

**YORK-MANNHEIM SYMPOSIUM ON PUBLIC SECTOR MANAGEMENT:
Conference Theme 2006
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Abstract:

This conference is the sixth in the series entitled “International Symposium on Public Sector Management”. The conference organizers in Europe and Canada decided on this year’s theme: “efficient management in the non-profit organizations.”

Key Words:

Non-profit organizations, civil society, voluntary sector, efficiency, governance, accountability

YORK-MANNHEIM SYMPOSIUM ON PUBLIC SECTOR MANAGEMENT

The Sixth York-Mannheim Symposium on Public Sector Management was held at York University in Toronto in September 2006. I have always been greatly enamored of these meetings for several reasons but, above all, for the warm friendship which we have developed since our first Symposium in 1998. Actually, our relationship began with two visits in 1997 – one from Professor Peter Eichhorn and the other by Dietmar Bräunig who was completing his graduate studies. This led to our first symposium in 1998 in Mannheim, followed by York in 1999, then back to Mannheim in 2001. We then decided to branch out to take advantage of Dietmar Bräunig's new Chair in Giessen in 2004, and Herbert Kraus's invitation to Graz in Austria last year. Actually, Professor Kraus has been a stalwart of our program from the outset and treated us to a wonderful symposium in Graz. He wanted me to extend his profound regrets at being unable to join us this year because he is in the midst of completing a major project – so much for his official retirement which he celebrated with us at the same time in Graz.

I understand that our dear friend Peter Eichhorn will retire next summer but I have no doubt Peter that, like Herbert and me, you will be busier than ever. We have a saying that old University Presidents never die – they just lose their faculties. I suppose we could say “Old professors never retire – they just try to do more with fewer resources.”

On the subject of absent friends, two of our earlier contributors cannot join us this year – Erik Peters, the retired Auditor of Ontario and Maria Barrados, the Chair of the Public Service Commission in the Government of Canada but, they too, wish to be remembered to you.

If we were on television I would, at this point, pause for the commercial messages. However, I will acknowledge and thank those who have kindly sponsored us:

- The Schulich School of Business
- The School of Public Policy and Administration in the Atkinson Faculty of Liberal and Professional Studies
- McLaughlin College
- The German Consulate General in Toronto
- The Office of the President, York University

I would also like to acknowledge three key figures in this Symposium:

- Ulrich Schmidt on behalf of the sponsors
- Ian Greene as our host in McLaughlin College, and
- Peter Eichhorn, my co-founder of the Symposium.

The Conference Theme

At each successive conference, the organizers meet to agree upon a site and a subject for the next symposium. For example, two years ago we chose **Streamlining the Bureaucracy** in response to the current themes of the New Public Management. Last year, in the light of the major corporate failures in the private sector, we thought it appropriate to look at **Governance and Accountability in the Public Sector**. It became clear on both occasions that the research potential was immense in both areas, and that was a further objective of these meetings – to encourage and stimulate new research interests.

However, this year, we were quite excited at the prospect of a completely different area – the non-profit organizations, civil society or the voluntary sector, call it what you will. And why so? First, the varied discontentment with both the private sector and the public sector suggests that “non-profit” may become a large component of organized society (indeed it already is). Second, we have not paid nearly the degree of attention to its particular characteristics, nor to its scope for enlargement. Needless to say, there are designated scholars who have worked extensively on the non-profit sector, not the least in York University, but much remains to be done. Thus, it is our hope that this symposium, and the proceedings to emerge from it, may be a source of stimulation. You will recognize that these thirteen papers to follow are characterized by a degree of poetic license in terms of the Symposium title. However, we have always sought to establish rather wide boundaries for this symposium and this one is no exception.

In view of our limited time and the strong response to invitations to prepare papers, I decided not to offer a formal paper, but I also confess to a recognition of how difficult it would have been. First, I have Chaired or been a Board Member of a host of different not-for-profit organizations. Inevitably, then, I would have to unravel a jumble of personal experiences while comparing apples and oranges. Second, I realize that in all of that time, I never asked “how efficient are we?” We asked were we fulfilling our mandate, are we meeting our objectives, is our performance satisfactory, should we be doing more or doing less, have we truly contributed to social well-being, is this a function that really belongs in the public sector, would this service actually be more suited to the private sector? But how efficient are we, could we be more efficient, to what extent is that the responsibility of the Board of Governors or Directors as opposed to the staff – not prominent issues. That led me to ask the question in my title “**What is Different About Not for Profit Other than Not for Profit?**” And second, what does efficiency mean? It is interesting that the Oxford Dictionary offers two very different meanings:

1. that which makes a thing what it is (i.e. simply the fulfillment of the mandate;)
2. the ratio of useful work performed to the total energy expended (i.e. what we might otherwise call productivity).

When discussing efficiency, we would normally think of the second meaning, but in my experience it was the first (and soft meaning) rather than the harder meaning which we used. If time permitted, I would tell you about my experience as Chairman of Hockey Canada responsible for our Olympic ice hockey program, as Chairman of a hospital board, as Vice-Chair of a theatre company, as participant in a commission to revise our Securities legislation, as Chair of a Commission on Financing Elementary and Secondary Education and as Chair for ten years of the Commonwealth of Learning which provides distance education and open learning throughout the fifty-four countries of the Commonwealth. But to prove my point, let me just draw from Hockey Canada. We measured our success by the two Olympic Silver Medals and the two Bronze Medals followed by the Gold Medal in the World Championship as our yardstick of efficiency. Beyond that, we never looked at our managerial efficiency. Rather, we simply presumed that management would make the most effective travel arrangements, choose the most effective coaches, seek out the best available players, and devise the most reliable training program.

Moreover, there were numerous differences in all of the not-for-profit organizations that I experienced compared with the traditional public and private entities which made it difficult to assess efficient management even if we were of a mind to do so. The principal difference is that both **governance** and **accountability** are much weaker than in either the public or private sector. In the case of governance, directors are normally well-intentioned and often pessimistic but not always clear in setting policy. At the same time, they have a propensity to micro-manage and to consider their interest as a license to micro-manage. As a result, the staff is too often lacking a clear policy direction and often frustrated by board interference. In the case of accountability, good reporting is difficult where there is a lack of clear policy direction. At the same time, the normal problem of inadequate staff resources means that staff is overwhelmed just to do the job let alone evaluating performance. As well, more often than not, crisis management includes both good governance and acceptable accountability.

Consequently, these inherent characteristics must first be addressed if real efficiency is to become a realizable goal in any non-profit organization. I hope that this recognition might assist us during these two days to point the way to a new mandate for “**Efficient Management in the Non-Profit Organization.**”

Finally, let me remind our audience as well as our speakers that we have asked the presenters to highlight their papers in order to permit adequate time for discussion. We hope that you will have had an opportunity already to examine the full electronic version, at least for the majority of papers which were posted on the Web prior to our Symposium.

About the Author:

Professor *H. Ian Macdonald* has had a distinguished career in academia and government. In 1965, he entered public service in the Government of Ontario as Chief Economist. He became Deputy Treasurer in 1967, Deputy Minister of Treasury and Economics in 1968, and Deputy Treasurer and Deputy Minister of Economics and Intergovernmental Affairs in 1972. In 1974, he was named President of York University, a position he held for more than ten years, following which he served as Director of York International from 1984-1994. Professor Macdonald is now President Emeritus of York University. He is also Professor of Public Policy and Economics, and Director of the Master of Public Administration Program.

He is the recipient of the Vanier Medal for 2000, awarded by The Institute of Public Administration of Canada for distinction in public service and excellence in public administration. In 2005, he was elected a Fellow of the Commonwealth of Learning (F.COL.), and he was honoured by the Government of Ontario with the creation of the H. Ian Macdonald Visiting Economist position in the Ministry of Finance, and by York University with the George Tatham Award in recognition of a lifetime of teaching excellence. In 2006, he received the prestigious Senator Peter Boorsma Award from the South Eastern Conference for Public Administration (SECOPA). The Award recognizes an individual with a consistent record of involvement and efforts to transfer best practices and public administration theory from one country to another, facilitating the international exchange of knowledge and administrative practices that foster better performance in the public sector.