

Public Organization and Management
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Lecture - 01
Foundations of Public Management – I

Hello, dear learners. I welcome all of you to this course entitled Public Organization and Management. I thank all of you for showing interest and registering for this course on this platform. As I have mentioned in the introductory video of this course, the objectives of this course are to provide learners with a greater depth of research and theory on public management and help learners analyze various themes on the management of individuals, groups, and processes in the government and public organizations.

Since we are starting with the foundations of public management, the discussions in this module will be of immense help to further build on the various other contents that we are going to cover in the following weeks. So in this session, we are going to start with Theme 1, which is going to include the discussions on Module 1 to Module 3. The focus of this theme is on the basic foundations and understanding of public management, its meaning, scope, challenges and opportunities, to be followed by learnings from the contributions of the various school thoughts of management in the understanding of public organizations and government. And finally, we will conclude this module with the detailed discussion on the environmental components of public organizations.

So let us start our discussion. The contents of this module will cover the foundations of public management. We will start talking about the meaning, various definitions, the challenges of managing the public organization, the opportunities for public organizations and public managers, and the scope of the field public management. We'll then start talking about the differences and the relationship between public administration and public management. In order to understand more about the functioning of public organization, it is important to talk about the similarities and dissimilarities between private and public sector organization and the management of these organizations.

We'll then talk about the distinctive characteristics of the public organizations. We'll talk about the issue of why effective public management is required, what are the issues and problems with the management of organization these days, and why some kind of reforms are required. So when we start talking about the reforms, I will briefly introduce the concept of new public management in this particular module. And then we will conclude this module with discussion on comparative public management. Now, whenever we start talking about the discussion about the public management, we think of

the role of the government and the private organizations across the globe.

We'll say what is the functioning of the government, why these governments are operating, what is the role of the business organization towards the economic development. And when we focus on the outcomes on which these organizations focus on, there is a classic contrast between the focus. The focus of the public organization is on the welfare of the community at large whereas the focus of the private organizations is on the profit maximization. Profit making is the focus of private organization but both the set of organizations government public organizations and private organizations they contribute towards the development of the economy but When we start evaluating the performance of government public organizations and private sector organizations, there exists a sense of skepticism in the minds of the citizens about the functioning of government organizations. They always question the aspects of efficiency and effectiveness of public organizations in comparison to private organizations.

Now this issue is that understanding of management in the public organizations have received less attention in comparison to the management practice in general. Now one of the reasons for this least attention being given to understanding of management in public organization is that researcher did not feel the need to contextualize the practice of management based on the context of public and private sector organization. So these are the group of researchers who feel that it is not important and it doesn't matter that the context will influence the functioning and practice of management in these organizations. So largely if we look at the literature on public management, it largely relies on the research works of the various other specialization such as organizational behavior, organizational theory, public administration, public policy and general management. However, this skepticism in the minds of the citizens and the public in general has led to the theme of research by different groups of researchers, specifically starting to focus on the understanding of public management in the context of government and public organizations.

To deal with the issue of why the issue of skepticism is there in the minds of the general public. Now, these require some kind of answers to find out whether context will matter or it won't matter. Now, as I have mentioned that You know, some of the researchers did not feel the need to contextualize the practice of management based on the settings of the different organizations. But there are group of researchers who argued that the context of government organizations influences three very important aspects which need further discussion. Now, these three aspects is that how government context and the context of the public organization, how it influences the functioning of organization, three things are important.

First is we talk about organizations. Very important. Second is management in these organizations. And third is performance in public organization. And now we are talking about the context of the public organization.

Now when we talk about the context, the environment, the environment of government organization, the environment of the government organization is different in comparison to the private sector organization. When we talk about the outside influences, direct or indirect, on the functioning of the public organization, it is very different from the comparison between the public and private sector organization. In terms of actions, the managers' actions. When I say manager here, I am talking about public manager. Manager's actions in the public organizations are actually constrained by certain set of rules, procedure and processes by government context. In terms of performance, we are talking about the concept of accountability.

Now accountability in case of public sector organization is wider in scope in comparison to private sector organizations because we are answerable for our action to the larger group of people. We're talking about citizens, right? We have political authority to whom we are answerable as public managers. There are press, media, citizens, special interest groups, right? These all are continuously watching the actions of the organizations, how government and public organizations are contributing to the welfare of the overall community. Now, why we're talking about this particular aspect of skepticism is that the performance in the organization is very, very important. This issue that why we're talking about the skepticism in the minds of the people about the functioning of the public organization, it is to do with public policies, programs, design and implementation.

It requires the joint and coordinated effort of many people and organization to achieve goals and objectives. Now when lot of people and lot of organizations are involved in the design and implementation of public policies and program, it becomes very complex structure in terms of problems related to the coordination. Then, in this context, the focus on the public management is very very important and very very crucial. Now, what is important in terms of performance? What is the meaning of performance in the public sector organization that is going to make much more difference in the understanding of things that we are going to talk about? When we talk about performance and results, these are the central to the discussion on the effective public management in the organizations. In terms of the measurement evaluation of the performance in the public sector organization, it is often challenging and very, very complex.

Now, what is the meaning of performance? Performance here, we are talking about in the context of achievement of public programs and organizations in terms of outcomes and outputs. Now, there are numerous ways, numerous dimension in which we can talk about outcomes and outputs. First, when we talk about outputs, we are talking about the cost per unit of the output or of the service delivery. The number of outputs being produced,

being given the number of inputs that we have, we're talking about the principle of efficiency as the performance parameter. On the other hand, the effectiveness principle is more to do with that the purposes and the goals which the public organization has set, what is the level of achievement of those policy objectives? It only talks about the achievement of purposes and goals set by the organizations.

There is third very important aspect which is more applicable to the performance indicator of public organization is the aspect of equity. how far is the distribution of outputs and outcomes among these key stakeholders is fair. This is very important. Now, when we talk about beneficiaries of the public policies and the programs, we need to ensure that the aspect of equity is taken into consideration.

It cannot be ignored. Even if we try to find, look at that whether efficiency can be prioritized or effectiveness can be prioritized, but we cannot ignore the aspect of equity as the performance indicator for the functioning of public organizations. Because remember, we are answerable to the audience, which is citizen in this case, not the customer in case of private sector organization. So in this case, we are answerable to the general public. General audience, in our case, are the citizens whom we are targeting in terms of the public policies and the programs. And if this aspect of equity is not taken into consideration in terms of the performance evaluation and measurement, it is difficult because the public managers and the public organizations will be questioned then.

Another important aspect of focus on public management is about that when we talk about the public organizations, which include departments, agencies, bureaus, and other authorities, their coordination and their coordinated effort is very much important for the policy implementation. It requires that they come together and start functioning in a coordinated way that the success of policy implementation is guaranteed. Now look at the size and the scope of the work of Indian government bureaucracy. With large number of departments, offices, bureaus, agencies, continuously working for the betterment of society. number of ministers, political leaders, civil servants, local government, employees, volunteers, and any many other, you know, the people who are involved in the implementation of policies is making this whole, you know, the function of public organization more complex, which require more coordinated effort from the various organization.

Now when we talk about the group of people coming together to take care of the various policy programs and the policy objectives, the coordination is very much important and we are talking about it's not only about one or two organizations. Sometime the collaboration between different governments, collaboration between government and not-for-profit organizations, between business organizations and government organizations and for-profit or not-for-profit organization, volunteer organizations. So, it require the joint efforts of multiple organizations and governments, which is an issue of

governance, which is the collective actions patterns. So when lot of people are involved, lot of agencies are involved, which is making the process very challenging and complicated, we are talking about the concept of governance here. Now, it requires high level of coordination amongst the people and of course not only the multi-organizational coordination, these public managers also have to focus on the internal organizational responsibilities along with the coordination with amongst the various organizations.

Now success of public policies in today's dynamic work depends largely upon the functioning of public organizations. And it also I have talked about this thing that largely depends upon the collaborative effort of various organizations. Hence, public management means dealing with organizations, governance and performance related aspect. Now we'll talk about the formal definitions of public management as defined in the literature. I have put some of the definitions in this slide here given by various researchers and the sources also have been mentioned on this slide.

Before I go ahead with discussion on the formal definition, I would like to point out here that when you are going to read the content of this course, please note that for each of the content written on this slide, I have given some numbers, number 1, number 2, These numbers are actually matching with the sources given at the end of the slide here, number one and number two. For example, the definition one given by O'Toole and Meier in 2011 has a reference number one and the paper which is detailed reference mentioned in the source one here is this paper. So if you are going to prepare about some of the texts which I am discussing in the session here, you can find out this paper and can find out the details of the definitions and the various other texts which are available in the paper. Now let's look at the definition here. What is public management? Public management is the "coordination of people and resources by managers towards the accomplishment of collective purpose, tapping the interdependent organizational environment in support of such purpose and to protect the organization's effort from potential disturbances".

Now, you please note that the various important aspects which are included in these definitions are very very important for the understanding of public management. It is the coordination of the people and resources by manager towards the accomplishment of collective purpose. Now the purpose of the public organization is not set individually, it is the collective setting of the purpose and goals of the organizations. Lot of stakeholders are involved while defining the purpose of the organization. Because to achieve this purpose, various different organizations are involved.

Remember we talked about the concept of collaborations between the governments and other governments, between public organizations and the private organization or for-profit organization, not for profit organization and volunteer organization. So this interdependent organization environment is very, very important to the definition of public management. because they are supporting in the achievement of the purpose of the

public organizations. And last, very important, the role of public manager is to also protect the public organization's effort from any kind of potential disturbances which can impact the functioning of the public organizations. Now, from where these potential disturbances can come? It can come in the form of intervention from the outside world.

Because the environment and the context of public sector organizations is different. So some kind of disturbances can be expected when the public organizations try to achieve their goals and objectives. It can be in the form of political intervention. It can be in the form of citizens raising some kind of issue against the organizations. some kind of special interest group can raise some kind of issues against the organization and then there is a press and media public opinions.

So, it is also important duty of the public managers and the function of public management is to take care of and protect the organizational efforts from all these disturbances. It is very, very important. The another perspective to look into the definition of public management, it is about dealing with organizational performance and governance. We just talked about this because the context of organization is different in public sector, the performance indicators will be different and there is a collaborative governance concept into the functioning of public management. So, there is another perspective to look into the definition of public management.

Last perspective on public management is from the focus on public managers' roles, the behaviours and the contributions to the governmental performance of actors performing these managerial roles. Now the skill set and the competencies temperaments required by the public managers will be very different from the private managers because of the contextual differences. So it is very very important what kind of behaviors and how these public managers are contributing towards the governmental performance. So these are the three important perspective that I have talked about in terms of defining the concept of public management. in formal ways, but there are other propositions and the perspective available which can of course you can look into the different papers and the text to find out what other researchers have also talked about the concept of public management.

Here, we are also going to define public management by Lawrence E. Lynn in a paper titled Public Management. And the paper was published in 2003. And it talked about the concept of public management along three important perspectives. So, we are going to look into this particular understanding of public management.

It's a very interesting paper. If you look into this paper, they have tried to explain the concept of public management in much more detail. And if you read this paper, the understanding of public management will be much more clearer. Now, according to these authors, the earliest conception of public management was as the structure of the government, structure of the governance. meaning formal mechanisms for constraining

and overseeing the exercise of authority by public manager. It means that "constitutionally appropriate formalization of managerial discretion intended to enable government to effect the will of the people".

Now, in doing so, when we are to do something good for the general citizens, public, we are to be given some kind of authority. When we say we, I mean public managers. So two important elements are very, very important to be discussed here. One of which is delegation, lawful delegation of authority. the public managers who are to achieve the goals and purpose of the organization, they should be given lawful delegation of authority.

Also, there would be external control over this exercise. Now, it's very, very important. First, we need to give them the power so that they can focus on the purposes and the objectives of public policies and programs. Second thing is there should also be some kind of external control over the delegated authority being given to them so that there is no misuse of the authority by the organizations. Now the balance arrangement between these elements constitutes public management being considered as the structure of governance and we call it as management.

It's very, very important. Now, first challenge is delegation of authority is very, very important because it is significant to the achievement of the purposes of the public organizations. Second challenge is that we have to control the discretion. And how the control will be exercised? It will be exercised with the help of legislative, judicial, and public oversight of the public management. So it is very, very important. Now why we are putting this control? On one side, we are giving the authority to these public organizations and public managers for the successful achievement of goals and objectives.

On the other hand, there are some kinds of controls being put on them. The reason is the controls are put on to increase safeguard against the power abused by public organizations and public managers. also to protect the rights of people and these officers, public managers should not only be consistent with the law but equally responsible for or be consistent with the purpose required to be achieved for citizens. So, there is a need to strike the balance between how much power and how much control to be given.

So, balance between capacity and control is required. How much is the delegated authority given to these people so that these managers can work effectively? Also, there should be a control on this. Now, if we fail to strike the balance between these two, delegated authority and the external control, it can defeat the purpose of achieving the goals. Here, I would also like to talk about the analogy proposed by Kettle in 1997, the reference of which I have mentioned the text. It is about existence of tension between two important aspects.

One is the aspect of making managers manage. Other is letting managers manage. Now, it's important to understand this. When we say making managers manage, it means we're talking about the structure of governance, meaning giving these people power and exercise control over them. Letting managers manage means that it is a belief that the managers are experts in their field.

They know what is supposed to be done. So the evaluation will be based on the performance, that how they are performing. Accountability is for the performance. They shall not be accountable for how they are complying with the rules and regulations. So this tension between whether we'll be focusing on making managers manage or letting managers manage, it's also varying depending upon the various countries' government context. In some countries, the focus is on making managers manage, you know, giving them authority and also putting controls.

In other countries, it is about letting managers manage, that give them the power, they know how to take care of the policy objectives and the programs, they will do their job, they shall be only accountable for the performance to be there. Second aspect of this understanding of public management by this perspective is public management as a craft. Now, public management as craft include skilled practice by individuals performing these roles. Now, these individuals we are talking about public managers or government officials. Now, as John Millett in 1954 in his book entitled *Management in Public Service* put it, as the craft of the personal and I am quoting, "the role of the public administrator is to remove obstacles".

Now remember we talked about the comparison between the role of a private manager and the public managers. Since the context is different, the kind of problems and the challenges these public managers face are way different from the challenges or the problems faced by the private manager. So these public managers are to overcome obstacles. For example, any kind of interventions or disturbances from the outside world, outside environment, it has to be handled.

They have to overcome the obstacle. They need to understand and master problems, they have to make use of their competence, imagination and skills and insights in devising new goals of public service. It's very, very important. And they also seek to advance goals toward better public service because these people are given the authority. These people have the responsibility to do betterment of society. So they have to practice management in such a way that they are equipped with the skills and the competencies with which they can devise new goals for public service and can lead the citizens towards the betterment in terms of public service being provided to them.

And in this way, we're talking about the public management perspective as a craft and we are talking about manager here. The last perspective in this understanding of public management by Lawrence E. Lynn is about public management as institution. Now there is a structure of governance, there is craft which is practiced by the manager, but based on what values and on whose behalf should public managers practice their craft. It's very important, right? As an institution, who will guide these public managers that what is right and what is not? It is a matter of responsible practice.

Now, in discussing about the understanding of public management as an institution, four aspects are very, very important, which needs further discussion. The first is about accountability of public managers. Now accountability has been understood in different ways in the public management literature. When we talk about the objective accountability, we are talking about the public manager's answerability for their actions, how they are performing in terms of their conduct in the organizations.

It is objective, it's a structural perspective. When we talk about the subjective accountability, we are talking about largely the values of these public managers, how loyal they are, they are concise in terms of their function. That is a craft perspective. So accountability is very, very important, which will guide their behavior in terms of how they have to work in the government context and take care of the achievement of public policies and the programs. Another important aspect into the understanding of public management as an institution is the concept of judgment.

Now, they have been given the well-defined goals and the objectives. They also have to make use of their judgment in terms of what is better for the society. the larger set of people whom these public policies and the programs are going to impact. So it's very, very important. So, their judgment, I've talked about imagination, their judgment, their skills are going to guide them what is better for the society.

So responsible practice. Third is when we talk about their external controls on the public managers in terms of their functioning, the one aspect which can also help the aspect of judgment is balance. How they will maintain balance between managing the public authority and of course managing the internal operations of the organizations. Very important. Last is rationality. Now, whenever they are making choices, now you see they have to make so many decisions on daily basis.

So they have to rely on rationality. Rationality means they have to rely on logical sequence to reach conclusions or making choices about the decision making. It will help them to defend the choices that they are making about certain decisions to be taken for the betterment of society. So when they are rational, and they can defend their actions to the larger group out there who are watching the actions of public managers, the rationality and the logic can aid these public managers in defending their choices.