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Transformation of the public service institution in contemporary context of social development

State activity and administrative apparatus functioning are carried out through the public service being a special institution of a modern state, one of the most important institutional elements of public administration, an essential source and seamless part of social development.

The necessity for existence of public service institutions is explained by the presence of a state with its tasks and functions, the need for establishment of public authority staff, as well as the legal regulation of civil servants' relations with these authorities. Attitude to the public service, its organization and regulation, servicing by civil servants are indices of the state mechanism and its apparatus¹.

Search for the optimal state involvement in the regulation of social relations is a key issue of society modernization. Meanwhile, the effectiveness of implementation of constitutional provisions within the state largely depends on the level of organization of the public service institution, professional and the personal qualities of civil servants.

The *article aims* to define the essence and basic trends in the transformation of the public service institution in the context of current social development, which requires solving a range of research tasks: identification of key factors affecting the public service institution; disclosing the content of new concepts and practical models of public administration; analyze global lessons of the administrative system reforming.

Scientific justification of the optimal state involvement in the regulation of social relations implying the public service modernization is a priority task of the public administration. In the study "Philosophy of Admin-

¹ Yu. A. Tikhomirov, *Курс административного права и процесса* [Administrative law and process], M. 1998, s. 244.

istration", the American political analyst Marshall Dimock concludes that the modern theory of public administration is a new scientific synthesis directly relating to all areas of expertise and issues of implementation of the official policy and programs².

The legal approach to the analysis of issues of the organization, functioning and legal regulation of public service plays a key role in studies of the public service institution. However, the legal instrument is methodologically limited by the study of interrelations between the political system revolution and institutional features of the public service.

Building modern models of public administration that imply modernization of the public service institutions requires the use of neo-institutional methodology. Theoretical and methodological potential of neo-institutional analysis gives us the chance to define conceptual approaches to the process of formation of new models of public administration.

In the current conditions of social development transformation of administrative institutions has different forms of existence. For example, transformation processes may result in significant changes in the institution organizational structure, and norms and values remain unchanged. Contrariwise, relations and norms change, and the institution remains unchanged from an organizational standpoint. Institutionalisation makes it possible to analyse the complex processes of a system transformation differently reflected in the normative, organizational and communicative form of social institutions.

In terms of neo-institutionalism, analysis of public service as the public administration institution constitutes a complex of "game rules"³, formal and non-formal establishment of statuses and behavioural models of the state apparatus officers, their relations with each other, with direct and political senior officials, citizens, and organizations.

In the context of neo-institutionalism, any human activity area is defined in the market dimension. Following this approach, the state is not only a political power weapon, but also an arena of competition between people for influencing the decision-making processes, access to resource distribution,

² M. Dimock, *Philosophy of Administration*, N.Y. 1978, s. 21.

³ D.C. North, *Institutions, Institutional Change and Economic Performance*, Cambridge 1990, s. 15.

and a place in the power structure. However, the state is regarded as a specific market. Unordinary rights of its participants ensure this peculiarity: voters elect representatives to the highest state agencies, members of parliament pass laws, and civil servants fulfil and supervise them.

Current global trends of globalization and integration created new challenges for states, while the public service continues to play a key role in their implementation. In recent decades, because of the emergence of these administrative reforming trends, in many countries the public service institution has undergone pivotal transformations as a new public management.

Many experts' estimates, this concept has significantly changed the views on public administration and serves as a peculiar "paradigm variation" in public administration for the last century⁴. Public administration reforms in the USA, UK, Canada, Australia, and New Zealand aimed to save and rationally use state funds, increase the public administration system efficiency, improve the quality of public services for the population and increase the speed of state reaction to meeting the citizens' needs⁵.

The public service institution reforming based on principles of new public management assumes the introduction of market competition mechanisms and business management styles into the activity of public administration bodies⁶, differentiation of strategic and operative responsibility, focus on reaching goals and results, decentralization of independent organizational structures. Such a concept is justified by the enormous growth of the public service staff, inactive work and a lack in the civil service' an incentive to work effectively, as well as a monopoly in public services for citizens, management of budget funds and financing of state programs⁷.

⁴ R. Moe, R. Gilmour, *Rediscovering principles of public administration: The neglected foundation of public law*, "Public Administration Review" 1995, Vol. 55, s. 135– –146.

⁵ [I. Hawkesworth and others] *Public Administration after "New Public Management". Value for Money in Government,* Brussels: Paris OECD 2010, s. 9.

⁶ C. Hood, *A public management for all seasons?*, "Public Administration" 1991, Vol. 69, s. 3–19.

⁷ D. Osborne, *Reinventing government. How the entrepreneurial spirit is transforming the public sector*, Reading, 1992, s. 321–331.

Opponents of the market mechanism introduction into public administration reason their views by the fact that these reforms have a negative impact on the society and eventually distort the social conscience. Basic principles of the "new public management" concept assume considering citizens only as clients who aim to buy a certain service or product. The market principles, such as client-oriented services, meeting client's demand, production of goods and services, profit and loss analysis, are at the top. In this case, a citizen acts as a client. In the institutional terms, such an approach disrupts the constitutional status of a citizen as a democratic society member.

Inconsistency in these categories as a statutory provision, market behaviour and entrepreneurship in the system of public administration is justified by the fact that the public service institution has to exercise such important functions as state security, the protection of rights and freedoms of a human and citizen, social justice in the state, ensuring civil society development. In particular, the public service institution has to deliver services to the population without getting any profit, as well as to enforce and comply with laws and regulations.

A significant disadvantage of the new public management is public service organization not as a unified state apparatus system, but following the principle of fragmentariness. Such a public service model does not comply with the principles of coordination, integration and rationalization in public administration. This is why there should be a line between the public service and entrepreneurship.

Introduction of the new public management concept weakens the vertical line of civil servants' accountability, complicates the civil control system and accountability resulting in improper conduct, conflict of interests, serving their sordid motives, the development of corruption in the public service area.

Australian reforming analysts consider the new public management disadvantages as transfer of public functions to private hands, which inevitably results in business and financial activity restraint within the private sector and conflicts with the basic priorities of the public service – its maximum openness and transparency for citizens⁸.

⁸ A.V. Obolonsky, Бюрократия для XXI века? Модели государственной

Mark Bevir believes the public service institution reforming upon conditions of new public management depends significantly on a range of internal causes covering conservatism, the bureaucracy of civil servants, a low level of population confidence to power, moral and ethical aspects of public service (corruption, patronage, misuse of power)⁹.

Experts admit that marketing in public administration results in the loss of public service identity finally followed a the drop in public service credibility and qualified staff drain. One of these reasons is the peculiarity of organization and the functioning of state institutions. In conditions of public administration, market mechanisms gain negative features.

Shift from values of citizenship, equality, representation, responsibility and neutrality to consumer orientation, competitiveness, and management leads to the inequality of citizens. Erosion of traditional ethics of public services and its replacement with business rules form such a society state where discrepancies between public institutions and business structures are neutralized, and the public service institution loses its traditional social values.

In world practice there is no unitary public service standard, ie: a universal model that could be applied to all countries of the world. Institutional_transformations of services in progressive democratic eastern and western states reflect new independent trends in public administration. The process of bringing public administration in line with the modern standards and concepts of legal democratic states (first of all, it is a concept of *"Rechtsstaat"* in German, or *"rule of law"*, and *Etat de droit* in French) creates a new methodology of public service implying the full use of democratic governance based on the principles of rules of law, law observance, personality respect, inviolability of rights, freedoms, and lawful interests of citizens, instead of command and control, administrative and forced and strong-arm methods, and improves parameters of effectiveness, stability and significantly a fast response.

At the beginning of the 21st century, democratic states of Europe and America are creating a different society where common citizens and leg-

службы – Россия, США, Англия, Австралия [Bureaucracy for the 21st century? Public service models – Russia, USA, England, Australia], M. 2002, s. 69.

⁹ Encyclopedia of governance: in 2 volumes, Vol. 1, London 2007, s. 370.

islators criticize public administration and call for the establishment of an investigating commission for an explanation of actions of top state officials¹⁰. Fundamental significance is gained by wide-range participation of the public in defining development goals, developing plans and decision taking under state programs and projects, as well as in their implementation.

New approaches to managing social development, which have integrated into an open governance concept, and this concept implementation in democratic states imply ensuring state policy openness and transparency, its involvement in the formation of civil society institutes, maintenance of integrity in public administration.

I. Owen writes that changes determined by the globalization processes sweepingly lead humanity to an era of e-governance that focuses on the strengthening of public control over activity of state bodies, establishment of a common portal of state authorities and information (use of Internet, digital databases, information and communication technologies at state bodies¹¹. Polling of over 4000 US local authorities showed that 85% municipalities communicate with citizens via the Internet. Politicians and scientists definitely affirm that the Internet offers a range of unprecedented chances of improving the effectiveness and efficiency of public administration and ensures the social trust of citizens to power¹².

Innovation principles and technologies of development of public service institutions have gradually evolved from new public management to good governance. Implementation of good governance concept implies an effective application of democracy principles in public administration. Good governance technologies assume a transition from a system ap-

¹⁰ T.A. Shakleina, *О защите граждан, критикующих госучреждения* (*Американский опыт*) [On protection of citizens criticizing state institutions (American experience)], "США: экономика, политика, идеология" [USA: economy, policy, ideology] 1991, No. 1, s. 92–93.

¹¹ O.E. Hughes, *Public Management and Administration: An Introduction*, 3rd edition, Houndmills 2003, s. 63.

¹² T.G.K. Vasista, *Quality Management System for Contemporary Public Administration: A case study of e-Governance,* "Journal of Public Administration and Governance" 2012, Vol. 2, No. 4, s. 164–177.

proach aimed at the effective use of political and moral principles in public administration¹³.

Good governance concept is built upon the governance activity criteria and standards relating to fundamental features of democratic society development. Primarily, it is a competent use of state resources, implementation of new approaches to development of social relations on principles of openness, transparency, accountability, equity, and responsiveness to people¹⁴. Effectiveness of public service institutions is reached through interaction of well-coordinated power, on the one hand, with informed, interested and active citizens, on the other hand.

Quality of public service institution is defined based on compliance of the state servants' activities with key values of public administration. The notion of "key values" takes on different meanings depending on the public administration approach applied to assessment of the state servants' activities. The UN methodology that is globally used for good governance assessment takes into account key values of different approaches¹⁵, in particular:

- Participation: all citizens have the right to vote for decision taking

 directly or by means of legitimate institutes representing their interests;
- 2) Rule of law: integrity and objectiveness of legal structures, especially the ones ensuring protection of human rights;
- 3) Transparency: freedom of information, its completeness and availability for all interested parties;
- 4) Responsiveness: all institutions are sensitive to the needs of citizens;
- 5) Consensus orientation: maintaining the balance of interests to reach a wide consensus on the issue meeting the group needs most of all, as well as policies and procedures suitable for achieving it;
- 6) Equity: all citizens have a chance of welfare improvement;

¹⁵ UNDP, Good Governance and Sustainable Human Development, Governance for Sustainable Human Development, A UNDP Policy Document, 2002.

¹³ [H. Pitlik and others] *Excellence in public administration for competitiveness in EU Member States*, Brussels 2012, s. 2.

¹⁴ *Good governance: Guiding principles for implementation,* The Australian Government's Overseas Aid Program, The Australian Agency for International Development, Canberra, August 2000, s. 3.

- 7) Effectiveness and efficiency: highly effective use of resources for meeting the needs of citizens;
- 8) Accountability: government, private business and civil society structures accountable to the public and institutional holders of rights;
- 9) Strategic vision: leaders and the public rely on the long-term prospects of governance and development of personality and clearly realize the measures required for their implementation.

It is regarded that the public service institution bears a special mission of state power realization. A civil servant is not just an employee; it is a representative of the state and society, defender of interests of citizens, representative of interests of citizens, a mouthpiece for their ideas and prestige, bearer of proper morality. The public service institution is based on traditions of commitment to the state and duty to the country, educating state officials in the spirit of democracy and culture ideals, as well as professionally faithful attitudes to official duties. These priorities are based on a combination of historical, cultural and social values of society.

In summary, today the good governance concept is the most heuristic model of the public service institution under conditions of well-developed democracy. Apart from all other governance models, it naturally focuses on the interaction of state and social institutions in the course of its creation and implementation of general decisions. The goal of good governance is not achieving a result at any cost, but building a transparent process, which is built on a wide participation of citizens, of policy implementation to the benefit of the majority¹⁶.

Conclusion. Analysis of the developed countries' democratic reforms shows that the public service institution develops and functions effectively in the circumstances where social moral values and market economy mechanisms are clearly separated in the public administration. The good governance concept implies cooperation and division of responsibility between the society and state. The prerogative power of state apparatus is the state's strategic functions, and for addressing other social issues, state agencies initiate the implementation process by giving the public an op-

¹⁶ [H. Pitlik and others] *Excellence in public administration for competitiveness in EU Member States*, op.cit.

portunity to act independently. In terms of this governance, the state establishes responsibility limits for all citizens and promotes the civil and business activity development.

Streszczenie

W artykule określono cechy nowych koncepcji i praktycznych modeli administracji publicznej i wskazano główne kierunki transformowania administracji publicznej w kontekście współczesnego rozwoju społecznego.

Абстракт

В статье определены особенности новых концепций и практических моделей государственного управления. Раскрыты основные направления трансформации института государственной службы в контексте современного развития общества.