Public Organization and Management
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Lecture – 25
Goals, effectiveness, and Performance - V

Hello dear learners, let us continue the discussion on models of organizational effectiveness. In the previous session, I have talked about some of the models, goals model, system model, constituencies model, some of the examples we have seen. Let us continue discussion. Next is the competing values models and the model is given by Quinn and Rohrbaugh in 1981. The reference is mentioned here, a competing values approach to organizational effectiveness published in Public Productivity Review. Let us look into the model here.

According to this particular competing values model, the effectiveness of the organization depend upon which model is of emphasis depending upon two broad dimensions. Now, two broad dimensions are basically on one side, there are the dimensions in terms of whether we are putting an emphasis on the internal people, internal emphasis or the focus is on external, external emphasis. or the internal emphasis. On the other side, if you look at the structure of the organization in terms of is there a flexibility in system or system look for control.

So, depending upon these two dimensions and the variation in this thing, the authors proposed different models as human relations models, open system model, internal process model and the rational goal model. Let us look at these model one by one. Now, when the focus of the organization is on internal, emphasis internal is there, focus is on people and there is lot of flexibility in the system in terms of structure. The author talked about this is called the human relations model. So, what is the focus is on development of the human resources in the organization because they are very important assets because they are the one who are making things happen in the organization.

So, very important resources, the focus is on development of the human resources. What are the means? Cohesion and morale. It basically talks about focus on much more on the human relations because the emphasis is on people here and of course, the flexibility on one side. So, this model is termed as human relations model. On the other side, if we have internal focus, but there is also a lot of control in the system, this is called as internal process model. Now, internal process model it says that the focus of the organization is on maintaining the stability and control. They are looking for stability and control. Now, in order to reach these ends, what are the kind of means that the authors propose? Information management and communication to be followed in terms of meeting the end

of stability and control and hence internal process model. The focus is on internal processes to achieve the end of sustainability and control. Classic opposite of this is if you look at the focus on of organization is the external emphasis and there is lot of flexibility in system.

Now, you see this open system model. We talked about this thing, right? How to meet the demands of the external changes? There are external changes happening. There could also be changes, external changes that can provide, these changes can provide opportunity to the organization to expand. So, that's how the ends focus on growth or resource acquisition. So, how will the organization achieve ends is about the flexibility and readiness to accept changes.

How you will try to balance, how you will bring in the internal changes depending upon the outside changes happening, how you would want to leverage the opportunity. It requires lot of flexibility in system and the organizational readiness to do this because you want to grow. You want to leverage the opportunity, you want to grow as an organization, you need to acquire resources for that particular growth. On the other side, if you have outside emphasis, external emphasis, but you need also control there, you are focusing on the rational goal model. Now, according to rational goal model, the focus is on increasing the productivity and efficiency of the system.

And the means what are to be followed are planning and goal setting. These are the means, important means to reach the ends. Now, according to authors, it's not about one organization will have only one particular model. At one different point in time, the focus of organization can keep on changing. Sometime the focus will be on human relations model, sometime will be on internal focus model, sometime on rational goal model or sometime on open system models.

So, effectiveness of the organization, if you look at, of course, will vary depending upon which model is being emphasized. At the same time, the organization can also look at maintaining the balance. If they can maintain a balance of these particular things in terms of increasing the effectiveness of the system, that is what this model talks about. It is a competing values model by Quinn and Rohrbaugh. Next is the model of balanced scorecard.

And the balanced scorecard approach has been, this particular concept has been given by Kaplan and Norton, published in Harvard Business Review, titled Using the Balanced Scorecard as a Strategic Management System. So basically, this model has much more or I will say much more famous in the strategic management literature. So, this particular model is suitable when the organizational effectiveness requires that the members look at the holistic picture in terms of different pillars, how organization is doing in different quarters and how the things should be looked at. Let us look at what four different

aspects the authors have talked about in terms of the balance scorecard. Now, first of all, we will talk about the financial perspective.

So, first pillar in the balance scorecard is about financial perspective. Now, this perspective basically the authors mentioned that how the organization would want to come across in terms of their shareholders, people who are looking from the outside the organization in terms of evaluating somebody's effectiveness. From the financials perspective, how the organization should come across their shareholders. because they are the one who are related to the organization in terms of the investment and all, how the organization should come across in terms of their shareholders. And the important indicators for this thing, how much returns you are getting from the investment, how much value addition, economic value addition is there in the system.

So, from the financial perspective, the author mentioned that how organization come across as the organization in the pillar of financial perspective towards the shareholders, these are some of the indicators which are there. Second, the pillar that they talked about is the internal business processes. internal business processes so basically this as the name indicate the focus is on the processes improvement the process effectiveness you know in terms of how much you know at what cost the organization is providing the services what is the quality what about innovation in the organization. So, it is basically the excellence of the processes, how good organization is in following the processes which are known for the excellence. Third aspect that they talked about is the learning and growth.

So, learning and growth is basically how well organization is on the path of continuous learning and growth. How much they are into the process of growth, focusing on change and bringing in a lot of improvement in the organization. The focus is on, because it is a learning and growth, focus is on also the employee satisfaction in the organization. That is another important pillar of balanced scorecard. Fourth is the pillar is about customer perspective.

Is basically how much satisfied are the customers with the organization's product or services and what is their perception of the organized some of the indicators that we are just talking about right now the idea here is that you know the balance scorecard if you look at the idea is here that the organization is going to be considered to be effective if there is a you know balanced between the various indicators I have just mentioned. There is a balance being maintained in between the various pillars and it is suitability is when the organization is looking for the holistic growth, holistic effectiveness, then this model will be much more applicable in that particular context. Then comes the legitimacy model again mentioned in the Cameron's work. The effectiveness of the organization depends upon whether the organization is actually focusing on or engaged in some legitimate activity. So, the effectiveness is based on whether the organization is engaged in the

legitimate activity and if it is the case, then of course, it can be said that the organization is effective.

If not, then of course, the evaluation will differ very according to what is the thought process in that particular way. Then comes the fault-driven model. Fault-driven model, if you look at the effectiveness of the model is dependent upon as the name indicates that there should be absence of faults. If there are no faults in the system, basically we can say that it is a fault-driven model of the organizational effectiveness and then if it is, this approach is basically useful in the cases where of course the improvements are needed, strategy for improvements are needed. Possibly, I am relating it to it, but not exactly related to the fault-driven model.

We can look at the example of Six Sigma certifications by the organization, especially in terms of production, when they talked about the least number of errors, Six Sigma certification, so it is error-free, only some percentage of defect in a large number of products they are producing. Could be another way of looking at in terms of fault-driven model. So, if the organization, they have absence of faults or errors, I would say, perhaps they can also be considered as the organizations which are effective organizations in that particular context. Then comes the model, finally, high performing model of organizational effectiveness as the name indicate. High performing organization means how well your organization is performing in terms of various activities when it is being compared to the other organization in the context, in the same kind of the work, similar organization.

So, if your performance is excellent, if you are doing really well in comparison to organization what your competitors or the similar organizations are doing. So, one can say that the organizations are effective. This is particularly important when it is really important that the comparison is required. especially in the private sector organization, if you look at the market capture, how much the market is being captured by the different competitors and if you really want to see that whether how much is the other party or other competitor is performing really well, so this kind of model perhaps can be used in terms of that particular understanding. So, these are some of the models of the organizational effectiveness as listed in the paper of Cameron, 'The Effectiveness of Ineffectiveness' and of course are also mentioned in the text of Rainey for you to refer.

Now, with this we are coming to the concluding the section of this module on managing for high performance in the public sector organization. So, I am going to talk about two important models here in telling you about the research insights on managing for high performance in the public sector organization. So, first the research paper that I am going to focus on in this particular discussion is the paper by De Waal published in Public Performance and Management Review titled Achieving High Performance in Public Sector, What Needs to be Done? So, first of all, we will look at, first of all, the authors,

what they have done is they have tried to find out which are the high performance factors, which are the high performing factors for the organization to perform higher. And then they also have come up with the different themes for the public sector organization to work on in terms of improving their performances. So, first of all, we will look into the aspects of the high performance organization, the characteristics of the high performing organization and then depending upon this information, we are going to relate that how public organizations need to follow this model to become a high performing organization.

Now, these are the five high performance the factors that the authors have mentioned by reviewing the work and see that these are the broadly five categories of the factors which are related to the high performance and the effective organizations. These are high quality of management, openness coupled with the action orientation. long-term commitment, focus on continuous improvement and renewal and high quality of the workforce. So, let us look at first of all one by one that what does it mean, what is the meaning of high quality of management, what is the meaning of high quality of workforce and what is the meaning of action orientation and things like that. I will briefly review some of the practices which are highlighted under these in the paper and then we will build on the public sector you know the context of this particular aspect.

First of all, if you look at the high quality of management, in terms of achieving the effectiveness of the organization, they are talking about trust relationships. They say that focus on trust relationships. At different level of the organization. At all levels of the organization, there should be trust relationships. If you are really talking about employees input to their performance, there should be a culture where the organization values the employees' contributions and, their loyalty.

And of course, you have to treat them with the full respect. And, of course, treat them with equity and fairness. that's what they are talking about in terms of high quality management as one of the practice right other ways the managers actually becoming role models you know coaches the the support you know uh they first of all also have to model these values right they are loyal they are ethical they are honest they are sincere so ultimately what happened is When you are dealing with the people on daily basis, for example, leaders. So, if you are consistent and credible in your approach, you will come across as a very strong leader. But if it is not, people will not take you seriously, they will have a different perception of you.

So, when it comes to leaders being role model, they have to live by what they say and they should be consistent. in their approach in dealing with the people. High level of ethical behavior that they have to follow. That also helps in coaching and mentoring the people in the organization. Coaching and mentoring in the organization. Because it helps you to develop the trusting relationship with the people. And also support employees whenever they are facing some kind of adversity, some kind of problems are there. That's

also the duty of the leader is to take care of. So, it's a high quality of management. Also, it is not only about only kind of support.

When you are supporting people, it is also important that you also look for increasing their potential so that they can produce higher levels of results. So, they should be also accountable for the results. So, when you support people, you provide them coaching, you form the trusting relationship, you are their role model. and all the support system is there, you should always take into consideration what is their performance outcomes. They should be accountable for their performance results.

That's the high quality relationship. Then of course, the way you are communicating the values of the organizations to the employees so that they can align their efforts well with the organizational goals and the value system, their performance will be enhanced, right? That's basically more to do with the high quality of management in terms of the relationships there. also then next is the openness coupled with the action orientation it's basically the organization is open to dedicated action to achieve the results, basically it talks about the involvement of people in all the levels in the organization in terms of various processes or various decisions or the business processes that you are doing to involve people In the culture aspect something to do with experimentation or something to do with risk taking should also be allowed because we're talking about the openness and action orientation so where mistakes are allowed right provide people opportunity to learn from their mistake they they learn from the processes learn from the past and also help in developing their capabilities through the learning process that's also one part of it So, also develop a culture where there are debates around the new ideas, debates around the new thought processes, experimentation, where you strive to make your organization much more performance driven. So, these are some of the activities which can be, which are there highlighted in the high performance characteristics of the high performance organization in terms of openness coupled with the action orientation as we discussed in the paper there. Then comes the long-term commitment. It says that when it will come to long-term commitment, you focus on long-term outcomes.

Long-term outcomes rather than short-term focus. Focus on the long-term outcomes Making all the people should be focus of this thing. Your employees, various stakeholders, people outside, in terms of your suppliers I wish everybody should be striving for creating value. Creating value is something which is very, very important in terms of commitment, building relationships, involving people and of course, being much more responsive. That's another high performance, character of the high performance organization. We can also be focused on lot of collaboration and partnership. And in public sector organization, we talked about this in terms of delivery of the service, the models are changing. There are a lot of collaboration and partnership happening between government, public and private sector organization, NGOs being involved. So, those kind

of things are much more applicable to the long term commitment in the organization. Also, create the environment where people feel secure.

There is the aspect of job security so that they can also show the long term commitment there. Focus on continuous improvement and renewal. These aspects relate to learning and innovation. Learning, growth, innovation, so that people have this very clarity that this organization's focus is on continual learning and then they also have to align their efforts to deal with this. Also, development of new opportunities for people. Then also measure their progress, how well they are doing. monitor their goals and of course, look at how well they are aligning their efforts with the goal attainment, how they are innovating the products, services or the processes. And of course, in this case, when we are talking about continuous improvement and renewal, we try to get mastery over what the organization does best in terms of doing their work. Then finally, it is about high quality of workforce. The focus is on developing people with the complementary skills.

So you should have workforce which are competent, who are competent enough to do organizational work. And of course, in terms of maintaining that standard, maintaining the quality of workforce, focus should be on recruiting the best to take adopting various ways to kind of put in place the mechanism with which the training, career management practices are being taken care of so that they become much more competent in terms of adapting and becoming more resilient in the organization. Especially in case of public sector organization, if you look at resilience is one thing which is much more required because of the pressures to perform in the government sector organization. Also, when the people are performing, also they should be held responsible for their actions, for their results.

They should be asked for their performance outcomes. They should be responsible for their outcomes. So, these are some of the characteristics of the high performance organization, what the author De Waal has talked about in his paper. Let us look at what the improvement themes for the public. So, those were the high performance organization characteristics that he has identified. Now, in this case, what author mentioned is the six improvement themes for the public sector organizations to become high performing organization as proposed by De Waal.

First, it says that there is a requirement of improvement in the aura of public sector management. What happens is the aura of public sector managers as per the thought process is that they are looked upon as a different way. So, it is important that how inspirational leadership is there in the public sector organization. So, the public sector managers should work on behaving as role models to their employees. As we talked about HPO coaching and mentoring, they should coach and mentor their people. Let people experience with their experiment and mistake. Be very effective in your role. And, you know, the public sector organization should try to, you know, retain their developed

talent, right? And you focus on continuous changing yourself, you know, as a manager in terms of creating the culture of the organization in such a way that where people would want to perform and excel, right? Then next is in terms of theme process, strengthening the resoluteness of the management. It's talk about being very strong and confident If you are also very confident in your approach, the people that you work with, your employees, they will also get a lot of confidence. A lot of confidence is instilled in them.

So that's where they also try to perform better. You must be action oriented. If you are not action-oriented, you are not behaving or displaying that kind of a character in terms of being a role model or a leader, the other people will not follow. Also, you should be able to make the tough decisions with respect to the performance of your people. Provide training to people on ongoing basis and focus on their development, put them on the career track. also focus on innovation and the service you know should focus on how the organization should create more value to the society and we talked about this public value management creation of the public value in the first module we talked about this so focus should be on that positioning organization uniquely and work on the competencies what are required to be there in the public sector organization work on the competency mapping as a process, highlight what kind of competencies are required and then always push people to work on those competency and train themselves really better.

Look at the possible ways to, innovative ways to how you will meet the expectations of the citizens out there. then also focus on improvement the performance management process performance management process here basically talk about the key performance indicators identify the key performance indicators you know very important success factors in the organization the criteria should be clear and these factors should be clearly communicated to the employees so that they also know that on what grounds they are going to be evaluated because it's a performance management process so Bring in the system in such a way that people know about what is expected out of them in terms of their roles and functions and duties and how well it is related with the key performance indicators and if they know it well, they can align their effort really well. So, communication is important in terms of communicating, clearly setting the expectations that they have to work in this direction and if there is a training required, support required, that should also be taken care of. Then improve the process management.

Processes, various processes are being used in the organization. The focus should be on improving the processes to enhance the efficiency of the system. So, it should actually brought in the concept of bringing alignment in the processes and outcomes. See, it should not be that outcomes are something else and processes are, there is no alignment. So, the focus should be on bringing the alignment into the inputs, processes and the outcomes. Also, work out on the system to bring changes in the processes to increase the efficiency.

Put in people on job so that they can find out how to bring in the improvement there. Also, you can appoint people specially responsible for bringing the process management changes. And finally, the quality of workforce, increase the quality of workforce by training them, making them much more flexible and resilient. Also, encourage your employees to take up some kind of programs. Also, there can be aspect of knowledge exchange both within and outside the organization. Learn from the best practices and also focus on recruiting people with the willingness to who can take responsibilities and can perform in the challenging situation. The focus should be on achieving the good results from the organization. And focus on strong promotion and career management practices will take you a longer way because people will then be better satisfied because they are looking for growth. And if the organization is not able to provide them growth, then there is no point that they are going to stay with the organization. Okay, there is another model managing expectation to create high performance government.

This is the paper by Blackman and colleagues published in 2019. So, they say that differentiating character of high performance organization is utilization of high performance work practices. The high performance organization, they always have high performance work practices. Now, the focus of this high performance work practices is on performance management, meaning aligning the individual outcomes to the organizational outcomes. So, what kind of high performance management practices you can know in terms of linking the efforts with the performance indicators. So, if you are linking show the alignment of the individual outcomes with the organizational outcomes, maybe rewards, performance management system, enabling high performance through managing employee expectation.

So, this has important implications from the expectancy theory of motivation. We talked about this expectancy theory of motivation. briefly very briefly but of course in the next module on you know the motivation we'll talk about details in much more sense see say that put people put in effort when they see that the outcomes that they are going to achieve they have a lot of value which is called as valence So, people put in effort when the outcomes that they are going to achieve from the organization, they have of high value. So, those value which is attached to the outcome will then again push the people to put in effort. Because if the outcomes are not valued, outcomes attached to their performance are not valued, there is no way that they will be able to align their action really well with the organization.

So, basically, the valence, expectancy and instrumentality processes, expectancy and the value attached to the rewards or the outcomes, it is required for creation of goal and role clarity, which is very, very important for the high performance of the organization. So, with this, we are concluding this module on goals, organizational goals, performance and the effectiveness. These are not the only two models, but much more in the public sector organization. The text of Rainey mentioned many more models also, but we have just

picked up some other models which are not available in the text. You can always refer to the text to find out more models, but these are the much more So, the applicability of these models are much more in the public sector organization and the government organizations.

So, with this I will conclude the session and I will continue the discussion on this theme with the next module which is module 6 on organizational structure. and the impact of its dimensions on the functioning of the organization. So, till then, I will suggest that you guys learn, continue to learn, follow the various articles that I have shared over the slides here. Till then, keep learning. I will see you in the next session on organizational structure.