

## **Book Review**

Kenneth Kernaghan, Brian Marson, and Sandford Borins

*The New Public Organization*

Toronto: The Institute of Public Administration of Canada, 2000

### **Reviewed by Wendy MacDonald**

Upon reading *The New Public Organization*, my first reaction was, this is my life in the 1990s – a reaction that would likely be shared by many other public service policy analysts and managers. The book is a comprehensive overview of the innovations of the decade, brought together under the rubric of the new bureaucratic model, and illustrated by a variety of case studies mostly drawn from the winners of IPAC’s annual Award for Innovative Management. It is a thorough and well-written work, and would be of value to any student or practitioner of public administration. Students will gain an understanding of the range and inter-relationships of public sector reforms during the final years of the last century, and the literature and milieu from which they emerged. Practitioners – many of them bearing the scars of attempted reforms similar to but less successful than those profiled in the book, and none of them wholly unscathed – may read the book with a more critical eye. They may question the acceptance of the market model underlying many of the reforms; they may find the occasional references to the need to consider the human aspects of reform too cursory; they may note the lack of attention to the many failed reforms which accompanied the successes. In short, they may not fully share the authors’ enthusiasm for the new bureaucratic model. Nonetheless, for these readers too, the book has value, providing an integrated context and perspective on the events of recent years.

The book opens with two chapters which provide a conceptual framework and a theoretical basis for the work. In the first chapter, the features of the bureaucratic organization are compared to those of the “post-bureaucratic” organization. While the differences between the two models are clearly set out, the language foreshadows the book’s perspective in favour of the new model. The traditional model is “status quo oriented – avoiding risks and mistakes” (rather than cautious, prudent), while the post-bureaucratic model is “change oriented – innovation, risk taking and continuous improvement.” The traditional model is “rule-centred – rules, procedures, and constraints” (rather than structured), while the new model is “people-centred – an empowering and caring milieu for employees.” The chapter then turns to an overview of the forces driving public sector reform, familiar to all, including globalization, technological change, financial constraints, public demands for quality service, the changing political culture, demographic change, and the legacy of past reforms – most of which are perceived as unsuccessful. It is acknowledged that the 1990s “did not, however, provide a working environment conducive to successful reform.” It is not clear, then, why the reforms described in the book are seen as successes, since they were for the most part developed and implemented during that decade. The chapter closes with a discussion of how the different features of the post-bureaucratic model apply in different measures to the diversity of organizations in the public sector, supported by a useful graphic contrasting the profiles of two organizations and of the same organization over time.

The second chapter consists of a review of the most influential literature related to public sector reform during the past three decades, followed by a description of some examples of innovation

in public organizations. While the books are familiar, the review is valuable for its lucidity and coherence, and for the theoretical basis which it provides to the subsequent chapters. The examples are also helpful in illustrating the features and profiles of the post-bureaucratic organization. The basis of their selection as exemplary approaches is not always clear, however, and more specificity in this would have been desirable.

The next nine chapters address elements of the post-bureaucratic model, and these are the elements which are so strongly related to my experiences of the past decade, as indicated below.

*“Draw a picture of what you think a vision would look like.”* In 1991, I led a group charged with developing a new mission statement and values for Prince Edward Island’s Department of Health and Social Services. As might be expected in an organization largely comprised of human service professionals, the process was highly participative, and strongly focused on values, principles, and beliefs. The book also places priority on values, devoting its third chapter to their nature, role, evolution, and management. I had some difficulty coming to grips with the discussion, for several reasons. The concept of “values” is slippery and ill defined. While many of the values described as traditional in the chapter would indeed be perceived as values by most (e.g. loyalty, integrity, fairness, responsiveness), some of the new values appeared to shade off into activities and functions such as communications, innovation, leadership, and teamwork. These are, rather, the ways in which values are expressed and fulfilled. Moreover, some “new” values, such as service and quality, did not appear to be qualitatively different from the traditional values of efficiency, effectiveness, and responsiveness. The quintessential, overarching value of the public service, for me – serving the public good – is briefly mentioned in the chapter as the “major feature distinguishing public servants from their private sector counterparts ... a unifying and motivating force that pervades the practice of public administration.” The authors acknowledge that values are not always congruent; it would have been helpful had they more fully explored the implications of the new public sector values for this concept of the public interest. The authors did, however, clearly highlight a key feature of values which is consistent with my experience: in most organizations, the walk lags very, very far behind the talk and indeed is sometimes so different as to introduce a profound sense of dissonance into the organization. As they say, “... there can be considerable difference between the values espoused by public organizations and the values that are actually practiced.” The balance of the chapter contains useful guidance on the design and implementation of value statements to, presumably, avoid or redress this problem.

Chapter Four turns to an overview and comparison of the findings of two surveys of innovative practices in North American public administration, one sampling semi-finalists in the Ford Foundation - Kennedy School of Government awards in the US from 1990 to 1994, the other sampling the best applications for the Institute of Public Administration of Canada award during the same time period. While today’s pace of change makes these surveys less timely than might be wished, the findings are very clearly presented and provide interesting insights into innovations – their characteristics, nature, target audiences, instigators, and rationale; the way in which they were designed and carried out; the obstacles and how they were overcome; and their results and replication. In most cases, substantial similarities were found between Canada and the US. This discussion provides a context for the chapters that follow.

*“Oops! I rightsized my husband.”* The topic of Chapter 5 – restructuring and re-engineering – occupied much of my time during the 1990s. My high point, or low point, as a perpetrator was perhaps reached in my role as support person to a group of deputies charged with a comprehensive restructuring of PEI departments and agencies in 1993. The initiative cut the system from thirteen departments to eight and entailed a major reduction, redesign, and complete re-staffing of the management ranks of government. In the process, first my husband’s secondment job was merged with another, after which his original job was merged with two others. Fortunately, he won it back and has since forgiven me. I therefore read the chapter with considerable interest. I had anticipated that it might contain discussion of the impacts of globalization and other forces of change on organizations (flatter, more focused, more open, more collaborative, and so forth) and the implications of this for the public sector. While these issues are briefly mentioned, the chapter is for the most part descriptive, consisting of a detailed typology of the proliferation of public sector organizational forms in recent years, followed by illustrative case studies of some of these forms, and then some case studies of re-engineering. I had also thought the chapter might examine the “how-to” of restructuring and re-engineering, given public servants’ need for guidance on how to carry out these functions in a humane and effective way. The final section of the chapter does identify some of the issues raised by restructuring and re-engineering – What works well, where and why? Do these approaches work at all? If so, would something else have worked better? What of policy co-ordination? What of the human factor? What about political accountability? Do some of these organizational forms support the public interest? These vital questions, while raised, are not really resolved.

*“Single-window, customer-centred, co-delivered, streamlined, integrated services.”* In 1996, I helped write a review of the government of Prince Edward Island’s regulatory and service delivery functions. This ubiquitous Red Tape Review led to prescriptions similar to those in many other jurisdictions at the time, and those discussed in Chapter Six of the book, *Serving the Public*. My husband was subsequently given the task of amalgamating approximately one hundred public services from seven departments into a single public service agency, Access PEI. Chapter Six provides an excellent introduction to service quality improvement. It opens with an examination of the differences between public and private sector service, identifying the more complex public sector role of balancing between customer and citizen, in varying degrees depending on the service in question. It then examines the need for reform, debunking the myth that public sector service quality is inferior to the private sector, but showing the need for improvement in both. Approaches to service quality are then examined, with concise overviews of Total Quality Management, service quality tools, and single window approaches. Several case examples are followed by a useful albeit too brief overview of success factors and an analysis of the political and ethical implications of service quality measures. In particular, the impact of single window approaches on the accountability of individual departments and ministers, and the potential for conflict of interest arising from overemphasis on service to clients, are highlighted as concerns. In all, the chapter is a balanced and readable work.

*“I’ve been \*\*\*\*\*ed / Here come the eagles / Let there be love.”* Throughout the turmoil of the 1990s, our ever-cheery human resource professionals brought us a succession of consultants who applied their varied methodologies – from the menacing to the evangelical – to help us accept and deal with the changes around us. Empowerment, the topic of Chapter Seven, was a recurring theme throughout the decade. As people disappeared from above, beside, and below us, this term came to seem like a code word for “You’re on your own.” – part of the Orwellian newspeak of

public sector reform. Obviously, I approached Chapter Seven somewhat askance. While the chapter makes a persuasive case that empowerment should happen, it conveys less assurance that it can happen to the full in the public sector. The chapter opens with definitions focusing the discussion on the internal empowerment of public servants. It then positions empowerment within a constellation of related concepts, including participative management, service quality, and teamwork. Next, the process is examined, with the end-points of a non-empowered and fully empowered organization described, although not the points in between. The chapter then discusses how to empower, through means including self-directed work teams, leadership, reward systems, training, and structural change. The chapter closes with a lengthy and thoughtful examination of the implications of and impediments to empowerment – notably resistance by middle management, potential conflicts with the accountability of senior officials and ministers, and the need for clarity and integrity. The chapter left me more convinced of the need for empowerment, but no more optimistic about its prospects.

“*Let’s have a task force / round table / stakeholder advisory structure / etc. etc.* (1991, 1992, 1993, 1994, 1995, 1996, 1997...) Throughout the 1990s, first as a public servant and then as a consultant, I frequently served as resource person or research director to assorted reviews, commissions, committees, and task forces. As the decade wore on, I also saw a proliferation of joint approaches both within government and with the community sector, as well as less frequent and more problematic ventures into public/private partnerships. Chapter Eight, *Consulting and Partnering*, provides a clear and helpful analysis of these trends. The first section describes the history of consultative approaches, from the carefully managed tokenism of the 1970s, to the often more genuine approaches today, summing up with the features of true citizen engagement. It then describes the why, who, and how of consultation, including a useful continuum of approaches, and concludes with a too-brief consideration of impediments to consultation. Readers will benefit from reference to the principles of successful consultation in Appendix C, as suggested in the text. The chapter then turns to an examination of partnership, addressing this topic in the same format as above, but in greater detail and depth. The chapter provides an excellent description and analytical framework for two issues of growing importance to public servants.

Chapter Nine, *Learning and Innovating Continuously*, is a useful discussion of the critical links between individual learning, organizational learning, and organizational innovation. It shows clearly how each element is a necessary but not a sufficient condition for the next. The chapter opens with a theoretical grounding in the pertinent key literature, setting out a model with the essential elements needed to foster organizational learning. It then discusses the vital role of individual learning, and the growing emphasis in of recent years on informal and experiential learning as a more effective approach than formal learning for both individuals and their organizations – a view which my own experience supports. The ways in which individual learning can be translated to organizational learning are then described. A public sector trend toward more strategic direction of individual learning in support of organizational goals is noted, and illustrated through the Ontario’s approach. The chapter then considers the further cultural features, characteristics, and approaches of organizations which that apply their learning and become innovative. In conclusion, impediments are discussed, notably the reluctance of many public sector organizations and leaders to adequately invest in this “important but not urgent” area.

Chapter Ten discusses both the promise and the pitfalls of information technology. It describes Canada's leadership in the use of IT in the public sector – particularly in such areas as internet-enabled communications and information dissemination; electronic transactions such as tax filing; service kiosks; toll highways; and smart cards. Much more than in other areas, it is shown, these innovations emerge from the “local heroes,” front-line workers and middle managers. The often-dramatic benefits of these IT applications are profiled – but then the chapter turns to the challenges. It discusses the high costs of the technology; the budget overruns and delays in the vast majority of IT projects; the complex issues surrounding relationships with private sector suppliers; the retention of skilled staff; the evolving role of IT within the organizational structure and power system; and the need to continue providing a parallel system of non-IT services to ensure access. External issues are then examined, including the “digital divide” among Canadians of different ages, income levels, and socio-economic backgrounds and the protection of privacy. For those active in the IT field, much of the material in the chapter will be familiar, but for those with more limited expertise or experience, the chapter provides a useful introduction to the issues.

“*Those #\*%@\* Executive Council guys are calling again.*” Having spent the majority of my public sector career in central agency policy, planning, and intergovernmental roles, I read Chapter Eleven, *Managing Policy*, with particular interest. Appearances perhaps notwithstanding, policy was never an easy job. Looking upwards, the challenge was to persuade political masters to engage in evidence-based decision making; looking outwards to departments, the challenge was to build a mutually positive relationship that balanced the broader perspective of the centre with the knowledge and insights of the front lines. Reading the chapter brought home to me that the job has become considerably harder. Events unfold and changes occur more quickly than in the past, and issues have become more complex, cutting across organizations and sectors. Here, as in other areas, the forces of globalization and other related trends have caused the influence of policy analysts, tenuous at best, to leak away in every direction – to international and intergovernmental bodies; to citizen groups and “consumers;” and to a front line made more distant by distinctions between “steering” and “rowing,” empowered to make more decisions than in the past, fragmented by outsourcing and decentralization, and blurred by partnerships. Yet these trends make it even more important than previously that decisions be based on knowledge and understanding. Chapter Eleven considers the decline of policy capacity in the early 1990s and subsequent efforts to strengthen and restore it. It focuses on horizontal policy coordination as the critical element necessary today, and discusses the roles of various elements – central agencies, line departments, committee structures, intergovernmental relations, and linkages to external bodies. It then considers the barriers to a strong policy capacity in some detail, and closes with a plea for values-based commitment to such a capacity and to its coordination across government. Despite some encouraging developments described in the chapter, however, I ended the chapter with a distinct sense that the policy sector is swimming against a strong current.

In the final chapter, *Sustaining the Momentum*, the authors offer both practical advice and principles to guide those seeking to create their own “new public organizations.” They return to the model of the bureaucratic organization and the new public organization set out in the first chapter, and propose the latter as a working model to stimulate change and progress. They identify leadership as the critical factor, and call on leaders to focus on four key elements: purpose – the organization's vision, mission and values; people – clearly the neglected element;

performance – the use of measuring and accountability systems to stimulate change; and positioning and re-positioning to take account of the changing environment, using their model as a tool. They then summarize the lessons learned, providing some principles to guide change efforts. These provide a sense of balance to the conclusion – to remember that the public service *is* different; to get the values right before embarking on reform; to take reasonable risks; to ensure open and inclusive decision making processes; to recognize and address the fear of change; to invest in the process through learning and training; and to “walk the talk.” This list addresses many of the deficiencies and shortfalls of the reforms of my experience, and if followed would lead to more outcomes like those fortunate examples profiled in the book. At the conclusion, though, one is still left wondering how much of the public sector can go down this road, and how far organizations can, and should, go, if they are still to be first and foremost, *public* organizations.

In sum, the book is highly recommended to readers seeking to gain a broad understanding of the public sector trends of the past decade and their implications. Readers will interpret and react to the various chapters according to their own experiences; however, all public servants will find at least some elements of the book to be of value and interest. From my perspective, the book could have benefited from a more critical approach to its subject; to use the words of one of the authors, Ken Kernaghan, in *his Innovation Journal* review of another public administration book: “Like virtually all books of its genre, [it] celebrates successes and pays relatively little attention to failed reform initiatives.” The readability of the chapters varies somewhat, and one has an occasional sense of the book being a composite of the work over time by the three authors. Nonetheless, the book is a significant addition to the Canadian literature on public administration, in its breadth of topic, its comprehensive research, its integration of wide-ranging trends into a coherent model, its consideration of implications, and its practical advice.

#### **About the Author:**

**Wendy MacDonald** served the Government of Saskatchewan, the Ontario Legislative Assembly, and the Government of Prince Edward Island in various policy and managerial roles before leaving government in 1997 to establish her own consulting firm. She lives in Charlottetown, Prince Edward Island with her husband Albert and their four children. Wendy is a member of the editorial board of the *Innovation Journal*.