Future-looking research on public sector reform will help address challenges brought on by the financial crisis.

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What challenges do austerity policies pose for effective public administration across Europe? <u>Dion Curry</u> writes on the views of citizens and public sector executives on trends within public administration over the last five years. He notes that while perceptions of recent developments are complex and at times contradictory, it is important that academics and practitioners work together to generate evidence-based public administration reforms capable of meeting the challenges brought about by the financial crisis.



A similar version of this piece also appeared on <u>EUROPP</u>.

The economic crisis and subsequent move to austerity in the public sector has focused significant attention on how best to reform public administration to meet these challenges. The emphasis on 'New Public Management' (NPM) in the 1990s and early 2000s focused on increasing efficiency and shrewder management of resources, already resulting in leaner public administration bodies. As the push for austerity continues, it raises the question: where now for public administration? What does the future hold for further development of public administration both practically and academically?

Future-looking academic research tends to be highly speculative and often forecasts broad trends or else normatively looks at what *should* happen. Almost without exception it focuses on single-outcome approaches to picturing the future. This future-looking research should be undertaken in a more systematic manner.

First, it should move more towards a scenario-mapping approach to understanding the future, as the development of multiple possibilities allows for the incorporation of shifting and unexpected external pressures, and potential intended and unintended consequences from current reforms. Second, this requires a clear causal chain identifying what factors in the present are necessary in order to lead to the future scenarios envisioned in this research. Finally, this research should be followed up critically. If successful and unsuccessful past attempts to understand the future of public administration are assessed, this can lead to a clearer idea of how to better anticipate future public sector trends.



Image credit: <u>Gears</u> (Pixabay, Public Domain)

These ideas are also applicable to practitioners and politicians in better understanding how to respond to internal and external public sector pressures to improve service delivery. While this may seem self-evident, it is not always applied in reality. Clear short-and long-term goals should be identified beyond simple austerity and cost-cutting, with clear causal chains linking what should or will happen with how current reforms will lead to these outcomes. This requires evidence-based policy that is truly evidence-based and not just rhetoric. Ex ante evaluations need to occur to give politicians and policy-makers a clear idea of potential effects of reform *before* they are undertaken, taking into account specificities related to differing contexts or policy areas and remembering that one size does not necessarily fit all. Ex post evaluations are necessary as well, to ensure that outcomes are in line with what was hoped to be achieved, and to further refine future changes.

Most of the academic literature on the future of public administration has focused on public administration approaches or doctrines, or public administration *responses* to external issues (e.g. the current literature on public sector responses to the fiscal crisis) while spending considerably less time on figuring out what those external issues are that might become important in the future. In this regard, practitioner-orientated research has spent more time focusing on these external pressures, and Christopher Pollitt recently

released a report identifying five external factors that will likely shape the public sector and public sector reform in the future. The Table below shows six key societal changes and their expected effect on public administration.

Table: Societal changes and their effect on public administration

Key Societal Changes	Effect on Public Administration
Demographic Change	Ageing populations will lead to increased stress on pensions and healthcare. Additionally, retirement of public sector employees may create a skills gap, and recruitment freezes mean older workers will not be replaced.
Climate Change	Increased environmental risks will require more planning, resources and investment from the public sector in infrastructure, disaster planning and other policy initiatives.
Economic Trajectories	Austerity-driven policy may continue, potentially creating a hollowing out of the public sector for short-term savings. More horizontal joining up of policy areas may occur.
Technological Developments	E-government initiatives will continue to develop. There will be more opportunities for smart use of public data.
Trust	Public participation and engagement may be an area of development. Differing levels of trust in services may exist and public officials' trust in citizens must be considered.
Changes in the Political Environment	Factors such as increased electoral volatility, less party loyalty, more complex party competition, new media, personalisation of politics, unpopular policy decisions and network governance may play an increasingly important role.

However, this focus on external shaping factors should not be undertaken at the expense of rigorous and nuanced study of public sector response to these pressures. Here, practitioners can still learn from the longer-term perspectives offered by academics. In turn, academics must apply the same rigour to understanding the future of public administration as they do to understanding current and past reform trends.

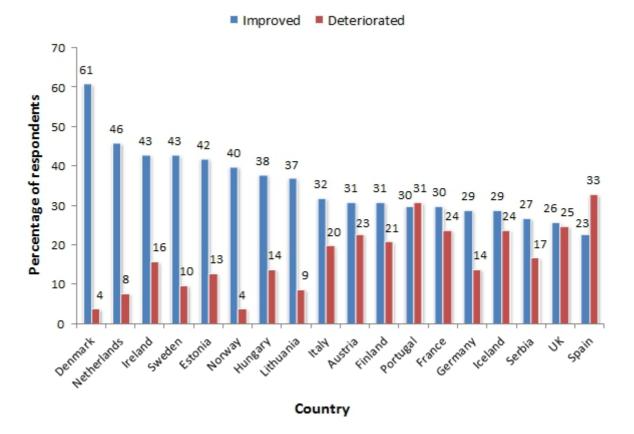
The <u>Coordinating for Cohesion in the Public Sector of the Future</u> (COCOPS) FP7 project has spent considerable time looking at the current state of the public sector and perceptions of where public administration is heading in both practical and academic terms. While this research does not offer any magic solutions to the question of public sector reform, it does highlight the necessity for rigorous study of the past, present and future of public administration to give a more nuanced (and unfortunately also more complicated) view of the interplay and sometimes mismatch between reforms, goals and outcomes. Academics and practitioners must work together to the strengths of both

groups in order to analyse these processes in a way that is both applicable on the ground and leads to a deeper and longer-term understanding of the broad implications of public sector reform.

This research gives a rich but sometimes muddled and seemingly contradictory view of perceptions of public sector reform and what must be done to address issues in the future. As is often the case, no group (likely) has the magic solution, and future-looking research, whether it is academic- or practitioner-focused, continues to produce ideas that, even though they are well-intentioned, can be vague or incorrect (few, after all, predicted the financial crisis) as often as they are correct. In addition, a review of future-looking literature in public administration raises questions about whether reforms represent a new approach to public administration or are merely a continuation of the new public management ideas espoused in the 1990s. Still, some general lessons can be drawn to improve the usefulness of future-looking research in public administration.

There is a need for critical self-examination of successes and failures in public administration up to this point, and what that tells us about future directions. This has become especially clear in the wake of the financial crisis and subsequent reform to the public sector to deal with these financial pressures. However, perceptions of the success of these reforms are mixed, at best. While the views of executives in some countries were positive about reform trends, the views of these reforms were more negative in other countries. In the UK, despite major reforms to the public sector, almost half of the public sector executives felt that there was no change in the quality of public administration in the past five years, with the rest evenly split as to whether any changes were positive or negative, as shown in Chart 1 below.

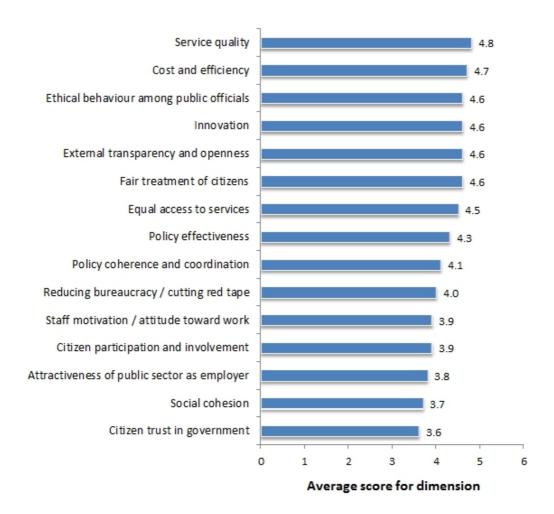
Chart 1: Views in selected European states on whether public administration has improved or deteriorated in the last five years



Note: Respondents were asked to rate on a 1-10 scale how public administration has developed within their country in the last five years. Responses of 1-3 are included in the "deteriorated" category in the Chart, while the "improved" category refers to responses of 8-10.

Even more worryingly, this questioning of the success of public sector reform is coupled with an increasingly negative view of the public's trust in government. A survey conducted across 20 European countries asked top public sector executives to rate the performance of the public administration in their country across a variety of dimensions over the past five years. As shown in Chart 2 below, citizen trust in government was deemed the least successful area of reform in Europe as a whole, and in the UK 55 per cent of public sector executives felt that citizen trust in government had deteriorated in the last five years. This was reflected in surveys of academics and interviews with public sector trade unions and consultants.

Chart 2: Views of public sector executives in 20 European states on the performance of public administration over the last five years on selected dimensions

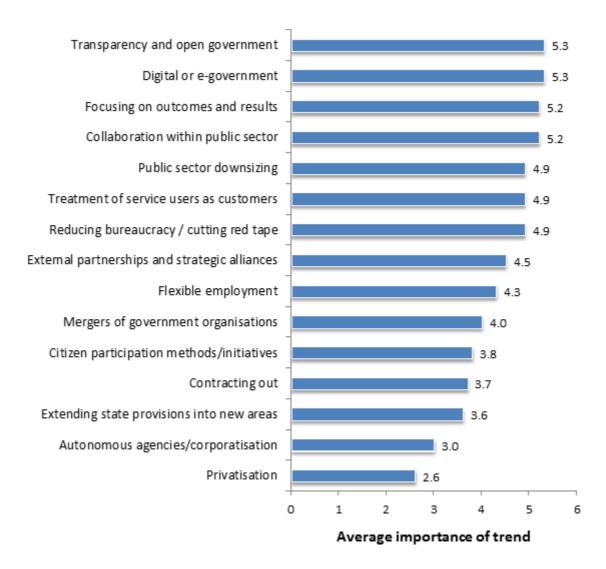


Note: Respondents were asked to rate how public administration had performed on each dimension in the last five years on a 1-10 scale. The figures in the Chart represent averages across all 20 European states included in the survey.

In the UK, the attractiveness of the public sector as an employer was the reform perceived to have diminished the most, followed by citizen trust in government. A majority of respondents saw deterioration in both aspects. A large number of UK respondents (but not a majority) also saw declines in equal access to services and fair treatment of citizens. In contrast, the UK was seen to have performed the best in improving cost efficiency, innovation, service quality and policy effectiveness, all areas where a majority of respondents saw improvements.

Ideally, public sector reform should then focus on improving the areas in which public administration is currently seen to be lacking, and there is evidence that this is the case. While public trust in government is perceived to be low, reform in government and public administration becoming more transparent is seen to be one of the most important trends in the public sector, as shown in Chart 3 below. In the UK, transparency and open government was perceived to be even more important than the European average. On the other hand, the UK was also the country where executives were most likely to perceive a focus on efficiency in public services, rather than equity.

Chart 3: Views of public sector executives in 20 European states on the importance of public administration reform trends



Note: Respondents were asked to rate how important each reform trend was on a 1-10 scale (10 being most important). Figures in the chart are average values for 20 European countries.

Note: This article gives the views of the authors, and not the position of the Impact of Social Science blog, nor of the London School of Economics. Please review our <u>Comments Policy</u> if you have any concerns on posting a comment below.

About the Author

Dion Curry is a research fellow at Erasmus University Rotterdam (Netherlands) and previously worked as a public sector consultant, evaluating European Union policies and programmes in areas such as human rights and social policy. In September 2014 he will take up the position of lecturer in public policy at the Department of Politics and International Relations at Swansea University.