This article develops two propositions. First, that the public sector needs new stories that make sense of recent storms of change. Second, that focusing on ‘public value’ helps tell a useful new story.

Much contemporary commentary comes from analysts working within a particular field of thought. However, problems of public policy and management are hard to discipline. Public value is not the property of particular political parties, public service institutions, academic disciplines or professions.

Public value is defined and redefined through social and political interaction. Such interaction involves politicians, officials and communities. Focusing on public value enables one to aggregate issues for scholarly analysis in terms that should also make sense to citizens and communities, political activists and people responsible for delivering public services.

The article argues that: recent agendas for public sector change overlap and that implementation is incomplete; the skills of analysts and activists in the public sector, and in associated sectors delivering public services, need large components of expertise in interpreting ambiguous patterns and the management of complex relationships; and that the cumulative impact of succeeding agendas is to widen the scope of issues in play.

Large components in both reform and agendas have involved bringing the public sector firmly under political control. However, the later emphasis on consultation and participation places political executives under great pressure. The more deliberation is promised the more is demanded. There is increasing pressure for the task of exploring for public value to be shared more widely.

The article develops its key propositions by exploring three main themes: first, the notion of public value and the emphasis in it on search and interaction as a basis for political and managerial leadership; second, the contested impacts of recent agendas of change in the public and other affected sectors which have widened the scope of issues in play but have left key institutional and policy issues unresolved; and, third, a sample of current and emerging issues in which asking questions about public value may help activists, politicians and managers more creatively focus their attention.

Focusing on public value can help communities, service providers and political leaders ask and answer a new and wider range of questions while continuing to learn from recent experience, however complex and contested.

This article develops two propositions. First, that the public sector needs new stories that make sense of recent storms of change. Second, that focusing on ‘public value’ helps tell a useful new story.

Telling a story in terms of public value enables one to sketch patterns from the contested results of several decades of discontinuous change. Such patterns may assist assessment of often-diffuse agendas for future directions. A focus on public value enables one to bring together debates about values, institutions, systems, processes and people. It also enables one to link insights from different analytical perspectives, including public policy, policy analysis,
management, economics, political science and governance.

Much contemporary commentary comes from analysts working within a particular field of thought. However, problems of public policy and management are hard to discipline. They do not respect scholarly boundaries. Public value enables one to aggregate issues for scholarly analysis in terms that should also make sense to citizens and communities, political activists and people responsible for delivering public services.

The article refers mainly to Australian experience. However, thriving exchanges of reform stories between comparable systems make it essential to acknowledge experience in, for example, the UK, New Zealand, USA and Canada. Until the 1980s the practical insularity of jurisdictions meant that interaction between comparable jurisdictions often went no further than polite exchanges about local oddities. However, in the 2000s people from different jurisdictions tend to follow developments in other countries with discriminating interest. Moreover, such interaction extends well beyond English-speaking settler societies and their nations of origin.

The article develops its key propositions by exploring three main themes. First, the article examines the emphasis in notions of public value on search and interaction as a basis for political and managerial leadership. Second, the article sketches the contested impacts of recent agendas of change in the public and other affected sectors. It argues that recent changes have widened the scope of issues in play but have also left key institutional and policy issues unresolved. Third, the article identifies a sample of sensitive current issues. It suggests that, with these matters, asking questions about public value may help activists, politicians and managers more creatively focus their attention.

Introducing ‘public value’

The diffusion of the idea of public value itself well illustrates the trends for debates about public policy and management to transcend national boundaries. In the 1990s Mark Moore (1995) made creating public value the unifying idea in a book of the same name. Through a series of case studies he focused on strategic management in the USA.

In the late 1990s Barry Bozeman (2002) used the idea of ‘public-value failure’ to explore deficiencies in market-driven models of service provision. More recently Kelly and Muers (2002) of the UK Cabinet Office used a title almost identical to that of Moore’s book for a discussion paper about reform of public services in Britain. Even more recently, Gerry Stoker (c2003) has adapted Kelly and Muers’s analysis to suggest that public value provides a path to reconciling democracy and efficiency through dialogue and exchange. In the meantime Moore’s approach has influenced the language of many public managers and large slabs of teaching programs in public policy and management.

A key to the influence of Moore’s work is that the framework he develops can transcend his own terms of reference. Moore writes about US cases that date back to the 1970s. He does not engage in debate about New Public Management or neo-liberal agendas to roll back the state. But he does emphasise search, collaboration and partnership between political leaders and officials. Moreover, he emphasises that accepting public accountability can be the key to improved effectiveness. Accountability is a resource as well as a duty. Embracing accountability enables and legitimises close collaboration by public managers with elected officials and the users of public services. He does this with full acknowledgment of the value in government of a wide range of management systems and tools.

Further, while strategic questions in government may be prompted by business experience, including his central theme of creating value, his argument does not require that the public sector merely imitate the private sector.

For Moore, public value is something to be searched out. It is not fixed (1995:55):

Like private sector managers, managers in the public sector must work hard at the task of defining publicly valuable enterprises as well as producing that value. Moreover they must be prepared to adapt and reposition their organizations in their political and task environments in addition to simply ensuring their continuity.

Public value is not the property of particular political parties, public service institutions, academic disciplines or professions. Public value is defined and redefined through social and political interaction.

Public officials must engage political authority, collaborate with each other within and across institutional boundaries, manage
efficiently and effectively, engage with communities and users of services and reflectively develop their own sense of vocation and public duty. Bozeman (2002:6) builds on the theme of deliberation:

Public failure provides a tool for asking questions that are relevant to public policy deliberation...Too often, contemporary discourse is dominated not by public values, but by market intervention, technical efficiency, and the private value of public things. The public-failure model has the potential to expand the 'rhetoric of civic discovery'.

Kelly and Muers (2002) capture the mix of management focus with community engagement in three words: services, outcomes and trust. Citizens demand services. Politics, management and community engagement must focus on outcomes. Deliberation leading to authoritative decisions needs to take place in a culture of mutual trust.

Stoker extends the theme of deliberation and search. Searching for public value encourages searching for new and more open ways of governing (c2003:18):

The Public Value Management (PVM) paradigm pursued through network governance tells us that we can have democracy and efficiency. Indeed they are partners. In Traditional Public Administration (TPA) the trade off was that democracy provided the inputs the bureaucracy the efficient solutions. New Public Management (NPM) came close to implying that management processes can do it all, defining preferences and the best means of meeting them. For the public value paradigm faith is placed in the system of dialogue and exchange associated with network governance. It is through the construction, modification, correction and adaptability of that system that democracy and efficiency are reconciled. Vigilance by all partners in the system is central to ensuring that the promise of both democracy and efficiency is delivered.

Bureaucracy, markets and management should yield to network governance and a partnership between democracy and efficiency.

In a short time Moore’s initial focus on how public managers can learn to be more responsive and to take the initiative within government has widened to encompass more active roles for citizens and new forms of governance. Political and government institutions are no longer automatically at centre stage. Politicians and public managers alike have to make a case for the value that they claim to create.

In recent writing on a public value scorecard for non-profit organisations Moore (2003) suggests that he is also sympathetic to expanding the terms of debate:

...the public value scorecard focuses attention not just on those customers who pay for the service, or the clients who benefit from the organization’s operations; it focuses as well on the third party payers and other authorizers and legitimators of the nonprofit enterprise...

Similarly:

...the public value scorecard focuses attention on productive capabilities for achieving large social results outside the boundary of the organization itself.

Public value cannot be defined or captured within the confines of one organisation, however capable and well motivated.

Through developing a public value scorecard Moore also connects arguments about public value to debates in the private sector about what constitutes good performance. In business the Balanced Scorecard (Kaplan and Norton 1993) extended consideration of performance beyond financial results and the 'bottom line'. Businesses need to be careful not only to check how they are carrying out their strategy but also whether the strategy continues to be viable (Moore 2003). Further, following recent large and unexpected corporate collapses in the USA and Australia some commentators are using terms that resemble the language of public value. For example, Charles Handy (2002:51) argues that:

The purpose of a business...is not to make a profit, full stop. It is to make a profit so that business can do something more or better.

Moreover (2002:52):

A good business is a community with a purpose, and a community is not something to be 'owned'. A community has members, and those members have certain rights, including the right to vote or express their views on major issues.

In this discussion the supposed sharpness of the 'bottom line' also dissolves into mist. Handy (2002:50) has some terse comments on the way
in which shareholder value is manipulated. Short-
term measures displace a focus on increasing 
productivity and long-term profitability. Further, 
in a book analysing corporate collapses internationally as well as in Australia from 
the perspectives of accountancy and law, Clarke et al. (2003) locate the causes of large corporate 
collapses in endemic problems in the reporting 
of financial information. They argue (2003:332) 
that:

Financial information as a serviceable product 
and accountancy as a professional endeavour 
are undeniably at the cross roads! We conclude 
by reiterating that without change, users will 
continue to lament that 'corporate accounting 
does not do violence to the truth occasionally, 
and trivially, but comprehensively, systemati-
cally, and universally, annually and perennially'. 
The problems leading to corporate misadventures 
are less individual wickedness, although they 
identify leading cases with a sharp eye, than the 
difficulties in complex corporations of producing 
reliable information about financial performance. 
Such perspectives meet the needs of the times. 
For the public sector, looking to the private sector 
or embarking on new rounds of ambitious 
management change are uninviting. After the 
changes of the 1980s and 1990s many public 
actors in Australia are battle weary. The certainties 
of social democracy and neo-liberalism have 
given way to unstable brews of pragmatic 
populism, symbolic politics and rhetoric that 
struggles to mix old themes with current pressures. 
The public sector, which now shares space in 
advise
ging governments and implementing public 
policy with the private and non-government 
sectors, needs strategies that enable it to steer 
through contested and shifting arenas.

In particular, governments and citizens need 
to clarify:

- What they want governments to take 
  responsibility for
- The mechanisms they want to use

Rolling back the state is replaced by rediscovery 
of government. However, rediscovery is selective 
and adaptive. It takes place in an environment 
where previously separated sectors share 
functions. Further, to the extent that performance 
management in business and governments can 
be compared, the two sectors share problems 
rather than solutions. Moreover, whether the 
character of relevant organisations is public, 
private or non-government needs to be tested with 
care. In these circumstances hybrids emerge. So 
do the attractions of flying flags of convenience. 
Blurred boundaries between sectors raise 
significant questions of identity, effectiveness and 
accountability (Wright 2000). Moreover, sorting 
out these matters takes place in a more active 
international environment where issues may be 
shuffled from local to supranational forums and 
back.

In this context focusing on public value 
enables governments and citizens to rediscover 
government action that is relevant to them and to 
move on to new agendas. In particular a public 
value approach:

- encourages deliberation about ‘value’ and 
  means to achieve it;
- provides a focus for political deliberation at 
  large and within organisations in the public 
  and related sectors;
- focuses on outcomes and strategies not 
  simply on structures and means;
- encourages richness and flexibility in 
  relationships between citizens and 
  governments;
- focuses on the capabilities needed by the 
  public and related sectors and the means by 
  which such capabilities are developed and 
  sustained.

Public value stretches both agendas and forums. 
It sharpens to the point of discomfort questions 
about desired outcomes and means of achieving 
them. It reframes how we think about and carry 
out public business.

Public sector agendas

Moore sets out three key dimensions in the context 
in which public sectors operate (Figure 1).

In the context in which Australian public 
sectors operate all three dimensions are highly 
fluid. Moreover the scope of the dimensions is 
also dynamic. For example:

- Authorising environment
  At both federal and state levels of 
  government demands for public consultation 
  and participation have expanded the 
  authorising environment beyond the formal
institutions of government. They are also putting pressure on the executive to be more open and transparent. Further, the federal government is influenced by and seeks to influence international transactions. Many international forces also affect the states.

- **Policy environment**
  The policy environment has shifted from support for neo-liberal agendas to a more ambiguous mix of old and new agendas. In this environment neo-liberalism is contested but still influential. It acts, among other things, as a continuing source of policy ideas, as a position to steer away from, and as a label to hang on policy ideas critics want to discredit.

- **Operating environment**
  Similarly the operating environment encapsulates contesting agendas of management reform within the public sector and the blurring of boundaries between the public, private and non-government sectors. Privatisation and contracting broke down barriers between sectors. Reactions to contracting, such as Best Value, blunted the sharp edges of neo-liberalism while not restoring bureaucratic monopolies.

A brief sketch illustrates the extent of change at the state level in Australia. Beginning in the 1970s and accelerating in the 1980s and 1990s the following themes have characterised state administrations:

- **High focus on political leadership of public sector**
  - Strong roles of cabinet, ministers and ministers’ offices
  - High focus on reorganisation of public sector
    - From reforming bureaucracy to breaking down bureaucracy
    - Management reform, commercialisation, corporatisation, privatisation, outsourcing, contracting out
  - Building up, breaking down and building up again of policy capability in public sector
    - For example, the Dunstan, Cain, Greiner and Goss governments built up policy capabilities in central and operating agencies
    - For different reasons the Tonkin, Kennett and Borbidge governments de-emphasised policy capability
    - With caution the Beattie, Bracks and Rann governments have re-emphasised policy capability
  - From top-down change to experiments in consultation and participation
    - For example, the Kennett government emphasised centrally directed change and the Goss government mixed central leadership with consultation
    - Reacting to the defeat of both governments the Beattie and Bracks administrations have emphasised consultation through Community Cabinets and close involvement with stakeholders
  - Blurring of boundaries between sectors
    - Blurring is strongest in Victoria following the privatisation program of the Kennett government

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Focusing on Public Value: Something New and Something Old?

Some blurring is evident in other jurisdictions following more limited privatisation programs. Blurring is also driven by experiments in community and stakeholder involvement.

High salience of agendas influenced by the federal level of government.

A similar sketch at the federal level reinforces and extends perceptions of strategic change. Further, at the federal level one sees also the persistent influence of the international environment.

The following themes characterise successive federal administrations at least since the 1980s:

- Increased salience of global economic and technological trends
  - For example, negotiation of bilateral free trade agreements
- Substantial reorientation of national economic institutions and policy
  - For example, competition policy replaces wages policy as key national focus
- Increased salience of issues that need national resolution
  - Continuing calls for renegotiation of federal compact
- National competition policy required state consent but initiated far-reaching and continuing changes to the working of state administrations.

As at state level but in a more complex environment, emphasis at the federal level has focused on:

- Strengthening political leadership of the public sector
- Pushing through reorganisation of the public sector
- Maintaining and adapting policy capability of public sector
- Mixing top-down initiatives with initiatives to secure consent from stakeholders. This trend is driven by lack of a majority in the senate and restiveness among key stakeholder groups, for example in regional and rural areas
- Blurring of boundaries between sectors, for example the incomplete privatisation of Telstra and the letting of contracts for provision of employment services

The extent of the changes, at which these sketches can only hint, has generated conflicting assessments. However, two perspectives have gained increasing notice. The first is that global drivers of change often meet local limits. Ross Garnaut (2003) expresses this with great firmness. He argues that while globalisation is necessary for economic success, globalisation and technological change, without state intervention, tend to increase inequity. In particular he argues of Australia that:

Growth promoting policies that violate community perceptions of distributional equity are not feasible in this democratic polity (Garnaut 2003:27).

On this analysis Australia needs to focus on both growth and equity. Growth without equity meets political and social resistance. Equity without growth cuts the resources with which to sustain equity.

The second is that the search for economic efficiency using neo-classical economics does not lead to predetermined institutional and process outcomes. For example, Dani Rodrik (2003) argues that:

...neoclassical economic analysis is a lot more flexible than its practitioners in the policy domain have generally given it credit. In particular, first order economic principles—protection of property rights, market-based competition, appropriate incentives, sound money, and so on—do not map into unique policy packages.

In Australia Fred Argy (2002:41) and John Quiggin (2002) make similar points.

Such perspectives are hospitable to an interactive approach to assessing policy, process and institutional options. One seeks value rather than assumes that a particular approach will lead to it. One uses experience to make adaptations rather than to perpetuate disagreement. One assesses the results of experience rather than assuming that because intentions were good relevant policies, processes and institutions must be defended.

Nothing in this argument provides easy resolution of complex arguments. Issues that
continue to strike fire on an almost daily basis include:

- Whether governments have the policy and management capability to address the issues confronting them
- Whether instruments used by neo-liberal governments commit post neo-liberal governments to path dependence
- Whether the language of economics helps or hinders the definition of problems in social policy
- Whether post-neo-liberal governments have inherited too large a reliance on regulation of business, especially in the case of privatised utilities and industries heavily influenced by global corporations
- Whether describing users of public services as consumers and customers can ever lead to improved service levels or whether they just provide an argument in the strongest terms for relearning the language of citizenship
- Whether changes in public policy and management are sensible adaptations or changes that cut back the resources and choices of future generations

In working through such issues cause and effect require close investigation. For example:

- Local changes may have national and international drivers
- Local actors may adapt or resist national and international trends
- Local actors need to look outwards as well as inwards.

In Moore’s terms each of the environments in which the Australian public sector operates is subject to continuing change. The task of charting the causes of change, the opportunities and costs of change and the scope for adaptations that blend local values with appreciation of wider forces is thus as daunting as it is worthwhile.

Interpreting public sector reform agendas

One way of making sense of change in the public sector is to identify different agendas. In examining the stories of change in Australian public sectors one can identify four agendas:

- Bureaucracy
  - Public services and utilities up to the 1980s
- Management improvement
  - Management approaches introduced in the 1980s
  - Includes part of the New Public Management, excluding particularly privatisation and cutting the role of government
- Neo-liberal
  - Includes much of the New Public Management including privatisation, emphasis on markets, contracting and outsourcing
- Post-neo-liberal
  - Includes a wide variety of directions, including selective use of bureaucracy, markets and networks

To illustrate these agendas three tables are presented. The tables are selected because they each try to encapsulate a wide range of influences. They also try to extract options for further action from what are often puzzling patterns. Each table tries to capture the impact of successive agendas by examining a number of different dimensions. Although prepared by different authors and using different terms, the tables overlap. Running through each table is a concern with making sense of unfinished business while moving on to new agendas.

Table 1, prepared by Smith and Weller (2000), attempts to capture in Australia the rediscovery of government. As the neo-liberal agenda lost its punch governments began promising action again, often accompanied by vigorous gestures to community and stakeholder consultation. However, in this account, the rediscovery of government is generally unaccompanied by a clear sense of what government can be used for. Political leadership, community inclusiveness, market mechanisms where appropriate, information technology and the management of complex relationships mix uneasily together. One cannot infer a clear policy and management program.

Table 2, prepared by Hess and Adams (2002), covers similar territory in Australia but focuses on knowledge and skills over time. It records economically the shift from introducing new tools and institutions to producing outputs and outcomes. Further it argues that one must observe
## Table 1 Rediscovered government

<table>
<thead>
<tr>
<th>Big and bureaucratic</th>
<th>Management improvement</th>
<th>Contract state</th>
<th>Rediscovered government</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approach to government</td>
<td>Ample and directed</td>
<td>Focused and small</td>
<td>Focused, active and enabling</td>
</tr>
<tr>
<td>Big and Management Contract Rediscovered bureaucratic improvement state government</td>
<td>Bold political direction. Goal setting, reorganising, system building</td>
<td>Bold political direction. Incentives and contracts</td>
<td>Inclusive political leadership, alliances partnerships, networks</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economy</th>
<th>Mixed economy; growth assumed</th>
<th>Mixed economy; growth through planning and management</th>
<th>Growth and allocation through markets; regulation</th>
<th>Mix of markets and government encouragement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community</td>
<td>Government provides infrastructure and services</td>
<td>Efficiency and effectiveness in providing infrastructure standards</td>
<td>Private or community provision; contracts and standards</td>
<td>Rediscovery of community as guide</td>
</tr>
<tr>
<td>Incorporation of interests</td>
<td>Increased consultation</td>
<td>Cut through interest groups</td>
<td>Community enablement</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technology</th>
<th>Factory/ Mechanical Modernised factory</th>
<th>Chips and networks</th>
<th>Chips and networks with ethics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationships</td>
<td>Diffuse, continuing Streamlined, continuing</td>
<td>Black letter contracts</td>
<td>Multiple and managed</td>
</tr>
<tr>
<td>Metaphor</td>
<td>Overgrown garden Reorganised garden</td>
<td>Uprooting and radical replanting</td>
<td>Selective nurturing of old and new growth</td>
</tr>
</tbody>
</table>

### Source: Smith and Weller (2000).

results rather than expect that firm prescription will lead to desired impacts. It dramatises the need to shift thinking about the public sector from deductive to inductive modes.

In later work Adams and Wiseman (2003) develop a further table exploring shifts ‘from the apparent simplicity and rationality’ of bureaucracy and markets ‘towards balance, accountability and engagement in complex policy environments’. In particular they refer to:

- Reconsideration of market, public sector and community sector roles and relationships
- The need for balance between listening and leadership
- A broad range of public sector, community and stakeholder networks
Smith

Table 2

<table>
<thead>
<tr>
<th></th>
<th>1930s</th>
<th>1960s</th>
<th>1990s</th>
<th>2020?</th>
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</thead>
<tbody>
<tr>
<td><strong>Caricature</strong></td>
<td>Manuals and</td>
<td>Planning and</td>
<td>Management and</td>
<td>Knowledge and</td>
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<tr>
<td></td>
<td>forms</td>
<td>policy</td>
<td>contracts</td>
<td>energy fields</td>
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<tr>
<td><strong>Core subject</strong></td>
<td>Constitutional</td>
<td>Policy</td>
<td>Management</td>
<td>Brokering</td>
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<td></td>
<td>law</td>
<td>analysis</td>
<td>and economics</td>
<td>meaning</td>
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<td></td>
<td></td>
<td></td>
<td>systems</td>
</tr>
<tr>
<td><strong>Discipline</strong></td>
<td>Political</td>
<td>Policy</td>
<td>Management</td>
<td>Governance</td>
</tr>
<tr>
<td></td>
<td>science, law</td>
<td>studies</td>
<td>and economics</td>
<td>philosophy</td>
</tr>
<tr>
<td><strong>Unit of resourcing</strong></td>
<td>Functional</td>
<td>Programs</td>
<td>Individuals’</td>
<td>Public service</td>
</tr>
<tr>
<td></td>
<td>sphere</td>
<td></td>
<td>outputs</td>
<td>outcomes</td>
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<tr>
<td><strong>Problematic</strong></td>
<td>Administration</td>
<td>Poverty</td>
<td>Legitimacy</td>
<td>Coherence of</td>
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<td></td>
<td></td>
<td>Employment</td>
<td></td>
<td>economic,</td>
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<td></td>
<td>social and</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>human capital</td>
</tr>
<tr>
<td><strong>Main tool types</strong></td>
<td>Regulatory</td>
<td>Planning</td>
<td>Competition</td>
<td>Sustainability</td>
</tr>
<tr>
<td></td>
<td>budgeting</td>
<td>management</td>
<td>productivity</td>
<td>deliberation</td>
</tr>
<tr>
<td><strong>Organising focus</strong></td>
<td>Bureau</td>
<td>Programs</td>
<td>Output groups</td>
<td>Networks</td>
</tr>
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<td></td>
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<td></td>
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<tr>
<td><strong>Actor</strong></td>
<td>Bureaucrat</td>
<td>Public</td>
<td>Public manager</td>
<td>Knowledge</td>
</tr>
<tr>
<td></td>
<td>Public servant</td>
<td>administrator</td>
<td></td>
<td>facilitator</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Social planner</td>
</tr>
</tbody>
</table>


Table 3, prepared by Kelly and Muers (2002), invokes the idea of public value. Through focusing on public value it tries to make sense of the complex experience of post-Thatcherite Britain. While the reference point shifts to Britain, the story line can accommodate large chunks of Australian experience. As do Hess and Adams, Kelly and Muers emphasise deliberation and choice. Further, they move from managing inputs and outputs to arguing that people need not only results but results in which they can express explicit satisfaction. Service effectiveness is not judged only by internal management values. Service delivery and satisfaction must be joined with trust and legitimacy.

In an extension to Kelly and Muers’s work Stoker (c2003:21) crystallises themes common to all three tables:

- **Traditional public administration**
  Politically provided inputs; services monitored through bureaucratic oversight
- **New Public Management**
  Managing inputs and outputs in a way that ensures economy and responsiveness to consumers
- **Public value management**
  The overarching goal is achieving public value that in turn involves greater effectiveness in tackling the problems that
Table 3  Approaches to public management

<table>
<thead>
<tr>
<th></th>
<th>Traditional public management</th>
<th>‘New public management’</th>
<th>Public value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public interest</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Defined by politicians/experts</td>
<td>Aggregation of individual preferences demonstrated by customer choice</td>
<td>Individual and public preferences (resulting from public deliberation)</td>
</tr>
<tr>
<td><strong>Performance objective</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Managing inputs</td>
<td>Managing inputs and outputs</td>
<td>Multiple objectives</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>– Service outputs</td>
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<td></td>
<td></td>
<td></td>
<td>– Satisfaction</td>
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<td></td>
<td></td>
<td></td>
<td>– Outcomes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>– Maintaining trust/legitimacy</td>
</tr>
<tr>
<td><strong>Dominant model of accountability</strong></td>
<td>Upwards through departments to politicians and through them to parliament</td>
<td>Upwards through performance contracts; sometimes outward to customers through market mechanisms</td>
<td>Multiple</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>– Citizens as overseers of government</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>– Customers as users</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>– Taxpayers as funders</td>
</tr>
<tr>
<td><strong>Preferred</strong></td>
<td>Hierarchical department of self-regulating profession</td>
<td>Private sector or tightly defined arm’s-length public agency</td>
<td>Menu of alternatives selected pragmatically (public sector agencies, private companies, JVCs, community interest companies, community groups as well as increasing role for user choice)</td>
</tr>
<tr>
<td><strong>Approach to public service ethos</strong></td>
<td>Public sector has monopoly on service ethos, and all public bodies have it</td>
<td>Sceptical of public sector ethos (leads to inefficiency and empire building) — favours customer service</td>
<td>No one sector has a monopoly on ethos, and no one ethos always appropriate. As a community resource it needs to be carefully managed</td>
</tr>
<tr>
<td><strong>Role for public participation</strong></td>
<td>Limited to voting in elections and pressure on elected representatives</td>
<td>Limited — apart from use of customer satisfaction surveys</td>
<td>Crucial — multifaceted (customers, citizens, key stakeholders)</td>
</tr>
<tr>
<td><strong>Goal of managers</strong></td>
<td>Respond to political direction</td>
<td>Meet agreed performance targets</td>
<td>Respond to citizen/user preferences, renew mandate and trust through guaranteeing quality services</td>
</tr>
</tbody>
</table>

the public most care about; stretches from service delivery to system maintenance.

The three tables dramatise three points. First, agendas for public sector change overlap and implementation is incomplete. Layers of initiatives are bedded down in surviving institutions and processes like sedimentary rock formations. Some initiatives compete; others can be deployed in competing ways. Working with them requires judgment and advocacy. Judgment is needed to assess likely impacts. Advocacy is needed to persuade people affected about purposes in each case. One of the most difficult practical issues is that many policy and management instruments can be used for contrasting purposes and that past unsatisfactory experiences can lead to considerable suspicion about applying instruments to new purposes.

Second, the skills of analysts and activists in the public sector, and in associated sectors delivering public services, need large components of expertise in interpretation and the management of complex relationships. Patterns need to be inferred from experience. Policy analysts need to test and communicate the impacts of different policy models with great care. Relevant actors need to be identified with thoroughness and imagination. Communication needs to be clear and mutually respectful. Moreover, none of these steps will avoid conflict. There are simply too many competing models and perceptions. Identifying and resolving issues through deliberation is hard work.

Third, the cumulative impact of succeeding agendas is to widen the scope of issues in play. At the heart of the practice of governance in complex organisations, whether public or private, is the appropriate joining of strategy and authority with expertise and operations. As Moore argues (1995:292):

Without close contact and active support from their political environments, managers can neither know what is worth producing nor achieve it.

Large components in both the management reform and neo-liberal agendas involved bringing the public sector firmly under political control. However, the later emphasis on openness, consultation and participation places political executives under great pressure. The more openness and deliberation are promised the more is demanded.

In particular this shines an unforgiving light on the mystery in managing relationships at the centre of governance systems of the British kind. The tight Westminster executive could live well with expert, closed bureaucracies. Domestic disturbances, while not infrequent, could be managed. However, cutting back the direct role of the public sector, providing expanded roles for service provision to other sectors and taking the lead in policy and management from observed impacts and stated satisfaction levels crystallises two challenges:

- The number of key players outside central government is dramatically expanded
- The legitimacy of resolving complex transactions among many players by a political executive removed from the site of service use can no longer be assumed

This suggests that old debates about Westminster and Washington may again flare with new life.

Conclusion

Finding a way with public value

Moore (1995:71) argues that to produce public value, policy and management strategies must meet three tests. They must be:

- Substantively valuable, that is, they must produce things of value to overseers and beneficiaries
- Legitimate and politically sustainable
- Operationally and administratively feasible

This article suggests that recent initiatives affecting the public sector have generated rafts of further agendas for which Moore’s tests provide valuable guidance. Value, legitimacy and feasibility need to be argued. Policy, politics and management are deeply intertwined. Moreover, when past patterns cannot simply be projected forward, the interaction of policy, politics and management requires unusual resourcefulness and willingness to learn.

This article suggests that there is much to be argued about. An informal list includes:

- Managing global and local influences
- Balancing equity and efficiency
- Balancing economic and social development and environmental sustainability
• Balancing consultation and analysis
• Managing public accountability in the context of blurred boundaries between sectors
• Using technology creatively in communities, business and government.

For each of these issues the impact of recent agendas is to make more complex arguments about ends, means and relationships between relevant actors.

But looming over debates about ends, means and relationships is a concern with constituting the forums in which such issues will be worked out. As Stoker emphasises, agendas of change have undercut the traditional roles of political leadership, political parties and bureaucracy. To agendas concerned with substantive policy issues and the capabilities of different actors must be added concerns with governance and democracy.

Following Moore, the discussion above has expressed continuing concerns with capability. Complex issues demand tough thinking power. One of the legitimate claims for public service bureaucracies at their best was that they could help elected leaders think their way through public business, whatever it entailed. Moore evocatively stated this role in terms that could apply in Westminster as well as in Washington (1995:299):

…public executives are neither clerks nor martyrs.
Instead they are explorers commissioned by society to search for public value.

However, the task of exploration now needs to be shared around. Working out how public officials relate to elected leaders and the communities to which both must be accountable as they contribute their different capabilities is not the least of the agendas deserving early attention.

Focusing on public value can help communities, service providers and political leaders ask and answer a new and wider range of questions while continuing to learn from recent experience, however complex and contested.

References
Handy, C 2002 ‘What’s a business for?’, Harvard Business Review, December:51