

The Linkage Between New Public Management and Resilient Institutions. A Theoretical Approach

Bianca Andrianu¹

Abstract

Having strong linkages between the two concepts – institutional resilience and public management, one could say if the latter is adequately implemented in a public institution, that said institution could develop its resilience, thus thriving in its mission. Thus, the purpose of this working paper is to highlight the importance of presenting these two elements together, for future researchers and practitioners, to ensure the resilient, innovative and sustainable development of public institutions and communities. Enhancing institutional resilience through public management approaches can support an administrative reform that is not frowned upon, given the endless trials of the Romanian system to find something that will fit its needs and current chaotic structure. Administrative reform is necessary for public entities to not only bounce back, but also forward. Without an adequate strategic planning in hand, without the adequate leadership and organizational culture, resistance to change is inevitable and so are the vulnerabilities to adversities. There must be a common understanding of resilient institutions and their ability to buffer themselves, being capable to maintain their inner core (identity, purpose), using public management approaches to achieve so. In this respect, resilience can be seen as the flexibility to adjust without crossing thresholds of identity, that is the degree of change that is possible before becoming something entirely different.

Keywords: institutional resilience, performance, public management, public institutions.

¹ PhD. Candidate, School of Public Administration and Public Policy, Department of Public Administration and Management, Faculty of Political, Administrative and Communication Sciences, Babes-Bolyai University, Cluj-Napoca, Romania, andrianu.bianca@fspac.ro

1. Introduction

Are there clear linkages between public management and institutional resilience? If there are NPM approaches implemented, the level of resilience is stronger? These are the questions that want to be answered in further research, to promote a better understanding of how public management and administrative reform overall influence the resilience capability of public institutions in Romania.

After the fall of communism, Romania was caught-up into the internal and external pressures for change, thus, a new public administrative reform had to be implemented. But the lack of knowledge, experience and understanding made the official implement reforms *ad literam*, not based on the current needs of the country. Given the constant change in demand, their credibility, stability and resilience started to fade, alongside their ability to develop sustainable and realistic strategies.

Public administrative reform has always been a great debate in terms of what approach is adequate to the level of development of certain communities. There has always been a huge misunderstanding on how one can properly implement public management approaches to facilitate a sustainable development through strategic planning, therefore increase institutional resilience. But the lack of know-how, skills and proper education on the matter, adding into discussion the external and internal pressures for transitioning countries, has limited the implementation of a logical management system and their ability to embody strategies to enhance institutional resilience.

The classic Weberian approach in the public sector and how bureaucracies function has ruled up until recent years and molded the current administrative system, making it rule-based, efficient and impersonal, ensuring this way equal access to all, stability and predictability. But recent years have shown that even though the reform proved its worth, it also proved the urgent need for change and innovation in the public sector.

As Van de Walle mentions in his paper (2014), that the Weberian model was efficient but lacked innovation and the strict rules, regulations and structures created a major challenge when in face of adversity or unknown (p. 3).

Van de Walle (2014) emphasizes on the fact that even though society is in a fast-changing loop, public administration has resorted for the most part to 'streamlining and strengthening organizational procedures, and rely extensively on processes of standardization' (p. 3). This issue not only put pressures on the public sector because of the change in demand (both type of service and quantity) but also, made the sector vulnerable to shock and unknown. Hence, if stability and predictability is at risk, public officials must find an adequate way to change the reform in respect to the current needs of the community. As a consequence, 'formalized bureaucratic structures are geared towards productivity and control, not towards creativity and innovation' (Van de Walle apud Thompson, 2014, p. 4), becoming quite vulnerable in the face of adversity, creating instability and inability to take proper action. This said and looking at the quality of life in Romania and the lack of trust in public officials, change was the imperative and it had to be fast.

Nevertheless, one must admit the importance of clear procedures, rules and formalization, especially when the subject of public administration arises. Regardless of how dynamic and unpredictable the environment is, one must

have the certainty that public services will not cease to exist and that they will have the capacity to survive and continue to deliver. Hence, a stability and predictability in services and procedures can give citizens certainty when interacting with the institutions.

In this said case, the involvement of political figures in developing a resilient administrative reform can be and it is perceived as a tool to get re-elected, but at the same time, it can be a first step in developing 'alternative policy approaches to disaster management with a focus in building local capacity and community' (Aldrich, 2016).

Hence, even though the political factor may or may not follow its own interest, one should not exclude it when trying to understand how certain communities recover faster, have less losses, damages and can adapt faster than others. The reasoning is that one needs to include all elements involved, to facilitate an increase in resilience – all elements are interconnected and for one to avoid similar challenges, must ensure that the system is aware of the damages. Hence, here for example the financial factor plays a crucial role. Depending on how self-sufficient a city, an administration or a public institution is, one can be more or less resilient in face of disasters or shocks.

Nonetheless, the mention must be made that even though we have certainty in action, we also can have a decrease in creativity in innovation due to the rigidity of the existing system, where errors cannot be made, hence, risk taking is not so promoted nor well seen. 'Formalization, and especially excessive formalization, may affect the organization's capacity to act in changing environments, and may have negative effects on innovative capacity and organizational memory' (Van de Walle, 2014, p. 6). At the same time, the inability to properly distribute and use resources in a cost-benefit way, may again, affect the trust in politicians and public institutions overall.

Facing these adversities and crisis over the years, New Public Management (NPM) approaches were introduced to try and fill in the gaps and insufficiencies in public institutions. When talking about the said concept, we look at a market-oriented approach, intending to increase performance, introduce strategic planning for an improved organization, increase efficiency and give value to money – increase the quality of products and services. But the implementation and the integration of such an approach was quite difficult and still is in some cases due to the 'late start' we had in becoming a developing country due to communism, being 'plagued with corruption, inefficiency, collapsing infrastructure, income inequality, war, political crisis and lack of employment. The prevalence of these obstacles in the developing country's machinery has made the implementation of developmental activities a herculean task' (Puttaswamy, undated, p. 3).

As NPM were introduced, we must debate upon the public managers and their role in the administrative system, due to the major changes Kennedy (2017) raises the importance of 'constitutional literacy' and how one must understand that it is one of the main elements that ensure the fundamentals of synergistic connections within communities and define the rights, laws and boundaries that must be followed. In this context, public managers must keep in mind the reasoning behind all the superficial or unreasonable choices and to create a common language that will ensure balance between the existing policies and the new ones (pp. 567-568).

The pressure on public managers to succeed and solve different issues is unimaginable in some cases and one must raise the question: to what extent we can rely on their skills and knowledge to ensure the resilience of public

institutions? We must be aware of the main differences between the public and the private sector and acknowledge the fact that in the first case there are more implications, synergies and interlinked factors (investors, quality of life, political factors, budgetary insufficiencies, a.o.) than in the latter.

Trying to overcome these issues and properly implement public management to support resilience, one must analyze the linkage between strategic planning and organizational performance, and how simple tools such as SWOT (strengths, weaknesses, opportunities and threats) analysis or PESTLE (political, economic, social, technological, legal and environmental) analysis can offer institutions a broader image of their current position and how to clearly present their vision and goals for the long-term (George *et al.*, 2019 *apud* Dror 1983). By adding these types of tools when developing a strategic plan, one can have a more rational and systematic approach to the matter, increasing the organizational performance as a whole, with an improved outcome and a clear representation of the parts that require improvement. To not be misunderstood, these tools are a simple first step, cracking the surface of the problem. Involving individuals in the strategic planning dimension, having a relevant group of stakeholders from different backgrounds, developing partnerships and being aware of the internal and the external environment are just a few elements in creating a clear strategy that aligns with the key elements of public management, being efficiency-driven, increase performance, have a rational approach on things and being accountable for the success or unsuccess of a strategy or plan.

Aall and Crocker (2019) suggested that in order to be a resilient and inclusive institution, one must pay attention to the potential external investors, how they can be involved in the policies and how can the policies ensure a major coverage, so no group will feel rejected (p. 73). This element is essential not only for the institutions but also for the image that one wants to create for the community. Depending on the level of openness to new partnerships and on how the leader is capable to pass on the vision, a public administration can develop a resilient and inclusive strategy, that will support it in the face of adversity or unknown, thus facing challenges with a significant amount of support.

The aforementioned underlines the importance of creating functional synergies within a community, enforcing their trust in each other and in public institutions, hence easing the changing process in case of adversity or to keep up with the fast-changes in technology, needs and services. If communication is kept open and the dialogue is transparent, all relevant actors from the community will have a more adequate response, becoming self-sufficient.

Thus, to conclude the introduction part, NPM approaches can be a useful instrument if implemented in a proper way and can increase not only the resilience of public institutions but also the citizen's trust and improved strategies and policies. But as Dan and Pollitt (2015) mention in their paper, the lack of coordination, of 'sufficient administrative capacity' and misrepresentation of the approach can delay the chance of a stable administrative reform.

On the other hand, institutional resilience is also at risk of being misrepresented in public institutions. Due to the present vulnerabilities and inconsistencies, one cannot truly fulfil the concept of overcoming adversity and bouncing back.

2. Methodology

For this theoretical and working paper it is important to have a clear basis on the similarities of public management and institutional resilience, having as further steps to analyze to what extent by having NPM elements implemented can support the resilience of the institution. Thus, the table below tries to emphasize on the common characteristics:

New Public Management	Institutional Resilience
'it offers stability, guidance and a sense of belonging [...] set of values, beliefs, certainties and behaviors shared and approved by members of a group / collective' (Schein, 2010).	'strong sense of purpose that glues the organization together and aligns individual, workgroup and enterprise goals as a continuum' (Bell, 2002). 'capability of a cultural system to absorb diversity, deal with change and continue to develop' (Holtorf, 2018).
'Planning, initiating, supporting and accepting people and their contribution, informing, evaluating' (McGannon, 2006).	'representing a constellation of characteristics that enable individuals to adapt to the circumstances they encounter' (Connor and Davidson, 2003): Continuous learning, self-efficacy, sense of meaning, evaluation, communication.
Tight hierarchy	Loose hierarchy
Clear objectives for the organization	Improve the quality of the organization
Exploitation and specialization	Exploitation and diversification
Manage complex elements	Embrace complex elements
Increase resources & value quality	Support development and adapt to resources

Table 1. Author's own compilation

From what I could gather at first glance, there are some similar elements but also some differences as one should expect. If we talk about the ability to overcome shocks and bounce back, meaning recovering and repositioning yourself in the situation before the shock, one can do that to some extent if there is a clear strategic planning in place, if the organization has clear objectives and performance standards in place that can be monitored. At the same time, if we only look at the theoretical aspect, we can say that these elements can also support the organization to bounce forward, meaning to improve and adapt to future shocks, thus increasing its resilience.

At the same time, the fact that we still talk about public management in exchange of public governance or e-governance shows a lack of coordination with the European administrative reform and with the lack of trust in the competencies of public officials to properly implement change that can benefit not only the institutions but the community as a whole.

The concept of resilience is rather new in Romanian institutions; thus, it is interesting to see in how many cases, changes and policies we can actually identify this concept and how well they can face adversity, major changes and shocks such as COVID-19. Regardless of the fast action of the Government in introducing restrictions and lockdowns, the coordination and control of fake information showed otherwise. Their level of control over the situation was not the most agreeable (especially due to the reluctance of citizens, not saying that other states were

much better, but the ineffectiveness of solving the citizens' needs (regarding COVID-19 or other aspects) has proven once again the failed hybridization of different reforms (weberian bureaucracy, new Weberian state model, NPM, public governance, e-governance) just to try and be in line with other member states. And whilst this fast-forward change was tried repeatedly without the needed expertise, it led them to a substandard level of resilience.

Consequently, this exploratory methodology has as first step identifying all the common aspects of public management and institutional resilience, along with trying to test in future research if institutions that were capable to implement the first approach, has the latter as well and to what extend this research question is viable (is resilience more present in institutions that respect the principles of public management?).

3. Conclusions

This paper wants to highlight and present the main linkages and similarities between public management approaches and resilient institution to further raise the question of: are institutions that implement this approach, more resilient than others? And how can one successfully implement it, so it can enhance its ability to overcome shocks, adversity and urgent situations?

Administrative reform is necessary for public entities to not only bounce back, but also forward. Without an adequate strategic planning in hand, without the adequate leadership and organizational culture, resistance to change is inevitable and so are the vulnerabilities to adversities. There must be a common understanding of resilient institutions and their ability to buffer themselves, being capable to maintain their inner core (values, identity, purpose), using public management approaches to achieve so. In this respect, resilience can be seen as the flexibility to adjust without crossing thresholds of identity, that is the degree of change that is possible before becoming something entirely different.

Romania has yet more to learn on how it can perfect the art of strategic planning and administrative reform, with respect to the current needs, circumstances and context in which we find ourselves in. Along these lines we can see how much more work there is to be made, but in all fairness, steps were taken and are still be taken to provide a system that can fit the needs of its citizens and of its other partners at European level, but there is a lot of work to be done and a lot of changes to be made in mentality, approach, vision and community development overall.

Thus, this theoretical and exploratory paper wants to start a discussion, a debate on how well liked the two concepts are, how compatible they are and how can we use this information to expand and enhance their ability to not only bounce back, but also bounce forward.

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