

Public Organization and Management
Dr. Vaneet Kashyap
Department of Humanities and Social Sciences
Indian Institute of Technology Tirupati

Lecture – 23
Goals, effectiveness, and Performance - III

Hello dear learners, let us continue the discussion on organizational goals, performance and effectiveness. In the previous sessions, I have talked about the foundations of the performance and effectiveness. wherein we have talked about the aspects of organizational goals in public and private sector organization. We have seen the types of goals in terms of official and operating goals and we also have seen some of the examples of official goals by three different organizations and also have given you a very brief assignment to work on. I hope you people are actually working on this and will learn much more from when you read the statements your own and find out more about how official goals and operating goals are helping the organization to attain the success. In this session, I am going to focus on goals of the public organizations.

Again, I am reminding you that the content of this particular module are based on the text of Rainey, Fernandez and Malatesta in the book titled 'Understanding and Managing Public Organizations'. Also, there is another paper which I have highlighted, which I am going to make use of while explaining the concept of goal ambiguity. This work is by Chun and Rainey, paper titled Goal Ambiguity in US Federal Agencies, published in Journal of Public Administration Research and Theory. Though of course, content is mentioned in the book also, but I am referring both the papers, text and papers here.

So, you can also refer to these things, these papers to get more clarity on. I will also talk about how this particular aspect is also interesting for the researchers who are working on their doctoral thesis or are in the beginning of kind of finalizing their thought in terms of what kind of work they want to do. So, this is a very interesting area which has a lot of scope especially in the context of Indian organization. Let us continue with the goals of the public sector organization. We have been discussing about the concept of distinctive character of the public sector organizations.

They are unique in terms of because there are absence of the economic markets, their processes are different, their leadership is different, there are different kind of stakeholders which impact their functioning. So, these all characteristics of the government organizations, they largely influence their goals. There's a lot of impact on the influence on goals especially we're talking about how the uh the public sector organization they are formulating their goals largely depend upon the context in which they are working their environment is different. so as the text mentioned, if you look at

the, especially in the government and public sector organization, the legislative branch, if you look at, they provide very broad missions to the public sector organizations. Government receive very broad missions or mandates from the legislative branch.

Think, why do you think this is the case? Why legislative branch gives the broad missions, very big, the mandates to the government sector organization? One of the reason that the text mentioned is that these broad missions, they allows more flexibility to public agencies in terms of devising their own, clarifying the rules and regulations and bring more flexibility how they would like to pursue their missions. flexibility being given to the public agencies. Another reason that they mentioned is that sometime the legislative branch might not be having that kind of expertise to give very specific directions to the particular agencies with respect to their missions and the goals. So, sometime the lack of professional or technical expertise which is with the legislative branch is not available. So, they just assign the broad missions to the agencies so that they continue to work on their plans and how they would want to.

Carry on their operations, but largely they have to be aligned with the broad mandates and missions which are assigned to these organizations. Let us look at an example. You know, in India, the National Green Tribunal has legislative mandates under NGT Act 2010 for the protection and conservation of the environment. If you go to this website mentioned on the reference number 2 here, you will see a general mandate given to this particular organization. But National Green Tribunal, with their expertise, they will also have their own way where they talk about how the operations are to be done, how to handle the various situations and cases in that context.

So, this is one of the examples. There could be many other examples also, but I am talking about An example from the Indian context of the National Green Tribunal in terms of they receiving broad legislative mandates under the Act, NGT Act 2010 for the protection and conservation of the environment. Now, what is the role of the legislative branch? Role of legislative branch here is to only provide the broad mandates for the public sector organization. What is the role of the public agency in this case? They will then write down or they will all design their own details in regulations. That's what is the role of legislative branch and role of the agency therein.

So, in case of, just to kind of summarize here what we have done here that the characteristics of the government organizations, they largely influence their goals, right, because they have multiple stakeholders and their contextual setting is different. So, because of this, they will have to follow. what the context has created a situation for them. So, in this case, we say that legislative branch will only assign the broad missions to these organizations. So, that is why they need to follow their own guidelines, they have to make their own guidelines to then follow these mandates and there is a role of legislative branch and there is also a role of agency.

Now, what happened is because of these goal complexity, I have just talked about this thing because there are, you know, vague mandates being given, vague mandates are being given. So, what happened is this complexity will lead to the major implications for the public organizations and their management, right. As Rene mentioned by citing the work of Boyatzis, which is the competent manager. So, they say that when these kind of, you know, the um things are there the public managers often lack the strong action alignment with the organizational goals because there are no performance indicators reason is there are no performance indicators there are no clear goals so what happened is it leads to a lot of confusion because this absence of the clear-cut indicators of performance For example, in case of private sector organization, they will always have lot of profit information in terms of the sales or the return on investment. A lot of other indicators are available.

But in public sector organization, because these performance indicators are not there, so these public managers often they have shown the alignment with the organizational goals as far as their performance is concerned is very weak. And also, it leads, you know, it led to the performance evaluation. So, because there are no clear-cut performance indicators, we do not have the clear-cut performance indicators in terms of outcomes. So, what happened is this situation then led to the performance evaluation which is completely based on organization's adherence to compliance with procedures and rules which in terms of Lynn is a term called as inevitable bureaucracy, meaning that when these are well-defined performance indicators are not present, the clear goals are absent. So, what happened is the organization they enter into the cycle of inevitable bureaucracy, which means that the evaluation of the organization, effectiveness organization is based on how well the organization has actually followed the rules, rule adherence and how well they have followed the hierarchy, hierarchical control.

This is what is the idea of inevitable bureaucracy. The important term given by Lynn. Okay, now let, this is the work of Chun and Rainey and of course, I have given the other work references also here. This is what is the research work they talked about, you know, in terms of goal ambiguity. They talked about lot of complexity in goals are there, then there is lot of ambiguity. So, according to the authors, the goal ambiguity in organizations, refers to the the extent to which the goals are open to multiple interpretations so it's basically because when the goals are not very clear so multiple people will they interpret the goals in their own way so it means that when the goals are can be interpreted in different way so one can say that there's a lot of goal ambiguity there's a lot of ambiguity in the goals right This is because the government organization goals are often vague, they are conflicting and of course, they require much more clarification. So, how to measure the clarity and ambiguity in the goals? That is what is the work which I am going to refer to here. Chun and Rainey text also mentioned that. First of all, how goal ambiguity has been defined? Chun and Rainey, they defined goal

ambiguity as the extent to which an organizational goal allows the leeway of interpretation. Number of ways in which goals can be interpreted.

So, if it is much more, number of ways in which the goals can be interpreted, more the number of interpretation, more is the goal ambiguity. Now, according to the work, they say that it can vary along three different dimensions. Now, these dimensions are in terms of directing the activities of the organization, evaluating the performance of the organization and of course, making decisions about which goals are much more important in terms of priority. Now, let us look into what different kind of goal clarity and ambiguity measures they have talked about. First, they have talked about the directive goal ambiguity.

Directive goal ambiguity is the degree of flexibility in interpreting an organization mission or formal objectives when translating them into actionable directives to achieve the mission. So, you remember we talked about the broad missions given to the agencies by the legislative branch and then the agency will then write down their own rules and regulations. Now, this particular measuring, measurement of the evaluative goal, evaluating this directive goal ambiguity, how we will be evaluating is by rules to law ratio as cited in Rainey, Fernandez and Malatesta's text. What is this ratio means? This ratio is basically agencies administrative rules page to the pages of legislation governing that particular agency. For example, how many rules are written by, spelled out by the agency and how many pages of the legislation are applicable to that particular agency.

Now, they say that what does it mean, how this rules to law ratio is to be interpreted. They say that when, you know, this particular ratio is higher, meaning that the rules are are higher than the applicability of the laws or to that particular agency, it means there is a higher directive goal ambiguity. What does the higher ratio indicate? Higher the rules to law ratio, higher is the directive goal ambiguity. This is the first, the measure of directive goal ambiguity that they have talked about. Second is about evaluative goal ambiguity.

That's also the work of Rainey and colleagues. Now, when we talk about the evaluative goal ambiguity, it is to do with the performance evaluation. Now, first of all, what is to be done? The mission of the organization is to be expressed in terms of performance indicators. Now, two different kind of indicators can be there, objective or subjective. whether the performance indicators can be expressed from the mission in terms of targets which are measurable and objective in nature which are outcome focused or targets which are more subjective in nature.

Target focus on workload rather than outcome. So, in first case it is idea is objective, in second it is more of a subjective thing. Now, what happen is after this is done, after the missions are expressed into in terms of performance indicators, the author mentioned that the raters will rate the goals of the goal statements of the organization as objective

and subjective right now how to evaluate the evaluative goal ambiguity so it says that a higher percentage of subjective indicators show greater ambiguity. For example, if in percentages, subjective performance indicators are much more in comparison to the objective indicators, the author mentioned that the higher percentage of the subjective indicators show the greater ambiguity in the goals of the organization. This is the second aspect of evaluative goal ambiguity.

Third, Priority goal ambiguity. This particularly refers to uncertainty or lack of clarity in prioritizing among multiple organizational goals. So, for example, if you look at the public sector organization, you will see that they will have a lot of goals that they have to achieve because of multiple stakeholders, multiple parties influencing the goal formulation and so on and so forth. So, when there are a lot of, you know, the goals are to be achieved, which one is to prioritize, there is no clarity. So, what happened is the absence of clear order of importance, right, in terms of which goals will get much more importance among the organizational goals allows for differing interpretation of their relative significance because people will have different a value being attached to or priority being attached to different kind of goals.

Now, how it is being assessed? How one can assess the evaluation of presence, the particular priority goal ambiguity? Arrangement of multiple goals, long-term versus short-term and performance targets, quarterly, biannual or annual. So, depending upon that, it can be assessed. Number of more multiple goals, meaning priority goal ambiguity would be high. So, this is where the three important, the ambiguity aspects been talked about in the research of, as I mentioned on the references here, one is directive goal ambiguity, evaluative goal ambiguity and the priority goal ambiguity. Now, the authors also talked about that this particular ambiguity aspects concept that we have related just here, they also have some kind of antecedents.

Like what leads to this kind of ambiguity? What is that which leads to the ambiguity among the goals there? Relationship of these goal ambiguity measures with the various antecedents. So, various research studies as mentioned in the text of Rainey, they have talked about these many indicators. I have not included other references, but I am again citing the work of Rainey here to just highlight the work being given in the text there. So, these are some of the indicators that they have talked about as antecedents and their relation to the various goal ambiguity measures. So, first one is type of policy responsibility, regulatory, non-regulatory, hybrid and regulatory agencies.

For example, in terms of regulatory agency, we'll say that because I mentioned that regulatory agency, we talked about the example of NGT in India's case, broad mandates being given to them and then they will come up with their own regulations, which means that they will have more directive goal ambiguity, or evaluative goal ambiguity, but lesser priority goal ambiguity. Then, in terms of the complexity of policy problem, in that

way, again, directive goal ambiguity will be higher and evaluative goal ambiguity will be higher. So, if you look at, financial publicness means that because the public sector organizations they are funded from the government. So, the amount of funds that you budget that you get from the government, more the funding that you get, more is the financial publicness as the authors mentioned. So, more the financial publicness, it will lead to increase in the directive goal ambiguity, evaluative goal ambiguity and, but say that, see, they say that also PGA is also positively related to financial publicness.

But in comparison to directive goal ambiguity and evaluative goal ambiguity, priority goal ambiguity is less. The reason they mentioned is that financial publicness does not add to the multiplicity of the goals. So, maybe this is the reason that in comparison to the other two goal ambiguity measure, PGA is lesser positively attached to the publicness rather than directive goal ambiguity and the evaluative goal ambiguity. Another is political salience. Political salience is amount of attention the public agency received, is receiving from the political authority.

The government agencies, how much attention they are receiving from the authorities. political authority. So, in that case, what happened is priority goal ambiguity will be higher. Also, in terms of competing demands of the constituencies, because of multiple stakeholders, citizens, interest groups, the media and the public authority. Public agencies will have to meet the demands of the constituencies. In this case, they also will have multiple goals and hence the priority goal ambiguity in this case. Now, what I am trying to tell you here is this is very interesting work which I see a lot of scope to be tested in the Indian organization. To the best of my knowledge, I have not come across any research related to you know, this particular aspect in the context of Indian organizations. So, especially people who are, you know, working in the area of public management research. So, this is one of the area which they can look into.

To check whether, make a comparative analysis of the public and private sector organizations and see when these kind of, the concept which are mentioned by Rainey and colleagues, how much is the applicability of these kind of ambiguity measures in the context of Indian organizations. So, this is lot of, there is lot of scope for doctoral students to look into, especially people who are in the initial stages of their research reading. So, and if they are interested in the aspects of public management, they can always look into these aspects, refer to their work, especially, please refer to the work mentioned here, Chun and Rainey at series number 2 to find out more about it and see if they want to test this kind of concept and measures in the in the Indian context. A lot of scope is there. So, this is about the concept of the public sector goals in the context of public sector organization and how ambiguity is defined and measured and there are some of the antecedents which they have highlighted building from the various research studies.

So, possibly you can look into the chapter and also look into the papers of the authors and try to see if that excites you, if it is interested for you, perhaps taking an example from the Indian companies and do the survey and try to find out if it is really working. I think, I believe it has a lot of scope in terms of research. So, this is one area. So, what have we have done in this particular session? Let me just quickly give you the overview. So, we have started with discussion on the goals of the public organizations and we talked about the complexity of the goals and we talked about the allotment of the broad missions and mandates by the legislative branch to the public sector organizations and then they have to come up with their own rules and regulations, spell out their own guidelines or directives to work on.

And then I have made use of the article by Rainey and colleagues and others to discuss about their research work on understanding and evaluating goal ambiguity and clarity. And we discussed about three different kind of ambiguity measures, directive goal ambiguity, evaluative goal ambiguity and priority goal ambiguity. I have just briefly mentioned you the meanings of this thing because it is a very basic thing that we are doing it. In this course, we are not going to go with much more of, you know, research discussion. But I thought that this is one of the good way to look at, to understand the applicability of these measures in the context of India also.

Or perhaps maybe you come up with something else in terms of ambiguity. So, you can always add to the work right so directive goal ambiguity evaluative goal ambiguity and practical ambiguity and in the end we have seen some of the antecedents which the authors have mentioned that lead to the goal ambiguity measures you know in terms of increase or really how they are related whether more or less right so i will stop here i will continue the discussion on the you know the aspects of effectiveness and some of the behavioral theories and their impact on the goals, pursuit of goals in the continuing sessions.