

## PUBLIC MANAGEMENT NEEDS HELP!

Steven J. Kelman

Much of the pioneering work in organization theory was written about public organizations, or with public organizations in mind. When Weber wrote about bureaucracy, he was thinking of the Prussian civil service. Philip Selznick began his scholarly career writing about the New Deal Tennessee Valley Authority in TVA and the Grass Roots (1953). Herbert Simon's first published article (1937) was on municipal government performance measurement, and Simon also co-authored early in his career a book called Public Administration (1950), and a number of papers (e.g. Simon 1953) published in Public Administration Review. Michel Crozier's classic, The Bureaucratic Phenomenon (1954), was about two government organizations in France.

Yet, as the field of organization studies has grown enormously over the last decades, the attention the field pays to in public organizations and public-policy problems have withered. This despite the fact that the public sector, as a percentage of GNP, is much larger now than it was when these classics were written.

This change reflects larger social trends. Since the 1970's, the salary gap, for professional and managerial work, between government and industry has dramatically increased. (Donahue 2005) For much of this period, business was culturally "hot" as a place of both glamour and excitement. Reflecting these larger trends, business schools have grown enormously, so that today the overwhelming majority of scholars studying organizations work in that environment.

During this same period, research about public organizations became ghettoized, the province of a traditional field called "public administration" and a new one calling itself "public management" arising in connection with establishment of public policy degree programs at a number of universities in the 1970's and 1980's. Although there are real differences in research focus, methods, and teaching orientation between these two areas, they share common shortcomings. They are relatively small in size compared with the much larger domain of business-school based organization studies. And, generally (though this is changing) they are relatively primitive in their research methods – with excessive reliance on case studies, selection on the dependent variable, and broad theoretical frameworks with weak empirical grounding.

To me the case is fairly straightforward that we have a problem. Our country and other countries face serious challenges of managing public organizations effectively, and of solving intractable public problems that have a strong management component. Not enough scholarly firepower is being directed at helping with these challenges.

Two things need to change. The small band of scholars working on public administration/public management need to connect to the broader world of mainstream organization theory, which can help enrich our understanding of the public-sector problems we study. And more scholars in the mainstream organization theory/behavior communities need to work on public organizations and public problems.

Happily, there are small signs that this is happening. On the public-management side, one sees an increasing number of cites to mainstream organization theory/behavior work in leading field journals, such as *The Journal of Public Administration Research and Theory*. Another journal, *The International Public Management Journal*, seeks consciously to bridge the gap between researchers in public management and mainstream organization theory/behavior, and has added people such as Paul DiMaggio, James March, and Karl Weick to its editorial board. On the organization theory/behavior side, recent work such as Ouchi (2003)<sup>1</sup> and Bazerman and Watkins (2004) reflect a new interest in public management issues on the part of well-established organization researchers. This symposium and the theme of the 2006 Academy of Management meeting ("Knowledge, Action, and the Public Concern") are themselves extraordinarily promising.

Where might organization research make contributions to better public-sector performance?

- Management of routine government operations: States run organizations that license drivers and register motor vehicles. The federal government answers citizen questions about taxes and social security, makes weather forecasts, and develops predictions about future demand for different occupations that are used by high school and college counselors.
- Responses to high-visibility public problems that significantly involve how government organizations are managed: Successfully dealing with problems such as educating children – the subject of Ouchi's interest -- requires (in a world where many or most schools are public) improved organizational performance by government organizations. So do reducing crime, fighting terrorism, managing emergencies, and protecting against public-health threats, as well as improving the environment or maintaining a securities marketplace the public trusts (the latter through regulation of private actors). In many countries, this list would include the delivery of health care.
- Policymaking in small groups: Senior government officials, generally in groups, are constantly making important decisions about high-visibility foreign and domestic policies – ranging from whether to invade Iraq to whether an old city neighborhood should be torn down for an urban renewal project.

In each of these areas, current research in organization theory/behavior can make contributions. Until proven otherwise, it may be assumed that research findings involving such standbys as team performance, networks, organizational citizenship behavior, and organizational learning apply to public as well as private organizations. Even here, it would be extremely helpful to locate much more field-based research on topics such as these in government organizations, to see if publicness acts as a moderator of relationships between independent and dependent variables we study.

But obviously there are differences between private and government organizations as well. (Rainey 2003: Ch. 3) Among the most obvious are

- operation of these organizations in a political (in both the good and bad senses of the word) external environment;

- lack of profits as a performance measure;
- less ability to use monetary incentives to influence the behavior of individual employees and managers;
- the stronger orientation of many organization members to the substantive purposes of the organization;
- the greater the need for organizations looking at different aspects of a problem (such as “connecting the dots” on terrorism or dealing with the educational, nutritional, and cultural problems of disadvantaged youth) to work together across organizational boundaries;
- the government role in delivering not only services but also obligations, such as duties to pay taxes and obey the laws (Moore 1995: 36-38);
- the greater use of contracting with private organizations – i.e. market rather than hierarchy -- for some core organizational functions (such as weapons production, and studies of the costs and benefits of some environmental regulation);
- the greater public visibility of the organization’s internal activities (and the greater symbolic importance of the organization’s activities to people’s feelings about the society in which they live);
- the greater sensitivity of those (in the political system) providing the organization with resources to avoiding scandals as opposed to creating results.

These differences mean that there are many issues involving organizational behavior that are relatively more important in public than private contexts, and there are others that arise almost exclusively in a public organization context. Examples of the former include the impact of non-financial performance measures on organizational performance, eliciting good performance through other than financial incentives (including the role of what public management researchers, e.g. Crewson 1997; Jurkiewicz et al 1998; Houston 2000, call “public-service motivation”), the organization of interorganizational collaboration for reasons other than profit maximization, and the management of complex contractual relationships. Issues arising more or less only in public organizations include the management of obligation delivery, and relationships between elected officials (metaphorically government’s counterpart to a board of directors) and career agency officials.

There is one important thing I believe public management researchers have to teach mainstream organization theory/behavior ones, and that is the legitimacy of prescriptive research – i.e. research seeking explicitly to theorize and gather empirical evidence about effective practice. Public management scholars typically see prescription as an important role. I would speculate that this may partly be because we identify more with the organizations we study than do many business-school based organizational researchers, and partly because the organizations we study so clearly need help. My own strong view is that, as long as research is rigorous, prescription is something to embrace, not shun.

Researchers who have never done work in public organizations will want to know the answers to two questions: Can I get access? How do I learn about what’s already been done? As to the first, I would guess that access to government organizations is easier on the whole than to private ones, because many government organizations believe their

public status more or less obligates them to cooperate with researchers. In over 25 years of doing empirical research in government organizations, I have never once been refused access, even as a graduate student. Groups such as the Partnership for Public Service in Washington are able to offer limited help in gaining research access. As to the second, people might wish to look through recent volumes of journals specializing in public management, and at Rainey (2003) or the recently published Oxford Handbook of Public Management (Ferlie et al: 2005) to get started.

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## NOTES

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<sup>1</sup> Incidentally, the schools management approach Ouchi advocates – mixing “empowerment” of frontline units and results-based accountability – is well-known in the public management literature under the name “the new public management.”

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