

## Organisational Culture in the Public Service

### The concept of culture

What is culture?

Culture means historically transmitted beliefs, behaviour, symbols and values. Culture can be based on national, ethnic, racial or religious belonging. Culture can also be based on working in a specific type of organisation where a culture has developed over years. Professional or occupational groups tend to develop a special culture regardless of country. Doctors, policemen, customs officers and teachers they all develop a culture based on a similar type of work.

An organisational culture of the public service is strongly linked to historical traditions of governance in a national context. Public service is a wider concept than civil service and in this overview on organisational culture attention will be on management and administration of the civil service in general.

### Principles of democracy – politics and public administration

Principles of democracy should determine the culture of the public service. The public administration should serve democracy. Democracy is not institution but a way of living and it entails respect for the value of people and freedom and dignity for the single individual. This leads to a strong belief in the individual and that he/she will participate and take responsibility. Every citizen is unique and entitled to his/her own perception of reality. No one should be seen as an instrument for others.

The citizens assign tasks to government. The public administration exists in order to serve the citizens and it is with a citizen's perspective that it should be further developed. The public administration promotes democracy by being open to the public and giving the public access to information. It is essential in today's complex and institutionalised society that citizens have public control and that our value system includes the view that all people are equal and capable.

Democracy is built on participation but we also need to accept that there is room for reflection and certain inertia in the political system. Politicians need to have an insight in what their mission is and be focussed on their tasks. An important aspect of the value system is how we see people. There is a difference in seeing people as taxpayers or citizens. Subservient people create authoritarian systems.

The mission of the public administration is to serve democracy, be efficient and guarantee the rule of law. The public administration is characterised by service-mindedness, with a stress on enhancing quality of public services, and competence, with a focus on ethics and the specifics of being a government employee.

In summary, it should be stated that the trend today to see people as consumers of services and not participating citizens involves risks for the future. Citizens are not objects, they are subjects and each one has a right to his/her subjective truth. The long tradition of supremacy of public servants must be traversed. We must regain the true meaning of the word public service, which means serving the public. Openness and transparency are the key methods in strengthening participation and active involvement by all citizens in common affairs. The crisis of democracy today is linked to the fact that some people have become passive and developed a sense that public matters are to be handled by public servants solely.

In governance politicians and public servants should be clear about their different roles. The role of a politician is to add the political dimension, which is providing visions for the future and aligning people for a cause. Political decisions should be based on values. The duty of a politician is to form opinions not only measuring opinions. The technical decisions should be left with the public servants. The public administration should be governed by rules, the main reason being that a rule governed state is a predictable state.

## **Role of the public service and development trends**

The public service comprises both the civil service in the form of staff in Government Offices and staff employed by local governments like social workers and nurses.

In general, it can be stated that the role of the civil service in most countries has been on exercising authority on behalf of Government. In modern days the role has shifted to managing resources efficiently and delivery of services in an effective way.

The development trend in civil services all over the world has been market orientation and service delivery. Decentralisation and delegation is also a common feature. Deficits in Government finances have also lead to downsizing of the civil service.

## **Public administration reform – managing the public service**

Public administration reform is a universal trend. Almost all countries have introduced various reform measures during the last 20 years. Sometimes these reforms have been the result of political changes or severe economic problems in a country. Sometimes they have been introduced voluntarily and sometimes imposed on a country by international financial institutions.

The management and leadership of any organisation, institution or company is the key critical factor for the success or shortcoming of that organisation. The role of management is

to manage effectively - this means that management is responsible that goods and services are delivered according to the aims and objectives of the organisation. From a general point of view there are similar demands on management, regardless if they act in the private or the public sector.

There are, however certain specific demands and characteristics of management in the public service. Key words in strategy documents on public administration reform are:  
- good governance and transparency of public administration.

Good governance should aim at a state strong enough to provide the services it should offer, simultaneously supporting the private sector by enforcing codes and regulations, whilst avoiding the principal dangers of corruption, arbitrariness and ineffectiveness. The public service is to serve the people by providing a customer-focussed service and a customer friendly environment, which is sensitive, and responsive to the needs of those it serves. Transparency and openness is an important prerequisite if this is going to be achieved.

The public administration is also the tool for change and development according to policies and strategies outlined by the political bodies. The role of management in the public service is to uphold effectiveness and efficiency in public institutions as well as to build and maintain checks and balances in the use of power.

The main principle of management in the public service today is that activities are best organised where they are to be executed. Management is expected to assume wider responsibilities on all levels. Governing more by regulating less has become a philosophy in the public service. Decentralisation, devolution of power and delegation has become major features in the public service today.

A manager in the public service is, however not very different from a manager in a private company. The trend of moving from effective use of resources to effective service delivery is similar for both the public and the private sector. A focus on outputs instead of inputs has had a fundamental impact on the public service. This has also led to an increasing mobility between the public and other sectors, as well as between the different levels of the public sector.

The key roles of a manager in the public service are to manage operations, manage finances, manage people and manage information.

To manage people has always been the essence of management. The most recent development is that managing information and communication tends to play an increasingly important role in all organisations. The fact that organisations and institutions very seldom nowadays operate in a stable environment has led to an awareness of concepts like management of change. Managers need not only understand changes and reasons for changes but also be able to lead the changes.

Performance management is another concept used in management development in the public service. A key element in this concept is to concretise performance indicators for the services delivered. These performance indicators are an effective instrument for exercising central control over services while pursuing a policy of decentralisation.

In summary, it should be emphasised that democracy is the very foundation of public service management. Indeed in many respects the job of the management reduced to its basics is to make democracy work. Core values in public service management is respecting individual freedom and ensuring equality of opportunity. These values form the basis of an ethical code for the public sector.

## **The case study of the civil service of Sweden**

Sweden has for centuries enjoyed a high reputation for a well-functioning public service. The reason for this can be found both in our history and in our more recent political, economic and social development.

Sweden has a long tradition since the middle ages of autonomous local governments. Delegation and decentralisation has also been a characteristic feature of the Swedish civil service since the 17<sup>th</sup> century. Delegation within Government agencies has been the main tradition and independent executive agencies have existed for more than 400 years.

There is also a long tradition in the Swedish civil service of objectivity and impartiality in decision making. Openness and transparency was introduced in the 18<sup>th</sup> century and consensus became a characteristic for politicians when the party system was developed.

In modern times, during the 70ties, the tendency in Sweden was to strengthen the political control of the large public sector, which had developed according to the needs of the welfare society. Another tendency in the 70ties was the introduction of laws and collective agreements on co-determination by the trade unions in most matters of importance to the workforce both in the private and the public sector.

The background to public administration reform was growing public finance deficits at the end of the 70ties. At the same time a growing awareness had developed that the public sector needed to be more competitive and international trends reinforced the fact that the public expected a more efficient public service. Principles of service delivery and market-orientation were brought in from the private sector.

Structural changes occurred gradually. Government started to devolve power from central to local level. Responsibilities were delegated from central to local authorities. A flexible national legislation was introduced. This new legislation emphasised goal orientation. The system of government grants also became more flexible.

Government also revised the role of the public sector and decided to concentrate government activities to what was seen as core government areas. If there were commercial

interests in a certain area of activity government decided to leave that area. A number of government agencies were privatised in the late 80ties or early 90ties. Regarding public utilities like power supply and telecommunication Sweden has followed an international trend of allowing market forces to play a major role. There are still a number of state-owned companies in Sweden but they are, as private companies, guided by private law. Recently government has decided to sell all or parts of their shares of the state-owned companies.

All ministerial areas have been closely scrutinised during the last ten years. The structure of public administrations has been simplified and staff has been retrenched. More than 50 000 government employees have left their jobs during this period. Contracting out work has been one way of downsizing the public administration. Training and retraining has also been widely supported by government.

To reduce government expenditure ceiling amounts have been introduced in government budgeting for all expenditure areas. The purpose has been to eliminate budget deficits. Principles of management by results have been introduced. Financial powers have been delegated both to local levels of administration and to individual employees. The public administration has thus moved from input orientation to output orientation with an emphasis on service delivery. This has also led to demand for more of evaluation and follow up of government activities. One effect of these changes is that government has become more dependent on systems for control and monitoring in financial management.

In the area of personnel a radical reform in personnel policy was introduced in the 80ties when the salary scales for government employees were abolished. All government staff is now subject to market conditions with individual salaries depending on competence and qualifications as well as the availability of certain competence on the labour market.

It should also be highlighted that problems have been encountered in the process of public administration reform. The possible goal conflicts in the process have been openly debated. Both democratic values and economic values need to be protected. There was a tendency in Sweden during the 80ties to emphasise democratic values like, deepening the political democracy, influence by staff in decision making, ethical behaviour by staff and rule of law. The Ministry of Public Service handled the reform process during this period.

This situation changed during the 90ties when there was a tendency to emphasise economic values like, rationality, productivity, efficiency and effectiveness. The reform process during this period was transferred to the Ministry of Finance.

The Ministry of Justice today handles the reform process in Sweden. This indicates a new emphasis on ethics and rule of law.

The public administration is carried out by central and local government administrative agencies. Central government administrative operations are carried out in a rather uniform government agency model, although the administrative tasks differ greatly from each other.

A characteristic feature of the Swedish public sector is that the local governments carry out by far the greatest part of the production of public services.

The public sector in Sweden comprises of the central level with 220 000 employees. The local level is split in the municipal level with 730 000 employees and the level of county councils with responsibility primarily for health care and public transport. In the county councils there are 320 000 employees.

Examples of central government responsibilities are public order and safety, justice, national infrastructure, social security and higher education. Examples of municipal responsibilities are schools, child care, care of elderly, roads and water and sewage.

### **Attitudes and values of civil servants in the Swedish Tax Agency**

The framework for value discussions in Sweden is the general principles stated in the Constitution, that is Legality, Objectivity and Public access to information.

Government has also issued directives in order to further enhance the principles of Democracy, Rule of Law and Effectiveness.

The citizens should be in focus and the administration should be open and transparent. The administration should have a capacity for change and development and deliver services of high quality. Competence and high ethical standards are required in order to achieve these goals.

Enjoying trust among the public is a great asset. The administration should be seen as fair, unbiased and just. The working procedures, how you are treated as a citizen is of great importance.

All organizations have an identity, an image and a profile. The challenge is to make them overlap. How we are seen should fit with how we want to be and how we are.

The characteristics of all successful organisations are that they, focus on their clients (the citizens in this case), represent some basic values, concentrate on results and focus on action.

The Swedish Tax Agency has studied the attitudes of the public towards the tax administration. It has been concluded that trust is created by knowledge, experience and openness. There are certain attitudes among staff that create trust e.g. being helpful, empathic, understanding, dedicated, flexible, personal, respectful and correct.

The research also concluded that there are three basic types of attitudes among the civil servants.

The first type of attitude is open, listening and explaining. This creates a feeling of understanding, welcoming and sense of empathy. As a citizen you tend to feel secure and

respected. You dare to discuss and ask questions and you can concentrate on the facts in your case. This attitude leads to optimism. You feel you are understood and you believe in a result. Even a negative decision will be accepted with this attitude among civil servants.

This attitude should be part of the guiding principles for a co-worker in the civil service.

The second type of attitude is formal and rule bound. Regulations are everything for this public servant, who is strict and impersonal and also distant and reserved. As a citizen you get the feeling of being an object or just a case in a file. You tend to feel insecure and nervous.

The third type of attitude is arrogant, accusing and insensitive. This civil servant is fond of exercising authority and being superior. He/she is suspicious and shows contempt for clients. As a citizen you get the feeling of inferiority and being powerless. You tend to obstruct or you simply give up.

In the attitude survey of the Tax Agency the result showed that half of the respondents said they met the formal civil servant and two out of ten say they recognized the arrogant type. Six out of ten however, said they met the helpful type. The goal of the Tax Agency is to develop among its staff a culture of being helpful, empathic, understanding, dedicated, flexible, personal, respectful and correct.

### **The contrasting case study – the civil service of Egypt**

Egyptian civil service has a long legacy of one of the most ancient bureaucracies which continues to have its influence on its working even today. With great contributions in the form of monuments and services to the people during annual floods, it had stood firmly as a symbol of performance and legitimacy of many governments. It passed through a period of transformation during the last century when Western ideas of governance and technology began to come in. Still it took almost half a century for a merit oriented civil service system to be accepted in principle in contrast to an elitist bureaucracy serving the interests of rulers.

One of the most ancient bureaucracies of the world, Egyptian civil service has passed through highly centralized traditions of societies with the characteristics of oriental despotism.

Pharaonic Egypt was the cradle of bureaucratic systems with levels of hierarchies and division of labor. Under the Pharaohs who considered themselves as endowed with divine attributes, Egypt reached the zenith of its achievements during the Old Kingdom. A highly centralized government with the divine Pharaoh at the top assisted by a minister and helped by a 'government council' and an elaborate hierarchy which practiced considerable delegation and specialization, was able to create engineering marvels like the pyramids besides controlling and directing the flow of and flooding of the Nile irrigating the farms and increasing the fertility of the soil

The second most important period of administrative significance was the Arab-Islamic period which began in 639 AD and ended with the Ottomans by the end of the 18th Century. Centralization of authority suppressing any initiative from the lower ranks was the practice. As the ruler was virtually far away, real loyalty and allegiance was to the local hierarchical superiors in the employment of an emerging modern state.

Mohamed Aly who ruled four years after French occupation was also the initiator of a series of administrative reforms. However, like the Pharaohs and later rulers, he too felt the need for centralized authority. This was because immediately before his arrival the country was in a state of confusion with split hierarchies and loyalties. Recruitment for higher education on the basis of competition and merit rather than on ethnic origin or religion was emphasized.

British occupation which began in 1882 gradually found the need to produce clerks for the civil service towards which the education system was reoriented. Higher echelons of government mostly excluded Egyptians who were to be content with the lower level government positions. However, unlike in India, the British were satisfied by having a tight control at the center and left the provinces to the Egyptians who were for centuries used to such arrangement.

Before and after a few years of the 1952 revolution the civil servants used to enjoy great prestige in the society. The revolution raised the expectations of the masses and an expanded civil service was considered the instrument to solve the problems of the people. There were more jobs in the government and the policy of guaranteeing jobs to all university graduates and those of the higher institutes created many avenues for employment in the early 60s. This in turn kept the image of the bureaucracy high. However, this was only a short-lived euphoria as the bureaucracy expanded all over the century causing overstaffing in all departments and local government units. The salaries of the civil servants did not increase proportionate to the cost of living which led to great frustration and demoralization.

The dominant perception of the political system in Egypt has continued to be that of a centralized bureaucracy headed by a strong executive which has been able to guide the parliament with control over the dominant political party. In such a scenario the civil service plays a crucial role in preparing legislations and getting them approved.

The relations between the bureaucracy and the masses determine the public opinion about the civil service. In Egypt, there is a tradition of lack of public trust in the government mainly due to the thousands of years of alien rule over the country. The early part of this century found that the services were few and taxes many with arbitrary, capricious and oppressive government officials serving a monarchy. Partly this was due to the fact that civil servants came from the upper classes of the society.

One cannot deny the fact that the ruler -responsive tradition of Egypt which has helped all previous regimes in history has still an influence on the value system of the civil service.

The civil service particularly has inherent in its tradition obedience and deference to higher authority. Even where indifference may be the nature of public attitude to the state, there is no expressed view of anti-statism. The state has come to the help of the people during the flooding of the Nile or strong power of the state was required to organize people to undertake common tasks.

### **Organisational culture of the civil service in former communist countries**

An organisational culture develops over a long time because it takes time for traditions to be formed. After the First World War and the Russian revolution a new form of political governance emerged. The communist party set up a parallel organisation to the state apparatus. Political directives were given through the party structure. The civil service was expected to perform its duties according to directives from the party and legislation initiated by the party.

This design of the system meant that the civil service developed a culture of following directives but not meddling in politics. This of course meant that the system was both highly politicised but also strictly neutral. As an example it should be noted that the armed forces in communist countries did not interfere with politics.

The sudden collapse of the Soviet system had a number of effects on both the political system and the public administration. The new political parties in the new multi party system were not ideological and they were not grounded in values developed over time. The parties were often election machines for strong individual candidates.

A result of this was that the public administration became politicised in a way not seen before. The new political parties sought alliances with influential civil servants. Political leaders also used their mandates to reward supporters with positions in the civil service.

The new unclear lines of command between politicians and civil servants have led to rampant corruption which to a large extent was unknown in the previous system.

The swift political change to market economy and multipartism also resulted in efforts to copy reform measures in different Western countries. Experiences from USA, Britain and New Zealand were quickly introduced in many post-communist countries without considering the specific conditions under which they were introduced in their original countries. These quick-fix reforms resulted in flaws and disappointment which lead to further dramatic changes and introduction of new experiences.

The political systems in the former communist countries will develop over time and it is evident that today there are differences between countries like Russia, Georgia, Belarus, Ukraine, Mongolia and Moldova. In some of them a new authoritarianism has appeared and in some is the party system slowly maturing. The development of the civil service will depend on the future changes in the political systems in the former communist countries.

## Forming a culture of trust and effectiveness

Many different ways to improve public service effectiveness have developed in recent years, like, deregulation, management by objectives, results analysis, performance appraisal, extended auditing, increased use of contractors and privatisation

Programs for reinventing Government have been initiated in a number of countries. Paroles like cut red tape, put the customer first, empower employees to get results and cut back to basics are frequently used.

Citizens demand improved services and better contact with the public. Quality is particularly important when authorities and public services work in a competitive environment. When confidence in public administration goes down there is an increase in the demand for other options. In an economy with limited resources services must meet the most urgent needs.

The public administration must have a sensitivity which includes being able to listen to those being served. Emphasising quality brings with it considerable benefits - work is concentrated on those being served and to most essential areas. Quality and savings go hand in hand. By getting it right from the start costs can be reduced radically.

Working to improve quality is best done systematically, persistently and on a long-term basis. The way an organisation functions with regard to quality is dependent at least 80 % on management. The manager must personally accept the fundamental concepts and develop them further.

The individual civil servant has an obligation to develop quality in the everyday working situation. Key elements in developing quality are improving problem solving creativity, competence and accepting personal responsibility and cooperation (team work).