

Public Organization and Management
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Lecture - 02
Foundations of Public Management – II

Hello dear learners, I hope all of you are doing well. Let me continue the discussion on public management. In the previous session, in the beginning of this course, we have discussed about the meaning of public management, how public management is understood in literature and we talked about varied perspectives on understanding of public management. We looked at some of the frameworks being proposed in the first session.

So, in this session, I am going to focus on the various objectives of the public management scholarship, challenges which are related with the public management and what are the differences between public management and administration, public management and public administration differences, private and public management differences, that is what we are going to talk about in this particular session. Now, when I say scholarship, public management scholarship, I mean lot of research which is being done, which has been done and which is required to be further done to further enhance the understanding of public management, the way public management is practiced across the nations. Now, if you look at the literature and the way the public management literature research is growing and it is getting pace in terms of publications, there has been observation that the practice of public management, it actually varies as per the environments of different nations across the world. Why it is so? Because different countries have different government structures, different types of government, their legal and political environments different, demographic characteristics of the nations are different.

So, in all these contexts, the practice of public management largely varies. And it is also important to understand the variations in the public management to know about maybe it can also help in the nations understanding the best models of public management so that it can be replicated or maybe adapted with some kind of modification in terms of improving the efficiency of the system. So, for example, in terms of NPM, New Public Management, if you see that different organizations or different, I would say, the country context looking at the models of New Public Management has taken into consideration some adaptation of the new public management to improve the functioning of the government and the public organization. So, idea of scholarship is to know more and more about public management so that it can provide feedback or contributes to the improvement in the functioning of the organization because if there is a research

evidence which is available, it can go a long way improving the functioning of the government and public sector organization. Now, according to Lynn, it says that the achievement of the good government, it is actually the responsibility of the public authority.

Responsible and competent use of public authority is basically what is the meaning of good government. And in here, the role of the public managers becomes very, very crucial and important that what kind of activities and what kind of things that they are doing in terms of achievement of the good government. Now, as we have seen that there is a lot of variations in the managerial practice and its effectiveness across the context. So, in that particular context, it is important to see that what is the role of legislators, executives or judicial authorities in terms of contribution towards the effective management. Also, it is important to understand the role of managerial reforms or strategies to look into how it can actually enhance the government and public organizations' performance.

Now, because of these variations and because of these different aspects of the government and the country cultural context, the way the management is practiced in the public organization is way very, very different. Now the objective, the focus of the research of these public management scholarship, it can help the field, public management field in understanding and of course give lot of input in terms of improving the functioning of government and public organization. So, scholarship means, in research if you look at what kind of things have been done and what is further required to be done in terms of, you know, research input so that it can help the public management organization and government understand what is happening in the different country context in terms of research evidence. So, that same can be, you know, applicable or maybe replicated or adapted in the organization. Some of the areas of research, you know, I have highlighted on this particular slide.

So, research related to how public management is practiced within different kind of constraints. There are constraints related to politics, there are constraints related to the legal aspects of the country, there are constraints related to the cultural aspects. So, how public management is practiced and what research has to say about it, that is another objective of the public management scholarship. There have been some studies in this area. There is more requirement of understanding this further.

So that's another area of research which has to be taken into consideration. That's become the part of the objective of public management scholarship. Now, since we're talking about public organizations and the government, they are actually working for the benefit of the society, for welfare of the community. So, it is important that how accountability is understood from the different lenses. For example, in terms of transparency, responsibility or responsiveness, what are the kind of research evidences available or

research should focus on in terms of talking about the accountability and controlling mechanisms in the public management practice.

Because it is going to then give lot of input to the various organizations in terms of putting in accountability and control mechanism in place so that they can assure that the government is more transparent, the government is more responsive and government is very responsible in the function. So, various models of accountability and various models of controls and applicability in the practice of public management is another important area of the public management research and objectives of the public management scholarship. if you look at the comparison between the public and private sector organization, in terms of how they set the goals and what are the parameters of the effectiveness and how performance is to be evaluated, they are largely different. So, in fact, we will have a separate module discussion on this particular topic on goals, performance and effectiveness, where it will be seen that how there is a different perspective on the setting of goals, performance criteria and evaluating the effectiveness of the public sector organization. So, research, there also is lot of scope in terms of contributing to the understanding of goal setting, performance related aspects, issues related to the performance evaluation, what are the various effectiveness models are available in terms of evaluating the effectiveness of the public organizations.

So, this is another important area of research. Then is the public leadership, very interesting area of research that is leadership contextual or it is more generic, whether leadership which is being done in the private sector organization can similarly be done in public sector organization, is there a model or are there models which are differently you know, been proposed in the context of public sector organization. Now, if you see a lot of research is now coming up and a lot of research is being published which are specifically focusing on the leadership, you know, kind of leadership which is more applicable to the public sector organization, right. So, more and more contextual research is also happening. So, that's another, you know, interesting area and objective of the public management scholarship is to give inputs, you know, in the area related to public leadership because then So, if the models are, present the evidence of the success in the public sector context, it can then also be taken into consideration by different organizations or government across to focus on or start training people along those lines so that it results into the further enhancement of the functioning of the organization, government, public sector.

And then, you know, the issues related to performance evaluation and the indicators. As we know that, you know, the indicators that are being used in the private sector organization for performance evaluation, they are very clear. Let's say, profit is one of the indicators which is a, you know, very clear-cut indicator goal that the private sector organization they look forward to or expansion or the market share, profit, wealth maximization, profit enhancing, all these are the very clear goals in terms of private

sector organization. So, what is going to be applicable in case of performance evaluation indicator when the public sector organization are more to do with the concepts of efficiency, the public service delivery at the optimal cost. you know, the effectiveness in terms of provision of the public service there and of course, related with, you know, fairness, equity, justice and trust.

So, how the performance evaluation and indicators are different in the context of public, you know, in terms of public sector organization is another important area of research. A lot of research has been published. More research can further provide a lot of input and feedback to, you know, the practice of public management in the Also, what is the role of various reforms, various administrative reforms, how they can actually help organization deal with the issues of inefficiencies and when public have a lot of skepticism that we have discussed in the previous session, how various reforms can help the government and public organization deal with the issues of this inefficiencies and negative perceptions of the government in the minds of the people. So, with the reforms in the system, how these reforms are going to be effective and what kind of reforms can be affecting and there we can also learn what is happening in the nations across, what kind of reforms have been you know, been done in the other country context and same can, there can be adoption of those reforms model or there will be a different kind of reforms which will be required in the, you know, in the context of different organizations, right. So, people who are interested in, you know, doing research in the area of public management, they can consider some of these areas to further explore that how, you know, they want to contribute to the literature in the area of public management.

So, some of these, for example, public leadership, accountability, reforms and the related aspect, they are very interesting areas of research for people who are doing doctoral research in the area of public management. And another area is because now public service delivery models are changing. It's not a traditional model of government providing service directly. Now, it's a lot of partnership and collaborations happening. Public partnership, private partnerships are being formed, NGOs getting involved, various other public agencies coming together to ensure the public service delivery.

So, in that case, how governance is to be taken care of? The hybrid models of governance are coming, right? Network governance, collaborative effort is required, how collaboration happens, how cross-sector collaboration, you know, partnerships happen. So, all these are also important areas of what, you know, consideration in the case of public management scholarships. So, these are some of the areas which public management scholarships look into in terms of the objectives. So, we will continue the discussion on these areas when we move forward with the other topics in the content. Now, we will talk about the challenges faced by the public organizations and the public managers.

Now management in the public organization often present unique challenges and these challenges often emerge from the paradoxical nature of the environment in the public organizations. So now when I talk about the environment of public organization, I am talking about the organization culture. Largely I am talking about the environment in terms of organizational culture. also the environment outside the public agencies. In comparison to the business manager in the private sector organization, the challenges faced by public managers are often more complicated.

They are more challenging. Now understanding of this culture is a key to the managerial important. Now, the phenomenon of this paradox, you know, paradoxical values in the public sector organization is perhaps not new to the public organization and management and has also been long been recognized. but its impact on the public manager's tasks and behavior have not received much attention. For example, how this environment and culture of the organization is impacting the tasks and behavior of this public manager has not received much attention.

Now let's look at the two important things here. The coexistence of competing values and expectations in the public management. The first is about empowerment versus constraint. On one side, the public managers are empowered. Empowered how? They are empowered by giving them considerable resources and discretion to implement and administer policies and programs.

At the same time, there are constraints being put on them in terms of laws, procedures and norms which are intended to control and direct their behavior. So, one side they are empowered, another side they are controlled. In terms of empowerment, public managers are also interested with huge budgets and administrative power for effective design and implementation of policies and programs for the betterment of the public. But at the same time, the public managers are engulfed by rulings from the judiciary, bureaucratic administrative procedures, investigations against them, dealing with press and media, and there are public opinions, criticism from public, allegations for misusing public money, and there are performance audits. Now empowerment versus constraints.

Empowerment is about they have got necessary resources in terms of money, power, considerable discretion to implement and design the public policies and the programs, and also, they are constrained by various laws, norms, procedures of the government. So there is a paradoxical nature of the functioning in the public sector organization. Very important. Now, what is required is that public managers must balance between the empowerment and constraints while ensuring accountability, transparency and efficiency, which is nothing but the expectations of the public.

It's very very important. That's why we also talked about that the challenge which are faced by public sector organizations, public managers are way different from private sector organizations. Perhaps private sector organizations and private managers are not as accountable to the general public in comparison to how and to what extent the public managers and public organizations are accountable for. So this is very very important. Another challenge is about organizational culture. Now what is the culture? First of all, let's talk about what is the meaning of organizational culture and then we'll say that how the organizational culture of public organizations are putting challenges in front of the public managers.

Now culture is about beliefs, assumptions, and values that the people of organizations share in common. These are the things which people perceive are happening in the organization. What is right? What is wrong? What works here? What is not going to work here? All are the aspect of the culture of the organizations. Now what this culture do? These culture actually affect the behavior of individuals and the groups in the organizations. it has strong impact on the perception amongst the employees of an organization.

Looking at the culture of the government organization, the people who are working in the government organization, they will start perceiving the various aspects of the organization. For instance, what matters to the organization, public organization? Who are the most important people? Who are the people with strong authority? Who are decision makers? How power is distributed? Who controls what? So it is the various aspects of the cultural dimensions of the organization. And because culture impacts people's perception strongly, people start evaluating what is going to matter in this organization. Now, the culture influence in such a way that the individual end up supporting the norms and beliefs of the culture rather than going against it. It is very natural, right? Because we are saying that organizational culture and the understanding of such organizational culture which is a source of organizational behavior.

See, when we talk about the behavior of people in the organization, it is influenced by the It is influenced by the organizational culture. Now, where is the source of this behavior? The source is in the organizational culture. Why do people behave in the way they do in the organizational context? If you compare the employees in the public sector organization versus private sector organization, you will see the differences in their behavior depending upon the context of organizational culture they come from. So, it is very very important. Now as per the paper written by Joseph Whorton and John Worthley, which I have mentioned also here, and I am quoting here, "the source of organizational behavior in public organizations emerge from the paradox".

What is the paradox? The paradox is about philosophical expression of high ideals and the aspiration, which is a positive force. and trusting statement of constraints and limited powers, which is a negative force. Now let's talk about what is the meaning of this positive force and negative force. When we talk about positive force, administrative actions directed to meet public goals and objectives in terms of promoting good and solving societal problems.

See, I have mentioned over here. positive forces are actually characterized by promoting common good and solving societal problems, while negative forces is about constraints and limitation. Now when we talk about these positive forces, this in fact emphasizes on the positive possibility of public management by forming a cultural environment espousing values related to positive outcomes of the society. On the other hand, when we talk about the negative forces, it's about the constraints and limitation. And in the literature, it is labeled as bureaucracy. Actually, these forces actually deals with transcending norms of behavior expected by public, expected from public employees.

For instance, when we talk about the government employees, they require to disclose their financial resources. also laws regulating to their services, accountability procedures to control their behaviors and limit their behaviors. So, these are some of the constraints and limitation which are coming from the negative force, you know, in terms of the organizational culture source for organizational behavior. These employees, they have been continuously asked to rationalize their methods to become more efficient. So, they have to juggle between accountability and efficiency, choice, making a choice between accountability and efficiency.

So, while they do it, because these public managers, they are to follow bureaucratic rules, guidelines and procedures, they will come across as agents of agencies and can be seen as wasteful and blindly following procedures without using their discretion. Now, what happened with this when they are actually making choices between accountability and efficiency. So, remember they are to be abide by rules and regulations and they have to sometime make choices you know depending upon what political authority wants from them or internal administration want from them. So, they may you know ignore some of the important aspect which are important for the general public and citizens, so in that way these manager will experience something which Joseph Whorton and John Worthley talk about in terms of "schizophrenic existence". According to which it means that these managers actually oscillate between, between what? Being agents of social good and sometimes also perceived as potential wrongdoers.

So remember, if public managers are not going to do something which is more required or more appropriate for the citizens of the country, of course they will be considered or they will be seen as somebody who are wrongdoers and we have talked about that these people sometime are perceived as people who are wasting taxpayers money wasting

resources right and they are misusing the money so sometime the public give them the tag of potential wrongdoers so that's the another challenge which the public organizations and public managers face. Now, to conclude the discussion on challenges of managing in public sector organization, two broad conclusions are drawn. The first one is the institutionalized control influences managerial behavior limiting their autonomy and effectiveness that we have just talked about it that because the government sector organization are to be abide by certain rules and regulations and there are controls which are put in place to limit the behavior of these managers it actually limit the autonomy and effectiveness of the public managers and organization, which is a challenge for these organizations. Second, organization culture of rule of authority over managerial discretion. Remember, you have to abide by what the rules of the authority says.

Over the discretion you have as a manager, it impacts the organizational efficiency. We just have explained, talked about the aspect of making a choice between efficiency versus accountability. So, there when we have to go by the rule of authority, what the rule talks about it, what rule says and what is about, you know, the managerial discretion, this impacts the efficiency of the organization. So these are some of the challenges which are confronted by the public managers and public organizations. Moving on, we talk about the opportunities for public managers and public management as a field of study.

First, modern societies faced Wicked problems. Now what are Wicked problems? These are the problems which are very complex problems which cannot be solved by the competencies and resources of one particular organization and require collaboration across multiple agencies and diverse stakeholders. Now this led to the emergence of new public governance. Now, new public governance focus on different type of governance including hybrid governance and collaborative governance. Now, because these are big problems as I have just mentioned that you require support and you have to take advantage of the competencies of the other organizations, you know, in terms of expertise and the resources that they have, they have to brought in together to solve the problems, right, so that the problems can be taken care of and expertise and the competence and the resources of the organization can be used. Now when multiple organizations are involved, it is the issue of collaborative governance.

All the parties have to govern the activities at how public policies and programs are implemented and how the problems are to be solved. Now it put emphasis on this new public governance, it put emphasis on results, legitimacy, stewardship, and subsequently leading to the enhanced democracy. Why? Because multiple stakeholders are involved in governing the activities of the organization. So we'll say that everybody participated in looking into the aspect of the functioning of the government organization, being it setting the goals and purposes, the means, controls, discretion, everything. So, people when are involved in the process of collaborative governance, we can ensure that we are talking

about legitimate actions, emphasis on results, then subsequently leading to the enhanced democracy.

Another important aspect to the opportunity is population growth and migration led to demographic shift which needs an innovative and collaborative governance approach because of population growth and the migration demographic shift is there. Now depending upon the expectation of these demographics what happen is the public organization and manager they have to be culturally competent in terms of understanding what these people want from the organization what these citizens expects from the government and public organizations and accordingly the administrative authorities are to come up with public policies and programs which meet the needs and expectations of the public. So there is a huge opportunity for administrators, policy makers, political leaders to talk about these things and start thinking along the lines of meeting the expectations of the citizens. Now I want to focus on very important aspect and very interesting idea which was put forward by Professor Mark H Moore from Harvard University and idea is of public value. First I will discuss about this idea of public value and then I will talk about what are the opportunities for government and public managers in relation to the public value. Now, the idea of public value came to Professor Mark H. Moore based on the analogy which he has described in the paper which is written on the slide here. The idea is that if private manager by making use of their skills and imagination, can create private value for private organization.

I'm talking about creating value for the shareholder. Shareholder maximization, profit maximization. If they can create value, why can't public managers do it? Public managers should also, by making use of your skills, competence, imagination, and public asset, should create value for the public. It's very, very important. Now, who is creating this value? It's not an individual effort. The correct arbiter to create public value has to be collective public.

Because what is valued for the public, it only will be decided by the public who is receiving this value. Instead of individuals making judgment about their own material interest. It's very interesting that when the public policies and the programs are implemented, what value they are going to create for long term. It's very, very important. For example, when we talk about the public policy or the program on education, effective education, implementation, increasing the literacy rate, what is the kind of value this policy and programs is created in terms of long term? Example in terms of human resource development, creation of human resource, competent human resource, which can then take up the challenges of the nation and can take care of the economic development.

So how is the value being created? Now while creating this value the government relies on state authority to require individuals to avoid any kind of harm or to advance social

good Private organization can create value and can measure it in terms of the finances, but in terms of public organization, the performance cannot be measured in terms of financial performance only. What value is being created? Now, value produced is seen in terms of the changes in the social conditions rather than the financial performance. It is the important parameter, important aspect of public organizations. how much the value which is being created, it is actually bringing changes in the social condition. What about poverty? What about literacy rate? What about unemployment? And how it is the value that the public policies and the programs are being created, how it is going to take care of the social conditions.

So, the parameter of evaluation will be change in the social condition by the creation of this value. Not only the creation of value, recognition of the value, recognizing value by making use of proper performance parameters and measurement that how the value is created, it is very very important. Now for improving the social conditions at a larger scale, because we are talking we are a big nation and there are many challenges which require attention and if you really want the social conditions to change at a scale and of course to sustain it, government should take advantage of the competency of the all sectors of various industries. Government organization, for-profit organization, not-for-profit organization, volunteer organizations, you know, the special interest groups, and of course, involvement of the public in this. It's very, very important, right? So, in this case, what happened is, when we are talking about the idea of creating value and recognizing value, it provides a large number of opportunities to the public management and public managers to contribute? What kind of policies, what kind of programs, how the processes are to be designed, how we will measure this value and how we will ultimate achieve the objective of the betterment of the society.

Very important. Then comes the scope of public management. Now, in understanding the scope of public management, it requires the discussion on the relationship between public administration and public management and also similarities and dissimilarities between private and public management. Now, to do this, I would request and suggest learners that you come prepared with the reading for the next session. And the reading, the title of this reading is Conception of Public Management by Professor Mark H. Moore. And the title and the citation, the full reference is given on this slide here.

Now, building on this reading, I will take the next session, which will talk about the various aspects of public administration, differences between public administration and management, roles of public managers, roles of policy analysts, how the roles of managers have evolved over a period of time and what are the reasons for this.