



**Public Administration Reform in Europe –  
Views and Experiences from Senior Executives in 10 Countries**

**WP3 Cross-national Report as part of the COCOPS Research Project**

Gerhard Hammerschmid  
Steven Van de Walle  
Rhys Andrews  
Philippe Bezes  
Anja Görnitz  
Anca Oprisor  
Vid Štimac

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## About COCOPS

The COCOPS project (Coordinating for Cohesion in the Public Sector of the Future) seeks to comparatively and quantitatively assess the impact of New Public Management-style reforms in European countries, drawing on a team of European public administration scholars from 11 universities in 10 countries. It analyses the impact of reforms in public management and public services that address citizens' service needs and social cohesion in Europe. Evaluating the extent and consequences of NPM's alleged fragmenting tendencies and the resulting need for coordination is a key part of assessing these impacts. It is funded under the European Union's 7th Framework Programme as a Small or Medium-Scale Focused Research Project (2011-2014).

## About the Authors

Prof. Dr. Gerhard Hammerschmid is Associate Dean and Professor of Public and Financial Management at the Hertie School of Governance, Berlin.

Prof. Dr. Steven Van de Walle is Professor of Public Administration at Erasmus University Rotterdam.

Dr. Rhys Andrews is Reader in Public Management at Cardiff University.

Dr. Philippe Bezes is researcher at the Centre d'études et de recherches administratives et politiques (CERSA), Paris.

Dr. Anja Görnitz, Anca Oprisor and Vid Štimac are Research Associates at the Hertie School of Governance, Berlin.

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## Executive summary

*This report summarizes the aggregate results of the comparative **COCOPS Executive Survey on Public Sector Reform in Europe**. Based on **4814 answers** from the ten countries targeted (making this the largest comparative empirical dataset on European administrative reforms), the report offers an overview of senior executives' assessments of public administration developments across Europe.*

*In a **work context** generally characterized by low management autonomy, but rather high goal ambiguity and politicization (exceptions here are the Netherlands, Norway and the UK), executives clearly perceive factors limiting a full adoption of a managerial logic and performance management concepts: in fact **managerial ideas and instruments** such as clear targets, measurement and use of performance information are only moderately implemented across in European public administrations. The tide of typical, 'structural' NPM reforms (such as privatization, contracting out or agencification) has by now subsided, replaced by **reform trends** more closely connected to a network-oriented understanding of government: transparent, open and/or e-government, as well as collaboration and cooperation among different public sector actors. The ongoing fiscal crisis might account for other important trends, such as public sector downsizing, stronger focus on outcomes and results, and the reduction of internal bureaucracy. Overall, countries such as the UK, Estonia, Norway and the Netherlands appear to be more active, while Spain, France, Austria and Hungary are hesitant with regard to implementing management tools.*

*Concerning the overall **impact of public administration reforms**, executives make a predominantly positive assessment in Norway, Netherlands, Estonia, Hungary and to a lesser extent in Germany; reforms are judged rather critically by executives in Spain and in the other survey countries (UK, France and, to a lesser extent, Italy and Austria), the assessment is mixed. Considering potential success factors, aiming at service improvements (as opposed to solely cost-cutting), and higher public involvement seems to positively influence the overall perception of reforms. At policy field level moderate improvement is seen in relation to managerial aspects such as cost and efficiency, service quality and innovation, but also concerning transparency and openness, fair treatment of citizens and ethical behavior among public servants. On the contrary, slight deteriorations are associated to issues of staff motivation, attractiveness of the public sector as an employer, social cohesion and especially citizen trust in government. Despite fears in this direction, we discover no clear evidence of negative impacts on internal cohesion dimensions as a result of reforms: in countries with more pronounced performance management we tend to find even somewhat higher levels of social capital and trust and work satisfaction, but also relatively lower organizational commitment, indicating the need for more detailed analysis.*

*Executives in the employment and health sectors, also under the survey's focus, assess reforms rather similarly to their counterparts in central government, with the exception that management instruments are generally regarded as more relevant. Also, in both sectors we find that reforms assessed as more demanding are also considered more successful. Exceptionally, in health, we find a greater importance of downsizing than in central government and employment.*

*While considerable variation can be identified between countries regarding reform intensity, those types of reform trends which are regarded as important are strikingly similar – which might indicate a shared sense of purpose across Europe with regards to public management reforms.*

## 1. Introduction

Coordinating for Cohesion in the Public Sector of the Future (COCOPS), as one of the largest comparative public management research projects in Europe, intends to provide a comprehensive picture of the challenges facing the European public sector of the future and to systematically explore the impact of New Public Management (NPM)-style reforms in Europe. The project brings together public administration scholars from eleven universities in ten countries<sup>1</sup> and is funded as part of the European Union's 7th Framework Programme; it runs from January 2011 until June 2014.<sup>2</sup> The research is comparative and evidence-based, drawing on both existing data and innovative new quantitative and qualitative data collection. A cornerstone of the project is the COCOPS *Executive Survey on Public Sector Reform in Europe*, an original survey of public sector senior executives in ten European countries, and currently the largest of its kind implemented in Europe. The survey explores the executives' perceptions, experiences and opinions with regard to their work context and public administrative reforms and the impact of these factors on public sector performance more generally; particular attention is given to the employment and health policy sectors.

In designing the survey, the COCOPS team opted for a balanced approach, building on a binding set of rules with regards to sampling and data collection, but allowing for a degree of flexibility in order to ensure good response rates in the very different national contexts. The goal was to obtain 1) a questionnaire text (in original and translated versions) which assured conceptual equivalence across all participating countries; 2) a sample which could allow systematic comparative analyses and 3) a data collection strategy which produced (statistically sufficient) valid and informative responses.

An original core questionnaire was developed by the survey team, first in English and then translated by each national team in their respective language(s); optional questions were added when assumed helpful in certain countries. In defining the sample, the research team targeted senior executive, as key knowledge carriers (Walker, Enticott 2004) who also play an essential role in policy making (Christensen, Lægveid 1999; Ridder, Spier 2006). This type of approach has been debated intensively over the last years (e.g. Moyser, Wagstaffe 1987; Enticott et al. 2008; Walker and Enticott 2004). Defenders of this method argue that top managers should be surveyed because they have the best vantage point for viewing the entire organisational system (Enticott 2004, p. 320). According to Aberbach et al. 1981 such a 'position-based' definition of senior executives is the most efficient approach when doing comparative research where organizational differences are huge across the administrative system but senior managerial roles may appear to be equivalent. In principle, this 'formal structural equivalence' is likely to be a good proxy to informal functional equivalence, and so a degree of respondent comparability can be achieved. On the other hand, elite surveys can introduce significant sources of bias. Elite surveys only focus on one actor's perception, which cannot necessarily be taken as representative for the whole organisation (Enticott et al. 2008) as they may have a vested interest in reporting favorable outcomes from new policy initiatives in order to present a positive and successful image and to be in line with the current government in place. They can also be expected to have different interests, needs and experiences than frontline bureaucrats, be more

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<sup>1</sup> Erasmus University Rotterdam, Hertie School of Governance Berlin, University of Bergen, Bocconi University, University of Cantabria, Cardiff University, CNRS Paris, Corvinus University Budapest, University of Exeter, KU Leuven, Tallinn University of Technology.

<sup>2</sup> More information on the project is available at [www.cocops.eu](http://www.cocops.eu).

disconnected from lower levels or simply overestimate results (Frazier and Swiss 2008). To respond to such concerns regarding possible biases, the sample included top bureaucrats from different – up to three – hierarchical levels, organization types (both Ministries and subordinated agencies) and policy fields to allow for a broader diversity of views and experiences. It also should be noted that the survey explores the opinions, perceptions and observations of high-level executives, and not their behavior. As Aberbach et al. 1981 argue in their study of Western bureaucrats, beliefs and perceptions are rather reliable predictors of actual behavior (1981:32), in other words, the closest indicators we have in establishing what and how bureaucrats decide and act.

With regard to representativeness, the COCOPS executive survey is based on a full census of all central government ministries and agencies. Based on the binding sampling principles followed by all teams and reflecting a thorough mapping of national administrations, the sample covers all top and higher-level public sector executives who, due to their respective positions, can be expected both to be shaping the public administration reform processes but also be affected by such reforms. Generally, within all central government ministries and subordinated agencies the two administrative top-levels are addressed; in some cases invitations were also sent to executives on the third level when, due to their policy relevance, this was deemed appropriate. Local government and service delivery levels are excluded for the purpose of this survey. In the fields of employment and health, as special focus areas, regional and lower level government entities are also included if relevant – without addressing however direct service delivery levels.

The survey was launched in May 2012 and implemented in two rounds (May-July 2012 and September-November 2012). In these two rounds combined, it was sent out to over 20.000 high ranking civil servants in the first ten participating countries via post and email. The survey was implemented online, with standardized versions of the webpage being created in the national language(s) for each country. Flexibility was allowed, and even recommended, in the strategies used by national teams to access the targeted respondents, due to major differences in administrative cultures between the countries; whereas some countries opted to send all invitations via email, others sent them via post; and a third category used a mixed mode approach. November 2012 all surveys were closed, and all datasets were cleaned, checked and harmonized according to a standardised procedure for all countries (for details see the research report on the COCOPS webpage; Hammerschmid et al. 2013). By the end of 2012 there were 4814 valid answers available from ten participating countries, amounting to an overall response rate of 23.7% (see Table 1).

**Table 1: Number of invitations and response rates of the COCOPS survey (10 country sample)**

Country	Invitations Sent*	Survey completions	Response rate %
Austria	1745	637	36.50
Estonia	913	321	35.16
France	5297	1193	22.52
Germany	2295	566	24.66
Hungary	1200	351	29.25
Italy	1703	343	20.14
Netherlands	977	293	29.99
Norway	1299	436	33.56
Spain	1778	321	18.05
UK	3100	353	11.39
<b>Total</b>	<b>20307</b>	<b>4814</b>	<b>23.71</b>

\*The number represents the final number of invitations, after the exclusion of any failure deliveries, wrong addresses etc.

The present cross-national report summarizes the aggregated results of the joint dataset with the aim to provide an overview of senior executives' assessments of public administration developments across the participating countries (Austria, Estonia, France, Germany, Hungary, Italy, Netherlands, Norway, Spain and the UK) and especially explore country variations. The overall survey means presented are based on equal weighting assigned to each of the ten countries. As one of the deliverables of the COCOPS Work Package 3, it complements the more detailed National Reports, which contextualize the survey results from each country, by adding a comparative dimension and introducing a first set of overarching conclusions from the overall COCOPS dataset. The National Reports, together with the Survey Research Report (detailing the methodology used; see Hammerschmid et al. 2013) can be found at [www.cocops.eu](http://www.cocops.eu).

Following the goals outlined in the COCOPS terms of reference, the survey focuses on executives in central government, and also more particularly in the employment and health sectors. As described above, for reasons of representativeness, the survey sample has targeted all civil servants considered to have a policy relevant role in the context of reforms, including those at regional and sub-national levels. For the following report the results are presented separately for the three major areas covered by the survey: central government, employment and health. The central government sample referred to in this report (or Sample 1) contains all answers by senior executives from ministries and agencies at central government level in all policy sectors and across all participant countries; in the case of Germany and Spain, where due to the federal structure regional levels play a key policy role, responses from these levels were also exceptionally included<sup>3</sup> (n=3173).

The two other particular sub-samples considered in this report as a result of the COCOPS overall research design are the employment and health. As such, sample 2 consists of all answers by senior executives working in the policy field of employment both in ministries, agencies and at all government levels (n=872); sample 3 consists of all answers by senior executives in the health sector (n=760) both in ministries, agencies and at all government levels. To delineate the analysis of these three different samples more clearly, they have been analyzed in separate chapters.

Chapter 2 offers an overview of developments and potential trends across European public administrations based on the central government sub-sample and on a selection of the key survey results related to the work experience of civil servants (section 2.1.), the relevance and direction of public administration reforms (section 2.2.) and the impact of these reforms (section 2.3.). Chapters 3 and 4 cover the employment and health sub-samples respectively and present a selection of results in these policy areas which focus on the differences between these and the central government sample.

Despite the potential limitations and biases, which have to be taken into consideration when interpreting the data, the survey presents much-lacking systematic and empirical evidence regarding the dynamics of public administration reforms in Europe. It offers results from a large,

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<sup>3</sup> As the employment and health policy sectors were of particular interest for the COCOPS survey, the samples in these sectors were defined more broadly broader in an attempt to gain a sufficiently high number of responses; in order to preserve the consistency of the central government sample, the answers from the agencies or subordinate government (third hierarchical level or lower) in these two particular policy sectors have been excluded.

comprehensive European-wide sample, built on a thorough mapping of national administrative structures in Europe. Moreover, through its cross-country dataset, it brings a comparative perspective on such reforms trends, difficult to extract otherwise from the more limited national-level data which has been predominantly collected until present in this field<sup>4</sup>. An important aspect, which sets the COCOPS survey apart from most other executives surveys in public administration is that fact that it represents a full census of the target population defined and that there has been no sampling process. We cannot claim full representativeness for the data and the results cannot be generalized to the entire target population of senior public sector executives in European administrations. However the response rates are well in line with other public sector executive surveys, cover a substantial part of the targeted population and the distribution of respondents with regard to policy field, hierarchical level and organization type rather closely matches the distribution in the full target population and can be regarded as a good proxy and by far the most representative dataset for European public administrations collected up until now.

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<sup>4</sup> For an overview of research gaps in current public administration research see Fitzpatrick et al. 2011; Pollitt, Bouckaert 2011; Raadschelders, Lee 2011.



## 2. Public Management and Public Administration Reform in Central Government

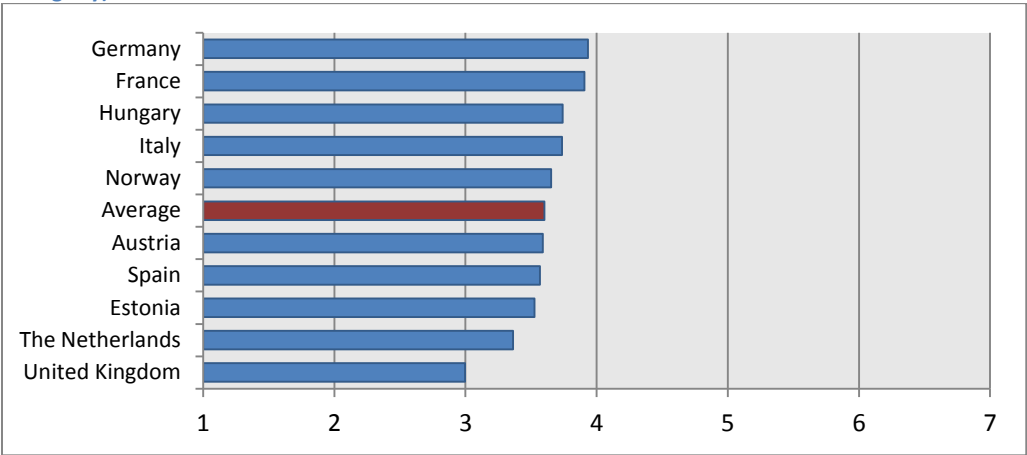
In this chapter we present the results for senior executives working in central government, including central government executives from the Health and Employment sectors (n=3173).

### 2.1 The Work Context of Central Government Executives

The success of introducing management practices like performance management to the public sector depends on the extent to which the specific work context in public administration resonates with the logic behind the NPM paradigm. This chapter analyses how the top civil servants perceive their work context and evaluates to what extent the results indicate that management practices can be transferred successfully to public administration.

**Goal ambiguity.** Performance management and result-orientation is difficult to implement if goals are perceived to be ambiguous and activities or results are less measurable and easy to be observed (Rainy, Jung 2010). The senior executives were asked to what extent their goals are clearly stated and communicated, whether the number of goals they have is manageable and whether it is easy to observe and measure their activities. Figure 1 depicts the aggregate mean for these items per country<sup>5</sup>. We find that goal ambiguity is perceived in all countries, albeit in overall to a rather modest degree, and that there is a rather high homogeneity of the average assessments in the various countries. A slightly lower degree of goal ambiguity is perceived by senior executives in the United Kingdom (3.00), followed by the Netherlands and Estonia (3.36 resp. 3.53) indicating a somewhat higher openness of these countries for performance management reforms. Senior executives in Germany and France, however, perceive a slightly higher degree of goal ambiguity (3.93 resp. 3.91). The average is 3.60, which means that public sector goals are not perceived as particularly ambiguous in all countries. This seems to be the case especially in countries where management tools have a rather long history in the public sectors.

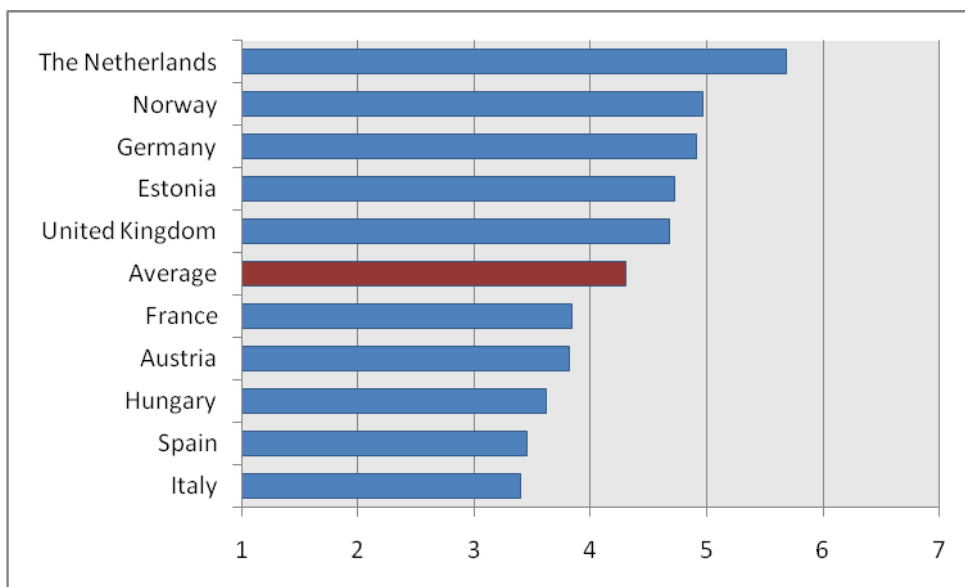
Figure 1: Goal ambiguity (aggregate mean for four items per country; 1= very low goal ambiguity, 7=very high goal ambiguity)



<sup>5</sup> Item 1 “Our goals are clearly stated”; item 2 “Our goals are communicated to all staff”; item 3 „We have a high number of goals“ (reversed); item 4 “It is easy to observe and measure our activities”.

**Degree of autonomy.** A further variable influencing the transferability of management practices to the public sector is the degree to which senior executives dispose of autonomy. The senior executives were asked to what extent they have autonomy with regard to managerial aspects (contracting out services, personnel and budget decisions as well as changing the structure of the organization – 6 items) and to what extent they have policy autonomy (choosing, designing and implementing policies – two items). Figure 2 depicts the aggregate mean for these items per country. We find that autonomy differs considerably across countries. Senior executives in the Netherlands perceive a rather high degree of autonomy (5.69), followed by those in Norway and Germany (4.97 resp. 4.91). Public officials in Italy and Spain perceive particularly low degrees of autonomy (3.39 resp. 3.45). The overall average is 4.31.

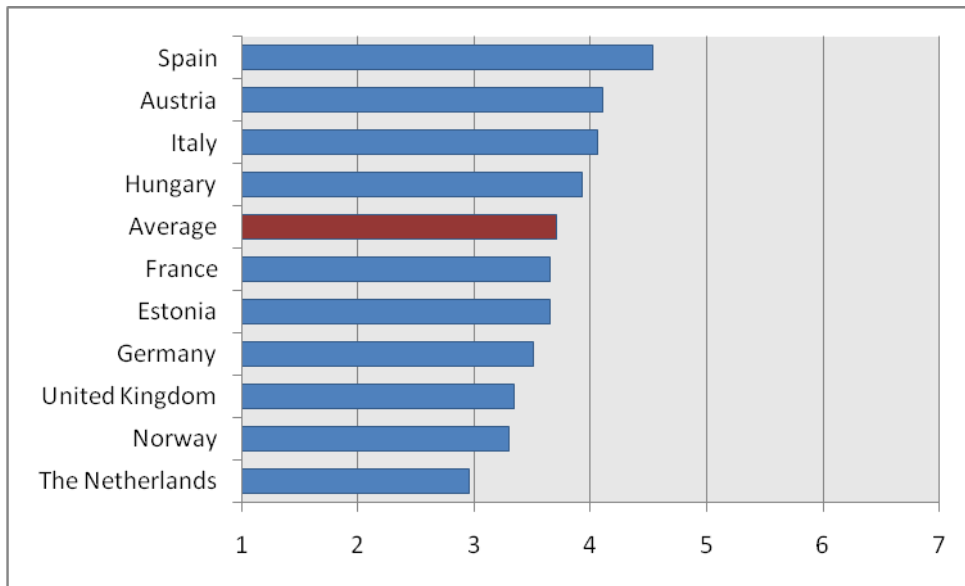
**Figure 2: Degree of management and policy autonomy (aggregate mean for eight items per country; 1=very low autonomy, 7=very high autonomy)**



**Degree of politicization.** A further important aspect of the public administration work context is the extent to which public sector institutions can make decisions based on their expertise and knowledge or are subject to being influenced by political processes (on politicization and the difficult role of senior executives between government and management cf. Derlien 2003; Schwanke, Ebinger 2005; van der Meer et al. 2007; Aberbach et al. 1981; Peters, Pierre 2004). Senior executives in the COCOPS survey were asked to what extent politicians respect the technical expertise of the administration, to what extent politicians influence senior-level appointments and whether they interfere in routine activities. Figure 3 depicts the aggregate mean for these three items<sup>6</sup>. Again, the results are rather diverse across countries. The highest degree of politicization is perceived in Spain (4.54), followed by Austria and Italy (4.11 resp. 4.06). Senior executives in the Netherlands perceive a particularly low level of politicization (2.95) with similar assessments for Norway (3.30) and the United Kingdom (3.34). The overall average is 3.70 and can be interpreted as a clear indicator for the existence of some (albeit modest) politicization in European public administrations.

<sup>6</sup> Item 1 („Politicians respect the technical expertise of the administration“) has been reversed for the calculation of the aggregate mean.

**Figure 3: Degree of politicization (aggregate mean of three items per country; 1=very low degree of politicization, 7=high degree of politicization)**



In sum, the work context of senior executives in the ten countries varies considerably especially with regard to autonomy and politicization. Whereas executives in countries like the Netherlands, the United Kingdom and Norway perceive a high degree of autonomy and low politicization, countries like Spain, Italy, Hungary and Austria perceive considerably lower degrees of autonomy and higher degrees of politicization. It is not obvious whether high degrees of autonomy are conducive to management reforms and practices or whether the introduction of management tools enhances autonomy. Here, we observe that those countries with the longest tradition of management reforms also perceive higher levels of management autonomy. Goal ambiguity is perceived as rather moderate in all countries with much smaller cross-country variations.

## 2.2 Relevance and Direction of Public Administration Reform

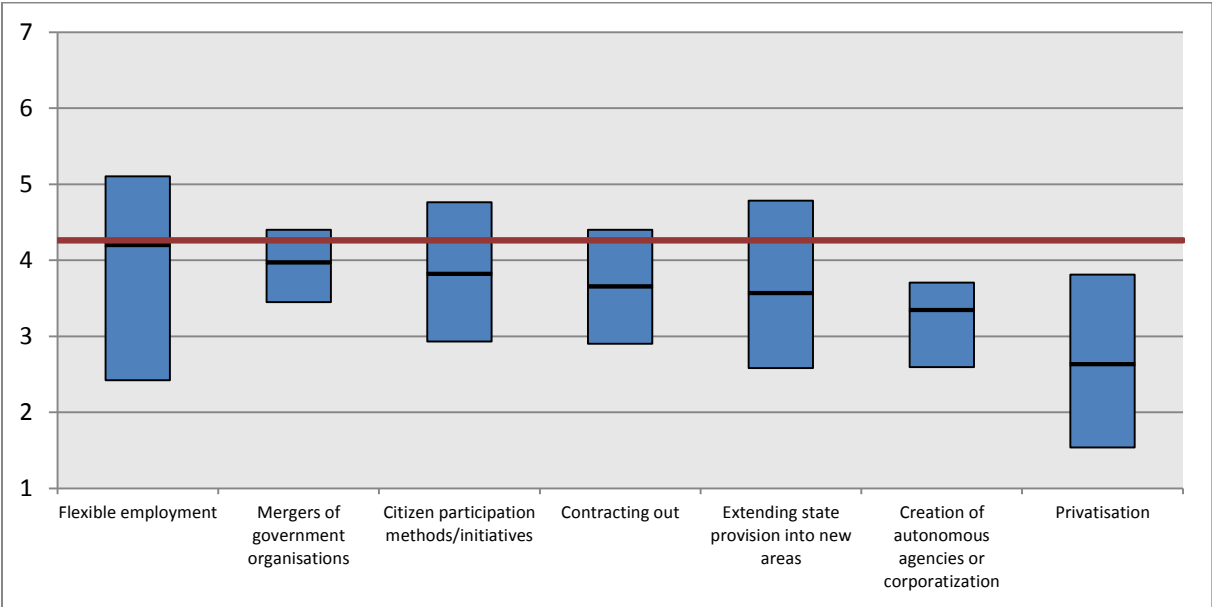
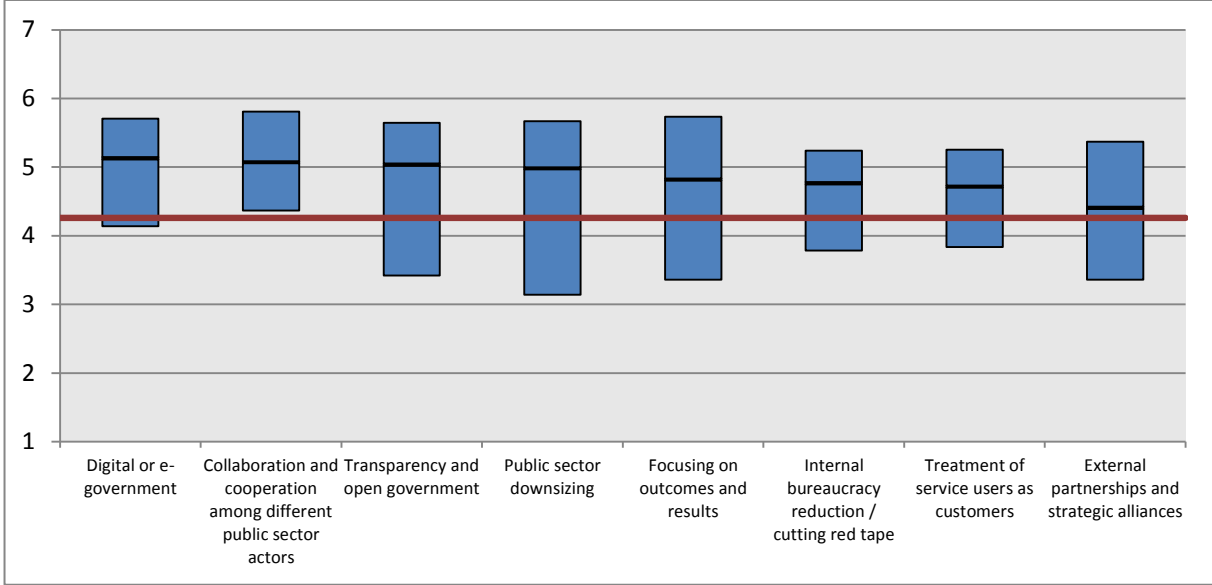
This section provides information on public sector executives' perception of the implementation of public administration reforms. The survey questions follow current public management literature (e.g. Lynn 2006; Raadschelders et al. 2007; Christensen, Lægreid 1999; Christensen, Lægreid 2011; Pollitt, Bouckaert 2011; Raadschelders, Lee 2011;) distinguishing between NPM reforms and public governance or post-NPM reforms which are characterized by a stronger emphasis on coordination and networked forms of governance. The respondents have been asked to assess the type and character of reform trends in their policy field (a), their organization (b) and in their own work (c).

### (a) Policy field level

**Content and importance of reform trends.** Public administration reform trends can have very different characteristics both with regard to content and implementation dynamics. While classical NPM reforms include measures like performance management, customer orientation, contracting out, privatization or the flexibilisation of employment, other reforms are of a more generic character and aim at enhancing transparency, citizen participation or reducing bureaucracy. Figure 4 depicts the overall average plus the highest and lowest country average for each reform trend. The trends

are ordered in terms of importance. The most important reform trends in European public administrations currently are clearly digital or e-government (with a mean of 5.12), collaboration and cooperation among different public sector actors (5.06) and transparency and open government (5.02). In contrast, classical NPM-type reforms such as privatization (2.62), agencification/corporatization (3.33) and contracting out (3.64) are considerably less important.

Figure 4: Importance of reform trends (Q: How important are the following reform trends in your policy area?; 1=Not at all, 7=To a large extent), graph depicts overall average plus highest/lowest country average; the red line indicates the overall average for all reform trends

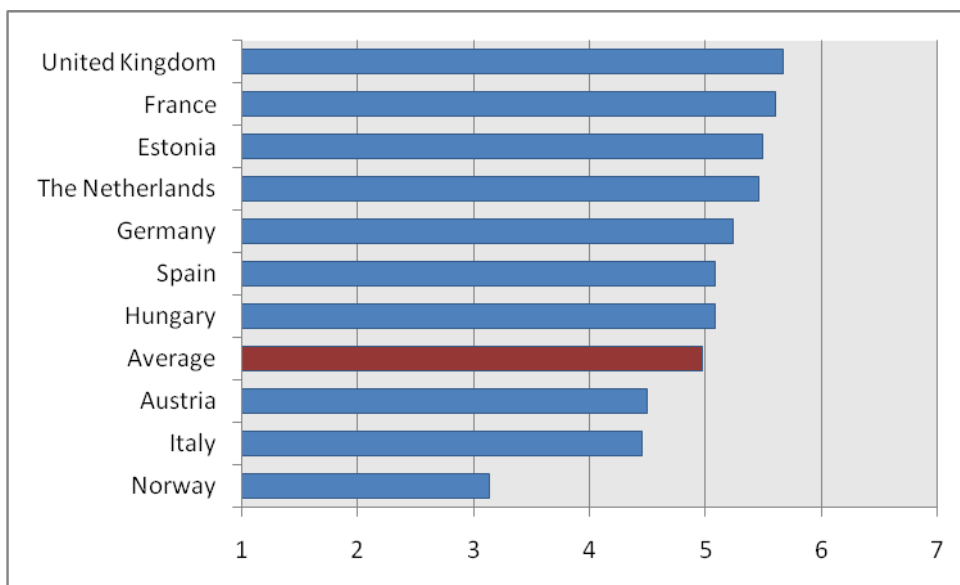


This may suggest that the main wave of NPM-style reforms is over, possibly because the bulk of privatizations and agencifications have already been implemented in the past. The findings also align with initiatives in some European countries to re-departmentalize and merge agencies and to insource provision of some services. Mergers are seen as a more important trend than autonomization. This again confirms the overall assumption in the COCOPS project that in a post-

NPM area, public sectors are investing heavily in efforts to reduce policy and delivery fragmentation. At the same time, however, state provision not commonly extended into new areas (3.56). The fiscal crisis slumbers in the background. This is also visible in the great importance attributed to public sector downsizing (4.97), a stronger focusing on outcomes and results (4.81), and the reduction of internal bureaucracy (4.75).

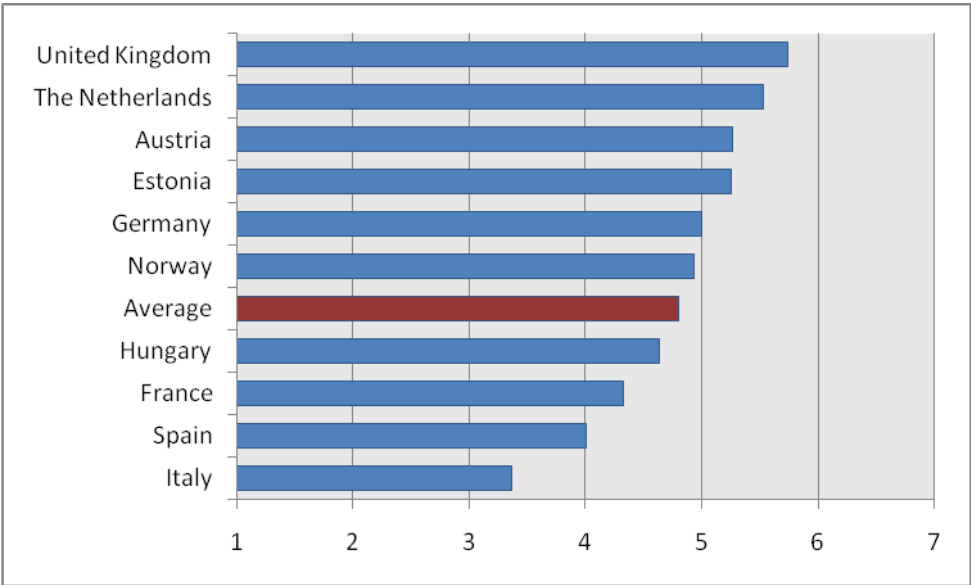
It is also remarkable that there is considerable variation across countries with regard to central trends such as downsizing, flexibilisation of employment, and focusing on outcomes. The more generic reform trends are answered in a much more homogeneous way across countries. It is thus interesting to take a closer look at the reform trends that exhibit a high degree of variation across the countries. Wide cross-country variation is observable for **public sector downsizing** (see Figure 5) although mostly due to a rather low relevance of this trend in Norway. It is a clearly important reform trend in the UK (5.67), France (5.60), Estonia (5.49) and the Netherlands (5.45). This aligns with public announcements on budget and workforce restructuring. Downsizing is the least important in Norway (with a mean of only 3.14), which is obviously attributable to the country's good economic situation. The relevance of public sector downsizing is also slightly below average in Italy (4.45) and Austria (4.50), which is surprising, especially for Italy.

Figure 5: Public sector downsizing (Q: How important is public sector downsizing in your policy area?; 1=Not at all, 7=To a large extent)



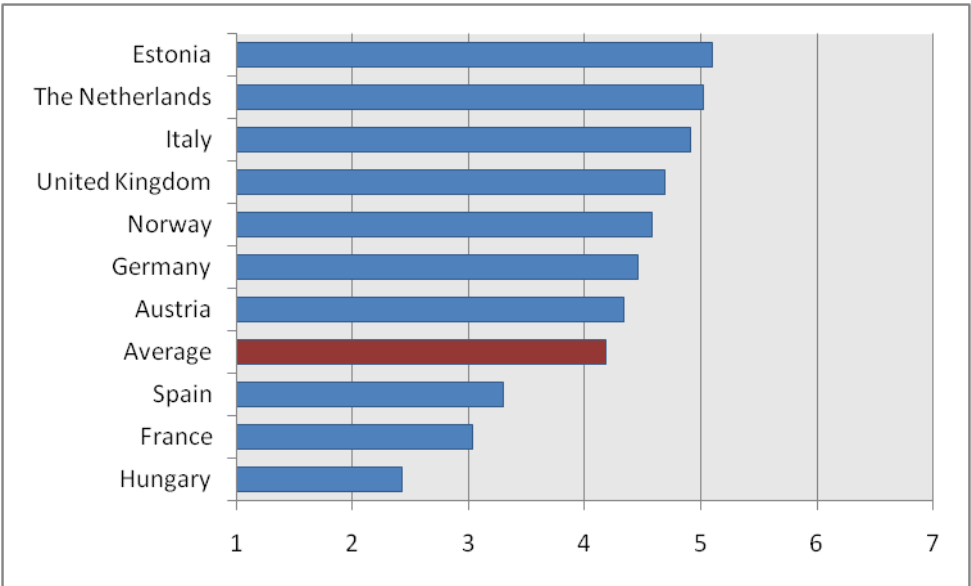
**Focusing on outcomes and results** is most prominent in the UK (5.74) and the Netherlands (5.54) – both countries with a rather long history of performance management reforms – but also in Austria (5.27) and Estonia (5.26). It is much less important in Spain (4.01), France (4.33) and especially in Italy (3.36) (see Figure 6). The Italian answer is surprising, because Italian officials also indicate a rather strong implementation of management instruments at organizational level (cf. figure 19ff) and that the use of performance indicators is widespread (cf. Figure 27 and Figure 28 below).

Figure 6: Focusing on outcomes and results (Q: How important is focusing on outcomes and results in your policy area?; 1=Not at all, 7=To a large extent)



A high degree of cross-country variation is also observable as concerns the relevance of **flexible employment** as reform trend (see Figure 7). Flexible employment is considered to be rather important in Estonia (5.10), the Netherlands (5.03), but also in Italy (4.92) and the UK (4.69). It is much less important in Spain (3.30), France (3.03) and especially in Hungary (2.42). The survey answers do not allow us to capture how flexibilisation is emerging, but important elements are the transition from a career- to a position-based system of public employment, the decreasing impact of seniority rules, and the use of temporary labor in public service provision.

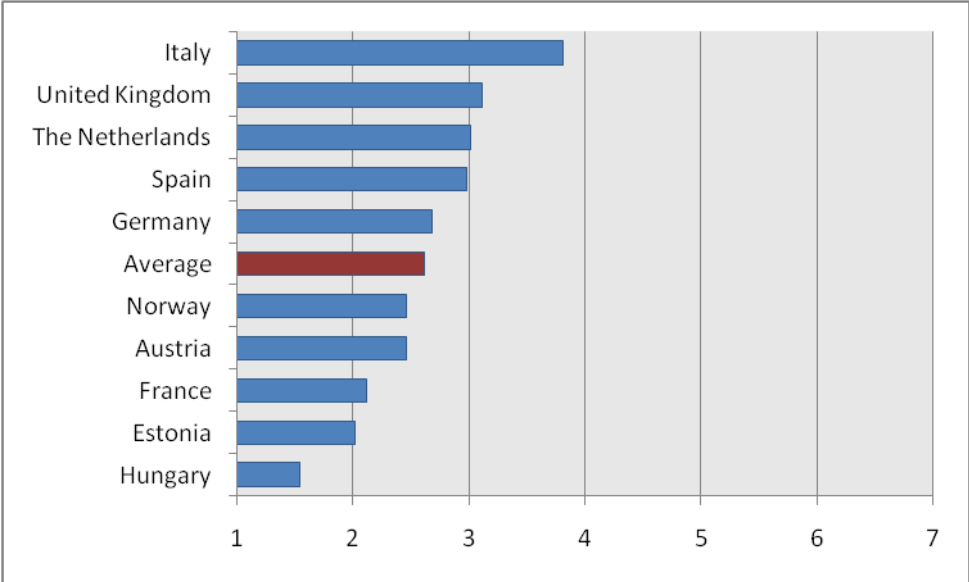
Figure 7: Flexible employment (Q: How important is flexible employment in your policy area?; 1=Not at all, 7=To a large extent)



**Privatisation**, as a classical NPM reform, is generally the least relevant reform trend (cf. above), but comparatively more important in Italy (3.81), the UK (3.11) and the Netherlands (3.02). It is not relevant especially in Hungary (1.54), but also in Estonia (2.01) and France (2.12) (see Figure 8).

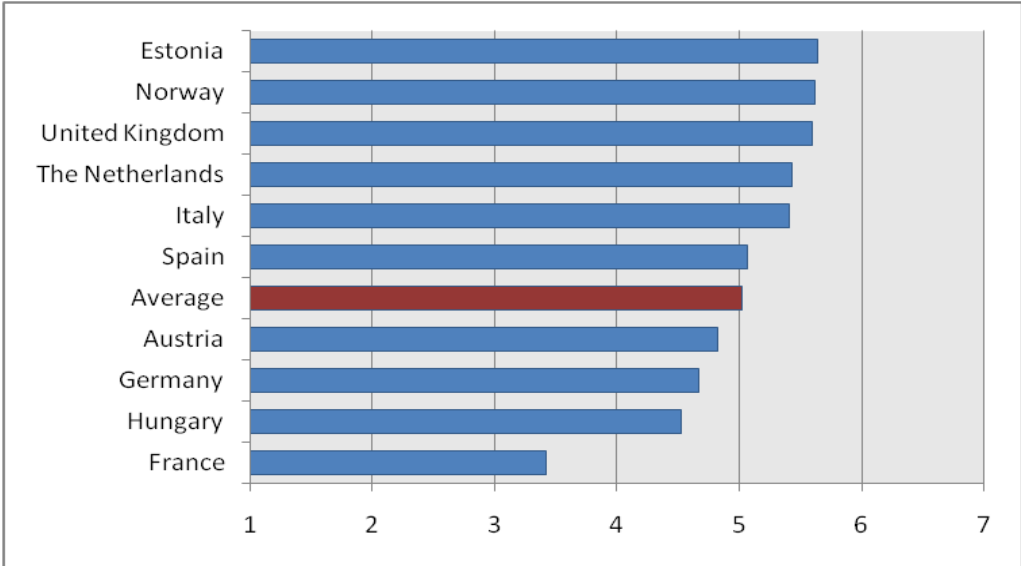
Italy leads the list, which is not surprising, as it has seen a massive withdrawal by the state from many sectors. Although our perceptual data do not provide details about the nature of privatization, we do know that older privatization waves have tended to concentrate on industrial and financial sectors, more recent privatizations often focused on utilities and health and social services.

Figure 8: Privatisation (Q: How important is privatisation in your policy area?; 1=Not at all, 7=To a large extent)



**Transparency and open government** is a very common reform trend in European administrations overall and especially important in Estonia (5.65), Norway (5.62) and the UK (5.59). It is much more uncommon in France (3.42) and also in Hungary (4.53) and Germany (4.67) (see Figure 9). The order of the countries suggests important differences related to administrative cultures.

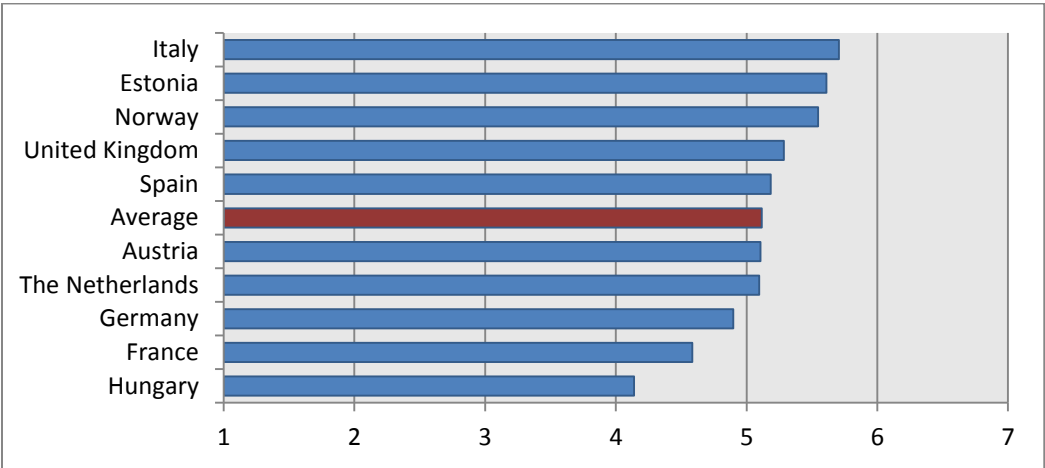
Figure 9: Transparency and open government (Q: How important are transparency and open government in your policy area?; 1=Not at all, 7=To a large extent)



We have seen above (cf. Figure 4) that the most relevant reform trends are digital or e-government and collaboration and cooperation among different public sector actors. **Digital or e-government** refers to a range of initiatives, both in the back-office of government, and in its interaction with the

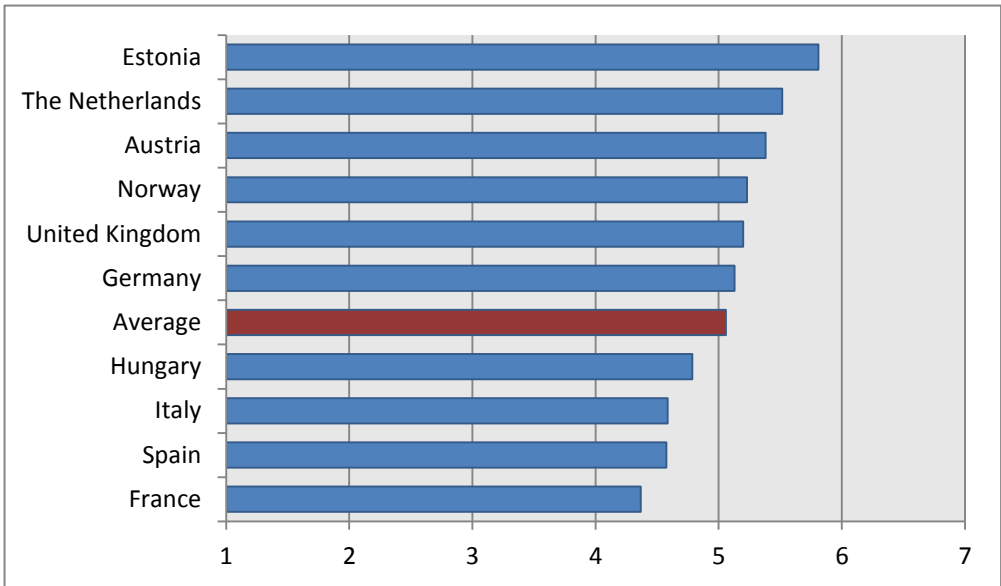
public. Italian, Estonian and Norwegian top executives consider digital or e-government as a particularly important reform trend. It is perceived as less relevant (though still a rather important reform trend) in Hungary (4.14), France (4.59) and Germany (4.90) (see Figure 10). These are the same countries where public executives consider transparency and open government to be relatively unimportant reform trends.

Figure 10: Digital or e-government (Q: How important is digital or e-government in your policy area?; 1=Not at all, 7=To a large extent)



**Collaboration and cooperation among different public sector actors**, the second most important reform trend overall, is particularly relevant in Estonia (5.81), the Netherlands (5.52) and Austria (5.38). It is less common (though still a rather important reform trend) in France (4.37), Spain (4.58) and Italy (4.59) (see Figure 11). Collaboration and cooperation refers to a number of related initiatives, such as networked governance, public-public partnerships, and various form of cross-departmental and multi-level arrangements.

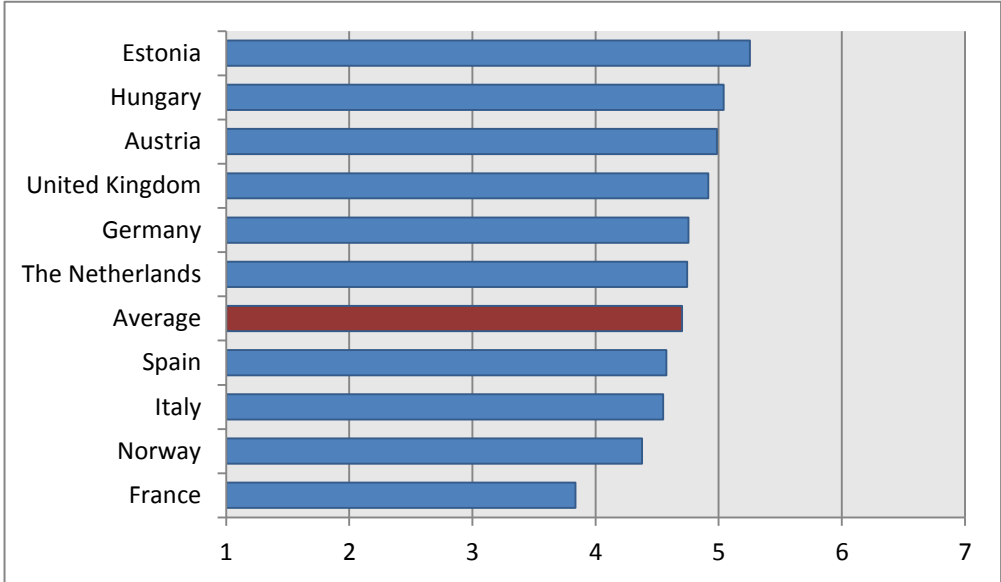
Figure 11: Collaboration and cooperation among different public sector actors (Q: How important is collaboration and cooperation among different public sector actors in your policy area?; 1=Not at all, 7=To a large extent)





Finally, **customer orientation**, a classical NPM reform measure, is a rather common reform trend across all countries. It is particularly important in Estonia (5.25), Hungary (5.04) and Austria (4.99) and significantly less important only in France (3.84) (see Figure 12).

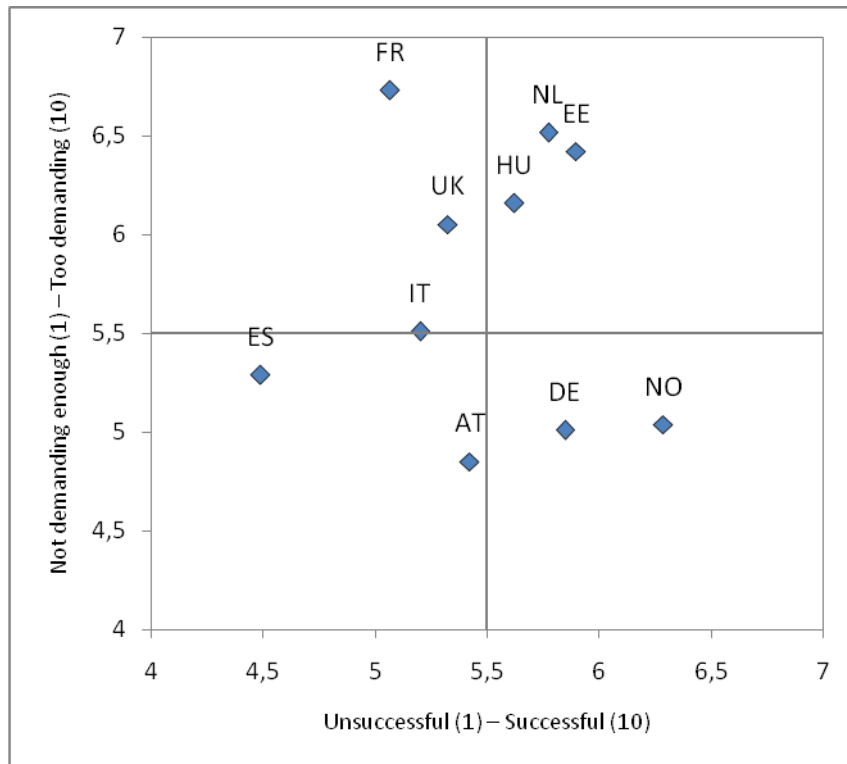
Figure 12: Customer orientation (Q: How important is customer orientation in your policy area?; 1=Not at all, 7=To a large extent)



At the policy field level, thus, we observe that pronounced NPM reforms such as privatization, agencification or contracting, in general, are less important than more network oriented approaches like e-government, collaboration and coordination among public sector actors or open government. However, more managerial reforms such as focusing on outcomes and results as well as customer orientation and especially public sector downsizing are also currently high on the agenda in most countries, particularly in Estonia, the UK and the Netherlands, but much less so in Spain, France and Hungary. Overall we find considerable variation between the various countries, indicating rather different reform directions or paths in the European countries; we also find a somewhat lesser relevance of most reform trends in France, Hungary, Italy and Spain.

We now move from the content to the **dynamics of public sector reforms**. One set of questions in the survey asked for the senior executives’ assessment of the dynamics of reforms in their respective policy field. Each time respondents had to choose between two contrasting characteristics. By relating the results for one item with those for another, it is possible to observe interesting patterns. Figure 13 depicts the relationship between the assessment of public sector reforms as successful/unsuccessful – with the assessment of the reforms as too demanding/not demanding enough.

Figure 13: Dynamics of public sector reform: enough/too much vs. successful/unsuccessful

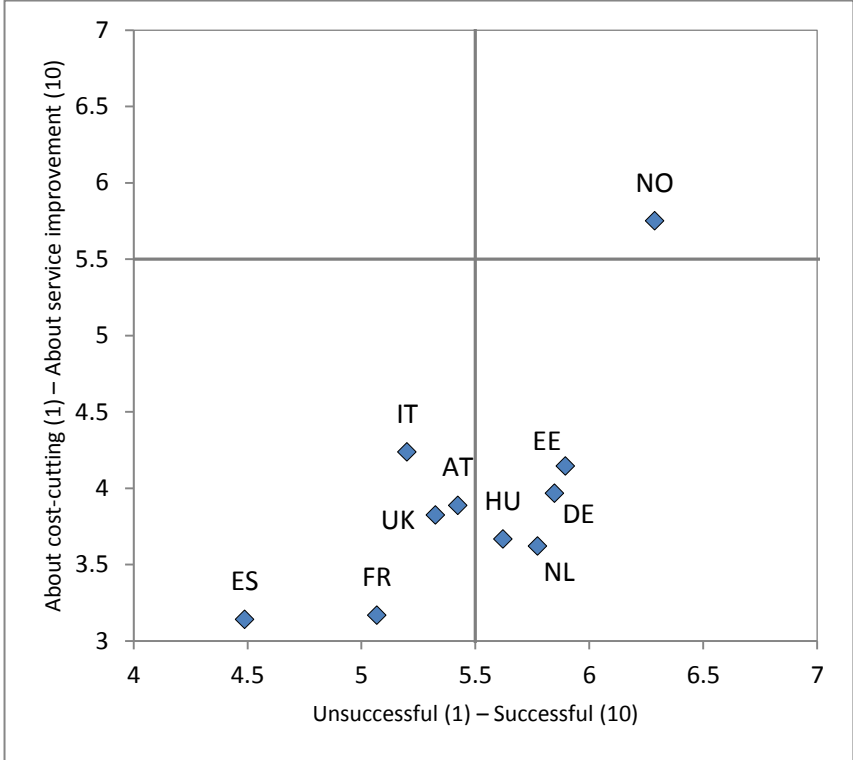


Four groups can be distinguished. In one group of countries, consisting of Germany and Norway, the senior executives assess the reforms in their country as rather successful (albeit to a moderate degree) and as not demanding enough, especially compared with their colleagues in other countries. In a second group of countries, consisting of the Netherlands, Estonia and Hungary, the senior executives also consider the reforms as rather successful, but at the same time as too demanding. In a third group of countries, the senior executives are less satisfied with the reforms in their policy field; they consider them as rather unsuccessful and too demanding. This is especially the case for France, where downsizing and mergers are important (and demanding) reform trends that challenge many dimensions of the French administration. Senior executives in Spain, Italy and Austria assess the reforms in their countries as less successful and as rather not demanding enough. When considering the demandingness of reforms, it is important to keep in mind that it is not necessarily the number of reform trends a country introduces that determines the perception of demandingness, but that some reform trends (such as downsizing and mergers) are clearly more demanding than others (such as e-government or collaboration).

A similar comparison can be made between the senior executives' assessment of the reforms as being more about cost-cutting and savings vs. about service improvements and their assessment of the success of these reforms (see Figure 14). Norway stands out here as the only country where the executives assess the reforms as being more about service improvements and at the same time being assessed as successful. In all other countries reforms are characterized by a dominance of cost-cutting purposes over service improvement purposes. A second group consists of France and Spain, where the senior executives perceive the reforms as being about cost-cutting and savings and where they assess the reforms as rather unsuccessful. To a lesser extent, this is also the case for Italy, the

UK and Austria. Senior executives in Germany, Estonia, the Netherlands and Hungary also state that the reforms are more about cost-cutting than about service improvement, but their evaluation of the success is more positive. Overall we observe the moderate trend that more quality-oriented reforms are being assessed as more successful.

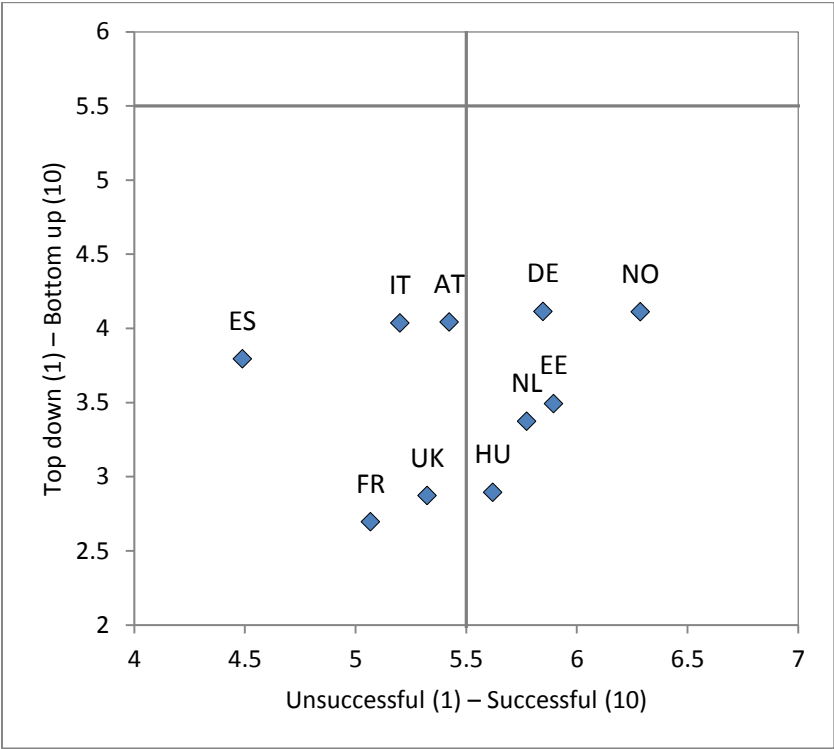
Figure 14: Dynamics of public sector reform: about cost-cutting/service improvements vs. successful/unsuccessful



The success of reforms can also depend on the degree to which the reforms have been developed and implemented more top-down than bottom-up. Overall, the reforms have been clearly conducted more top-down than bottom-up in all countries that are part of the study (see Figure 15). However, we observe no clear pattern between top-down reforms and the perception of reform success.<sup>7</sup> There are some countries where reforms have been conducted comparatively less top-down; in some of them (Norway and Germany) the reforms are assessed as rather successful, in others (Austria, Italy, Spain) the reforms are assessed as rather unsuccessful. The same applies to those countries where the reforms were more top-down; in some of them the reforms are assessed as more successful (Estonia, the Netherlands, Hungary), in others as less successful (the UK and France).

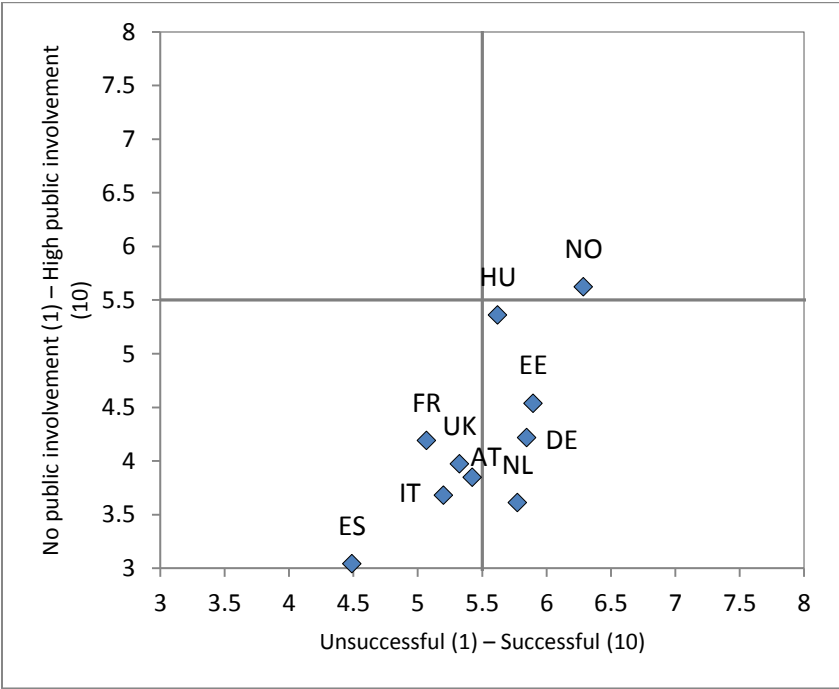
<sup>7</sup> Note that this is only based on a mapping of results and not on a statistical analysis.

Figure 15: Dynamics of public sector reform: top-down/bottom-up vs. successful/unsuccessful



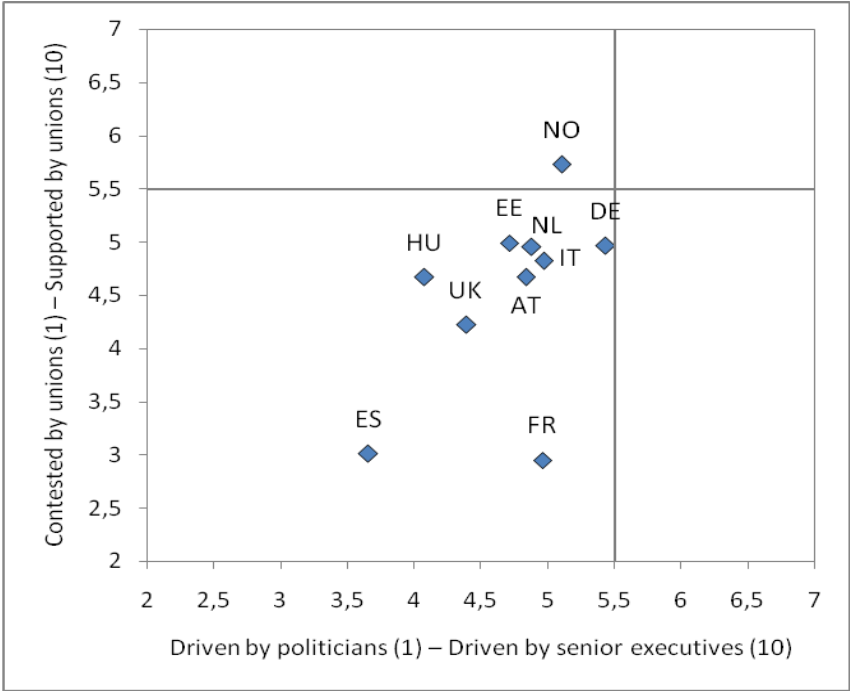
The next question asked to what extent there has been public involvement in the reforms. Apart from in Norway and Hungary, the reforms have been conducted with only rather moderate public involvement (see Figure 16). Public involvement is particularly low in Spain, Italy, and the Netherlands. Overall the pattern indicates that reforms with higher public involvement tend to be assessed as more successful.

Figure 16: Dynamic of public sector reform: no/high public involvement vs. successful/unsuccessful



The next sets of questions focused on the role of two important stakeholders in public sector reform: politicians and trade unions. In almost all countries, the reforms are perceived to have been driven by politicians and at the same time have been contested by unions (see Figure 17). Support for public sector reform by the unions has been particularly low in Spain and France, both of them countries where the reforms are perceived as less successful. Politicians are perceived to have been quite important in reforms in Spain, Hungary and the UK, whereas the role for public executives was highest in Germany.

Figure 17: Dynamics of public sector reform: Contested/supported by unions vs. driven by politicians/senior executives



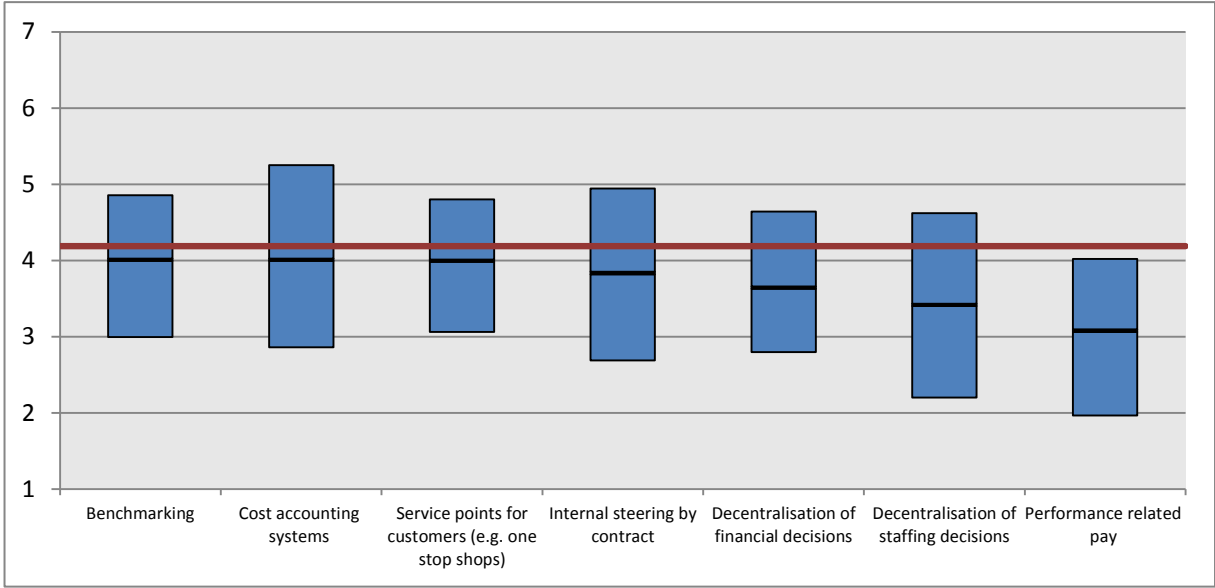
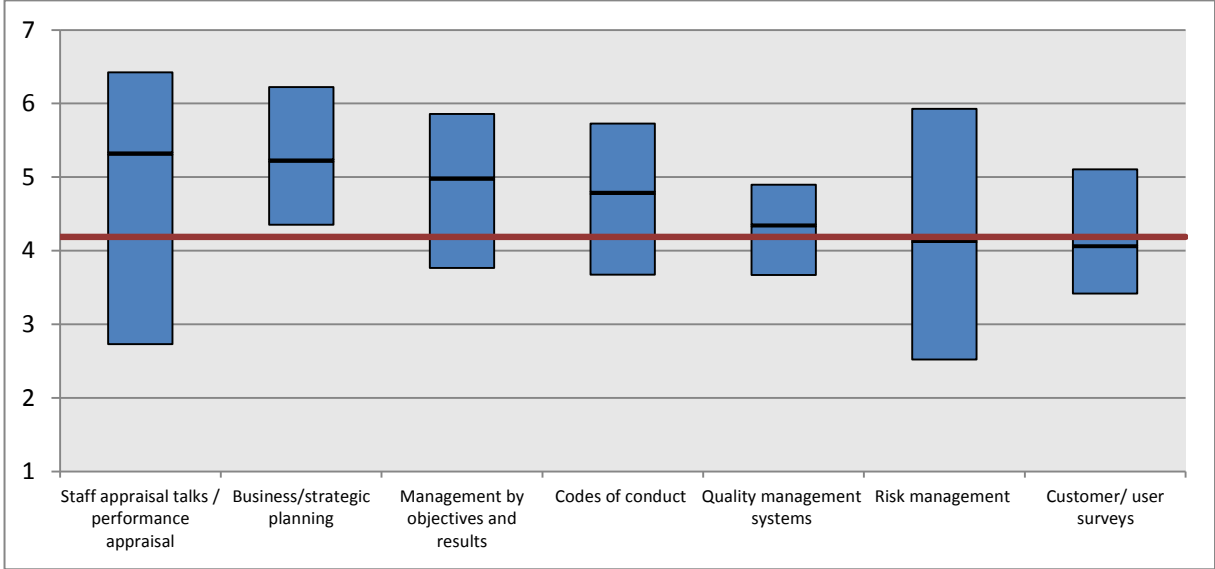
The pairwise comparisons reveal that there are no obvious factors determining the perception of success of public sector reforms. If anything, aiming at service improvements and not only at cost-cutting, and higher public involvement appears to positively influence the perception of reforms. The degree of demandingness does not appear to have the same effect. In general, senior executives in Norway, Estonia, Germany, the Netherlands and Hungary show a more positive assessment of the reforms than their colleagues in Spain, France, Italy, the UK and Austria.

**(b) Organizational level**

While the previous section reported on the senior executives’ perception of general reform trends within their policy field, this part focuses on the relevance of managerial reforms at the level of the respondents’ own organization. The COCOPS survey asked senior executives to indicate the extent to which **different management instruments are used in their organization**. Again, there are important differences across instruments, and across countries. We find that the only widely used instruments at the organizational level are staff appraisal talks/performance appraisal (with a mean of 5.31), business/strategic planning (5.21) and management by objectives and results (4.97). On the other

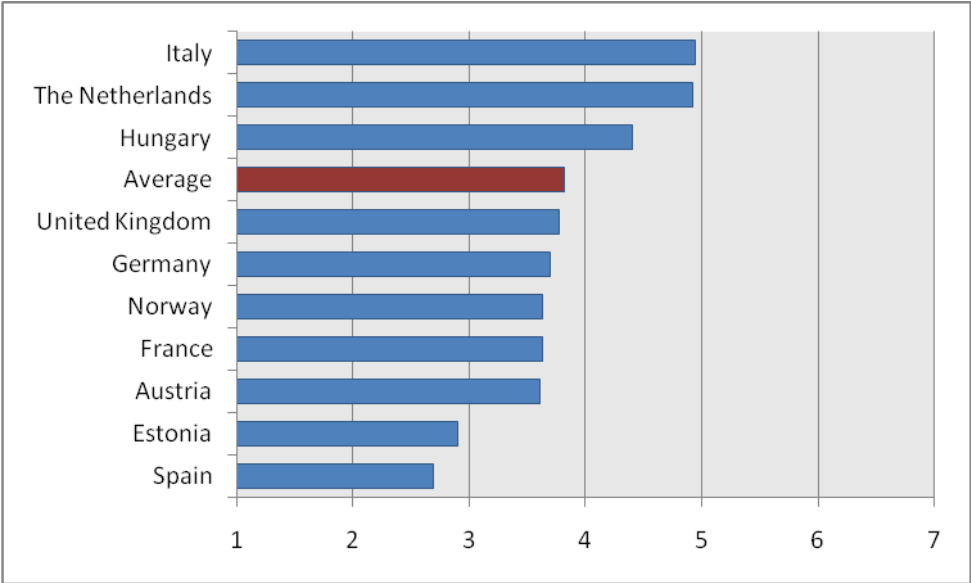
hand, instruments and reforms like performance related pay (3.06) or the decentralisation of staffing (3.40) or financial decisions (3.63) are clearly used to a much lesser degree (see Figure 18).

**Figure 18: Importance of different management instruments (Q: To what extent are the following instruments used in your organization?; 1=Not at all, 7=To a large extent), graph depicts overall average plus highest/lowest country average, the red line indicates the overall average for all reform trends**



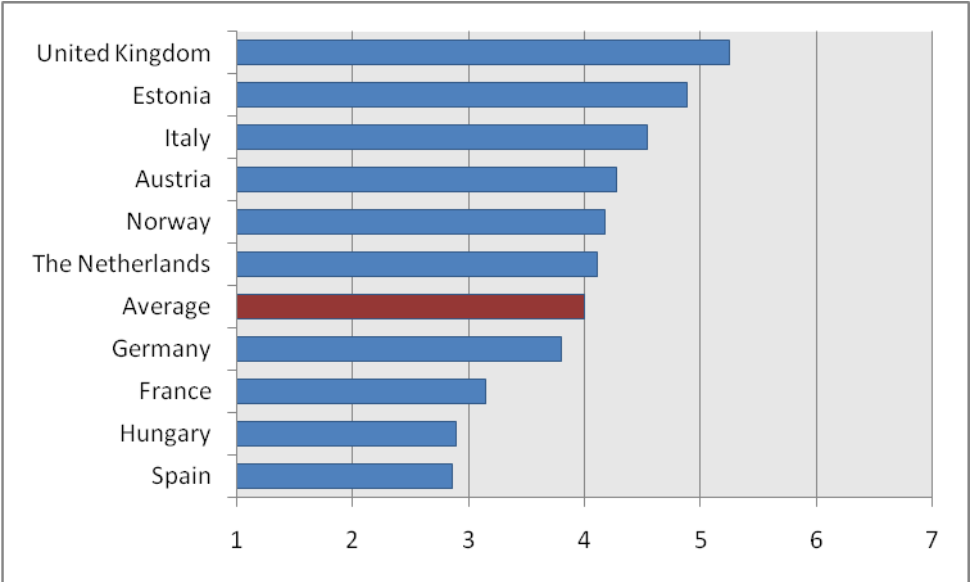
However, the importance of the management instruments varies significantly across countries. This is especially the case for **internal steering by contract** (see Figure 19). While this is rather widely used in Italy (4.94), the Netherlands (4.92) and Hungary (4.40), internal steering by contract is rarely used in Spain (2.69) and Estonia (2.90).

Figure 19: Importance of internal steering by contract (Q: To what extent is internal steering by contract used in your organization?; 1=Not at all, 7=To a large extent)



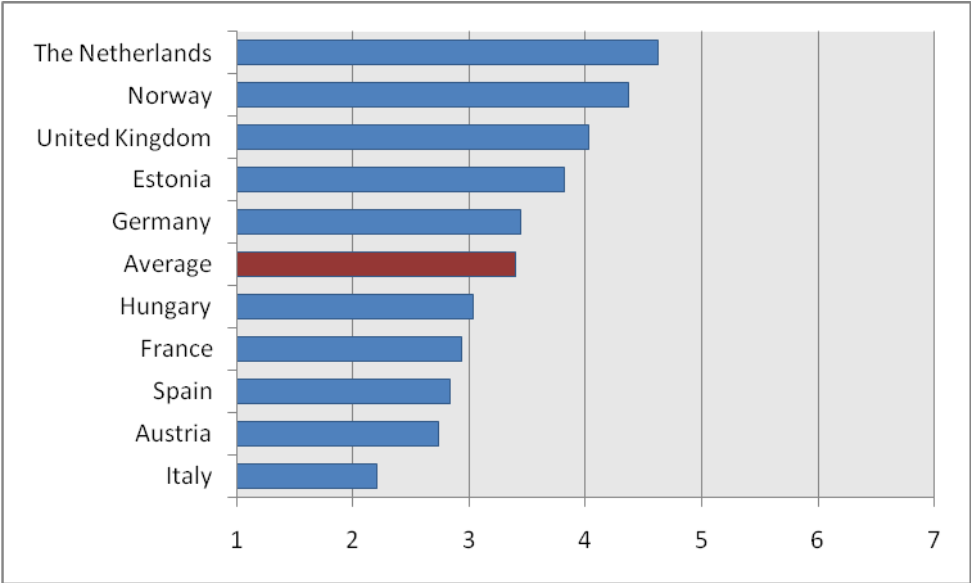
Substantial country variation is also observable for the use of **cost accounting systems** (see Figure 20). Such systems are rather widely used in the UK (5.25), Estonia (4.88) and Italy (4.54), but rarely used in Spain (2.86), Hungary (2.89) and France (3.15).

Figure 20: Importance of cost accounting systems (Q: To what extent are cost accounting systems used in your organization?; 1=Not at all, 7=To a large extent)



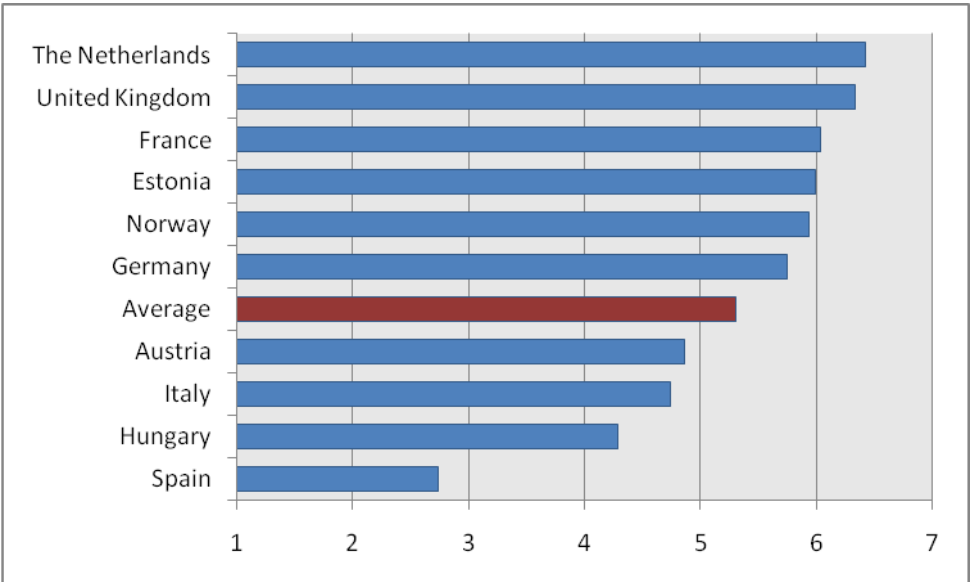
**Decentralization of staffing decisions** happens relatively rarely (see above). However, it is relatively common in the Netherlands (4.62), Norway (4.37) and the UK (4.03), but uncommon in Hungary, France, Spain and Austria and especially in Italy (2.20) (see Figure 21). This suggests that the latter countries have fairly centralized staffing systems and that managers have relatively little autonomy with regards to this aspect, which was also confirmed earlier (see Figure 2).

**Figure 21: Importance of decentralisation of staffing decisions (Q: To what extent is decentralization of staffing decisions used in your organization?; 1=Not at all, 7=To a large extent)**



A generally widely used management instrument is **staff appraisal talks/performance appraisal** (see above). While it is very common in the Netherlands (6.42), the UK (6.34) and most other countries, performance appraisal is of very low relevance in Spain (2.73) and somewhat less likely also in Hungary, Italy and Austria (see Figure 22).

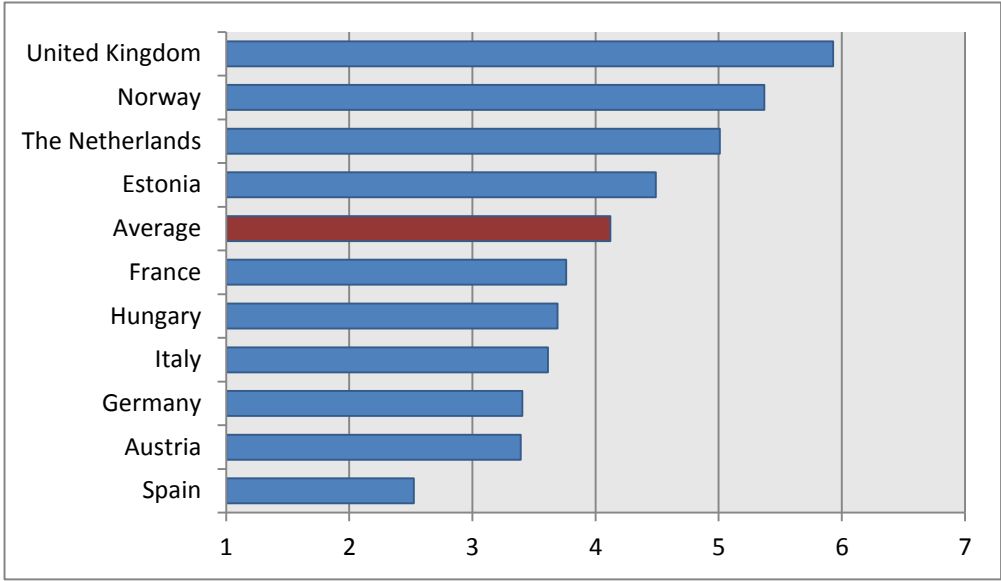
**Figure 22: Importance of staff appraisal talks (Q: To what extent are staff appraisal talks/ performance appraisal used in your organization?; 1=Not at all, 7=To a large extent)**



**Risk management** is commonly used in the UK (5.93), Norway (5.37) and the Netherlands (5.01). It is much less common especially in Spain (2.51), but also in Austria (3.39) and Germany (3.41) (see Figure 23).

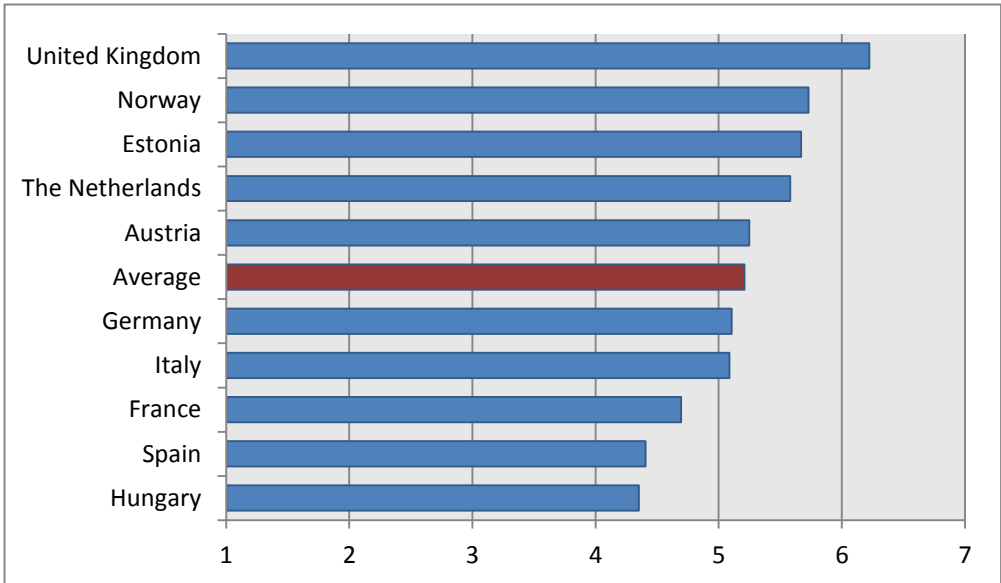


Figure 23: Importance of risk management (Q: To what extent is risk management used in your organization?; 1=Not at all, 7=To a large extent)



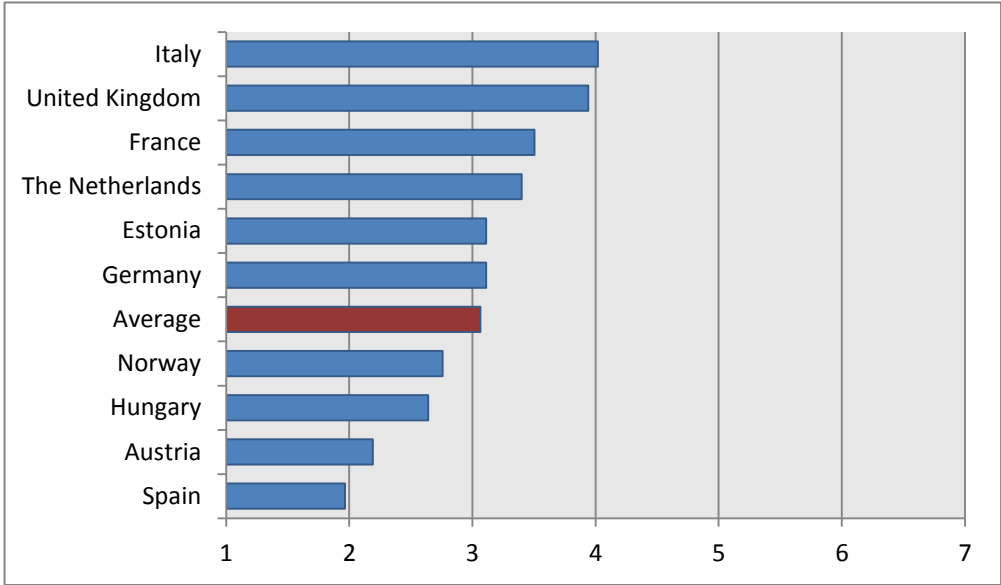
**Business/strategic planning** as one of the most frequently used instruments overall (see Figure 18) is more evenly relevant in the various countries. It is of great importance in the UK (6.22) and also rather common in Norway (5.73), Estonia (5.67) and the Netherlands (5.58). It is still important, but much less common in Hungary (4.35), Spain (4.41) and France (4.70) (see Figure 24).

Figure 24: Business/strategic planning (Q: To what extent is business/ strategic planning used in your organization?; 1=Not at all, 7=To a large extent)



Overall, **performance related pay** is implemented and used to only a rather limited degree in European public administrations (see Figure 25). According to senior executives, it is used comparatively more in Italy (4.02) and the UK (3.94) and less in Spain (1.96) and Austria (2.19). It is important to note that some of these findings diverge considerably from what national public sectors officially report to OECD (e.g. OECD 2011).

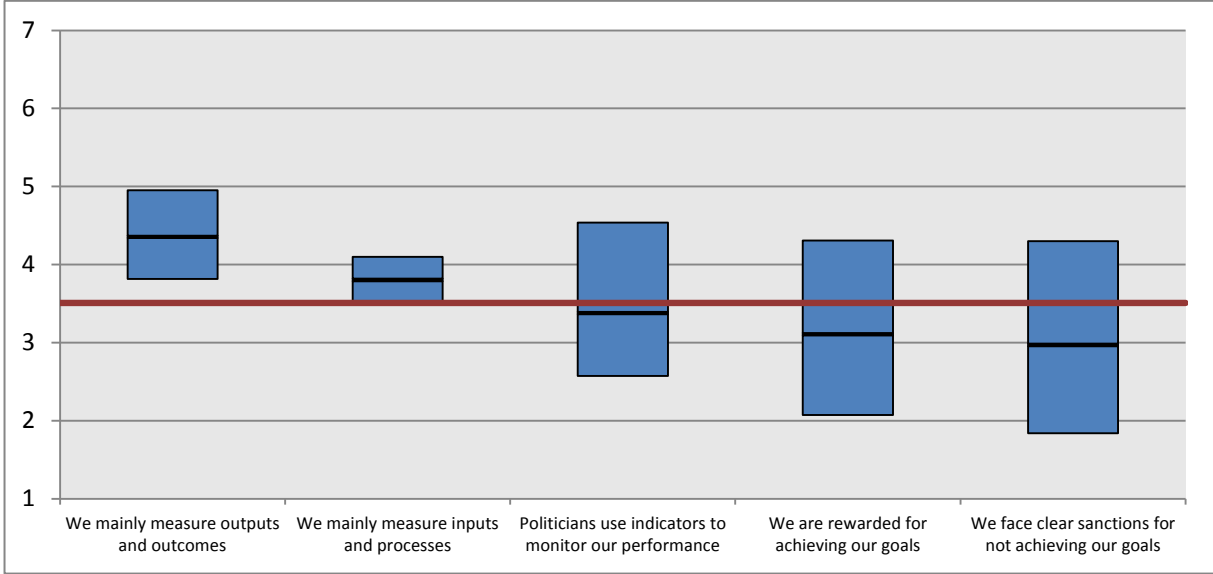
Figure 25: Performance related pay (Q: To what extent is performance related pay used in your organization?; 1=Not at all, 7=To a large extent)



To summarize these findings at organizational level we can conclude that in countries such as the Netherlands, the UK, Norway and Estonia, public executives make quite active use of many management instruments. However, use of those instruments is particularly limited in Spain and in Hungary and to a lesser degree in Austria, France and Germany.

**Performance management** – setting goals/targets and measuring achievements as at the heart of NPM-style reforms. Figure 26 depicts the overall average for several items used to measure the importance of performance management and also indicates the highest and lowest mean value. We observe that overall measuring outputs and outcomes is slightly more important than measuring inputs and processes (with a mean of 4.34 for measuring outputs versus 3.79 for measuring inputs), albeit both are regarded as important to a rather modest degree. Measuring outputs is relatively uncommon in Germany (3.81) and more common in Estonia (4.95). On average, politicians do not tend to use indicators to monitor the public administration’s performance (a mean of 3.36). They are less likely to do so in Spain (2.57) and more likely to do so in the UK (4.54). Few senior executives state that they are rewarded for achieving their goals (a mean of only 3.09). This is especially uncommon in Spain (2.07) and much more common in Italy (4.31). Even less common are sanctions for not achieving goals (a mean of 2.96). Again, it is least common in Spain (1.84) and more common in Hungary (4.30). In overall these findings indicate a rather moderate degree of institutionalization of performance management in European public administrations but we also find significant country variations.

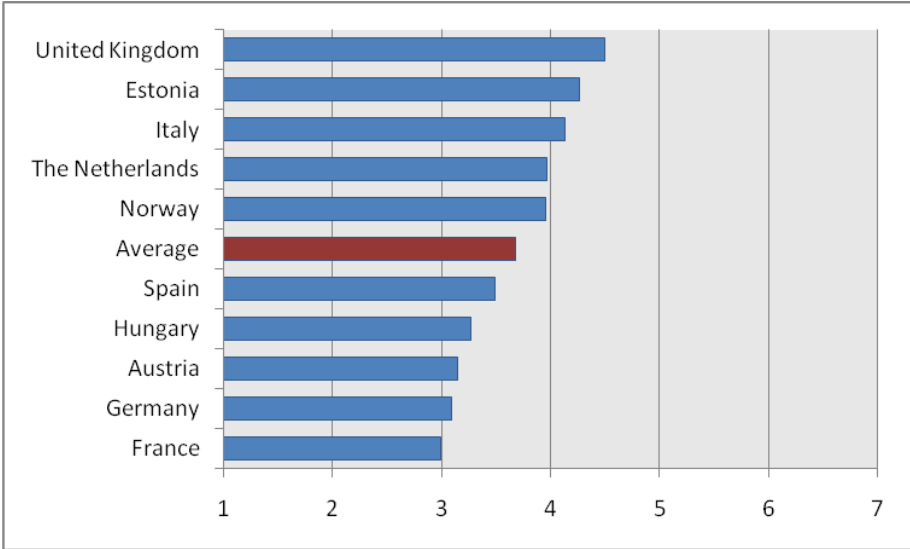
Figure 26: Importance of performance management (Q: To what extent do the following statements apply to your organization?; 1=Strongly disagree, 7=Strongly agree), graph depicts overall average plus highest/lowest country average, the red line indicates the overall average for all items



**(c) Individual level**

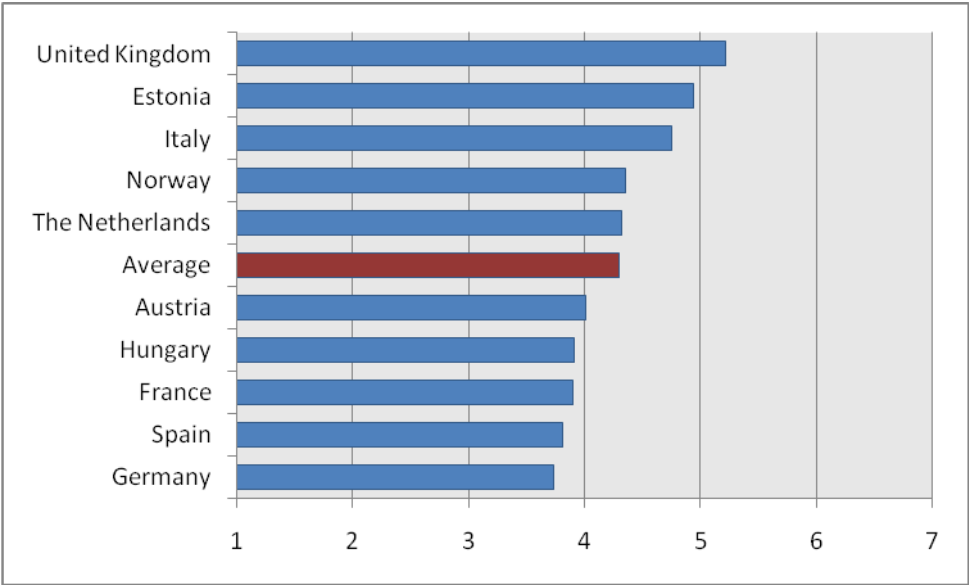
Do senior executives use performance indicators for their own work? We asked them to what extent they use such indicators for external communication, that is, to manage the image of their organization, to engage with external stakeholders (e.g. interest groups) or to communicate what their organization does to citizens and service users (see Figure 27). Aggregating the values for these items per country, we find that senior executives in the UK (4.50), Estonia (4.26) and Italy (4.13) use performance indicators to a larger – albeit overall rather moderate – extent for external purposes. In contrast, senior executives in France (2.99), Germany (3.09) and Austria (3.14) rather not use performance indicators for this purpose.

Figure 27: Importance of performance indicators for external use (Q: In my work I use performance indicators for [aggregation of three items depicting external use]; 1=Not at all; 7=To a large extent)



In order to assess whether senior executives use performance indicators for internal purposes we asked them to what extent they use performance indicators to assess whether they reach their targets, to monitor the performance of their subordinates, to identify problems that need attention, to foster learning and improvement and to satisfy requirements of their superiors (see Figure 28). Aggregating the values for these items, we find that the internal use of performance indicators in overall and all countries is clearly higher than the external use, and that the internal use is especially higher in the UK (5.22), Estonia (4.94) and Italy (4.75). The internal use of performance indicators is comparatively less common in Germany (3.73), Spain (3.81), France (3.89) and Hungary (3.91).

Figure 28: Importance of performance indicators for internal use (Q: In my work I use performance indicators for [aggregation of five items depicting internal use]; 1=Not at all; 7=To a large extent)



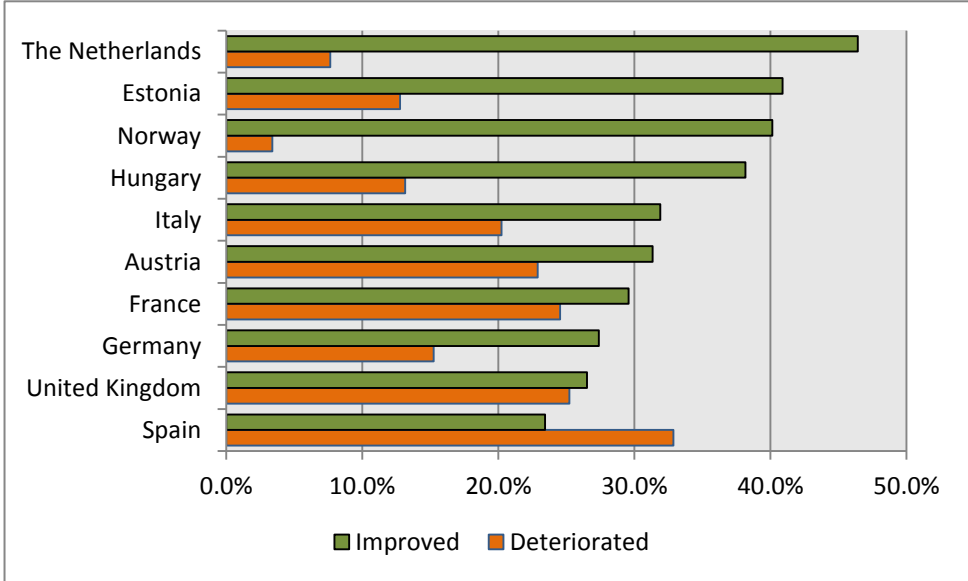
In conclusion, the COCOPS survey data suggest that typical NPM-style reforms have lost impetus. This is partly due to a replacement by new management philosophies and reform trends but also to the fact that many of these reforms have already happened in the 1990s. In this respect, NPM tools are now more commonplace than before. Still, a performance management logic seems to be institutionalized in most European public administrations only to a moderate degree in most European public administrations. There are important differences across countries. Countries such as the UK, Estonia, Norway and the Netherlands appear to be very active reformers, while we often find Spain, France, Austria and Hungary at the bottom of the lists. This section has mainly focused on the content of reforms, the implementation process of reforms, and the use of management tools. The next chapter will look at how top public officials evaluate the outcomes of public sector reform.

### 2.3 Impact of Public Administration reform

One main goal of the present study is to obtain systematic information on how public sector executives assess the impact of the various managerial reforms on public administration in their countries both at policy field and organizational level. In this section, we present the results of such evaluative questions.

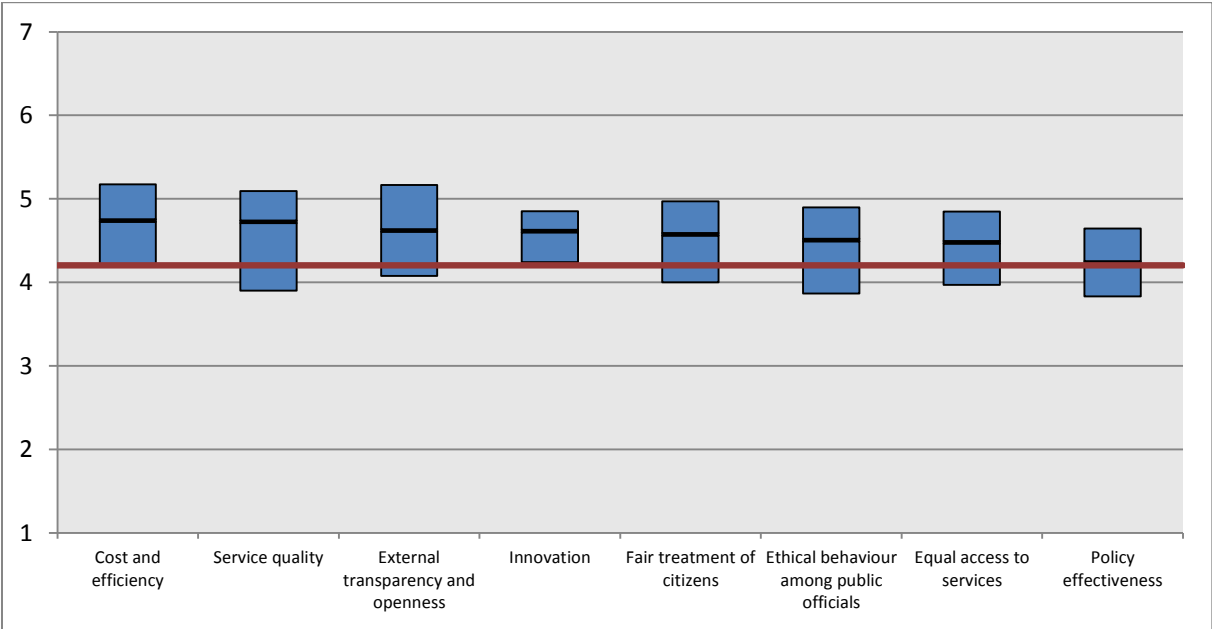
As concerns an **overall assessment of public administration** in their respective country, senior executives in the Netherlands have the most positive assessment. Almost half of them state that the way public administration runs in their country has clearly improved over the last five years (46.6% marked 8-10 on a 10 digit scale). High satisfaction is also to be observed in Estonia, Norway and Hungary, where about 40% find that public administration has improved. In contrast, Spanish senior executives have the most critical assessment; here, a third of the respondents state that the way public administration works has deteriorated over the last five years (32.9% marked 1-3). Overall less positive assessments are also clearly observable in the UK, France and Austria, where about 25% state that public administration has deteriorated (see Figure 29). Global assessment is, of course, difficult to interpret. It expresses an appreciation of changes but this judgment may be influenced by many elements and possible biases: the intensity of reforms more than their effects, a dominant and ‘official’ view from individuals occupying top positions and then loyal to the government of the day; some cultural patterns of ‘making judgments’ with important variations according to countries. It is significant here to differentiate three blocks: countries with consensual and plebiscitary views of changes e.g. where we observe a large gap between responses ‘improved’ and responses ‘deteriorated’ (Norway, Netherlands, Estonia, Hungary, to a lesser extent, Germany); a country with strong dominant negative judgment is Spain; and countries with controversial judgments (United Kingdom, France and, to a lesser extent, Italy and Austria).

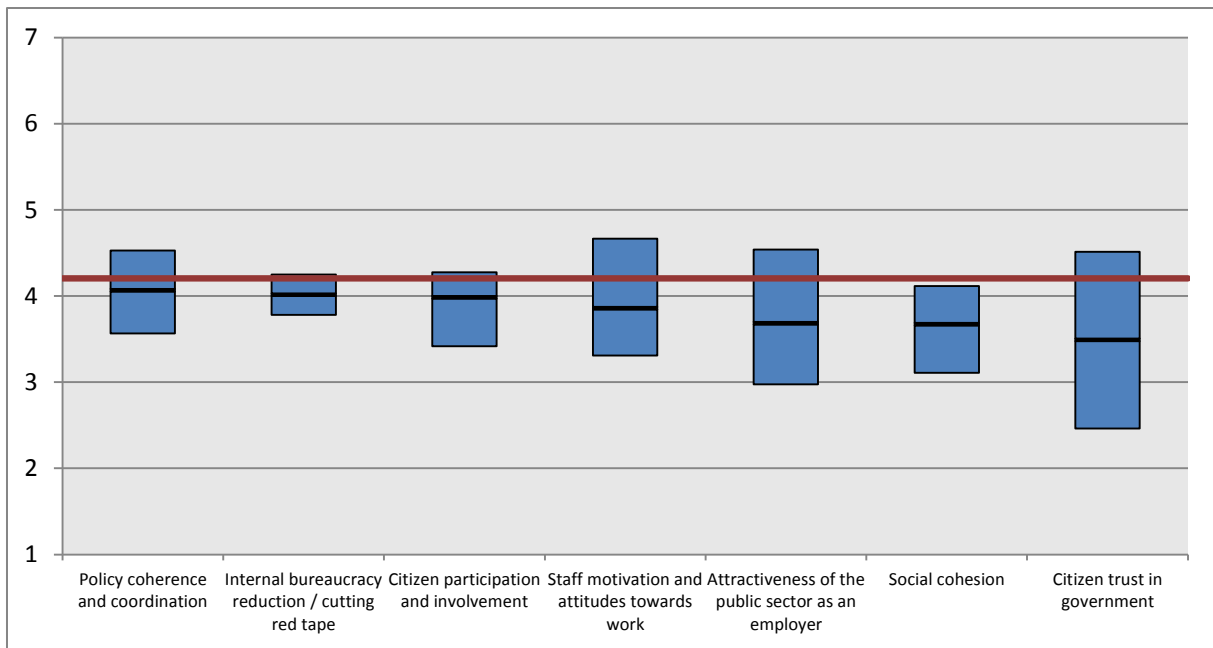
Figure 29: Overall PA assessment (Q: Compared with five years ago, how would you say things have developed when it comes to the way public administration runs in your country?)



Outcomes of public administration are complex and difficult to assess in a generalizing way. We have thus provided the respondents with a more nuanced question addressing a spectrum of **different performance dimensions** as found in public management literature (see Figure 30). Overall, we observe rather similar assessments for most dimensions and in overall a picture of rather high stability (most country averages between 3 and 5). Public administration is perceived to have improved moderately with respect to managerial aspects like cost and efficiency (4.73), service quality (4.71) and innovation (4.60), but also with respect to external transparency and openness (4.61), fair treatment of citizens (4.56) and ethical behavior among public officials (4.49). Slight deteriorations are perceived as concerns staff motivation (3.84), attractiveness of the public sector as an employer (3.67), social cohesion (3.66) and especially citizen trust in government (3.48). These general results are interesting. On the one hand, the managerial dimensions of public administrations – and their ‘internal processes’ through many reforms focusing on rationalized inputs and outputs and on more efficient and effective delivery – are perceived to have slightly improved. On the other hand, the internal dimensions related to the civil services and more human resources management issues are perceived to have deteriorated (staff motivation, attractiveness) as well as the global effects on societies (social cohesion, citizen trusts in government, citizen participation). We have to investigate whether deteriorations are negative effects of reforms or dimensions that were insufficiently targeted by state reforms. One hypothesis could be that, contrary to the NPM rhetoric suggesting reforms will generate win-win benefits for costs and delivery and for public agents through increased autonomy, the second set of benefits concerning personnel issues was not achieved. On the contrary, reforms would have rather deteriorated this latter broad dimension.

Figure 30: Different performance dimensions (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the following dimensions?; 1=Deteriorated significantly, 7=Improved significantly); graph depicts overall average plus highest/lowest country average, the red line indicates the overall average for all performance dimensions

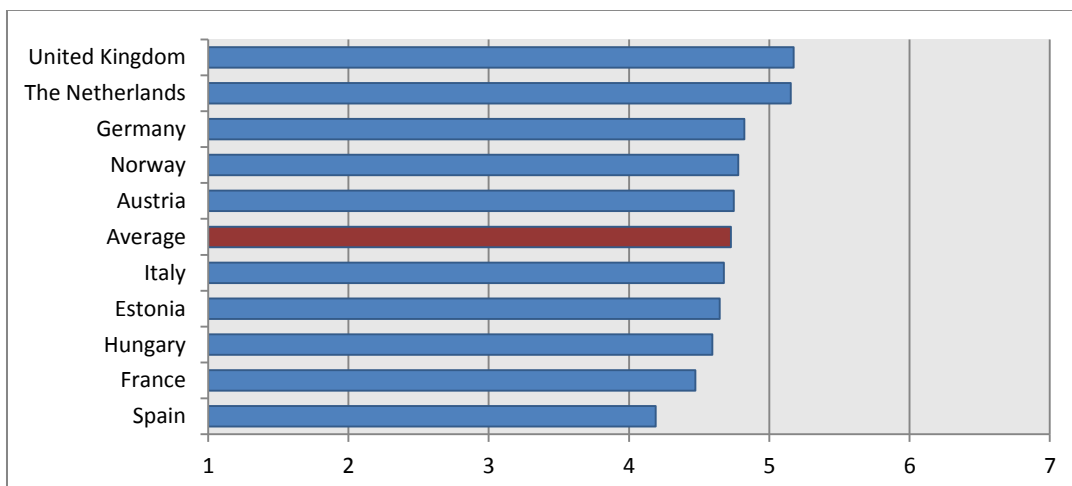




Examining the list of specific dimensions in more detail shows that none of them is positively rated as to generate perceptions of very significant improvements (6 and 7). When positively assessed, the performances only reach means between 4 and 5. This first result would suggest that none of these various reform trends over the last five years are perceived to have produced a great impact on administrative performance.

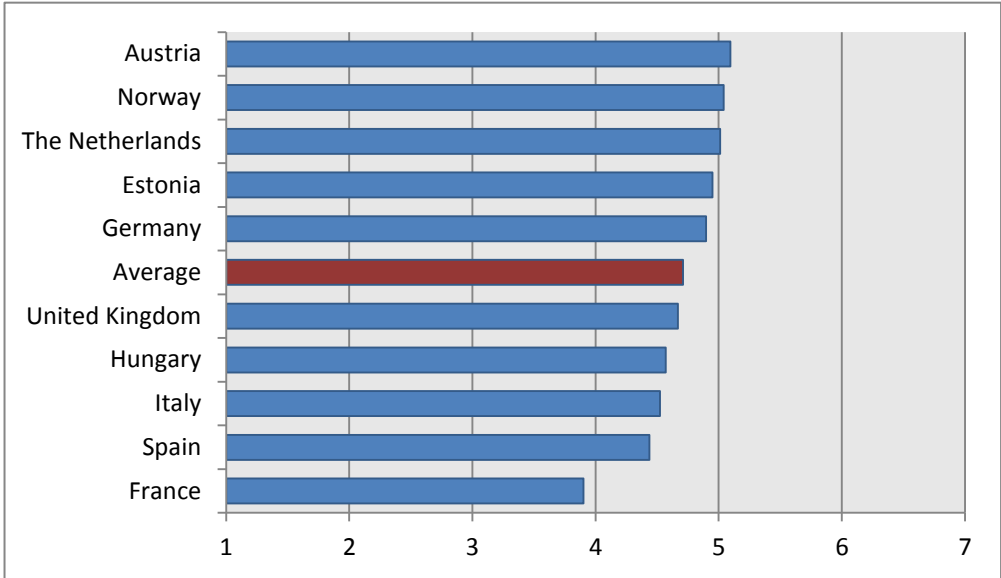
Some variation across countries can be observed as concerns the dimension **cost and efficiency**. Here, senior executives in the UK perceive clear improvements (with a mean of 5.17); the same applies to the Netherlands (5.15). Most other countries perceive only slight improvements; senior executives in Spain have the least positive assessment (4.19) (see Figure 31). The countries scoring high on this dimension are specifically those who combine high scores on downsizing reforms and focus on results (apart from Estonia).

**Figure 31: Cost and efficiency (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension: cost and efficiency?; 1=Deteriorated significantly, 7=Improved significantly)**



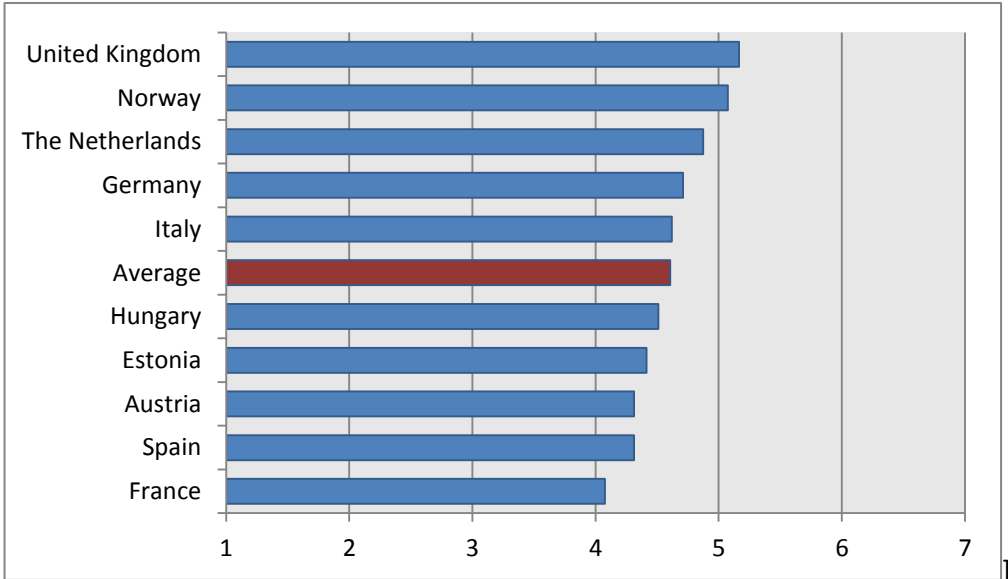
Concerning the development of **service quality** senior executives in Austria (5.09), Norway (5.04) and the Netherlands (5.01) perceive clear improvements, whereas senior executives in France (3.90) have a comparatively less positive perception (see Figure 32). The countries scoring high on this result were those with high scores on collaboration and cooperation reform trends but interestingly – with the exception of Austria –not the ones with high scores on customer orientation.

Figure 32: Service quality (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension: service quality?; 1=Deteriorated significantly, 7=Improved significantly)



With respect to the dimension **external transparency and openness** we observe that senior executives in the UK (5.16), Norway (5.08) and the Netherlands (4.87) perceive clear improvements, countries that score high in transparency and open government as reform trends. Transparency is perceived as rather stable in the other countries (see Figure 33).

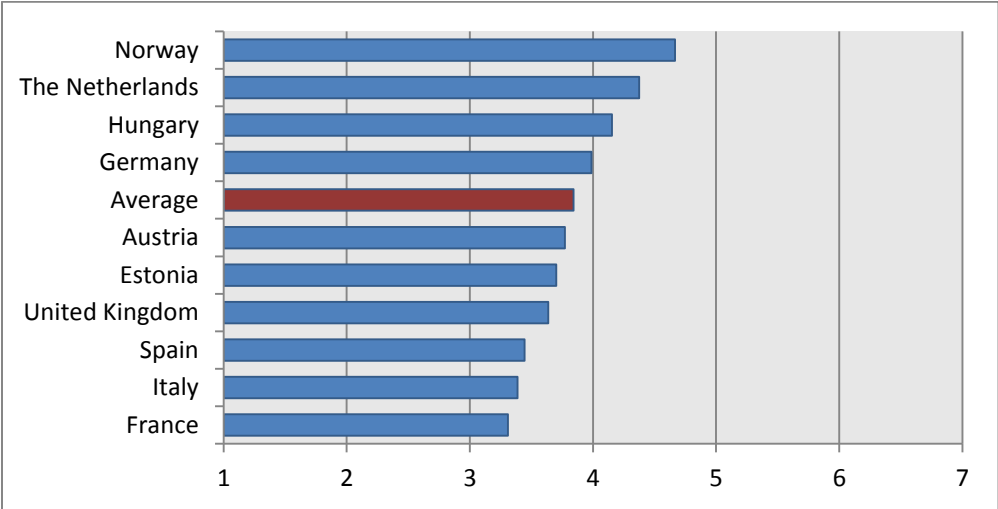
Figure 33: External transparency and openness (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension: external transparency and openness?; 1=Deteriorated significantly, 7=Improved significantly)





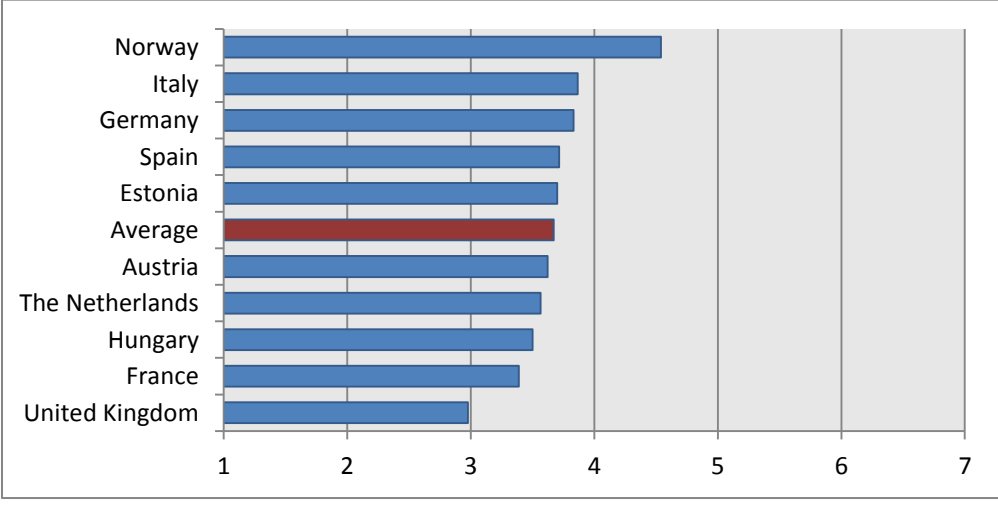
**Staff motivation** is one dimension of public administration performance that is overall perceived as having rather deteriorated. This is especially the case for Southern and ‘Napoleonic’ countries like France (3.31), Italy (3.39) and Spain (3.44). Very moderately positive assessments come from senior executives in Norway (4.67), the Netherlands (4.38) and Hungary (4.15) (see Figure 34).

Figure 34: Staff motivation and attitudes towards work (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension: staff motivation and attitudes towards work?; 1=Deteriorated significantly, 7=Improved significantly)



The **attractiveness of the public sector** as an employer is overall perceived as having rather deteriorated. This is especially the case in the UK (with a mean of only 2.98). Most countries have a mean around 3.50. The only country with a more positive assessment is Norway (4.54) (see Figure 35). The worse results are obtained in countries that have the highest scores on the reform trend downsizing (France, United Kingdom, to a lesser extent the Netherlands). However, these results must be carefully interpreted since they mix very different dimensions with strong influence of economic and social contexts as well as historical situations of the civil services within societies.

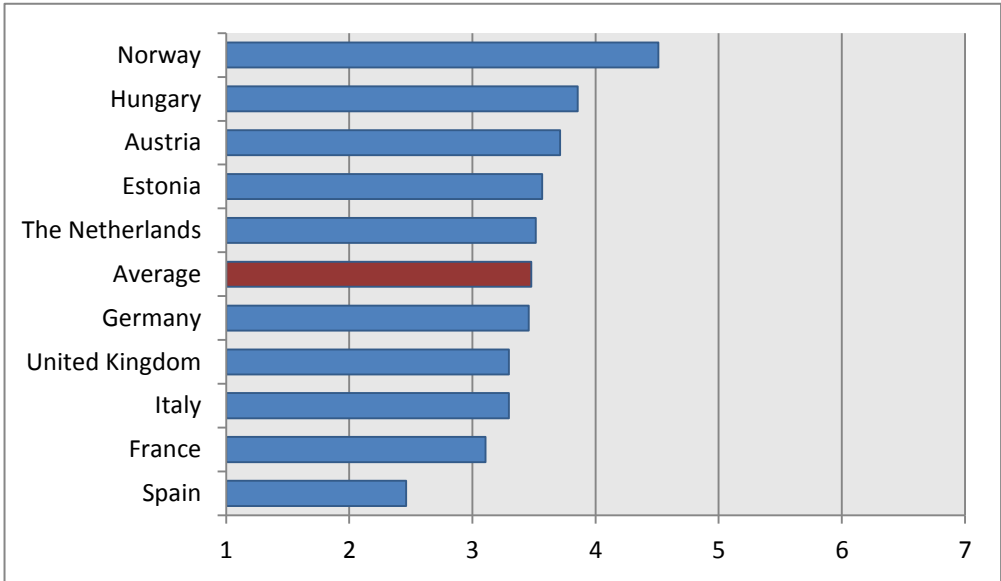
Figure 35: Attractiveness of the public sector as an employer (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension: attractiveness of the public sector as an employer?; 1=Deteriorated significantly, 7=Improved significantly)



Again, these two items (motivation and attractiveness) emphasize a real contrast between some perceived improvements on managerial issues and sharp perceptions of deterioration for civil service systems and their social dimensions.

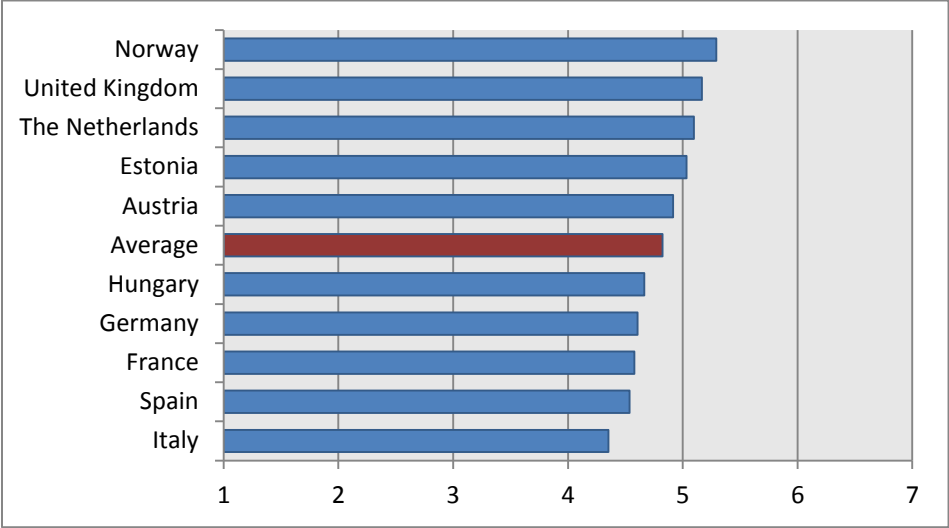
A further dimension with rather negative assessments overall is **citizen trust in government**. It is perceived as having deteriorated especially in Spain (2.46) but also in France (3.11), Italy (3.29) and the UK (3.30). Again, the only country with a more positive assessment is Norway (with a mean value of 4.51) (see Figure 36).

**Figure 36: Citizen trust in government (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension: citizen trust in government?; 1=Deteriorated significantly, 7=Improved significantly)**



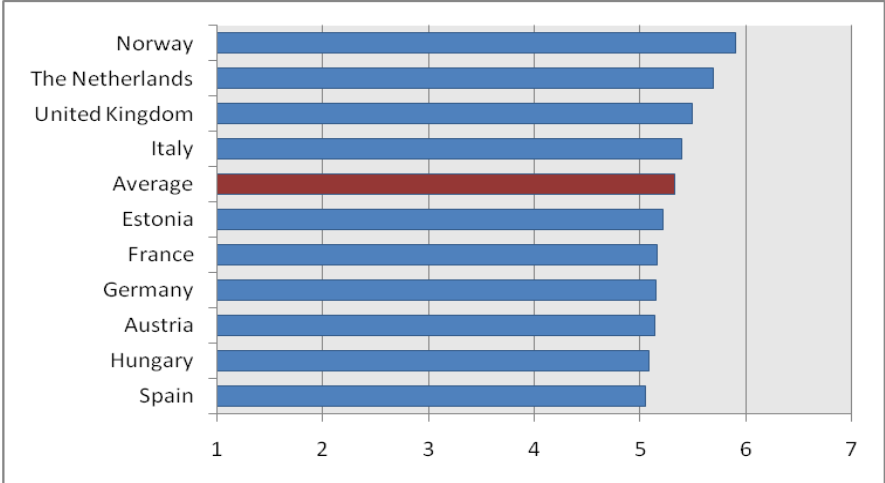
Central to the overall COCOPS project is also the question whether NPM reforms have a negative impact on **social capital and trust within public sector organizations** (Van de Walle and Hammerschmid 2011). In the survey the senior executives were asked whether people in their organization have confidence in one another, are trustworthy, engage in open and honest communication with one another and six other related questions capturing the operationalization of social capital and trust by Nahapiet, Ghoshal 1998 on an organizational level. By aggregating the means for these nine items per country (see Figure 37), we find that social capital and trust is generally moderately high in all countries with only rather small cross-country variations. It is highest in Norway (5.29), the UK (5.17), the Netherlands (5.10) and Estonia (5.03) and only somewhat lower in Italy (4.35), Spain (4.54), France (4.58) and Germany (4.61). The five countries above the average are countries with the highest scores on collaboration and cooperation as reform trends but also with a comparatively higher degree of use of management instruments and the use of performance information.

Figure 37: Social capital and trust (aggregate mean of nine items per country; 1=low social capital and trust, 7=high social capital and trust)



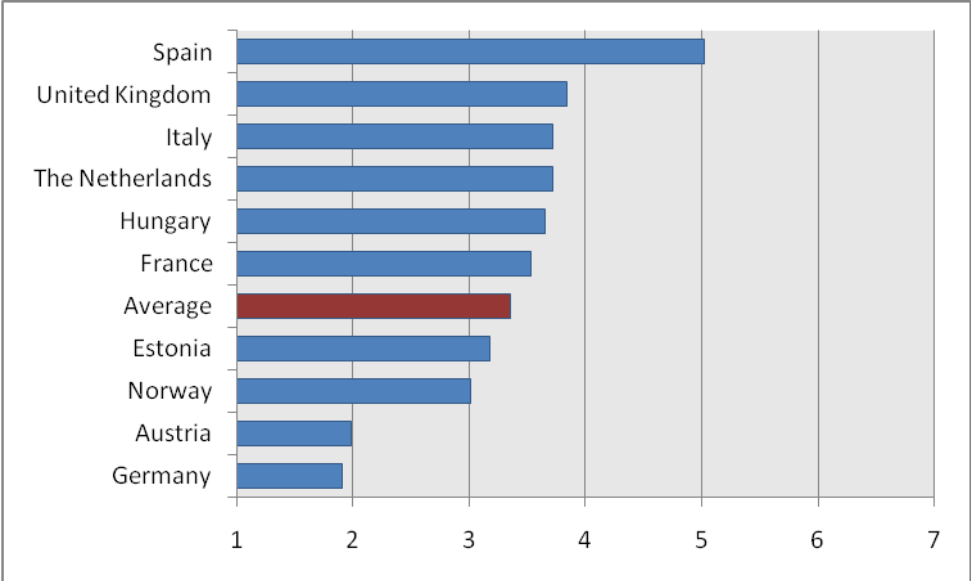
Similarly interesting is the effect of public administration reform and especially management reforms on **job satisfaction** at the individual level. We asked the senior executives whether they get a sense of satisfaction from their work, whether they feel valued for the work they do and whether they would recommend their own organization as a good place to work. Aggregating the means for these items per country, we find that job satisfaction is rather high in all countries, again with only limited cross-country variations (see Figure 38). It is highest in Norway (5.89), the Netherlands (5.69), the UK (5.49) and Italy (5.39) and only somewhat lower in Spain (5.05), Hungary (5.08), Austria (5.14), Germany (5.15) and France (5.16). It is significant that job satisfaction scores relatively high for all countries. The question is raised whether this satisfaction is somehow related to reforms. The fact that scores are high for all countries, even those experiencing less intensity in reforms or developing more negative judgments on other items, could suggest that job satisfaction is unrelated and could express the resilient influence of specific public agents' motivation related to specific values and expectations (disinterested, altruistic, and pro-socially oriented work behavior in the public sector, attraction to policy making, etc.).

Figure 38: Job satisfaction (Q: When thinking about my work and the organization I work for [aggregation three items depicting job satisfaction], 1=low job satisfaction, 7=high job satisfaction)



A further question addressed the question to what extent the senior executives experience **work stress**. We asked them whether they regularly feel overloaded or unable to cope (see Figure 39) and find that work stress is especially high in Spain (5.02) – possibly due to the economic crisis and its effects with sharp downsizing and salary cuts – and also comparatively high in the UK, Italy, the Netherlands and Hungary where NPM reforms were quite intensive (with values around 3.7). Senior executives in Germany (1.90) and Austria (1.99), where administrative reforms were not very developed and assessed as not demanding enough, experience particularly low levels of work stress.

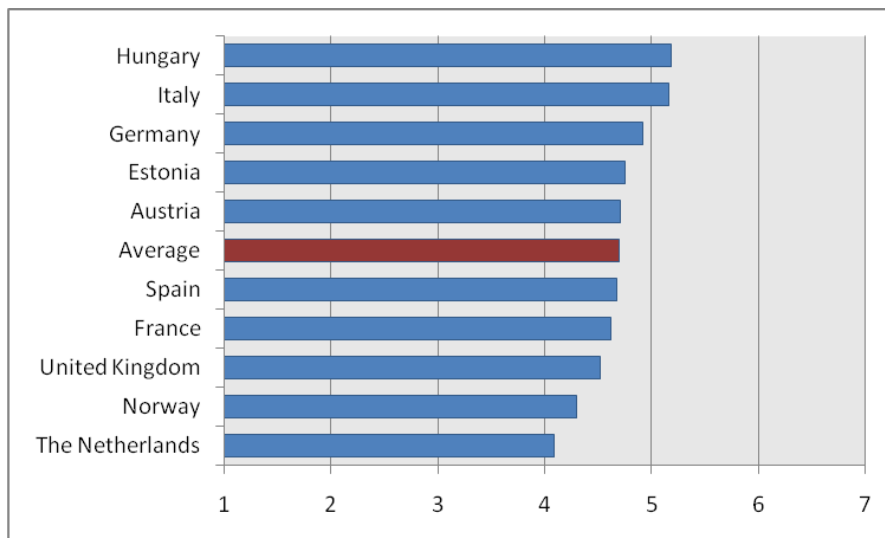
Figure 39: Job stress (Q: When thinking about my work and the organization I work for I regularly feel overloaded or unable to cope; 1=Strongly disagree, 7=Strongly agree)



A related question aims to assess the executives’ **organizational commitment** (see Figure 40), a concept commonly used in psychology and management research and an important proxy variable for organizational performance (e.g. Moon 2000). Following the broadly used operationalization by Allen, Meyer 1990 we asked the senior executives whether they feel the organization’s problems are their own and whether they would be happy to spend the rest of their career with their current organization (affective commitment), whether it would be very hard for them to leave their organization right now (continuance commitment), whether they were taught to believe in the value of remaining loyal to one organization and whether things were better in the days when people stayed with one organization for most of their career (normative commitment). By aggregating the values for these items per country<sup>8</sup>, we find that organizational commitment is generally rather high in all countries with only rather minor cross-country variations. It is highest in Hungary (5.18), Italy (5.16) and Germany (4.92) and slightly lower in the Netherlands (4.09), Norway (4.29) and the UK (4.52).

<sup>8</sup> Item 5 („Things were better in the days when people stayed with one organization for most of their career“) has been reversed for the calculation of the aggregate mean.

**Figure 40: Organizational commitment (aggregate mean of 5 items per country, 1=low organizational commitment, 7=high organizational commitment)**



When comparing the results for the countries with respect to the different types of commitment, we find that normative commitment is especially high in Germany and Hungary, while comparatively low in Norway and the UK. Organizational commitment is high in Hungary and especially low in Norway. Affective commitment is generally rather high and low only in Norway. Interestingly, countries scoring high on job satisfaction (UK, Norway, the Netherlands) score lower than others on organizational commitment. We have to investigate whether these somehow lower scores on organizational commitment can be related to the intensity of NPM reforms.

In sum, we find rather high levels of social capital and trust, job satisfaction and organizational commitment in all countries. It appears that the reforms are assessed as more successful especially in Norway and the Netherlands, but also (to a lesser extent) in Estonia, Germany and Hungary and as less successful in Italy, the UK, Austria, France and Spain. This means that we can – as a first approximation – distinguish four groups of countries. One group consists of countries where NPM-style reforms are comparatively intensive and repeated and which assess the state of public administration as positive; this is the case for Estonia, the Netherlands, and Norway. The only country with many NPM elements but a rather negative assessment of public administration is the UK, which is currently undergoing severe downsizing and cost-cutting. The third group is composed of countries with less intensive NPM reforms and still a positive assessment; this is especially the case for Hungary and to a lesser extent for Germany. Finally, public administration in Spain and France (and to a lesser extent Austria) has seen less intensive NPM reforms and the senior executives in these countries have a comparatively negative assessment of public administration in their country. The next chapters summarize the perceptions on the same issues of senior executives working in the employment and health sectors. Our first analyses also fail to confirm a negative effect of public management instruments and performance management on social capital and trust at organizational level. In contrast, a higher degree of performance management institutionalization seems to go along with higher levels of social capital and trust (e.g. in Norway, the Netherlands, UK and Italy) but also with a lower level of organizational commitment among the executives surveyed. The next chapters summarize the perceptions on the same issues of senior executives working in the employment and health sectors.

### 3. Public Administration Reform in the Employment Sector

In this chapter, we focus on the responses of executives of the COCOPS survey working in the employment sector (n=872). Since employment services play a central role in government policies throughout Europe due to the high societal relevance of addressing unemployment, our evidence has major implications for how the management and performance of a key policy sector should be understood.

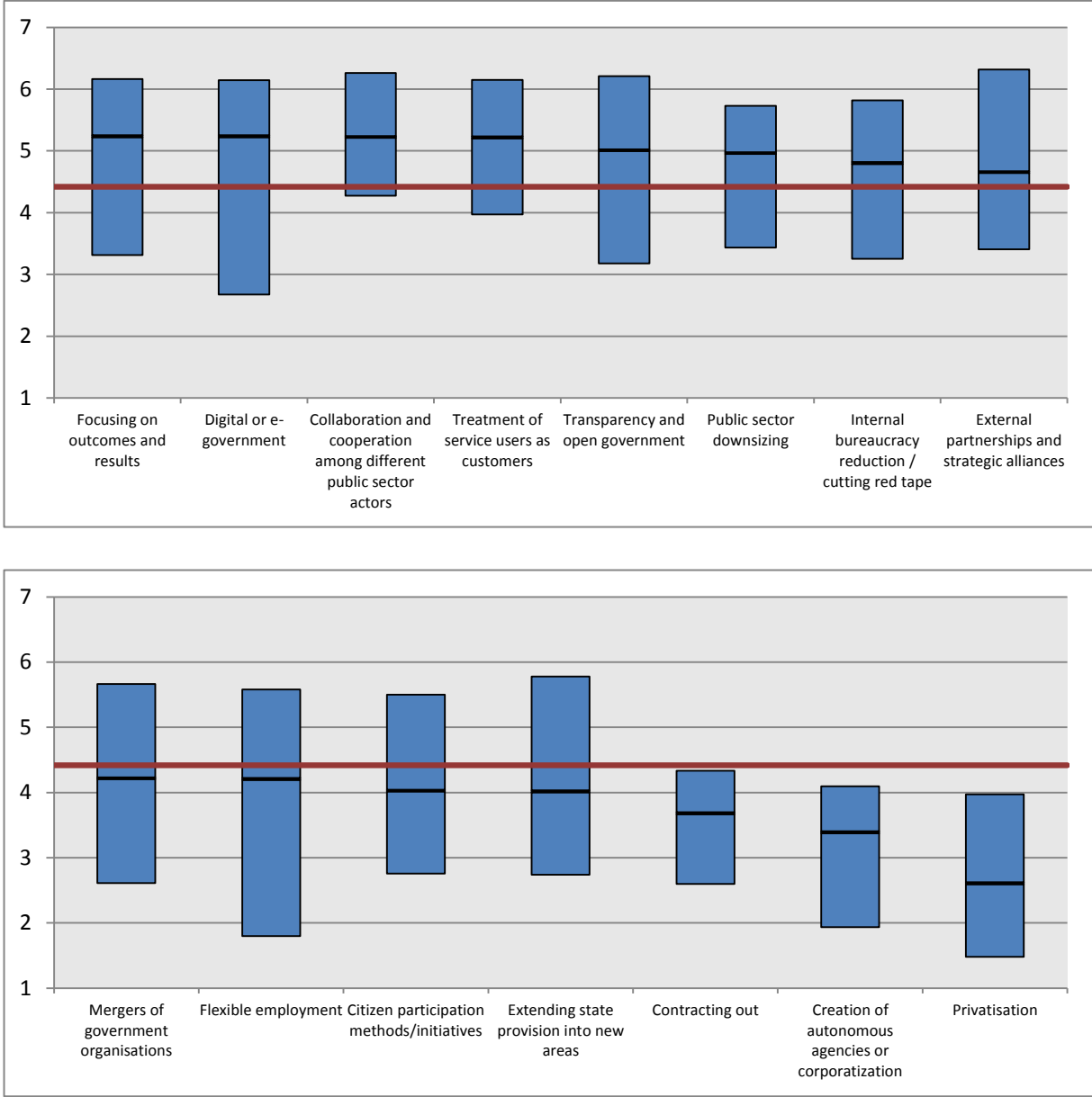
#### 3.1 Relevance and direction of public administration reforms

According to some observers, the employment sector in Europe has been subject to a wide range of more or less intrusive managerial reforms since the mid-80s (de Koning 2007; Considine, Lewis, 2010; Weishaupt 2010). Many of these reforms embraced NPM-style practices, such as shifting from systems based on 'management by regulation' to 'management by objectives', decentralization to improve local flexibility and embracing a new customer orientation and private business mentality (Weishaupt 2010). A further central trend has been the agencification or corporatization of employment services along with measures to increase external competition in the provision of services by abandoning long-held placement monopolies for state agencies and allowing new private sector actors to enter the market. In exploring the perceptions of executives working in the public employment sector, we are able to contribute to these debates by providing evidence on the extent and impact of reforms at the policy field and organizational levels.

##### (a) Policy field level

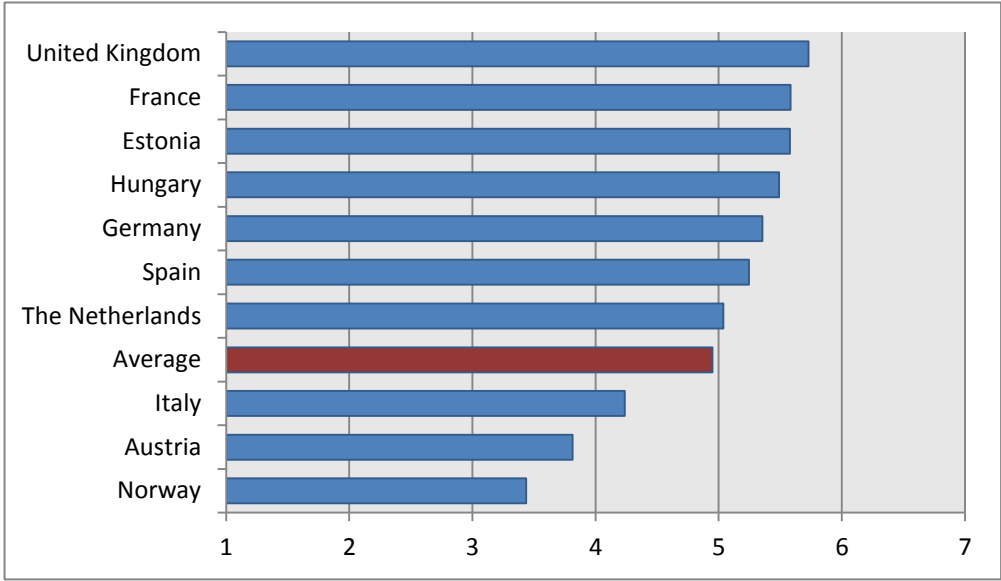
According to our sample of employment executives focusing on outcomes and results (5.22), digital or e-government (5.22), collaboration and cooperation among different public sector actors (5.21), treatment of service users as customers (5.20), transparency and open government (5.00) and downsizing (4.95) are the most important reform trends in the employment sector. Analogous to the results for the central government sample, structural NPM-style reforms, such as privatization (2.59), agencification (3.38) and contracting out (3.67) are regarded as somewhat unimportant by the employment executives, with the mean scores all falling below the median point (see Figure 41). However, managerial aspects of NPM, like focusing on outcomes and results and the treatment of service users as customers are regarded as important trends within the employment policy field and are more relevant than in central government or the health sector. The relative importance of specific reforms within the employment sector diverges a little from central government and the health sector. Nonetheless, overall, the types of reforms that are regarded by the executives in each setting as more and less important are remarkably similar, which points, in overall, towards a broad commonality of purpose in public management reform efforts across government in European countries. All the same, there are important cross-country differences in the importance attached to different reform trends.

Figure 41: Importance of reform trends (Q: How important are the following reform trends in your policy area?; 1=Not at all, 7=To a large extent), graph depicts overall average plus highest/lowest average, red line indicates overall average for all reform trends



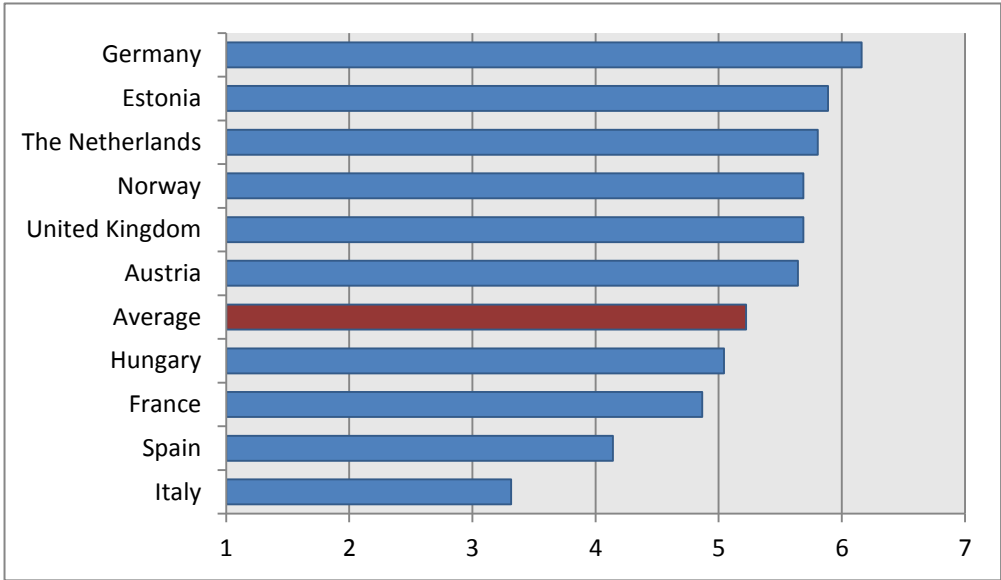
**Public sector downsizing** is a generally rather important reform trend, but we observe high variation across countries and a lesser prominent relevance of this reform trend in employment than in health or central government. The average score is 4.95 (compared to 4.97 in central government and 5.13 in the health sector). We also observe great variation across the different countries concerning this trend. It is a highly important reform trend in the employment sectors in the UK (5.73), France (5.58), Estonia (5.58) and Hungary (5.49), but is of less importance especially in Norway (3.44) and Austria (3.81) (see Figure 42).

Figure 42: Public sector downsizing (Q: How important is public sector downsizing in your policy area?; 1=Not at all, 7=To a large extent)



**Focusing on outcomes and results** is another especially important reform trend in the employment sector of the countries under study and the overall most important reform trend. The average score is 5.22 (compared to 4.99 in the health sector and 4.81 in the central government sample), which implies that the employment sector is the policy field which has experienced a clearly more significant change towards performance management, which applies in particular to Germany. Nevertheless, the importance of a focus on outcomes and results varies considerably between the countries within our survey sample. A focus on results is particularly important in Germany (6.16) but also in Estonia (5.89) and the Netherlands (5.81) but also in the UK and Austria. Outcomes and results are of relatively low importance in Italy (3.31), Spain (4.14) and France (4.87) (see Figure 43).

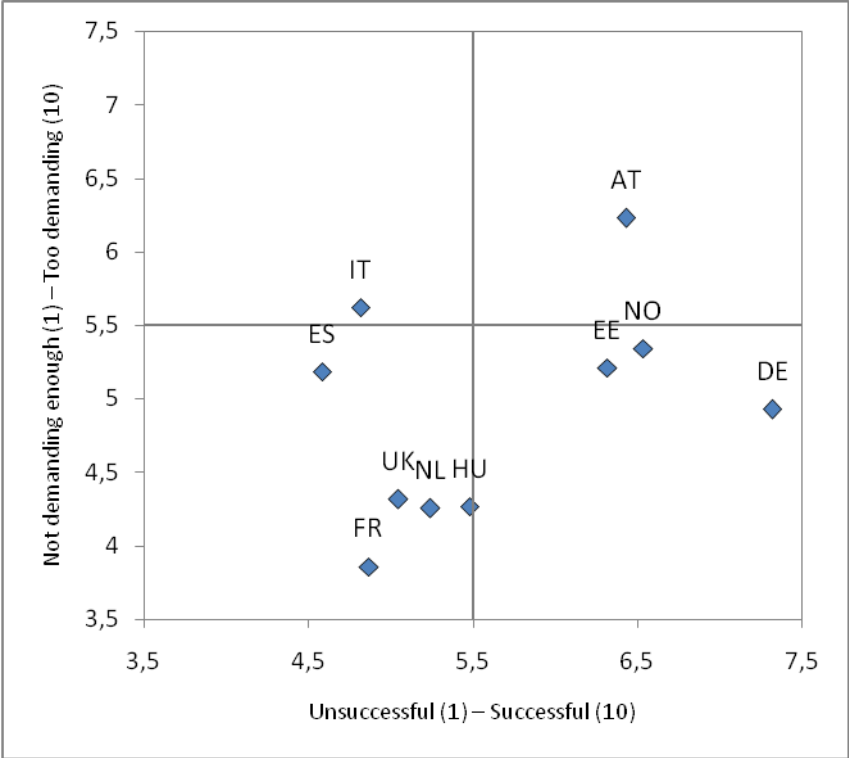
Figure 43: Focusing on outcomes and results (Q: How important is focusing on outcomes and results in your policy area?; 1=Not at all, 7=To a large extent)





One set of questions in the survey asked for the senior executives' assessment of the **dynamics of public sector reform**; here, the respondents had to choose between two contrasting characteristics of reforms. By plotting the country-level responses for one of these questions against those for another, it is possible to develop a two-dimensional representation of the executive's perceptions of the dynamics of public sector reform. Figure 44 plots executives' assessment of public sector reforms as successful/unsuccessful against their assessment of the reforms as too demanding/not demanding enough. Four groups of countries can be distinguished. In one group of countries (consisting of Austria only), the reforms are assessed as rather successful, but also as too demanding. The senior executives in a second group of countries assess the reforms as successful and as right in the middle between too demanding and not demanding enough; this is the case for Estonia, Norway and especially Germany. The biggest group of countries consists of France, the UK, the Netherlands, Hungary and Spain. Here, the senior executives assess the reforms as rather unsuccessful and as not demanding enough. The fourth group consists of Italy only, assessing the reforms as rather unsuccessful and as slightly too demanding. This pattern clearly differs from the assessment of the central government officials (see Figure 13 in chapter 2), emphasizing that the reform dynamics in the employment sector are often rather different from general public administration reform trends. In particular, senior executives in the employment sector in Austria and Germany have significantly better assessments than their colleagues in central government and the health sector. An interesting contrast is also observable for France and to a lesser degree for UK: whereas executives from these two countries in central government assess the reforms as clearly too demanding, executives from the employment sector – as well as the health sector – assess the reforms as clearly not demanding enough.

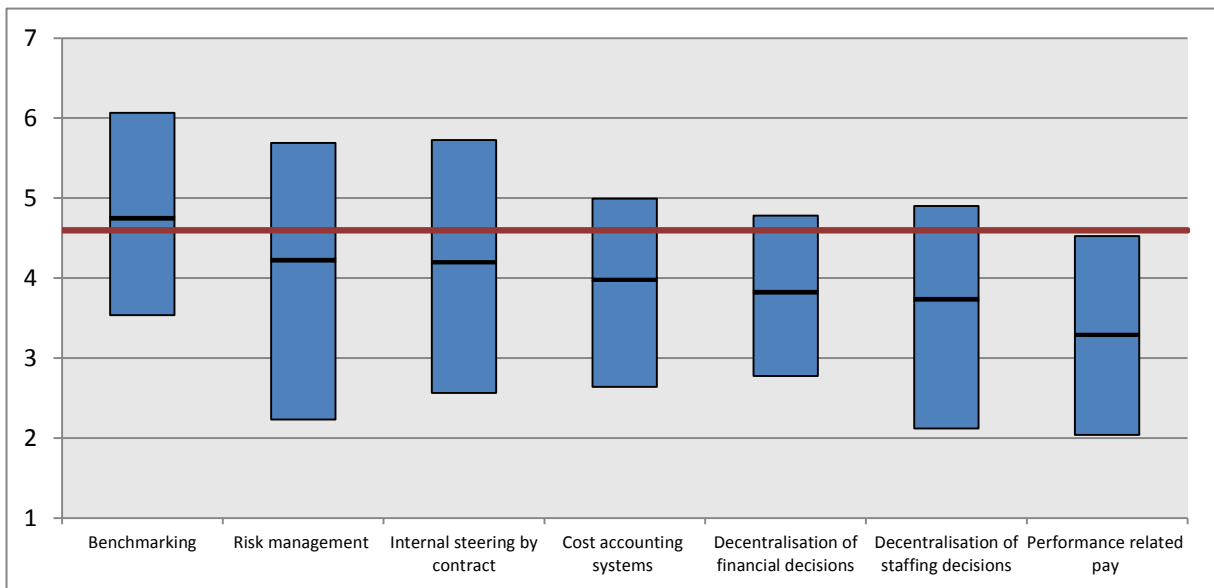
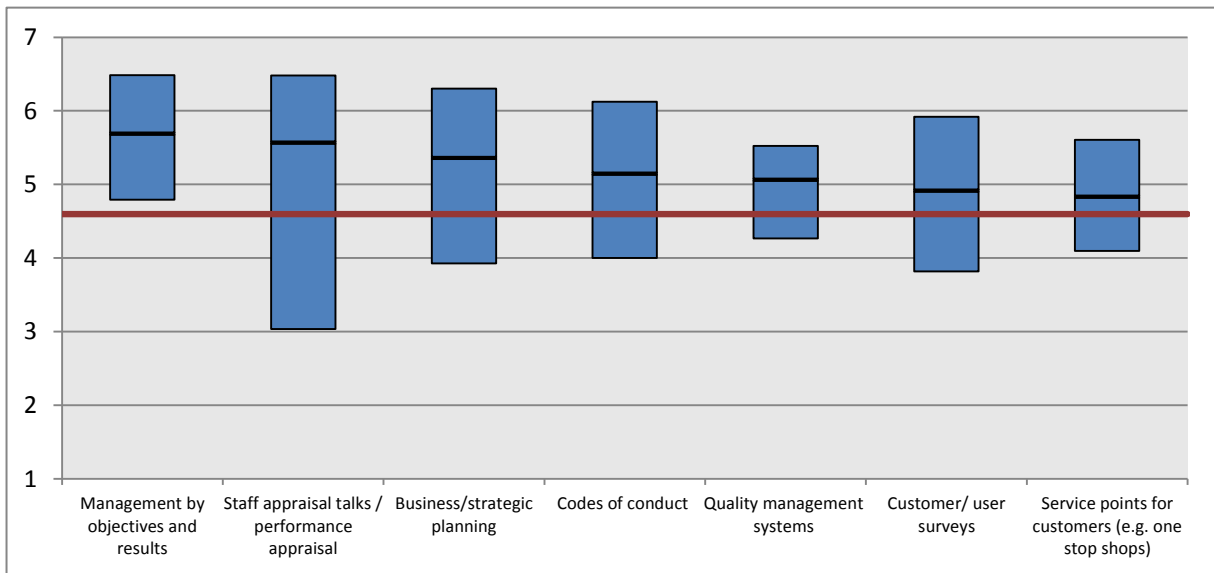
Figure 44: Dynamics of public sector reform: enough/too much vs. successful/unsuccessful



**(b) Organizational level**

In this part of the report on reform in the employment sector, we focus on the relative importance of a range of different management instruments within respondents' own organizations. Employment executives indicate that a wide range of management instruments are used extensively within their organization (see Figure 45). This is especially the case for management by objectives and results (5.68), staff appraisal talks (5.56), business/strategic planning (5.35). However, the decentralization of staffing (3.72) and financial (3.81) decisions and especially performance related pay (3.28) are instruments that are not used frequently. These results are very similar to those for the central government sample, though management instruments appear to be slightly more important in the employment sector than in health and central government.

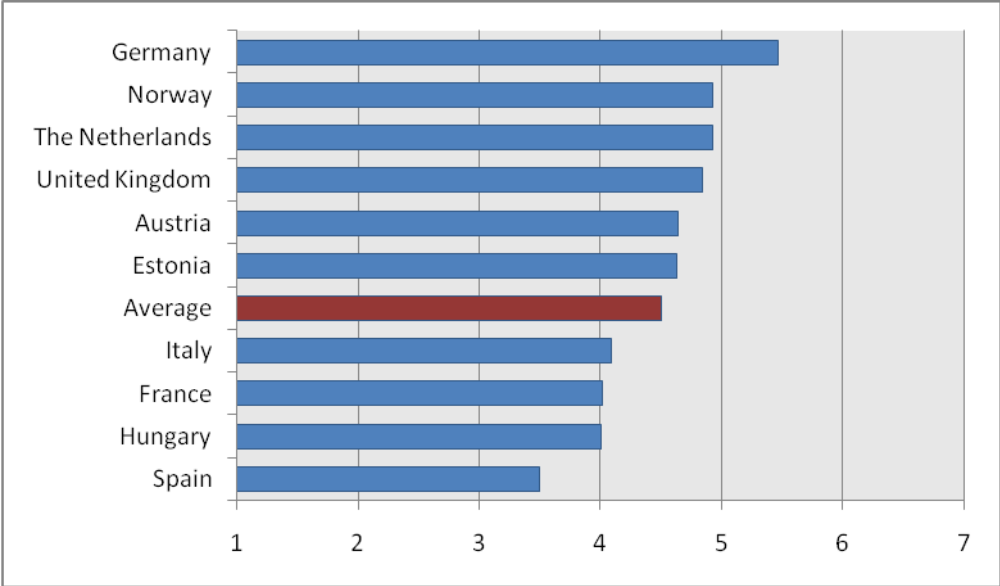
**Figure 45: Importance of different management instruments (Q: To what extent are the following instruments used in your organization?; 1=Not at all, 7=To a large extent), graph depicts overall average plus highest/lowest average, red line indicates overall average for all items**



The importance of management instruments also varies across the countries in the study.

Figure 46 depicts the country averages for of the aggregate of all management instruments. **Management instruments** are very relevant in the employment sector in Germany (5.47), Norway (4.92) and the Netherlands (4.92), indicating a much stronger role for these instruments in Germany than in the German central government. The use of management instrument is less relevant in France (4.01), Hungary (4.00) and especially in Spain (3.50). These country-level findings on management practices within organizations in the employment sector largely mirror those for the findings on management reforms across the employment policy field, and are suggestive of the possibility that high-level reforms are closely connected with changes in the management of organizations within the employment sector.

Figure 46: Importance of different management instruments per country (Q: To what extent are the following instruments used in your organization?; 1=Not at all, 7=To a large extent), graph depicts country averages for all 14 items



The reform trends in the employment sector of the countries under study thus are rather similar to those in the central government sample. Management reforms however appear to be slightly more relevant in the employment sector. Overall, they are more relevant in the Netherlands, the UK, Estonia and especially in Germany.

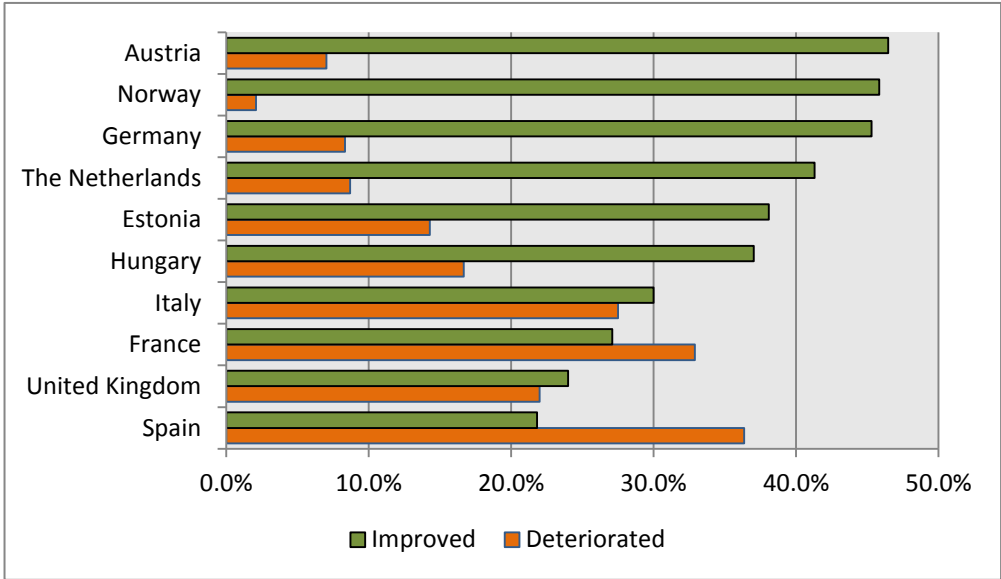
### 3.2 Impact of Public Administration Reform

One main goal of the present study is to obtain systematic information on how public sector executives assess the impact of administrative and especially managerial reforms on public administration in their countries. We now explore employment executives’ responses to a series of questions we asked them regarding the performance of the sector in the five years prior to the survey.

We begin by comparing health executives’ overall assessment of public administration in their countries (see Figure 47). Our findings indicate that senior executives in the employment sector in

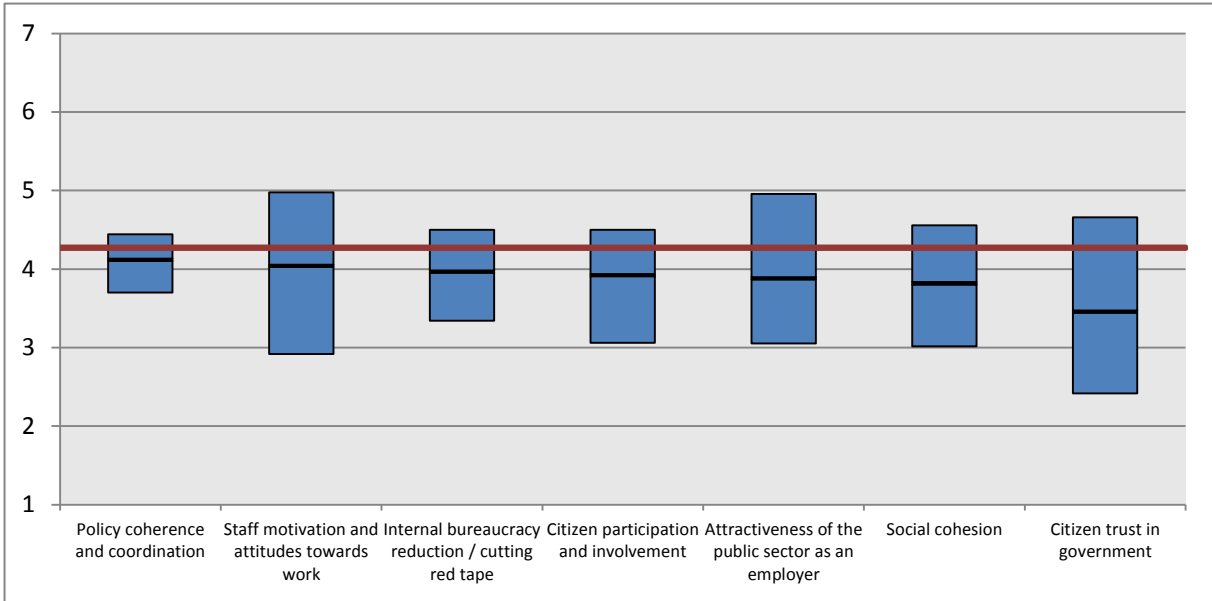
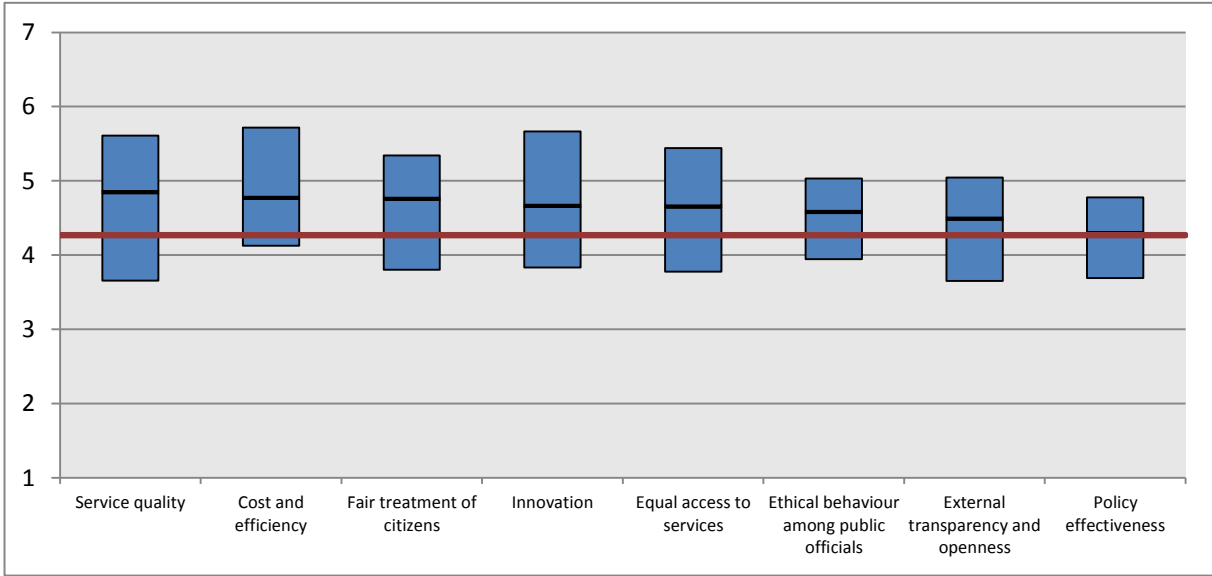
overall have a generally more positive assessment than their colleagues in central government. This is especially the case for Austria, Norway, Germany and the Netherlands, where over 40% of the respondents see a clear improvement (i.e. have marked 8-10 on a 10 digit scale). High satisfaction is also to be observed in Estonia and Hungary. Senior executives in Spain and France offer the most critical assessment; here, 36.4% (Spain) and 32.9% (France) state that the way public administration runs in their country has deteriorated over the last five years (that is, they have marked 1-3 on a 10 digit scale). Mixed assessments come from the senior executives in the UK and Italy. Results are particularly interesting for Austria and Germany where the employment sectors are assessed much more positively than central government and health sector.

Figure 47: Overall PA assessment (Q: Compared with five years ago, how would you say things have developed when it comes to the way public administration runs in your country?)



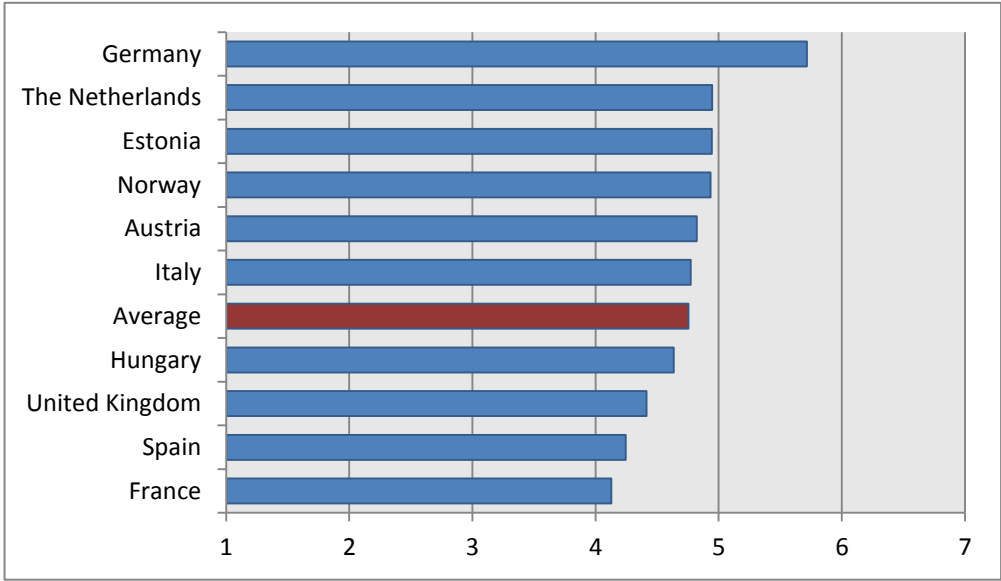
Outcomes of public administration are complex and difficult to assess in a generalizing way. We have thus provided the respondents with a more nuanced question addressing a spectrum of **different performance dimensions** as found in public management literature (see Figure 48). In general, we observe rather similar assessments for most dimensions. Public administration within the employment sector is perceived to have improved moderately with respect to managerial aspects like service quality (4.84), cost and efficiency (4.76) and innovation (4.65), but also with respect to fair treatment of citizens (4.74) and equal access to services (4.64). Slight deteriorations are perceived as concerns citizen trust in government (3.44), social cohesion (3.80) and attractiveness of the public sector as an employer (3.87). These results are very similar to the ones for the central government and health sector sample.

Figure 48: Different performance dimensions (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the following dimensions?; 1=Deteriorated significantly, 7=Improved significantly), red line indicates overall average for all 14 performance dimensions



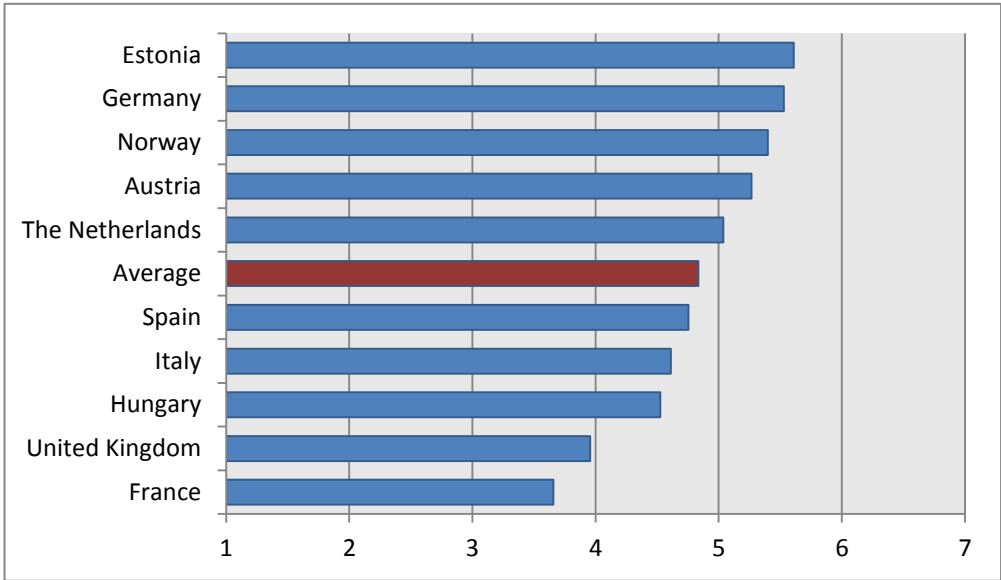
Although employment executives in the different countries offer a comparatively similar assessment of performance across most of the dimensions, a degree of variation between countries can be observed for certain key performance dimensions. For **cost and efficiency** senior executives in Germany perceive clear improvements (with a mean of 5.72); the same applies to the Netherlands (4.95), Estonia (4.94) and Norway (4.93), albeit to a smaller degree. Assessments are less positive in France (4.13), Spain (4.24) and the UK (4.41) (see Figure 49). Employment executives in all countries perceive there to have been a slight improvement in cost and efficiency within the employment sector.

Figure 49: Cost and efficiency (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension cost and efficiency?; 1=Deteriorated significantly, 7=Improved significantly)



**Service quality** in overall is the most positively assessed dimension and especially senior executives in Estonia (5.61), Germany (5.53) and Norway (5.40) perceive there to have been clear improvements, whereas senior executives in France (3.66) and the UK (3.96) in overall tend to observe slight quality deteriorations (see Figure 50).

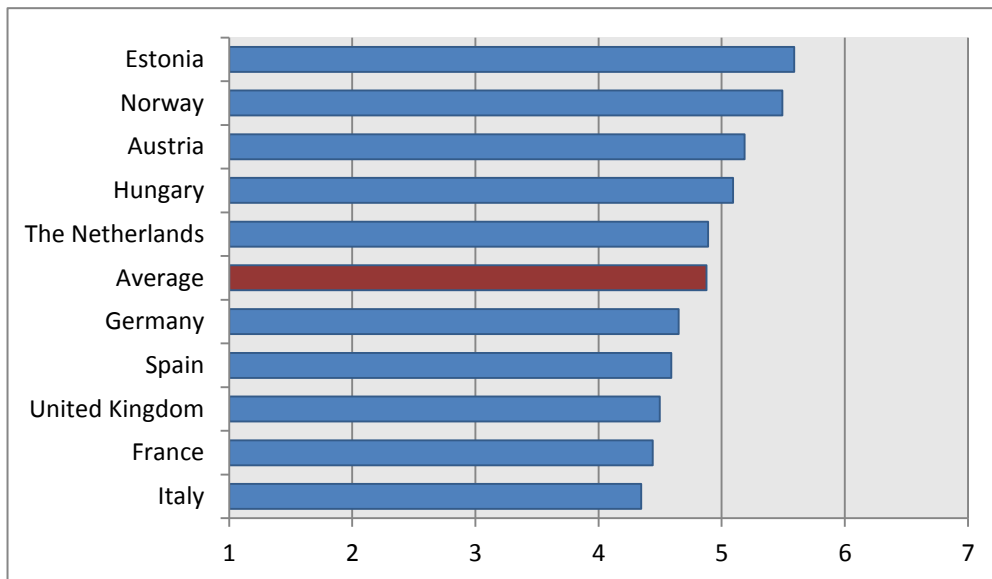
Figure 50: Service quality (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension service quality?; 1=Deteriorated significantly, 7=Improved significantly)



Central to the overall COCOPS project is also the question whether NPM reforms have an impact on **social capital and trust** within public sector organizations (Van de Walle and Hammerschmid 2011). In the survey the senior executives were asked whether people in their organization have confidence in one another, are trustworthy, engage in open and honest communication with one another and six

other related questions capturing the operationalization of social trust by Nahapiet, Ghoshal 1998 on an organizational level. By aggregating the means for these nine items per country (see Figure 51) we find that social capital and trust is fairly strong in the employment sector in all countries. It is strongest in Estonia (5.59), Norway (5.49) and Austria (5.19), though only a little weaker in Italy (4.35), France (4.44) and the UK (4.50). The average is 4.88, compared to 4.82 in the central government sample and 4.85 in the health sector sample. All of which suggests that levels of social capital and trust within government is fairly constant across countries and policy fields.

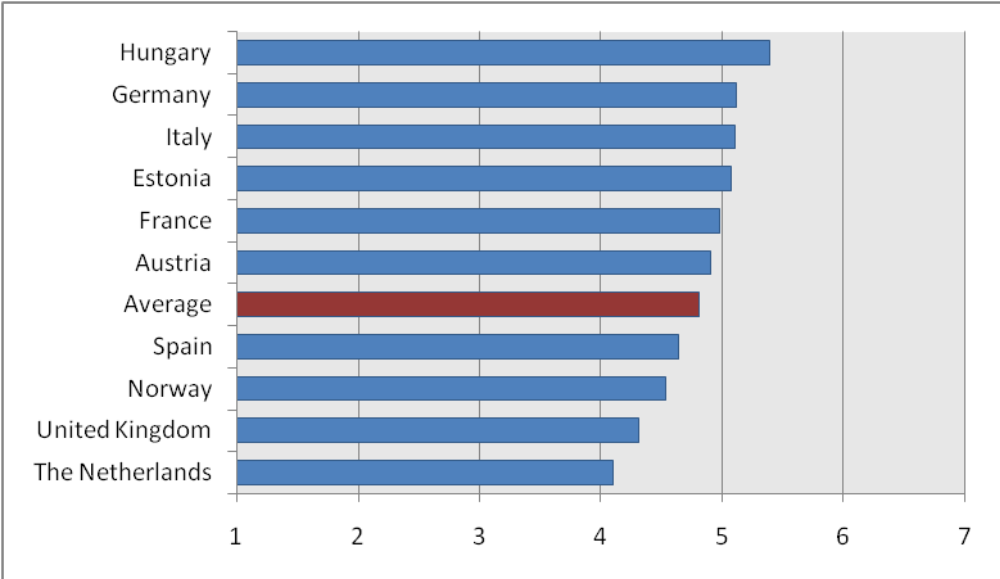
**Figure 51: Social capital and trust (aggregate mean of 9 items per country; 1=low social capital and trust, 7=high social capital and trust)**



Related to the issue of social capital within public sector organizations is the extent of executives' **organizational commitment** (see Figure 52), a concept commonly used in psychology and management research and an important proxy variable for organizational performance (e.g. Moon 2000). Following the broadly used operationalization by Allen, Meyer 1990 we asked the senior executives whether they feel the organization's problems are their own and whether they would be happy to spend the rest of their career with their current organization (affective commitment), whether it would be very hard for them to leave their organization right now (continuance commitment), whether they were taught to believe in the value of remaining loyal to one organization and whether things were better in the days when people stayed with one organization for most of their career (normative commitment). By aggregating the values for these items per country<sup>9</sup>, we find that organizational commitment is generally moderately high amongst employment executives in all countries with only rather minor cross-country variations. It is highest amongst executives in Hungary (5.39), Germany (5.11) and Italy (5.10) and slightly lower in the Netherlands (4.10), the UK (4.31) and Norway (4.53). The average is 4.81 (compared to 4.69 in the central government sample and 4.85 in the health sector sample) and thus slightly higher than in the central government sample. Organizational commitment thus seems to be relatively stable across all samples.

<sup>9</sup> Item 5 („Things were better in the days when people stayed with one organization for most of their career“) has been reversed for the calculation of the aggregate mean.

Figure 52: Organizational commitment (aggregate mean of 5 items per country, 1=low organizational commitment, 7=high organizational commitment)



The assessments of the reform impact thus seem to be rather similar albeit somehow more positive if we compare the senior executives in the employment sector with those in central government and the health sector. There are two exceptions, though: employment executives in Germany and Austria show a significant more positive assessment than their colleagues in central government. As observed for central government, senior executives in the Netherlands, Estonia and Norway in overall tend to have a better assessment, whereas employment executives in France and Spain are more critical.



## 4. Public Administration Reform in the Health Sector

In this chapter, we focus on the responses of executives of the COCOPS survey working in the health sector (n=760). Since healthcare accounts for the second largest proportion of government spending across Europe, our evidence has major implications for how the management and performance of a key policy sector should be understood.

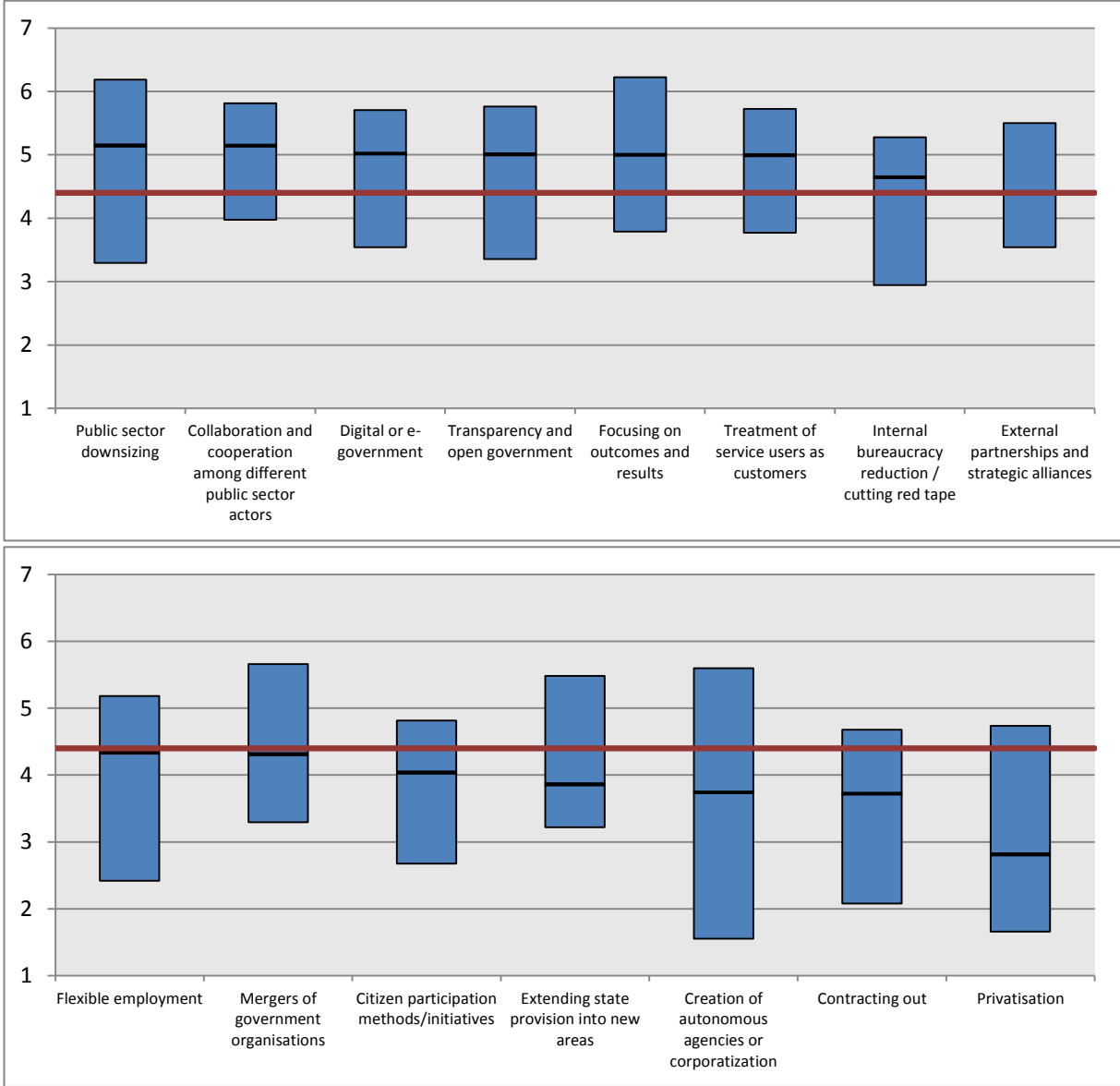
### 4.1 Relevance and direction of public administration reforms

According to some observers, the health sector in Europe has been subject to a wide range of more or less intrusive managerial reforms during the past twenty years (Byrkjeflot 2010; Stambolovic 2003). Many of these reforms embraced NPM-style practices, such as performance management, agencification and competition, giving rise to the argument that there has been convergence towards a centrally controlled 'healthcare state' across Europe (Byrkjeflot 2010). Despite these apparent pressures towards convergence, national differences in approaches to healthcare provision remain (Kittel, Tepe, Gottschall 2008; Schmid et al. 2010), and professional resistance to management reform has led some observers to claim that assertions of large-scale change are overstated (see Ackroyd, Kirkpatrick, Walker 2007). In exploring the perceptions of executives working in the health sector, we are able to contribute to these debates by providing evidence on the extent and impact of reforms at the policy field and organizational levels.

#### (a) Policy field level

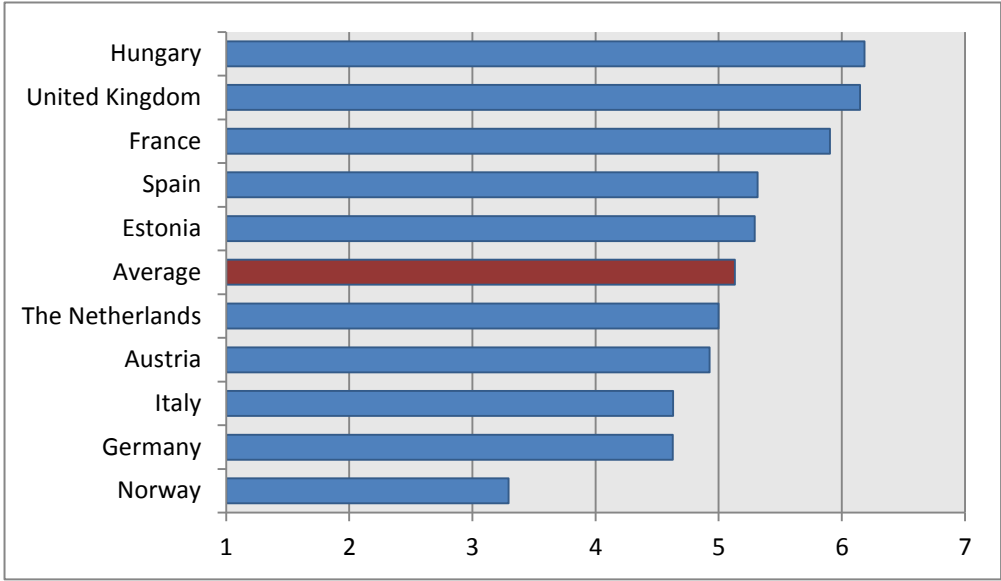
According to our sample of health executives, downsizing is the most important reform trend in the healthcare sector (with a mean of 5.13). Other important trends are collaboration and cooperation among different public sector actors (5.13), digital or e-government (5.01) and transparency and open government (4.99). Structural NPM-style reforms, such as privatization (2.80), contracting out (3.71) and agencification (3.73), are regarded as somewhat unimportant by the health executives, with the mean scores all falling below the median point. However, managerial aspects of NPM, like focusing on outcomes and results (4.99) and the treatment of service users as customers, are regarded as important trends within the health policy field (see Figure 53). The relative importance of specific reforms within the health sector diverges a little from central government and the employment sector. Nonetheless, overall, the types of reforms that are regarded by the executives in each setting as more and less important are remarkably similar, which points, in overall, towards a broad commonality of purpose in public management reform efforts across government in European countries. All the same, there are important cross-country differences in the importance attached to different reform trends.

Figure 53: Importance of reform trends (Q: How important are the following reform trends in your policy area?; 1=Not at all, 7=To a large extent), graph depicts overall average plus highest/lowest average, red line indicates overall average for all reform trends



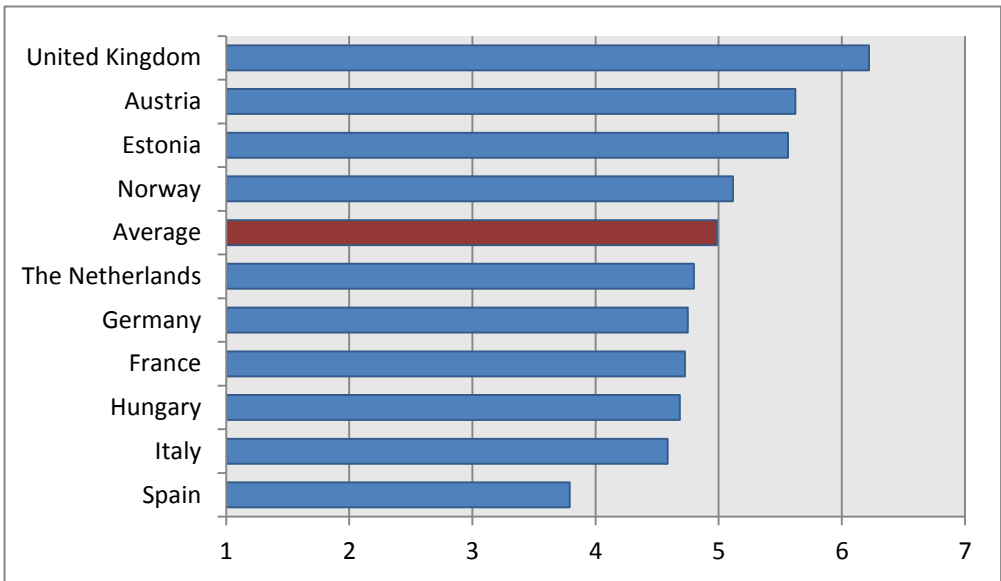
**Public sector downsizing** is the most important reform trend identified by health executives within our survey (cf. Figure 53 above). The average score is 5.13 (compared to 4.95 in the employment sector and 4.97 in central government), which implies that governments across Europe may, on average, be targeting the healthcare sector when making spending cuts. Even so, we observe great variation across the different countries concerning this trend. It is extremely important in Hungary (6.18), the UK (6.15) and France (5.90), but is of rather low importance in Norway (with a mean of only 3.29), and is also below average importance in Germany and Italy (4.63 both) (see Figure 54). The variation in these findings may reflect structural differences in the way in which healthcare is organized in the different countries, with downsizing more important in countries in which management of the health sector is more centralized.

Figure 54: Public sector downsizing (Q: How important is public sector downsizing in your policy area?; 1=Not at all, 7=To a large extent)



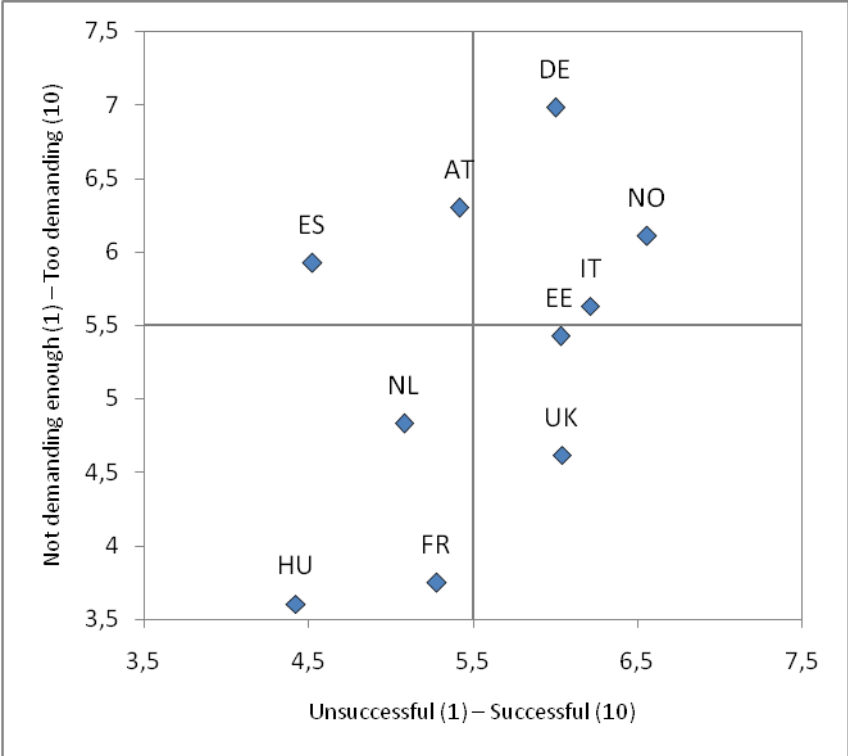
**Focusing on outcomes and results** is another especially important reform trend in the health sector of the countries under study. The average score is 4.99 (compared to 5.22 in the employment sector and 4.81 in the central government sample), which implies that the health sector has been subject to less high level target-setting than some parts of government, but that is a policy field which has experienced significant change in performance measurement. Nevertheless, the importance of a focus on outcomes and results varies between the countries within our survey sample. A focus on results is particularly important in the UK (6.22), as one might expect, but also in Austria (5.62) and Estonia (5.56). Outcomes and results are of relatively low importance in Spain (3.79), and are rated as of moderate importance in all the other countries (see Figure 55).

Figure 55: Focusing on outcomes and results (Q: How important is focusing on outcomes and results in your policy area?; 1=Not at all, 7=To a large extent)



One set of questions in the survey asked for the senior executives' assessment of the **dynamics of public sector reform**; here, the respondents had to choose between two contrasting characteristics of reforms. By plotting the country-level responses for one of these questions against those for another, it is possible to develop a two-dimensional representation of the executive's perceptions of the dynamics of public sector reform. Figure 56 plots executives' assessment of public sector reforms as successful/unsuccessful against their assessment of the reforms as too demanding/not demanding enough. Four groups of countries can be distinguished in figure 56. In one group of countries, consisting of Italy, Norway and Germany, reforms in the health sector are regarded as successful, but too demanding (especially in Germany). In a second group, consisting of the UK, and to a lesser extent Estonia, health executives also view reforms as successful, but find them to be not demanding enough. In direct contrast, executives in Spain and Austria tend to think that the reforms have been both too demanding and rather unsuccessful. Finally, in a fourth group of countries consisting of the Netherlands, Hungary and France, executives consider reforms to have been not demanding enough and rather unsuccessful. This pattern differs a lot from the assessment of the central government officials (see Figure 13 in chapter 2) with almost no country being in the same group of countries as for the central government sample. It also diverges from the pattern observed in the employment sector, with more countries found in the upper-right quadrant of the figure and fewer in the lower left quadrant. This highlights that reform trends in the health sector are regarded by senior executives as being distinctive and unique. It is also interesting to see that reforms assessed as more demanding are also assessed as more successful.

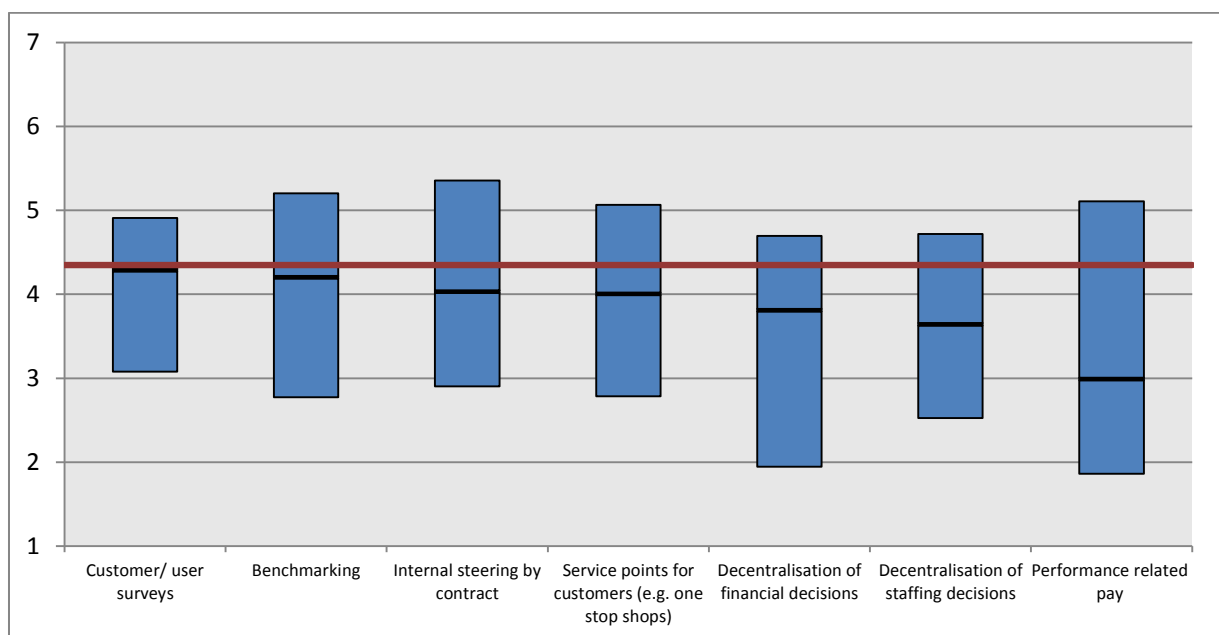
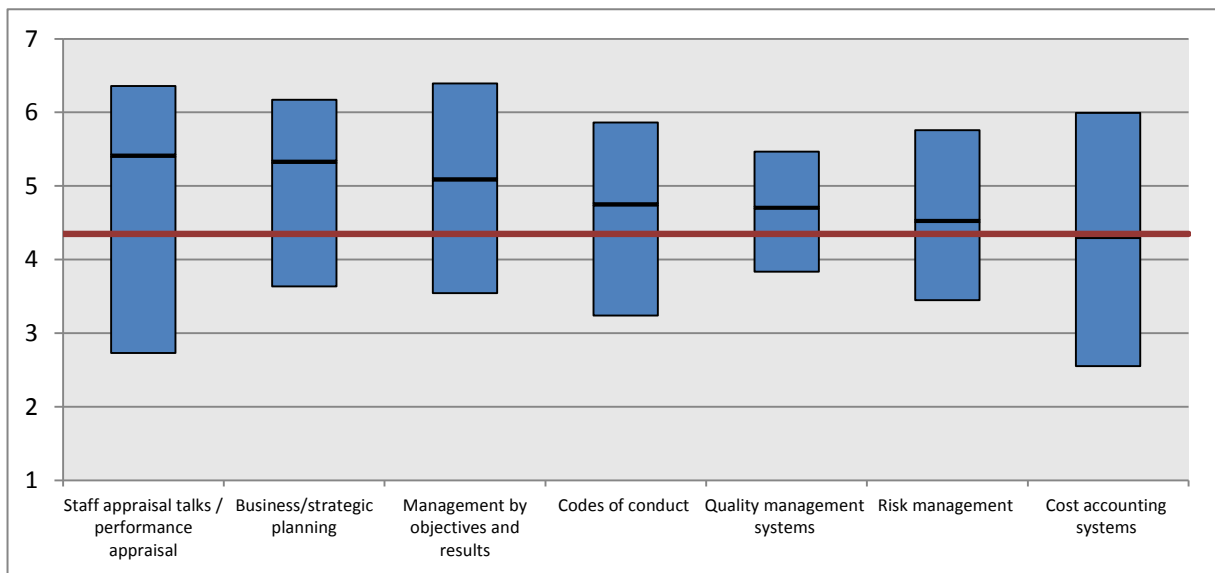
Figure 56: Dynamics of public sector reform: enough/too much vs. successful/unsuccessful



**(b) Organizational level**

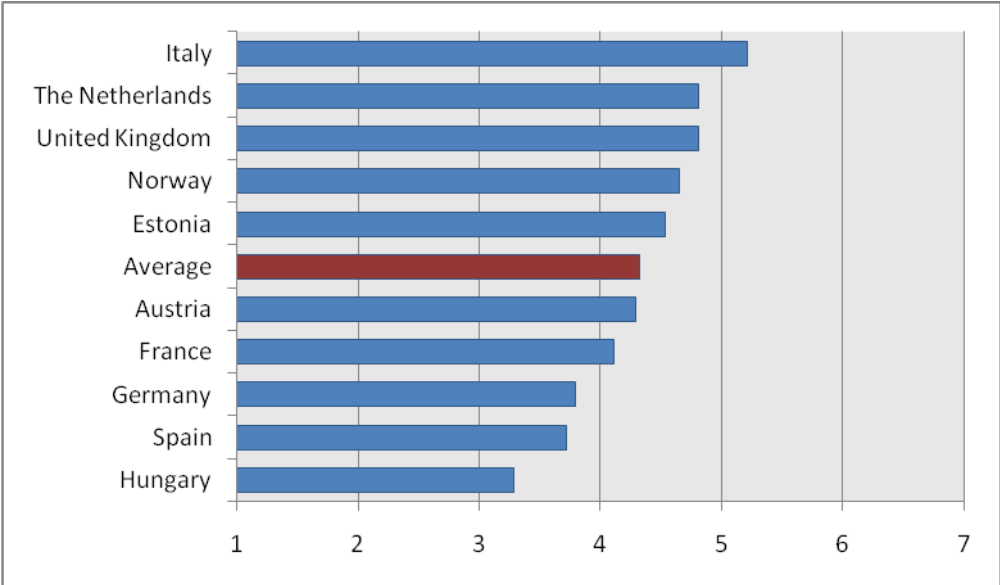
In this part of the report on reform in the health sector, we focus on the relative importance of a range of different management instruments within respondents' own organizations. Health executives indicate that a wide range of management instruments are used extensively within their organization (see Figure 57). This is especially the case for staff appraisal talks (5.40), business/strategic planning (5.32) and management by objectives and results (5.08). However, the decentralization of staffing (3.63) and financial (3.80) decisions and especially performance related pay (2.98) are instruments that are not used frequently. These results are very similar to those for the central government sample, though management instruments appear to be slightly more important in the health sector.

**Figure 57: Importance of different management instruments (Q: To what extent are the following instruments used in your organization?; 1=Not at all, 7=To a large extent), graph depicts overall average plus highest/lowest average, red line indicates overall average for all items**



Management instruments are, on average, slightly more important within the organizations of our health sector executives than in other government organizations, but their importance still varies across the countries in the study. Figure 58 depicts the country averages for a number of management instruments. **Management instruments** are particularly important in the health sectors in Italy (5.20), the Netherlands (4.81) and the UK (4.80), but are of much lower relevance in Hungary (3.29), Spain (3.71) and Germany (3.79). The use of management instruments in the health sector is therefore similar to the central government sample as a whole, though health executives seem to regard them as being a little more important. Overall, management instruments are more important in the Netherlands, the UK, Estonia and – somewhat surprisingly when compared with the central government sample – also in Italy. They are less important in Spain, Hungary and Germany. These country-level findings on management practices within organizations in the health sector largely mirror those for the findings on management reforms across the health policy field, and are suggestive of the possibility that high-level reforms are closely connected with changes in the management of organizations within the health sector.

Figure 58: Importance of different management instruments per country (Q: To what extent are the following instruments used in your organization?; 1=Not at all, 7=To a large extent), graph depicts country averages for all 14 items in each country



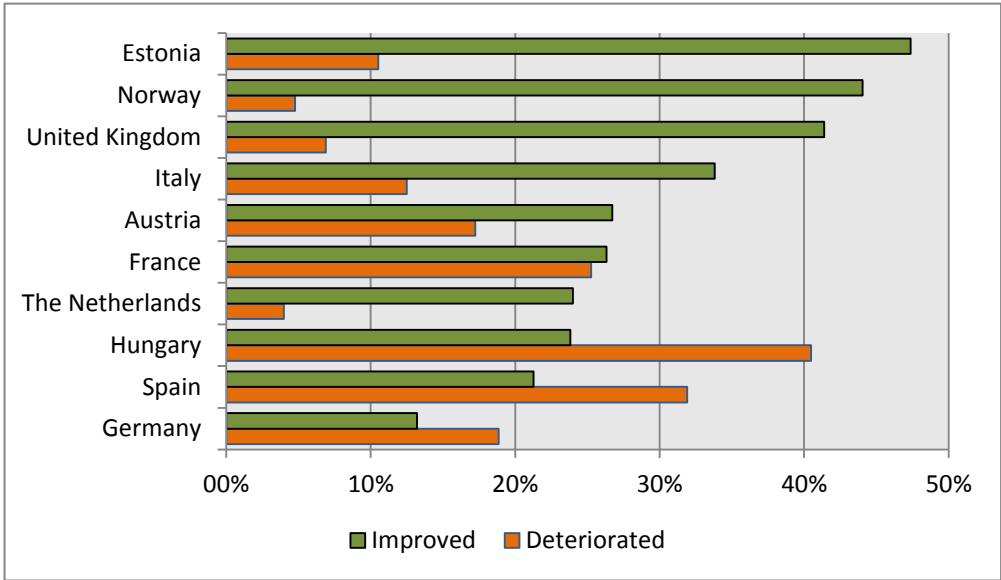
### 4.2 Impact of Public Administration Reform

One of the main objectives of the COCOPS project is to obtain systematic information on how public sector executives assess the impact of administrative and especially managerial reforms on public administration in their countries. We now explore health executives’ responses to a series of questions we asked them regarding the performance of the sector in the five years prior to the survey.

We begin by comparing health executives’ overall assessment of public administration in their countries (see figure 59). Our findings indicate that senior executives in the health sector in Estonia have the most positive assessment of how the quality of public administration has changed in recent

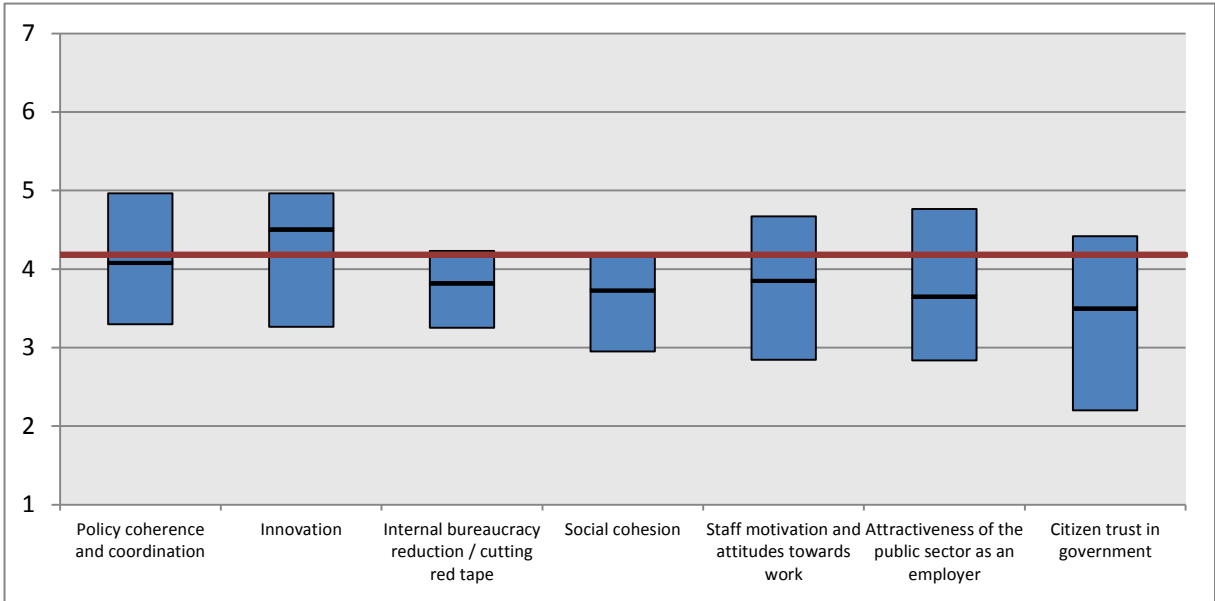
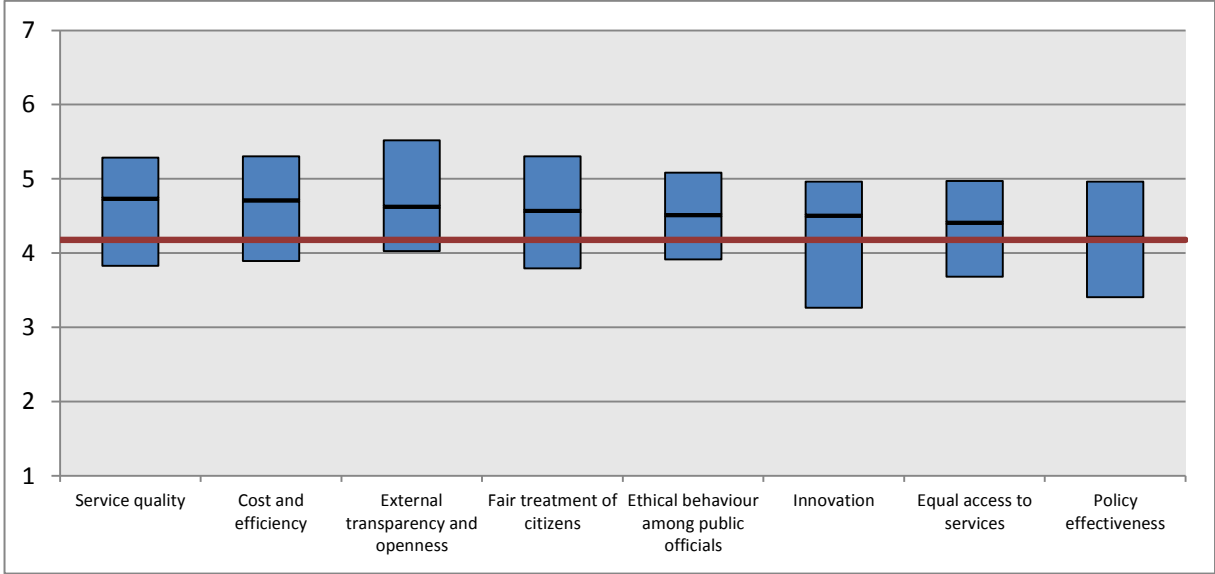
years. Almost half of them state that the way public administration runs in their country has improved over the last five years (47.4% marked 8-10 on a 10 digit scale). High satisfaction with the way public administration is run in their country is also observed in Norway and the UK, where more than 40% indicate that public administration has improved. Senior executives in Hungary and Spain offer the most critical assessment; here, 40.5% (Hungary) and 31.9% (Spain) state that the way public administration runs in their country has deteriorated over the last five years (that is, they have marked 1-3 on a 10 digit scale). Less positive evaluations are also observable in France and Germany where 25.4% respectively 18.9% of respondents perceive deterioration. Compared to their colleagues in central government, the senior health executives in Hungary have a gloomier view of the administration of the country. By contrast, health executives in the UK have a more upbeat view than their counterparts in other parts of central government (cf. Figure 29 in section 2).

Figure 59: Overall PA assessment (Q: Compared with five years ago, how would you say things have developed when it comes to the way public administration runs in your country?)



Outcomes of public administration are complex and difficult to assess in a generalizing way. We have thus provided the respondents with a more nuanced question addressing a spectrum of **different performance dimensions** as found in public management literature (see Figure 60). In general, we observe rather similar assessments for most dimensions. Public administration within the health sector is perceived to have improved moderately with respect to managerial aspects like service quality (4.72), cost and efficiency (4.70) and innovation (4.49), but also with respect to external transparency and openness (4.61), ethical behavior among public officials (4.50) and fair treatment of citizens (4.55). Slight deteriorations are perceived as concerns social cohesion (3.71), staff motivation (3.84), attractiveness of the public sector as an employer (3.63) and citizen trust in government (3.48). These results are very similar to those for the central government sample.

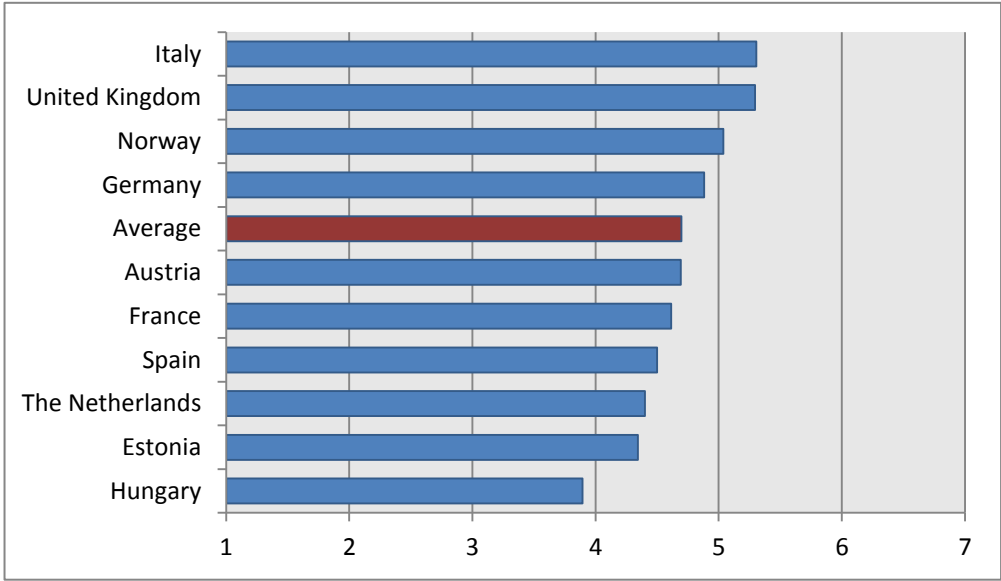
Figure 60: Different performance dimensions (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the following dimensions?; 1=Deteriorated significantly, 7=Improved significantly), red line indicates overall average for all 14 performance dimensions



Although health executives in the different countries offer a comparatively similar assessment of performance across most of the dimensions, a degree of variation between countries can be observed for certain key performance dimensions. For **cost and efficiency**, senior executives in Italy perceive clear improvements (with a mean of 5.31); the same applies to the UK (5.30) and Norway (5.04). Senior executives in Hungary in contrast perceive slight deteriorations as concerns cost and efficiency (3.89), but the health executives in most other countries perceive there to have been a slight improvement in cost and efficiency within the health sector (see Figure 61).

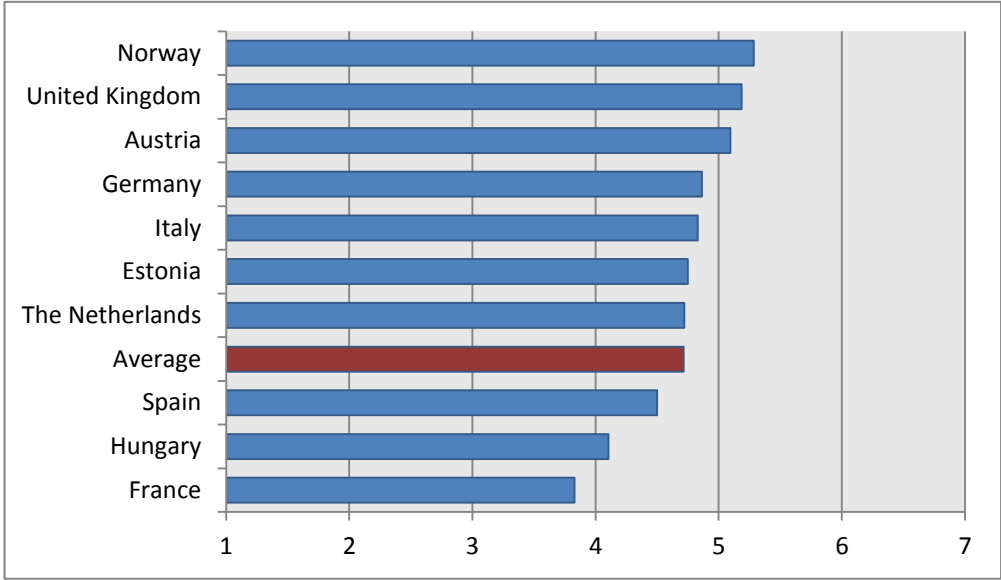


Figure 61: Cost and efficiency (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension cost and efficiency?; 1=Deteriorated significantly, 7=Improved significantly)



Concerning **service quality**, senior health executives in Norway (5.29), the UK (5.19) and Austria (5.10) perceive there to have been clear improvements, whereas senior executives in France (3.83) and Hungary (4.11) have a comparatively less positive perception (albeit to only a moderate degree) (see Figure 62).

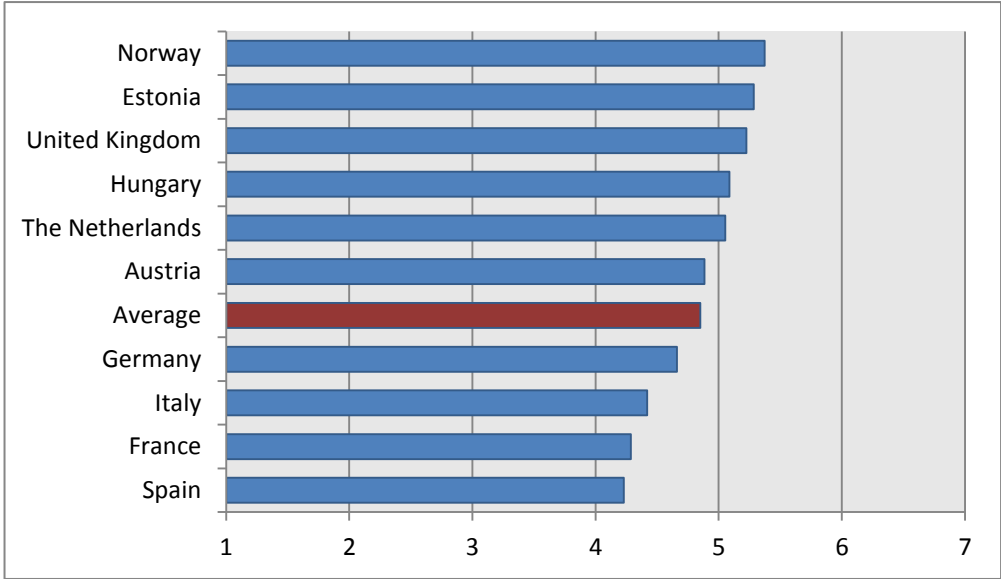
Figure 62: Service quality (Q: Thinking about your policy area over the last five years how would you rate the way public administration has performed on the dimension service quality?; 1=Deteriorated significantly, 7=Improved significantly)



In addition to the impact of reforms on the efficiency and quality of public services in Europe, central to the COCOPS project is the question of whether NPM reforms influence **social capital and trust** within public sector organizations (Van de Walle and Hammerschmid 2011). In the survey, senior executives indicated whether people in their organization have confidence in one another, are trustworthy, engage in open and honest communication with one another and six other related

questions. By aggregating the means for these nine items per country (see Figure 63), we find that social capital and trust within health sector organizations is fairly strong in all countries. It is strongest in Norway (5.37), Estonia (5.29) and the UK (5.23), though only a little weaker in Spain (4.23), France (4.29) and Italy (4.42). The average is 4.85. The results are therefore very similar to those in the central government sample (where the average is 4.82) and employment (where the average is 4.88). All of which suggests that levels of social capital and trust within government is fairly constant across countries and policy fields.

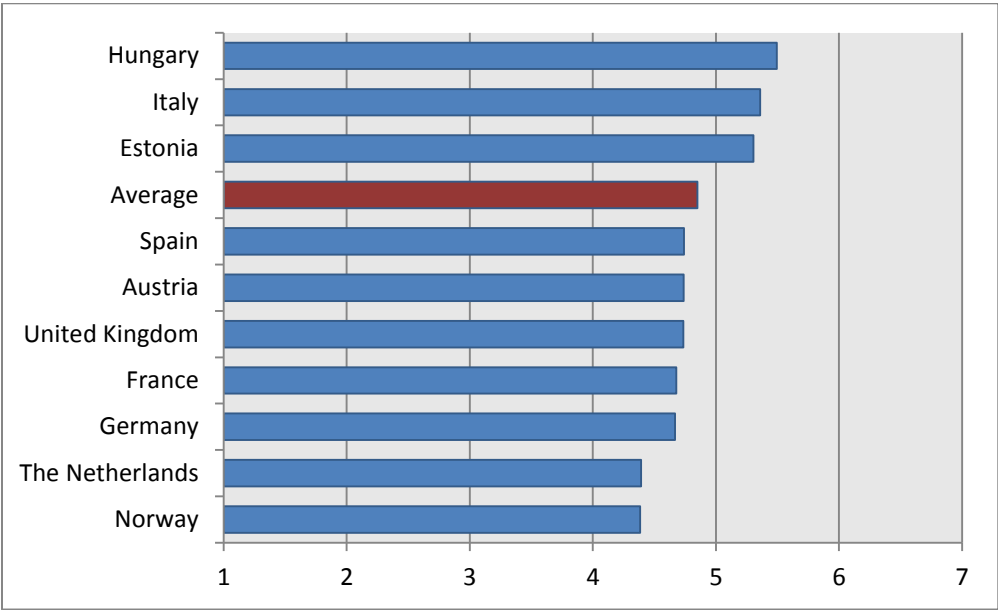
Figure 63: Social capital and trust (aggregate mean of 9 items per country; 1=low social capital and trust, 7=high social capital and trust)



Related to the issue of social capital within public sector organizations is the extent of executives’ **organizational commitment** (see Figure 64), a concept commonly used in psychology and management research and an important proxy variable for organizational performance (e.g. Moon 2000). Following the broadly used operationalization by Allen, Meyer 1990 we asked the senior executives whether they feel the organization’s problems are their own and whether they would be happy to spend the rest of their career with their current organization (affective commitment), whether it would be very hard for them to leave their organization right now (continuance commitment), whether they were taught to believe in the value of remaining loyal to one organization and whether things were better in the days when people stayed with one organization for most of their career (normative commitment). By aggregating the values for these items per country<sup>10</sup>, we find that organizational commitment is generally rather high amongst health executives. The average is 4.85, compared to 4.69 in central government and 4.81 in the employment sector. Organizational commitment thus seems to be relatively stable across all samples. In terms of cross-country findings, commitment is highest amongst health executives in Hungary (5.49), Italy (5.36) and Estonia (5.31) and slightly lower in Norway (4.39) and the Netherlands (4.39).

<sup>10</sup> Item 5 („Things were better in the days when people stayed with one organization for most of their career“) has been reversed for the calculation of the aggregate mean.

Figure 64: Organizational commitment (aggregate mean of 5 items per country, 1=low organizational commitment, 7=high organizational commitment)



Senior executives in the health sector thus in overall have a very similar assessment of the public administration reforms with their colleagues in central government.

## 5. Conclusion and Outlook

This report summarizes the main results of the COCOPS Executive Survey on Public Sector Reform in Europe, conducted in ten European countries, and funded under the European Union's 7th Framework Programme. The survey explores the executives' perceptions, experiences and opinions with regard to their work context and public administrative reforms and the impact of these factors on public sector performance more generally; particular attention is given to the employment and health policy sectors. It is based on a full census of all central government ministries and agencies in the ten European countries (Austria, Estonia, France, Germany, Hungary, Italy, the Netherlands, Norway, Spain and the UK) building up on a uniform questionnaire a binding set of rules with regards to sampling and data collection. The survey was sent in 2012 to about 20.000 senior executives, in their position of key knowledge carriers in public administration which also play an essential role in policy making. The existing reports builds up on 4814 valid answers, amounting to an overall response rate of 23.7% and summarizes the aggregated results of the joint dataset with the aim to provide an overview of senior executives' assessments of public administration developments and especially explore country variations. The results are presented separately for the three major areas covered by the survey: central government, employment and health.

Despite potential limitations and biases of such executive surveys, which have to be taken into consideration when interpreting the data, the survey presents the largest systematic empirical evidence regarding the dynamics of public administration reforms in Europe and, through its cross-country dataset, brings a unique comparative perspective on public administration reform in Europe. It represents a full census of the target population defined and covers a substantial part of the targeted population. Given that the distribution of respondents with regard to policy field, hierarchical level and organization type closely matches the distribution in the full target population, the dataset can be regarded as a good proxy and by far the most representative dataset for European public administrations collected up until now.

The main results of this comparative ten-country study on the relevance and impact of administrative reform in European administrations can be summarized as follows.

1. The **work context** of senior executives in the ten countries varies considerably with regard to the levels of autonomy and politicization perceived by the executives. Whereas executives in countries like the Netherlands, the UK and Norway perceive a rather high degree of autonomy and low politicization (both conducive to management reforms and practices), executives in countries like Spain, Italy, Hungary and Austria perceive considerably lower degrees of autonomy and higher degrees of politicization. Goal ambiguity is perceived as rather moderate in all countries with much smaller cross-country variations. Overall the findings on the executives' work context indicate a varying and somehow limited openness to performance management concepts and to ideas which assume high management autonomy, low politicization and low goal ambiguity.
2. With regard to the **relevance of various public administration reform trends** we observe that 'structural' NPM reforms such as privatization, contracting out or agencification have lost their appeal and are of only minor relevance. The most important trends in European public

administrations are currently reforms such as digital or e-government, collaboration and cooperation among different public sector actors, as well as transparency and open government – which are clearly in line more with a governance or network-based reform paradigm. It is also noticeable that the fiscal crisis lingers in the background, given the great importance attributed to public sector downsizing, a stronger focus on outcomes and results, and the reduction of internal bureaucracy. It is remarkable that there is considerable variation across countries with regard to central trends such as downsizing, flexibilisation of employment, and focusing on outcomes, with these being more important in Estonia, the UK and the Netherlands and less relevant in Spain, France and Hungary. Overall we find considerable variation between the countries, which amounts to rather different reform directions or paths in the various European countries and to a somewhat lower relevance of most reform trends in France, Hungary, Italy and Spain.

3. Regarding the **dynamics of public administration reforms** we can find interesting similarities and differences. Based on the criteria successful/unsuccessful and too demanding/not demanding enough we can distinguish different groups of countries. Whereas central government executives in France, Netherlands, Estonia, Hungary and UK regard the existing reforms as too demanding, executives in Austria, Germany and Norway tend to assess them as not demanding enough. Reforms are assessed as rather successful in Norway, Estonia, Germany and the Netherlands whereas reforms in Spain, France and Italy tend to be assessed as somewhat unsuccessful. Reforms in European administrations also tend to be strongly dominated by an emphasis on cost-cutting (vs. service improvements), implemented top-down and with little public involvement, driven by politicians and contested by the unions. If anything, aiming at service improvements (and not only at cost-cutting) and at higher public involvement appears to positively influence the perception of reforms.
4. Concerning the **relevance of managerial ideas and concepts** at organizational level we find clear differences in the level of importance given to different instruments, and differences in this regard across countries. The only widely used instruments at the organizational level are staff appraisal talks/performance appraisal, business/strategic planning and management by objectives and results. On the other hand, instruments and reforms like performance related pay, and the decentralisation of staffing or financial decisions are clearly used to a much lesser degree. With regard to cross-country variations we see that in countries such as the Netherlands, the UK, Norway and Estonia, public executives make quite active use of many management instruments whereas their use is particularly limited in Spain and in Hungary and to a certain degree also in Austria, France and Germany. A performance management logic based on clear targets, measurement and use of performance information seems to be only moderately institutionalized in most European public administrations, albeit with clear differences across countries. Countries such as the UK, Estonia, Norway and the Netherlands appear to be more active reformers, while we often find Spain, France, Austria and Hungary at the bottom of the list.
5. Regarding **the impact of public administration reform**, we can differentiate three groups of countries: countries with a predominantly positive appraisal (especially Norway but also Netherlands, Estonia, Hungary and to a lesser extent, Germany); countries with strong negative assessment (Spain) and countries with controversial assessments (UK, France and, to a lesser extent, Italy and Austria). With regard to the changes of various performance dimensions in the executives' policy field we find rather similar appraisals for most dimensions and overall, a picture

of rather high stability. Public administration is perceived to have improved moderately with respect to managerial aspects such as cost and efficiency, service quality and innovation, but also with respect to external transparency and openness, fair treatment of citizens and ethical behavior among public officials. Slight deteriorations are perceived as concerns staff motivation, attractiveness of the public sector as an employer, social cohesion and especially citizen trust in government. We have to investigate whether deteriorations are negative effects of reforms or dimensions that were insufficiently targeted by reforms.

6. Central to the overall COCOPS project is also the question whether **NPM reforms have a negative impact on social capital and trust** within public sector organizations. We find rather high levels of social capital and trust, of job satisfaction and of organizational commitment in all countries, and somewhat higher levels of social capital and trust in countries with a more pronounced performance management. This suggests that senior public sector executives across Europe share a distinctive set of attitudes towards their work and that there seems to be no clear negative effects of management reforms. However the executive's organizational commitment seems to be somewhat lower in countries with stronger NPM implementation indicating some negative impact in this direction.
7. On the basis of the responses from our survey respondents, we can distinguish four groups of countries: one group consists of countries where NPM-style reforms are comparatively intensive and repeated, and where the state of public administration is assessed as positive; this is the case for Estonia, the Netherlands, and Norway. The only country with many NPM elements but a rather negative assessment of public administration is the UK, which is currently undergoing severe downsizing and cost-cutting. The third group is composed of countries with less intensive NPM reforms and still a positive assessment; this is especially the case for Hungary and to a lesser extent for Germany. Finally, public administration in Spain and France (and to a lesser extent Austria) has seen less intensive NPM reforms and the senior executives in these countries have a comparatively negative assessment of public administration in their country.
8. The employment sector in Europe has been subject to a wide range of reforms embracing various NPM-style practices and concepts. Our analyses for the sample of employment sector executives confirms that management reforms as well as management instruments at organizational level are slightly more important than in central government as a whole. Overall, they are most important in the Netherlands, the UK, Estonia and especially in Germany. Interestingly employment executives in the UK, the Netherlands, Hungary and Spain are rather dissatisfied, assessing the reforms as both rather unsuccessful and as not demanding enough. The assessment of the reform impact also in overall is rather similar if we compare the senior executives in the employment sector with those in central government or health sector. There are two exceptions, though: employment executives in Germany and Austria assessment the reforms significantly more positive than their colleagues in central government or the health sector.
9. Health is another sector which has been subject to a wide range of more or less intrusive managerial reforms during the past twenty years in Europe. The relative importance of specific reforms within the health sector diverges a little from central government and the employment sector and we see especially a slightly higher relevance of downsizing; this implies that

governments across Europe may be, on average, targeting the healthcare sector when making spending cuts. We also find evidence that management reforms are slightly more relevant than in central government. Overall, they are most important in the Netherlands, the UK and – somewhat surprisingly when compared to the central government sample – also in Italy. It is also interesting to see that reforms assessed as more demanding are also assessed as more successful (similar to the employment sector), especially in Germany, Norway, Italy and Austria; Interestingly in UK, France and Hungary health sector reforms are regarded as not demanding enough. Senior health executives share a similar assessment of the public administration reforms like their colleagues in central government. However, senior executives in the UK have a more positive view of reforms than their colleagues in other parts of government, whereas those in Hungary have a more negative view.

Nonetheless, overall, the types of reforms that are regarded by the executives in each setting (central government, employment and health) as more and less important are remarkably similar, which points towards a broad commonality of purpose in public management reform efforts across government in European countries. All the same, there are significant cross-country differences in the importance attached to different reform trends.

It also has to be emphasized that this report and its conclusions are rather preliminary and mostly based on first analyses of the descriptive data. There is a clear need for more nuanced analyses based on more sophisticated statistical approaches as planned for a wide range of academic papers to be developed and published based on the COCOPS data over the next years. In addition the dataset will be expanded by a number of further European countries having conducted or planning to conduct the COCOPS survey in their countries. Furthermore, country-specific results can be found in the respective national reports and a joint book analyzing the comparative findings in more depth is planned for 2014.

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