidities of the market (minimum wages, holidays, regulatory working time, etc.), the public sector borrowed the concept with the advent of the New Public Management, experiencing a form of work rationalisation with both internal and external work flexibilisation in order to gain reactivity and efficiency (Jacquot & Nosbonne, 2004). If work flexibility is one of the major reforms taken under NPM and is often presented as a source of freedom for employees and an improvement in productivity, this could also be at the origin of the development of precariousness, causing an explosion in the number of ‘working poor’, inducing negative effects on the morals of unskilled workers and employees in general, with stress, fatigue and instability (Guest, 2004). To remedy this, public administration could associate this flexibility with a guarantee of occupational safety for workers by granting them long and substantial compensation when they are made redundant: we speak of ‘flexicurity’ (Rasmussen, 1990). This model was in particular implemented in Denmark from the 1990s



and combines three elements: work flexibility, social security and active labour market policy.



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