



Reform and Innovation in Public Administration

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Prof. em Dr. Christoph Reichard
Department of Public and Nonprofit Management,
University of Potsdam
reichard@uni-potsdam.de

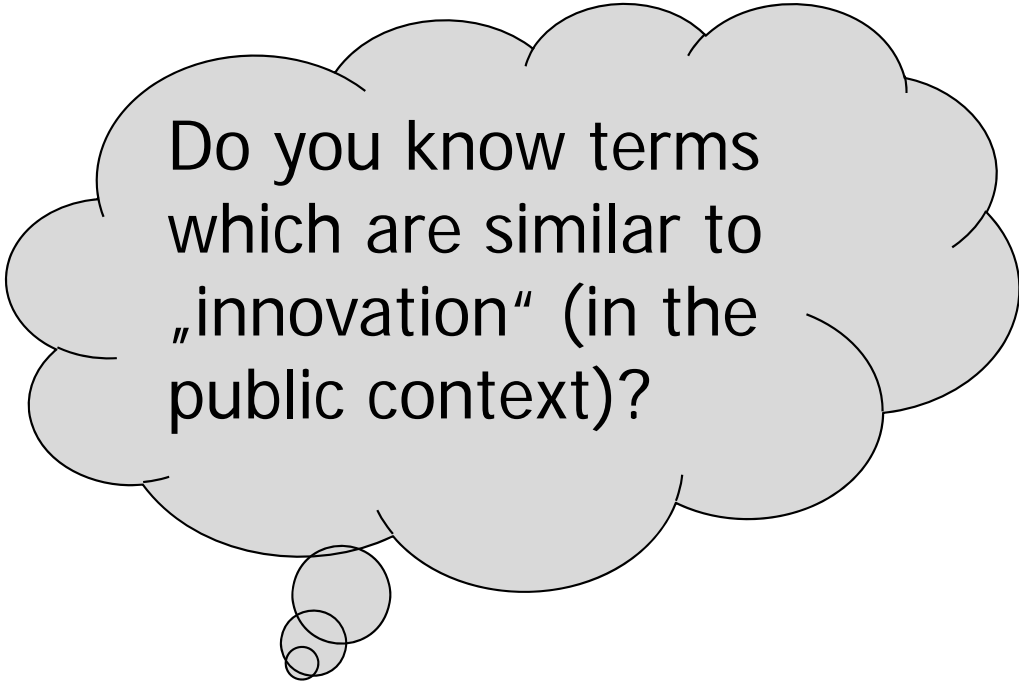


Content:

- Innovation and reform – terminology
- Administrative reforms: basics, issues and success factors
- New Public Management (overview)
- New Public Governance (overview)



„Innovation“ and related terms...



Do you know terms
which are similar to
„innovation“ (in the
public context)?



„Innovation“ and related terms...

- reform
- change
- modernisation
- (re)invention
- restructuring
- transformation
- improvement
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Innovation: some first definitions

- “...an idea, practice, or object that is perceived as new by an individual or other unit of adoption” (Rogers 2003, 12)
- “An innovation is any reasonably significant change in the way an organisation operates, is administered, or defines its basic mission” (Moore et al. 1997)
- Public Sector innovation...refers to the implementation of a product, process, practice, technology, or service that is new to the adopting organization (Osborne/Brown 2005)

“Innovation has become the industrial religion of the late twentieth century in both the public and private sectors“
(Ohemeng 2017)



Types of innovation

- Process innovation (administrative or technological processes)
- Product (service) innovation
- Governance innovation (new governance forms, e.g. regulation, co-production)
- Conceptual innovation

(DeVries et al 2015)



Innovation and Reform: conformance and divergences

- Administrative reform: the purposeful, planned rearrangement of certain elements of public administration
- Are reform and innovation synonymous? Several authors agree, others make a difference:
 - innovation is more about disruptive change, reform could also be incremental (Hartley/Rashman 2018)
 - Innovation is the way or process of undertaking administrative reforms (Ohemeng 2017)
 - Administrative reform is more focused on large „national“ modernisation issues (opinion of Eugenio Caperchione...)



Administrative reform: some basics

- Administrative reform is an evolutionary process (in contrast to „revolution“...)
- Reform is change and preservation together...

Motives and reasons to reform public administration:

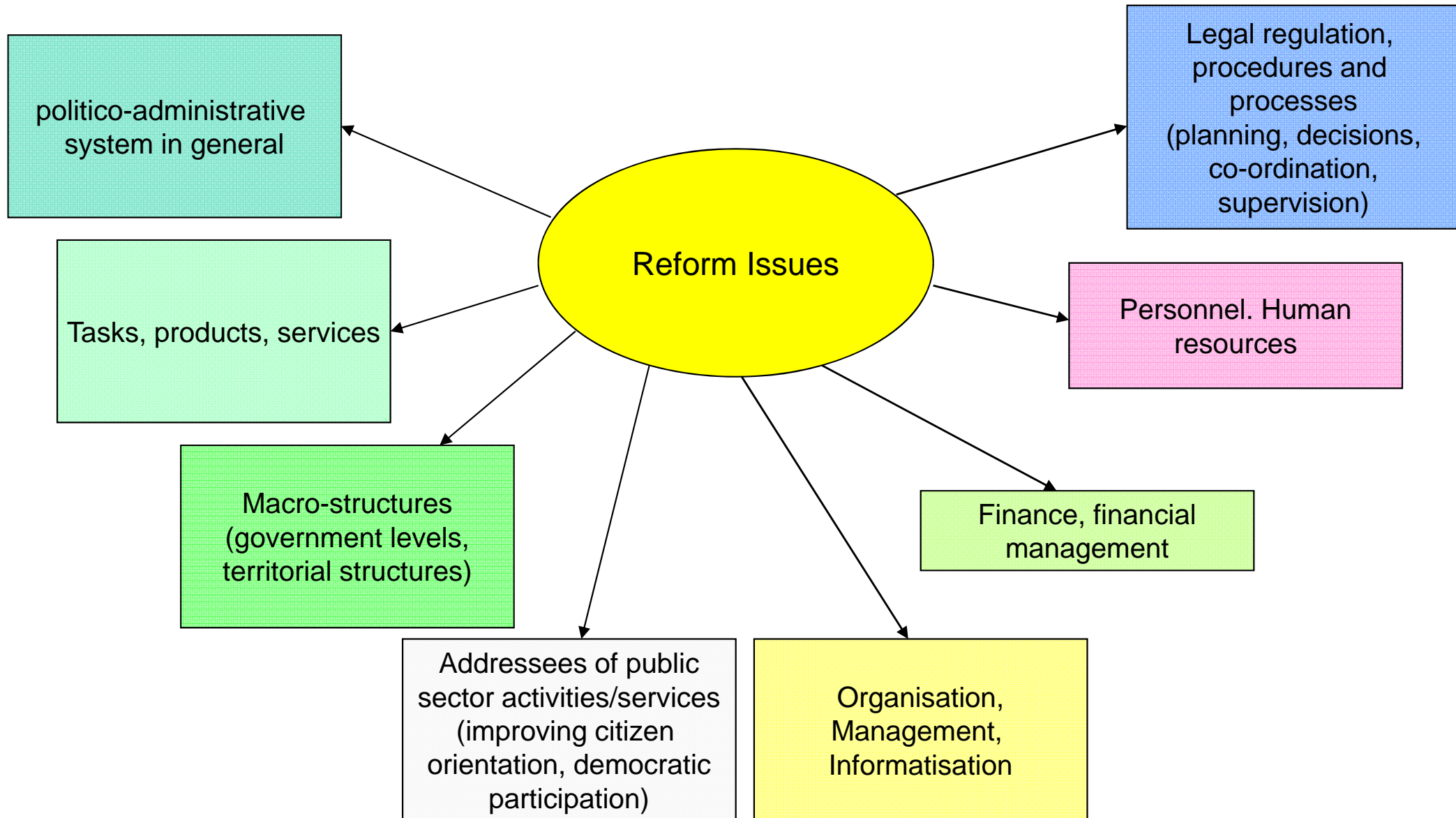
- Changing expectations towards the welfare state
- Shrinking financial resources
- Difficulties to steer and control public sector with existing instruments
- Increasing complexity of problem-solving processes
- Shifting borderlines between administration, economy, society...
- Legitimation problems of government
- Changing motives and needs of the public workforce
- (...but also fashion!)

Objectives of administrative reforms

- Effectiveness
- Efficiency
- Legality
- Legitimacy
- Responsiveness



Issues of administrative reforms:





Success factors of administrative reforms

- Severe problem pressure (e.g. scarce resources)
 - Clear and achievable objectives
 - Consensus of major reform actors (across party borders)
 - Support from employees, unions, media...
 - Powerful reform promoters
 - Realistic and motivating strategy for reform
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- Two general reasons for failing reforms: (Pressman/Wildavsky 1973):
 - „false theory“ (concept of reform)
 - „bad implementation“



Perspectives to study administrative reforms

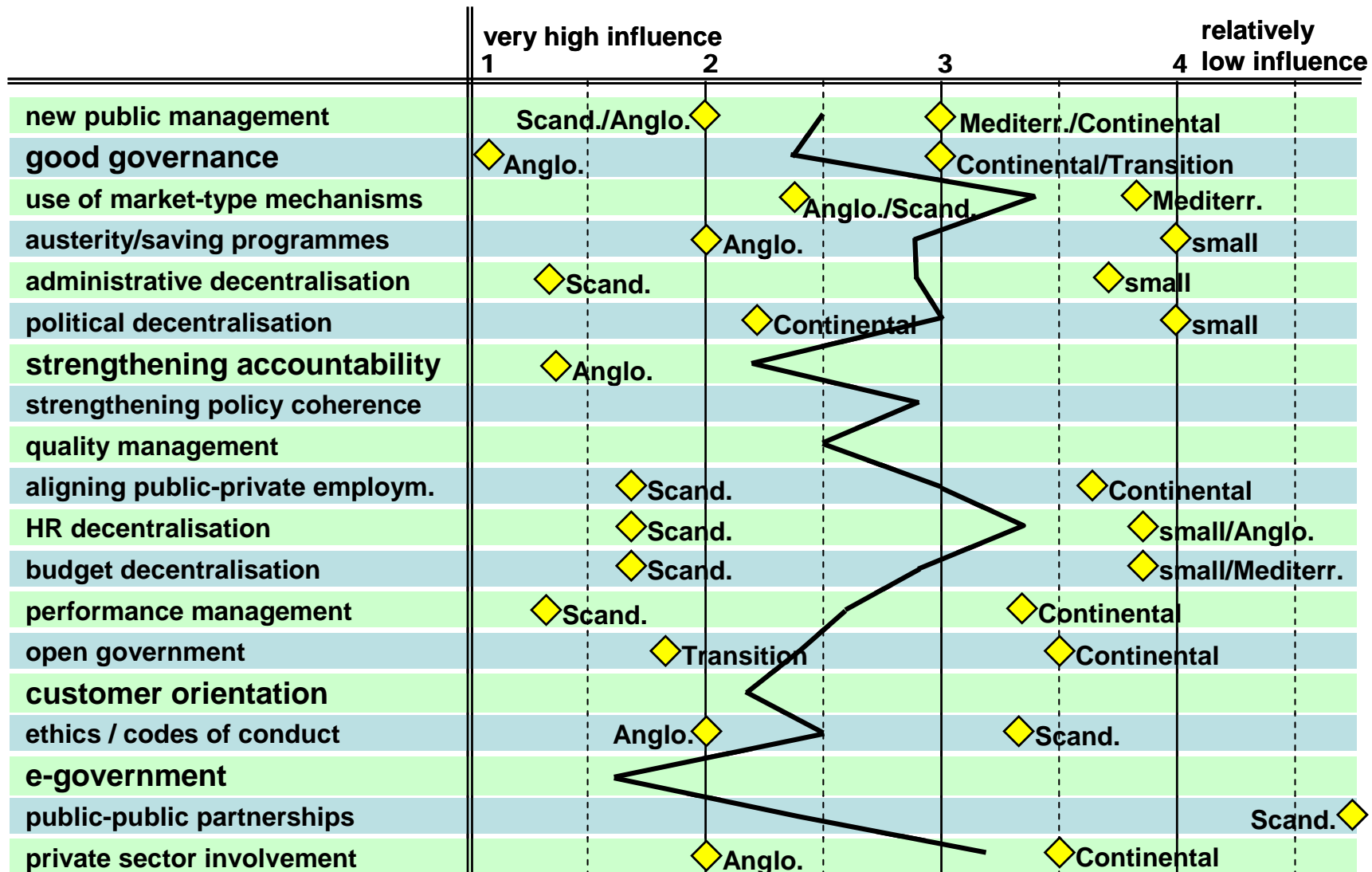
Blickwinkel bei Beurteilung von Verwaltungsreformen:

- *talk:*
reform discourses, missions etc.
- *decision:*
programs, legal prescriptions, government procedures to announce reforms etc.
- *action:*
changes in structures, financial management, human resources, procedures etc.
- *results:*
increased productivity, saved resources, improved services and impacts etc.

(Brunsson 1989)



Actual reform issues in Europe (view of senior bureaucrats)





New public management

the world-wide movement and doctrine of NPM:

- early starters: UK (Thatcher) and Australia in the late 70s
- in the mid and late 80s: numerous followers (NZ, USA, Sweden, The Netherlands etc.)
- in the 90s: latecomers like Germany, Switzerland, some southern-European states
- several NICs and developing countries have also followed (controversial debate!)
- although rhetorics of reform are quite comparable around the world, there are remarkable differences



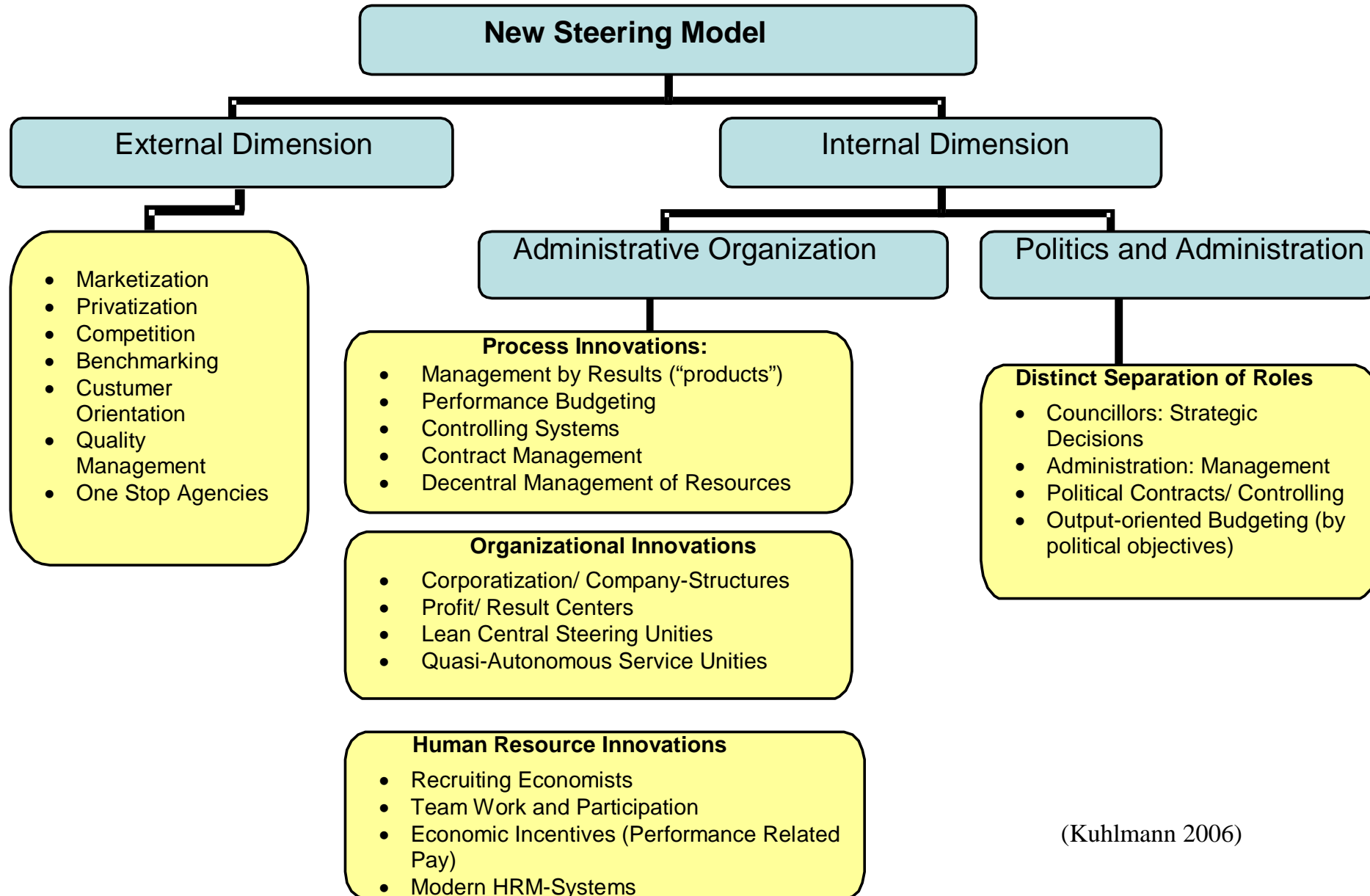
New public management

Areas of administrative reform (from NPM perspective):

- I. redesigning role and functions of the state (core tasks, perception of “state”)
- II. internal restructuring of public sector organisations (decentralization, performance management etc.)
- III. strengthening of market mechanisms and of competition („marketization”)
- IV. enabling and empowering citizens, improving customer orientation, intensifying participation



NPM-Reforms in Germany:



(Kuhlmann 2006)



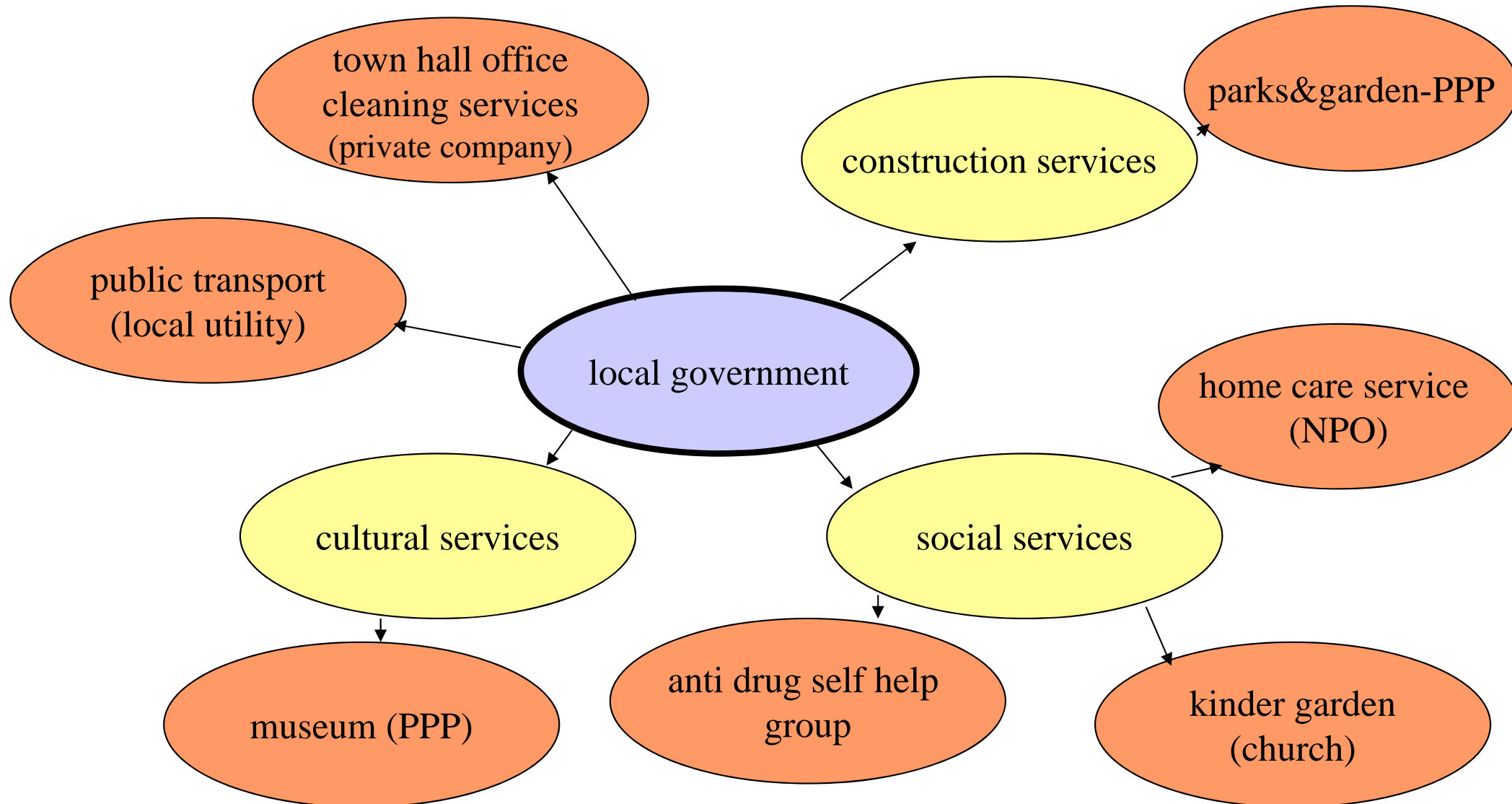
The concept of “New Public Governance”

new institutional „landscape“:

- plural forms of organisations (public, semi-public, private-for-profit, private-not-for-profit)
- service in many cases not provided by one single institution but by a **service network** (e.g. social care)
- different modes of steering: hierarchy, market incentives, contracts, mutual trust etc



Example of local governance structures:





Summarizing differences of public management and public governance

	public management	public governance
focus of analysis	managing inside organisations	managing inside organisations + interorganisational coordination
level of analysis	single organisation	a) single organisation b) (policy) networks, societal subsystems
underlying logic of steering and control	a) old public management: hierarchy, rules, inputs b) new public management: results, competition	the same but additionally: <ul style="list-style-type: none">• bargaining• exchange• trust, solidarity
dominant rationality	efficiency (+ legality)	<ul style="list-style-type: none">• effectiveness• legitimacy• (+ legality)
example for typical phenomenon	result-oriented management of single PSO unit	policy management in a local or regional setting including multiple actors like local authorities, welfare associations, voluntary groups, enterprises



Further readings:

De Vries, H. et al (2015): Innovation in the public sector: a systematic review and future research agenda, in: Public Administration, 94,1, 146-166.

Hammerschmid, G. et al (eds, 2016): Public administration reforms in Europe. The view from the top. Cheltenham: Elgar.

OECD: Making Reform Happen: Lessons from OECD Countries. Paris 2010.

Ohemeng, F. (2017) Innovations in administrative reforms, in: Farazmand A. et al (eds): Global Encyclopedia of PA...

Pollitt, C.; Bouckaert, G.: Public Management Reform, 3rd ed Oxford etc. 2011

Reichard, C., S. Veit, G. Wewer (2019): Verwaltungsreform – eine Daueraufgabe. In: S. Veit, C. Reichard, G. Wewer (eds), Handwörterbuch zur Verwaltungsreform, 5th ed., Wiesbaden: Springer VS.