

Classical and Modern Approaches to Public Administration

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Summary:

Public administration has a long history which has been going in parallel with the very notion of government. The classical approach to public administration, derived from Weber, Wilson and Taylor, largely dominated most of the 20th century. In fact, Weber's theory of bureaucracy is the most important theoretical principle of the traditional model of public administration. This model started to change in the mid 1980s to a flexible, market-based form of public management because the traditional public administration was discredited theoretically and practically. All this led not simply to a minor change in management style, but to a change in the role of government in society and the relation between government and citizenry. The introduction of modern managerial approach and the adoption of new forms of public management mean the emergence of a new paradigm in the public sector. The wave of reforms started from the Anglo-American countries as they were the first to attach bigger importance to the role of private sector forms and techniques in the process of modernizing

government, though not all countries adopted the whole new public management package. There is another distinctive model of reform, which is followed by many European countries and requires selective and limited use of its elements and instruments.

Key words: bureaucracy, ideal type bureaucracy, traditional model of governance, Weberian approach, managerial approach, government modernization, new public management, Neo-Weberian state.

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Introduction

The traditional public administration was established to run a state in a stable and predictable way in a relatively static environment and therefore, public administration was not prepared to meet new challenges and was resistant to change. Today it has to adjust and accommodate to a rapidly, at times unpredictably, changing environments. Over the last few decades the efforts across the world to conduct substantial reforms in the public sector were directed at ensuring good governance in terms of effective, ethical, accountable and transparent administration. The accumulation of changes in public administration over that period

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is really impressive and yet "almost no national government would argue that administration change has now been completed or that the public sector has been put into good working order"¹

The object analyzed in the article is the model of public administration and the analysis is focused on the classical and modern approaches to change in public administration. The main reason for the collapse of the traditional model of administration is that it no longer worked and was widely perceived as failing. The emergence of modern managerial approaches to public administration is regarded not simply as a reform of the traditional public administration, but as a transformation of its paradigm.

The aim of the analysis is to explore whether there is a single possible alternative to the classical approach to public administration and whether the traditional model of bureaucracy could be replaced by adopting some sort of market-based mechanism in order to obtain better results from public sector organizations.

The study has several tasks: 1) to present the classical approach to public administration and to describe the traditional model of bureaucracy and its key features and dimensions; 2) to explain the emergence of the new model of public sector management in most advanced countries and many developing ones; 3) to analyze the modern managerial approach to the public sector referred to as New Public Management; and 4) to outline a particular route of a modern reform followed by many continental European countries.

Classical Approaches to Public Administration

In order to understand the changes and reforms in the system of public administration we need to understand the traditional model of governance, because any attempt at reform is viewed and evaluated against it. This classical model was thought to be the best way for organizing the public sector work and undoubtedly worked well for a long time. The traditional model of public administration has been regarded as the most successful theory of public sector management, although it does not have a single, coherent intellectual foundation. Its theoretical basis is derived from W. Wilson and Fr. Taylor in the United States, the Northcote -Trevelyan Report in the United Kingdom and M. Weber in Germany. In general, it is characterized as "an administration under the formal control of the political leadership, based on a strictly hierarchical model of bureaucracy, staffed by permanent, neutral and anonymous officials, motivated only by the public interest, serving and governing party equally, and not contributing to policy but merely administering those policies decided by the politicians"². This model and its definition has been widely accepted and used in the Western countries and mainly in Continental Europe during the 19th century and the first half of the 20th century. The key feature of this model is that "in the modern governmental systems professional bureaucrats execute the tasks of public administration while separated from the political mechanisms as well

¹ Peter, B.Guy, *The Future of Governing*, 2nd ed., the University Press of Kansas, 2001, p.

² Hughes, Owen E., *Public Management and Administration: An Introduction*, 3rd ed., Palgrave Macmillan, 2003, p. 17.

as from the private sphere"³. In contrast to this model, the earlier, pre-modern models were based on personal relationships. The most important characteristic shared by the earlier systems of administration is that they were "personal", based on the loyalty to a particular individual such as a king, a leader, a minister or a party, instead of being "impersonal", based on legality and the loyalty to the organization and the state. The end of patronage or nepotism in Europe and the spoil system in the United States came at the end of 19th century, which set the beginning of forming a governmental administration based on merit and political neutrality instead of political dependence and clientelism. The European and the American public administration have passed through different historical development, but the Weberian approach became common for them and both stressed the necessity of an impersonal, formally regulated and hierarchical mechanisms.

It is well known that the principal focus of Weber's analysis was not administration, but his main distinctive contribution to the field of public administration is related to the analysis of the social and historical context of administration, and more particularly, bureaucracy. Weber did not invent the term "bureaucracy", but identified bureaucracy as the dominant form in a legal-rational society and specified the features of the most rational form of bureaucracy, which was called the "ideal type" bureaucracy. Max

Weber not only gave the characteristics and criteria for modern bureaucracy, but also outlined the terms of employment in the bureaucratic organization⁴:

- Officials are personally free and are appointed on the basis of a contract.
- Officials are appointed, not elected. Weber argues that election modifies the strictness of hierarchical subordination.
- Officials are appointed on the basis of professional qualifications.
- Officials have a fixed money salary and pension rights.
- The official's post is his sole or major occupation.
- A career structure exists with promotion based on merit (though pressure to recognize seniority may also exist).
- The official is subject to a unified control and disciplinary system in which the means of compulsion and its exercise are clearly defined.

An important dimension to this classical model of the public administration was added by Woodrow Wilson, who introduced the politics-administration dichotomy. In Wilson's words public administration is "the detailed and systematic execution of public law" and he believes there should be a strict separation of politics from administration because administration lies outside the proper sphere of politics and administrative questions are not political questions. W. Wilson firmly believed that the dichotomy between politics and administration could

³ Hoos, J., G. Jenei and L. Vass., Public Administration and Public Management: Approaches and Reforms, In: Public Policy in Central and Eastern Europe: Theories, Methods, Practices, (eds.) M. Potucek, L.T. Leloup, G. Jenei, L. Varadi, NISPAcee, 2003, p. 123.

⁴ Fry, Brian R., Mastering Public Administration: From Max Weber to Dwight Waldo, Chatham House Publishers, Inc., Chatham, New Jersey, 1989, p. 31.

not only eliminate the arbitrariness and corruption in the administration, but also may have wider effects. From a theoretical point of view, the realization of the dichotomy seems to be very simple, but in reality there has not been complete and clear separation between politics and administration.

What distinguishes America from Europe is the transfer of effective management methods between the large private and public organizations. It became evident that a strong business culture had been developed and attained in America and this import of managerial innovations from the private sector became a characteristic feature of the American public administration. The most important theory, which was first transferred from the private organizations, was Scientific Management. In 1911 Frederick W. Taylor published his fundamental work "Principles and Methods of Scientific Management". At that time there was a search for general administrative techniques in the private sector that could possibly be used to enhance the efficiency in the operation of the American government and the scientific management attracted the support of governmental officials, who believed that its techniques, directly concerned with the question of efficiency, could be applied in the public sector. Today it is beyond any doubt that Frederick Taylor is credited with formulating scientific management and his belief was that there

was "one best way of working". According to Hughes, "there are two main points to Taylor's theory: standardizing work, which meant finding the 'one best way of working' and controlling so extensively and intensively as to provide for the maintenance of standards"⁵ In short, as Fry says "these three components – time and motion studies, wage incentive systems, and functional organization – constitute the core of Taylor's scientific management"⁶ Taylor's "idea of one best way", the standardization of work, the systematic control and the hierarchical organization fit public administration and explains why scientific management was the most influential theory in the public sector until the 1940 s.'.

After the World War II, the basis of scientific management was questioned, both in theory and in practice, and the most powerful critics came from the Nobel Prize winner in economics Herbert Simon, whose work represents a radical departure from the classical approach to public administration. The classical approaches of Weber and Taylor have been referred to as the public administrative "orthodoxy"⁷, but when a series of challenges to the classical approach to public administration appeared in the 1940s' "heterodoxy replaced orthodoxy"⁸, to quote Dwight Waldo. In other words, different theoretical approaches and practical experiences started to influence administrative organizations.

⁵ Hughes, Owen E., *Public Management and Administration: An Introduction*, 3rd ed., Palgrave Macmillan, 2003, p. 27.

⁶ Fry, Brian R., *Mastering Public Administration: From Max Weber to Dwight Waldo*, Chatham House Publishers, Inc., Chatham, New Jersey, 1989, p. 60.

⁷ Hoos, J., G. Jenei and L. Vass., *Public Administration and Public Management: Approaches and Reforms*, In: *Public Policy in Central and Eastern Europe: Theories, Methods, Practices*, (eds.) M. Potucek, L.T. Leloup, G. Jenei, L. Varadi, NISPAcee, 2003, p. 127.

⁸ Fry, Brian R., *Mastering Public Administration: From Max Weber to Dwight Waldo*, Chatham House Publishers, Inc., Chatham, New Jersey, 1989, p. 227-228.

The New Public Administration movement of the late 1960s and early 1970s criticized the "old" public administration for its lack of an explicit ideological framework. The basic principles of the New Public Administration were participation, decentralization and representative bureaucracy. Both types of participation as a political process and participation as an organizational process were supported, because political participation was to be a means of dispersing power and increasing citizens' involvement in government, while organizational participation was believed to be a means for promoting change and dispersing power within the organization. Decentralization was intended to increase citizens' involvement in governmental and organizational processes. Representative bureaucracy was meant to produce client-centered administration and the representation of clientele interests by administrators.

A new managerial approach in the public sector emerged in the 1980s and early 1990s and it was named New Public Management. This new approach lays the emphasis on the economy, efficiency and effectiveness of government organizations, instruments and programs, and higher quality service delivery. This new model of public sector management emerged in the most advanced countries, as well as in many developing ones, and is regarded by many authors "not a reform of the traditional public administration, but a transformation of the public sector and its relationship with government and society"⁹

Modern Managerial Approaches to Public Administration

The traditional administrative system persisted for a long time and was undoubtedly very successful, because in Guy Peters' words "it fought several wars, produced and administered a massive expansion of social programs, instituted large-scale economic management for the public sector, and did a host of other remarkable things"¹⁰. During the 1980's and 1990's there was a large-scale rethinking of governance, which was followed by attempts to move administration far away from its roots and only few governments have remained untouched by the wave of reforms. The Anglo-American countries are the most seriously affected ones by these changes. Therefore it comes as no surprise that the reforms are most dramatic in these countries.

Before the term "new public management" was coined, the new model of public sector management had several names. Different names such as managerialism, new public management, market-based public administration, post-bureaucratic paradigm, entrepreneurial government were used to describe the same phenomenon. The new approach to public management is oriented to results, focusing on clients, outputs and outcomes. It focuses on management by objectives and performance management, the use of market and market-type mechanisms in the place of centralized command and control style of regulation, competition and choice, and devolution with a better matching of authority, responsibility and accountability.

⁹ Hoos, J., G. Jenei and L. Vass., Public Administration and Public Management: Approaches and Reforms, In: Public Policy in Central and Eastern Europe: Theories, Methods, Practices, (eds.) M. Potucek, L.T. Leloup, G. Jenei, L. Varadi, NISPAcee, 2003, p. 135.

¹⁰ Peter, B. Guy, The Future of Governing, 2nd ed., the University Press of Kansas, 2001, p. 13.

In the United Kingdom during the Thatcher government there was a concerted effort to implement the three 'e's of economy, efficiency and effectiveness at all levels of British government. The reform was mainly aimed at a massive privatization of public enterprises and cutting other parts of the public sector, while the civil service moved from an administered to a managed bureaucracy.

In 1992 Osborne and Gaebler published *Reinventing the Government* in the United States, which it became a major event. Even the presidential candidate Bill Clinton showed a keen interest in reforming government through changing the culture of the American federal government. The task of launching the National Performance Review was assigned to Vice-President Al Gore, who was clearly influenced by the book's ideas. The Gore Report quoted innovative practices, used in Britain, Australia and New Zealand for developing the new public management. Gore's suggestion for reinventing the government was based on four key principles¹¹:

- Cutting red tape 'shifting from systems in which people are accountable for following rules to systems in which they are accountable for achieving results';
- Cutting back to basics and 'producing better government for less';
- Putting customers first;
- Empowering employees to achieve results.

Not only industrialized democracies, but also international organizations such as the Organization for Economic Coop-

eration and Development (OECD), the World Bank and others showed an interest in the ways of improving public management. What is more, the OECD Report of 1998 argues that improving efficiency and effectiveness of the public sector itself "involves a major cultural shift as the old management paradigm, which was largely process and rules driven, is replaced by a new paradigm which attempts to combine modern management practices with the logic of economics, while still retaining the core public service values"¹².

Several years later, in 2005, the OECD published a review of modernization initiatives launched in most of the organization's member states, which was entitled *Modernizing Government* and highlighted the widely shared objective to make public sector more responsive, transparent and efficient, although there was a variety of different policy paths to achieve it¹³. This means that modernization depends on the context, because history, culture and the stage of development give governments different characteristics and priorities.

The main central government management reforms carried out since 1980 in the "core new public management" states such the UK, the USA, Australia, New Zealand, have pursued the strategies of marketizing and privatizing. All states in this group see a large role for the private sector forms and techniques in the process of the restructuring the public sector. A specific feature of this group is that they are countries with an individualistic culture and pro-business attitude, which is reflected in the prevailing ideology of the public interest view

¹¹ Gore, Al, The Gore Report on Reinventing the Government: Creating a Government that Works Better and Cost Less, Report of the National Performance Review, New York: Times Books, 1993.

¹² OECD, Public Management Reform and the Economic and Social Development, PUMA (Paris: OECD), 1998.

¹³ OECD, Modernising Government: the Way forward. Paris, 2005.

of the government. This explains why they "all think in terms of 'the government' rather than 'the state'"¹⁴.

Recent comparative studies of the reform process clearly show that the pure new public management model of marketization and privatization is not implemented by all European states. The European countries such as Belgium, Finland, France, the Netherlands, Sweden, Germany and others form the group of 'modernizers' and follow a distinctive reform model, one which Geert Bouckert and Christopher Pollitt refer to as the Neo-Weberian State. In this modernizing group there are significant differences in terms of the speed and precise mixture of change, but they all continue, albeit in a modern form, the established traditions of a strong statehood and the high status of the top civil servants. Compared to the group of "core new public management" states, the European 'modernizers' still "continue to place a greater emphasis on the state as the irreplaceable integrative force in society, with a legal personality and operative value system that can not be reduced to the private sector discourse of efficiency, competitiveness and consumer satisfaction"¹⁵.

This comes to show that there is more than one route of modern reforms in central government. The label Neo-Weberian State, associated with the European group of 'modernizers', suggests that this new specific model implies a modernization of the Weberian tradition, not its **rejection in terms of the market model**. In effect this means that new elements are added to the Weberian elements and are precisely

described by G. Bouckert and Chr. Pollitt in their book "*Public Management Reform: A Comparative Analysis*"¹⁶:

- A shift from an internal orientation towards bureaucratic rules to an external orientation towards meeting citizens' needs and wishes. The primary route to this achieving this effect is not the employment of market mechanisms (although they may occasionally come in handy) but the creation of a professional culture of quality and service.
- Supplementation (not replacement) of the role of representative democracy by a range of devices for consultations with, and the direct representation of citizens' views (this aspect being more visible in the northern European states and Germany at the local level than in Belgium, France, or Italy).
- In the management of resources with government, a modernization of the relevant laws to encourage a greater orientation on the achievement of results rather than merely the correct following of procedure. This is expressed partly in a shift in the balance from *ex ante* to *ex post* controls, but not a complete abandonment of the former.
- A professionalization of the public service, so that the 'bureaucrat' becomes not simply an expert in the law relevant to his or her sphere of activity, but also a professional manager, oriented to meeting the needs of his or her citizens/users.

This distinctive model of reforms, composed of Weberian elements and neo elements, shows that continental European countries have not converged to the new public management model. As a whole, when compared with the

¹⁴ Pollitt, Chr., S. Thiel, V. Homburg (eds.), *New Public Management in Europe: Adaptations and Alternatives*, Palgrave MacMillan, 2007, p. 19.

¹⁵ Pollitt, Chr., S. Thiel, V. Homburg (eds.), *New Public Management in Europe: Adaptations and Alternatives*, Palgrave MacMillan, 2007, p. 19-20.

¹⁶ Bouckert, G., Chr. Pollitt *Public Management Reform: A Comparative Analysis*, 2nd ed., Oxford University Press, 2004, p. 99-100.

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core new public management group, the European countries have shared a more optimistic attitude towards the future role of the state and a more constructive approach to the reform of the public services. In fact, the new public management approach is often discussed as a single notion, though it in fact encompasses a variety of different approaches to change, some of which are contradictory and mutually exclusive.

Conclusion

The classical approach to public administration, in terms of both theory and practice, was an outstanding success and widely emulated by governments all over the world. The traditional public administration developed at a particular point of the industrial development, but the later large-scale reconsideration of governance was followed by attempts to move administration far away from its roots.

The traditional model of public administration is an ideal type of model. In an ideal bureaucracy, public and private interests are completely separated and a clear distinction between politics and administration is made. The central assumption of the classical approach to public administration is that hierarchy involves direct control, with the civil servant being accountable only to their superior.

The growing criticism of the traditional organization of the bureaucracy prompted a new wave of reforms sweeping across many Western democracies during the 1980s and 1990s. From a model based on Weberian principles of hierarchy, neutrality and career civil servants, the reforms in the public sector introduced different models of governing which based on market principles and the transfer of the private sector principles of management to the public sector. The pure new public management model of marketization and

privatization has spread over to the Anglo-American countries, whereas the countries in continental Europe, despite their many and substantial differences, have generally adopted an approach towards modernizing government in the Weberian tradition.

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