

PUBLIC MANAGEMENT REFORM IN THE GLOBALIZED WORLD

Abstract

Public management reform is a continuous process and represents, especially in the modern world, an important requirement for successful application of reform principles and objectives in a society. The indisputable importance of public management in the globalized world is reflected in the scope and number of tasks it performs in every society, financial means it uses and allocates by public policies, the number of people it hires directly or indirectly, as well as in developmental and strategic plans which will affect the future of human civilization. In the Republic of Serbia, public management reform implies adopting vast legislation, regulation and public policies, and their implementing, which should be the primary focus of current reform activities accompanied by further harmonization with EU legislation. Furthermore, modernization of our public management is required if the state is to finally become a true citizens' service. Using E-government the public sector across the world becomes more efficient and provides better quality service meeting transparency and responsibility standards. E-government is needed to establish and develop information society where everyone can produce, use and exchange information and knowledge thus allowing individuals, communities and peoples to reach their full potential in promoting sustainable development and improving the quality of life in a globalized world.

Key words: *public management reform, globalization, public services, corruption, E-government.*

1. INTRODUCTION: THE NATURE OF PUBLIC MANAGEMENT REFORM IN THE GLOBALIZED WORLD

The reform of public administration is frequently regarded as a means to an end rather than an end in itself due to the fact that 'public administration

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permeates all aspects of life penetrating deeply into economy and society'¹. To be more precise, it is potentially a means to achieve multiple ends. These comprise reduction of public spending, improved service quality, more efficient performance and increased likelihood that the policies will be implemented more effectively. Together with these very important goals, public administration reform can help achieve other minor objectives such as giving stronger control over bureaucrats to politicians, removing bureaucratic barriers that prevent public servants from effective administration thus helping the government and its programs become more reliable and obliging to legislature and citizens. Last but not least, we should mention symbolic and legitimate benefits of the reform. For politicians these include a broad spectrum ranging from increased visibility to a chance to actually do something. To announce reform, criticize bureaucracy, promote new administrative techniques, promise improved service, restructure ministries and agencies – all these activities help politicians get attention and publicity. There are also legitimacy-related benefits for top managers who play a major role in shaping and implementing such initiatives. They enhance their reputation and gain popularity as people who advocate modernization and simplification of operations.²

If management reform really results in cheaper and more efficient government, better quality of service and more effective programs, and if it, at the same time, increases political control and frees the managers to decide autonomously, if it makes government more transparent and improves the image of managers and entire administration, it is little wonder that it was triumphantly announced. Things, however, are not that simple. There are many examples and good deal of evidence to show that administration reform can go off track.

Primarily, they may not produce the promised benefits. Furthermore, they can generate side effects that will deteriorate administrative processes (in some important segment). Even if the reform evidently succeeds in achieving one or more objectives mentioned above (e.g. savings or improved quality) there is little likelihood that it will achieve all of them. One objective might be achieved at the cost of others, which frequently happens in administrative reforms. Will 'the achievement of one or two particular ends

¹ Z. Jovanović, *Uticaj ombudsmana (zaštitnika građana) na delatnost javnih službi*, u: XXI vek - vek usluga i Uslužnog prava (ur. M. Mićović), knj. 2, Pravni fakultet Univerziteta u Kragujevcu, Institut za pravne i društvene nauke, Kragujevac 2011, 396.

² P. Christopher, G. Bouckaert, *Public Management Reform, A Comparative Analysis*, Oxford University press 2002, 6.

always be paid for by a lowered performance in other respects'³? 'Rule over specialized decision-makers in a bureaucracy is maintained by selective crackdowns on one goal at a time, steering the equilibrium - without ever acknowledging that tightening up on one criterion implies slackening off on another'⁴. In any case, public management reform is only one way to achieve the desired goals. More precisely, each account of these reforms must take into account the fact that governance can be improved in different manners and that management reform is frequently undertaken together with other policy initiatives⁵. Comparing administrative reforms in different countries, a scholar observed some years ago: 'Administrative reform is a subset of all policy performance, not a separate set of technical efforts'⁶.

Other ways of improving government performance include political reforms (such as electoral system or legislative performance changes) and essential changes of key policies (such as macroeconomic management policies, labour market reforms or fundamental changes in social policy)⁷.

Many commentators have already observed that there is a delay which has a negative effect on the majority of public management reforms. The full benefit of major changes in the processes and structures in the public sector cannot be perceived until three, four, five or even more years after the reform was started.

In the beginning, new legislation will probably be needed. Then it will be necessary to analyze the current state, and to design and reorganize operating procedures, train staff how to work with them, define new roles and reward systems, establish new measurement systems, inform service users and other stakeholders, and, finally, work very hard to try and reduce the tensions these innovations have caused among the staff as well as the users.

Politicians, however, are not happy with such a timeline. Their focus is more short-term: on the next election, the next government reshuffle, or even on what is in today's news. Political attention moves very quickly from one issue to another, more quickly than a complete organizational change can be

³ *Ibid.*, 7.

⁴ *Ibid.*

⁵ See D. Kavran, *Javna uprava, reforma-trening-efikasnost*, Biblioteka "Reforma državne uprave", knj. 5, Beograd 2003, 21-24.

⁶ P. Ingraham, *The reform agenda for national civil service systems: external stress and internal strains*, in: *Civilservice systems in comparative perspective*, (eds. H. Bekke, J. Perry, T. Toonen), Bloomington and Indiana, Indiana University Press 1997, 326.

⁷ The example of New Zealand is worth a mention: it combined administration reform with fundamental changes in macroeconomic policies and, later, the electoral system.

accomplished. This is nothing new. It has always been so, but the gap between the politicians' need for 'something to show now' and the management reformer's need for more time, continuity and commitment has become wider⁸. This gap is a result of the general trend of intensification and acceleration of the political process in many western democracies.

2. WHAT IS MEANT BY PUBLIC MANAGEMENT REFORM IN THE GLOBALIZED WORLD?

We need to answer a logical question: what is actually meant by public management reform in today's globalized world? Taking into account all the questions related to this definition, one could say that there are several answers to it. Off the cuff, we can say that 'public management reform consists of deliberate changes to the structures and processes of public sector organizations with the objective of getting them (in some sense) to run better'.⁹ Structural change may include merging or dividing public sector organizations (creating a smaller number of larger sectors to improve coordination, or a larger number of smaller departments to sharpen the focus and encourage specialization). By process change, we may imply the redesign of the procedure systems by which, for example, passports or licenses are issued, setting of standards of service quality for health-care or education or the introduction of new budgeting and other financial procedures to encourage public servants to pay more attention to cost and monitor the results produced by their expenditures. The administrative reform process very often implies changes to the systems of public servants' recruitment and employment, rewards and promotion, punishment and firing (which would be a different kind of process change).

The term 'reform' in English is one of many alternative synonyms (some of which belong to the business domain, such as 'transformation' and 'reinvention', others to public sector history domain, such as 'modernization' and 'improvement'). Like all these other terms, 'reform' is marked: it does not simply imply a change but a beneficial change, a decisive step forward from a less desirable old state to a more desirable future state. This term is deeply rooted in improvement policy and strategy. We should add that it does not imply a rapid change like the American term 'transformation' or, to a lower degree, 'reinvention'. Nor does it imply the great dynamism conveyed by the

⁸ P. Christopher, G. Bouckaert, *op. cit.*, 8.

⁹ T.A.J. Toonen, *Administrative Reform: Analytics*, in: *Handbook of Public Administration*, (eds. B. G. Peters, J. Pierre), Sage Publications, London 2005, 467-471.

term 'modernization' in continental Europe.¹⁰ In short, the term 'reform' has evolved into a serious term, but with strong political connotation. It does not denote total innovation, but reshaping (or reforming) of something already existing. Such an explanation is quite appropriate since it seems that the results of many administrative reforms can be classified as more or less fundamental in their character: 'At the most basic level we find adaptation and fine-tuning of accepted practices. The second order extends to the adoption of techniques. The third is concerned with sets of ideas which comprise the overall goals, the framework guiding action'.¹¹

In today's globalized world, some modern sociologists see continuous reform as a central characteristic of contemporary life, as opposed to earlier emphasis on tradition (which remained largely under researched): 'The reflexivity of modern social life consists in the fact that social practices are constantly re-examined and reformed in the light of incoming information about those very practices, thus constitutively altering their character'.¹²

Thus, we can conclude that public administration processes and structures are permanently reexamined against the backdrop of new information about how things work. Yet, although we may sound too direct, this claim seems too straightforward, empirical and brutally functional. We share the view of many experts that the 'incoming information' is not necessarily always clear-cut, and neither is the way in which it is interpreted and used: 'Policy reforms are . . . symbolically mediated change processes which can be understood only if we uncover the action-motivating reasons that guide efforts to alleviate practical problems. Claims about policy reforms are products of frames of reference; that is, they are systematically related assumptions that provide standards for appraising knowledge claims'.¹³ If we want to understand reform processes we must regard them as processes of debate where every participant brings something different - different objectives (including the achievement of symbolic goals) as well as different frameworks and standards for identifying and accepting relevant 'evidence'.

We can conclude that the public management reform must mean deliberate changes of structures and processes in organizations of public management in order to get them to work better. The changes are influenced by the actors on both sides of this 'output linkage' between the state and civil society, i.e. by politicians and civil servants on the one side and by private

¹⁰ P. Christopher, G. Bouckaert, *op. cit.*, 16.

¹¹ *Ibid.*, 17.

¹² *Ibid.*

¹³ *Ibid.*

actors (citizens) on the other. They are also influenced by those with an economic interest, such as various consultants and large corporations.¹⁴

Additionally, management reforms in any country will invariably be marked by local priorities and preoccupations of the politicians and local actors and stakeholders. These local frameworks will differ substantially. Consequently, successful application of one and the same model across the world (or even across the democracies of Western Europe, North America and Australia) is naturally impossible. Reforms take place at various levels and can be broader or narrower in terms of scope. Halligan has made a useful classification. He divided reforms into reforms of the first order – adaptation and adjustment of adopted practices, the second order – adaptation of new techniques, and the third order – changes in the sets of ideas pertaining to overall objectives and frameworks which guide action.¹⁵ The vocabulary pertaining to change: reform, transformation, redesigning, reconstruction, modernization – assumes speed, nature and values of changes denoted or represented by these terms. When analyzing texts on management, it is necessary to pay attention to who the speaker is and who they are meant for. We also need to emphasize that frames of reference change with time and that meanings of words can change as well. This is particularly true when translating from one language to another. For instance, in Finnish there is no equivalent for 'public management', and even the French *gestion publique* has a different connotation. Furthermore, this linguistic conundrum is also present within the same language depending on the context in which the terms are used and on the groups of users.

3. ACTORS IN THE PUBLIC MANAGEMENT REFORM PROCESS

In the end of the 20th and the beginning of the 21st century 'public management functions in a complex environment characterized by constant changes, which makes it completely different from the relatively simple, stable and predictable social climate of the past to which bureaucratic

¹⁴ It is interesting to observe that numerous corporate actors which dominated Washington lobbies almost entirely disappeared when a new relationship between the government and the citizens was established after administrative changes described in D. Osborne, T. Gaebler, *Reinventing Government: How the entrepreneurial spirit is transforming the public sector*, Plume, London 1992, 3-4.

¹⁵ *Ibid*, 18.

organizations where well adapted in their routine business activities'.¹⁶ To broaden the scope of our analysis of public management reform process, we will complement the preceding discussion of why some reforms are proposed and what public management is with the question of who is involved in these activities. First of all, we must emphasize that practically all public officials are involved in reform processes, as in many countries there is no public sector which, to some extent, has not been affected by the reforms in the past three decades. Naturally, every citizen is also involved in public sector reform. Examples of this are publication of Citizens' charter in Belgium, France, Italy, Portugal and Great Britain, as well as the privatization of large public utilities with substantial number of users, such as airlines, telecommunications companies, and postal service in many countries, including Australia, France, the Netherlands, New Zealand and the UK. It should be pointed out that 'traditional political culture of French citizens was defined by the contrast between the public and the private sphere, where the public sector was seen as morally superior. Since the end of the World War II, French public management has successfully undertaken the task of modernizing the society. Partnership spreads to almost all areas of state intervention and the only debate pertains to technical or economic efficiency'.¹⁷ In addition to industrial and commercial activities, which were traditionally marked by partnership, it now spreads to fields which are the foundation and characteristic of state governance. Changes in legislation pertaining to public sector have made it possible to form partnerships with private sector to build and manage public utilities, such as prisons and hospitals.

However, although we should remember that the waves of administrative reform spread in such a way to affect almost entire population, we shall focus on main reform actors, those individuals and groups which have the power, ideas and skills to initiate and implement reform processes. In many countries it was necessary to obtain consent and, more importantly, active support of leading politicians, especially presidents, prime ministers and ministers of finance.

In the European Commission, administrative reform also required support of high-ranking politicians, namely the Collegium of European

¹⁶ Z. Jovanović, *Izazovi i trendovi u upravljanju ljudskim resursima u javnoj upravi*, u: XXI vek - vek usluga i Uslužnog prava (ur. M. Mićović), knj. 6, Pravni fakultet Univerziteta u Kragujevcu, Institut za pravne i društvene nauke, Kragujevac 2015, 275-276.

¹⁷ M. Knežević, Z. Jovanović, B. Urdarević, *Uspostavljanje javno-privatnog partnerstva u javnim preduzećima*, Teme, G. XXXVI, br. 2, Niš 2012, 906-907.

Commissioners. Data shows that from the beginning through the better part of 1980s, the restructuring processes were very popular in Australia, Canada, New Zealand, Sweden, Great Britain and the USA. The European Commission launched the 'Sound and Efficient Management 2000' programme¹⁸, which was immediately afterwards followed by 'Modernizing Administration and Personnel 2000'.¹⁹ However, the numbers show that other countries undertook reforms at a much slower pace and with much narrower scope.

Apart from politicians in executive government, many high-ranking civil servants were, in most cases, key reform program actors. In some countries they were the primary driving force. This might sound strange, as there is the stereotype that senior civil servants are conservative like 'mandarins' and resist changes. The data, however, shows that these 'mandarins' were initiators of reform and its implementation in Finland, France and New Zealand. In the meantime, in the academic world new theories were proposed to explain the phenomenon. Dunleavy, for example, developed the 'bureau-shaping' model according to which high-ranking managers gain benefit from reorganizing their staff thus distancing themselves from some operational problems (through decentralization process) keeping for themselves the roles that are more challenging intellectually.²⁰ Naturally, medium and lower-level officials are perhaps not as enthusiastic about reforms as they entail job insecurity, additional education, increased workload, more pressure at work etc. Wright describes it in the following manner: 'Current evidence suggests that top bureaucrats are not at all allergic to reform programmes, which, on the whole, impact more acutely on the lower ranks and which often open up more exciting opportunities of policy-oriented managerialism'.²¹

Behind the politicians and their advisers, high-ranking officials, there is a number of 'outsiders' who played an important role in the reform process, at

¹⁸ The resignation of the European Commission, Research paper 99/32, <http://www.parliament.uk/documents/commons/lib/research/rp99/rp99-032.pdf>, visited on April 15th 2016.

¹⁹ Administrative reform within the European Commission, School of Management and Governance, Enscheda 2008, 29-35. http://essay.utwente.nl/58990/1/scriptie_D_Marinovic.pdf, last accessed April 16th 2016.

²⁰ P. Christopher, G. Bouckaert, *op. cit.*, 19.

²¹ *Ibid.*, 20.

least in some countries.²² Three such groups deserve to be mentioned: consultants, independent analysts and academics. In the USA, Australia and Great Britain management consultants are highly involved. For example, in Great Britain, public sector reforms of the 1960s were implemented mainly as an internal matter, while nearly every reform of the 1980s and 1990s meant participation of at least one large consultancy: PricewaterhouseCoopers, Andersen, Ernst and Young, Deloitte and Touche, KPMG, etc. In the USA presidents Reagan, Bush and Clinton, different as they were, all used services of business companies (and in 1997 vice president Gore published a book entitled *Businesslike government: lessons learned from America's best companies*). In both countries, there was a large influence of generic management models derived from the theory and practice of the private sector.²³

In some countries political thinkers and analysts had significant influence. Prime Minister Thatcher got her ideas from right-wing analysts based at the Adam Smith Institute²⁴ and the Center for Policy Studies and for Economic Affairs²⁵. These ideas often included proposals for reform of specific institutions such as National Health Service, or the system of state schools. In a similar way, in the USA, presidents Reagan and Bush used advice from political analysts from Hoover Institution. In Germany, the Bertelsmann Foundation is regarded as a workshop producing reforms which reduced social, political and bureaucratic inefficiency and rigidity that blocked the country's democratic development.²⁶

In the end, the academic world also had some influence. Very frequently certain professors made substantial contribution to the work of the mentioned thinkers and analysts. Others were engaged as consultants by individual governments, the European Commission or the OECD's Public Management Service, PUMA²⁷. PUMA is one of the focal points of the international network connecting civil servants, consultants and academics (and politicians from time to time) interested in issues pertaining to public

²² D.H. Rosenbloom, R.S. Kravchuk, D.G. Rosenbloom, *Public Administration, Understanding management, politics, and law in the public sector*, McGraw - Hill Higher Education, New York 2002, 16.

²³ P. Christopher, G. Bouckaert, *op. cit.*, 20.

²⁴ See <http://www.adamsmith.org/>, last accessed on April 25th 2016.

²⁵ See http://en.wikipedia.org/wiki/Centre_for_Policy_Studies, last accessed on April 25th 2016.

²⁶ P. Christopher, G. Bouckaert, *op. cit.*, 20.

²⁷ See http://www.oecd.org/document/8/0,3746,en_2649_34141_2673544_1_1_1_1_00.html, last accessed on April 25th 2016.

management. This organization helped shape the international position on administrative reform. The World Bank, the IMF and the Commonwealth Institute²⁸ also spread the reform ideas internationally. Less influential, though not insignificant, were the academically oriented networks of the International Institute for Administrative Sciences (IIAS)²⁹ and the European Group for Public Administration (EGPA)³⁰. In some countries, the important role was played by university centres, such as "Speyer Post Graduate School of Administration Sciences in Germany".³¹ Finally, some professors have tried to exercise their influence by writing and publishing books, so that the academic literature on public management reform is substantial today.

4. PUBLIC MANAGEMENT REFORM IN THE REPUBLIC OF SERBIA

Public management reform is one of the major horizontal reform aspects in every country since it provides the framework for the implementation of the state's public policies. In the course of the public management reform in Serbia, initiated in 2004, the necessary legal framework for the actions of the state and local administration was provided. Numerous acts were adopted to determine the direction of further improvements together with a set of strategic documents relating to the reform.³²

Public management reform, together with economic management and the rule of law was proclaimed by the EU in 2014 to be one of the pillars of EU Enlargement Strategy. Public management reform and European integrations are two interconnected and interdependent processes aiming to apply the 'good administration'³³ principles such as: reliability, predictability, accountability and transparency, technical and administrative competency,

²⁸ See <http://www.comw.org/>, last accessed on April 25th 2016.

²⁹ See <http://www.iias-iisa.org/e/Pages/default.aspx>, last accessed on April 25th 2016.

³⁰ See <http://www.iias-iisa.org/egpa/e/Pages/default.aspx>, last accessed on April 25th 2016.

³¹ See <http://www.dhv-speyer.de/ENGL/>, last accessed on April 25th 2016

³² National programme for intergration (NPI); National programme for adoption of the *acquis* (2013-2016); Public administration reform strategy with action plan for its implementation (2015-2017), Strategy on professional training of government officials in the Republic of Serbia; Regulatory reform strategy in the Republic of Serbia etc.

³³ European Principles for Public Administration, SIGMA Papers, no. 27. OECD Publishing,

<http://unpan1.un.org/intradoc/groups/public/documents/nispacee/unpan006804.pdf>, last accessed on June 20th 2016.

organizational skills, financial sustainability and citizen participation. According to the European Commission communication, 'public administration in most candidate countries is still weak, limited in administrative capacity, highly politicized and insufficiently transparent' and 'states should intensify the effort to improve their public administrations at all levels in compliance with their national strategies'.

Public sector reform 'was perhaps most expected to yield results in the fight against corruption. Breaking up of monopoly, privatization of state-owned property, clear definition of mandates and responsibilities, competitive market with predefined rules known to all, application of proven managerial methods in administration - all these are common measures contained in every public administration reform program'.³⁴ 'Bad business environment often opens the door for corruption whose aim might be to obtain a building license or to avoid random inspection or some other reason'.³⁵ The Republic of Serbia has attained 'a certain level of readiness to fight corruption'.³⁶ Some progress has been made since 2014, especially when it comes to applying existing legislation and adopting the Law on Protection of Whistleblowers.³⁷ However, corruption is still widespread and a strong political incentive is yet to produce sustainable results.

When the Public Administration Reform Strategy in the Republic of Serbia was adopted in 2014³⁸ together with the Action plan to implement it in the period 2015-2017, a comprehensive framework was established for reform activities across the public administration system. Considerable effort was made to provide the know-how and conditions required to carry out the reform systematically and strategically so that careful planning of human resources and appropriate reorganization would improve the quality and performance of public administration.

Modernization of public administration is a prerequisite for a country to become a true public service. It enables the state not only to adequately

³⁴ Z. Jovanović, *Sprečavanje i suzbijanje korupcije u upravi - put ka uslužnoj upravi*, u: XXI vek - vek usluga i Uslužnog prava (ur. M. Mićović), knj. 3, Pravni fakultet Univerziteta u Kragujevcu, Institut za pravne i društvene nauke, Kragujevac 2012, 379.

³⁵ Z. Jovanović, *Regulatorna reforma u Republici Srbiji - put ka uslužnoj upravi*, u: XXI vek - vek usluga i Uslužnog prava (ur. M. Mićović), knj.4, Pravni fakultet Univerziteta u Kragujevcu, Institut za pravne i društvene nauke, Kragujevac 2013, 250.

³⁶ See Evropska komisija, Radni dokument komisije, Republika Srbija 2015, Izveštaj o napretku, http://www.seio.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/godinj_izvestaj_15_final.pdf, last accessed on July 10th 2016.

³⁷ Službeni glasnik RS, br. 128/14.

³⁸ Službeni glasnik RS, br. 9/14, 42/14 - ispravka.

support the increase of productivity in the private sector, which is the motor of economic development, but also to meet the high standards of future operating in the EU environment. It concerns different manner of providing public service, creating necessary space for new services while reducing public spending to sustainable level. It requires a change in the employee structure, adaptation of the existing human resources to the new needs and optimization of the network of current organizational structures. This entire process should be accompanied by better performance of public servants and higher standard of public services, as the final aim is improved and modernized public administration.³⁹

In order to improve the quality of public services with optimal resource utilization and to boost competitiveness of its economy, the Government should define, direct and coordinate general reform vision and priority goals, for which it must have wide public support. Consequently, it is essential to establish, maintain and improve continual consultative process involving representatives of different parts of the society at different levels of governments, so that reform priorities would mirror the identified current and projected future needs of the citizens and industry. By establishing the dialogue with the stakeholders – citizens, civil society organizations and economic entities or by shaping public policies to meet the citizens' needs and improve service quality Serbia is trying to create a regulated system in compliance with good administration principle.

One of the crucial elements of public administration reform is adoption of the new Law on general administrative procedure in 2016 coming into force on January 1st 2017.⁴⁰ Although the current Law on general administrative procedure⁴¹ in terms of its quality and applicability stood the test of time and managed to overcome the specificities and meet the needs of current circumstances, it is necessary to reform the administrative procedure in order to enhance protection of citizens' rights, improve business environment and relationship between the administrative bodies and Serbian citizens. This is supported by the current public administration reform in compliance with Public Administration Strategy and the Action plan implementing it, enacted by the Government in March 2015. The new Law on General Administrative Procedure changes the administration's relationship to citizens transforming

³⁹ See A. S. Trbović, D. Đukanović, B. Knežević, *Javna uprava i evropske integracije Srbije*, FEFA, Beograd 2010, 97-102.

⁴⁰ Zakon o opštem upravnom postupku, Službeni glasnik RS, br. 18/16.

⁴¹ Zakon o opštem upravnom postupku, Službeni list SRJ, br. 33/97, 31/01 i Službeni glasnik RS, br. 30/10.

the administration into what modern European administrations already are – the service for the citizens and industry. At the same time, the citizens and businesses will be expected to act more responsibly and proactively. Harmonization with international standards, especially with the principles of European administrative space, will produce the administration which can competently and efficiently meet the demands of the citizens and industry.

5. PUBLIC MANAGEMENT REFORM AND E-GOVERNMENT IN THE GLOBALIZED WORLD

E-government is a new phenomenon in the public administration development resulting from advances in modern information and communication technology (ICT).⁴² ICT has 'a significant influence on economy and politics, plays a decisive role in economy modernization and contributes to jobs creation in the new system of global economy'.⁴³ Contributing to transformation of the public sector, information and communication technologies can improve public services making them faster, more available and efficient. 'In an economic crisis, including the one experienced today, there is a constant pressure on all systems, including public administration bodies and organizations, to cut down the work-related costs, which is directly linked to rationalization. There is, also, a trend in all European legal systems, including ours, to reduce the number of employees in the public sector and increase the number of electronic services, as they are seen as a means of rationalization'.⁴⁴

Although the challenges of sustainable development have changed in the past decade becoming more individual and independent, Government institutions and their functions are still shaped after the public administration models from the beginning of the 20th century in which the ministries and their leaders work separately, 'in a ghetto', while issues are resolved at the sector level, rather than collaboratively. At the same time, the citizens and companies increasingly demand a more open, transparent, accountable and

⁴² S. H. Schelin, *E-Government: An Overview*, in: *Public Information Technology: Policy and Management Issues* (eds. G. D. Garson), Idea Group Publishing, London 2003, 120-121.

⁴³ Z. Jovanović, *Elektronska uprava u Srbiji*, u: *Pravni sistem Srbije i standardi Evropske unije i Saveta Evrope* (ur. S. Bejatović), knj. 3, Pravni fakultet Univerziteta u Kragujevcu, Institut za pravne i društvene nauke, Kragujevac 2008, 13.

⁴⁴ Z. Jovanović, *Elektronsko pružanje javnih usluga i njihov uticaj na racionalizaciju javne uprave*, u: *XXI vek - vek usluga i Uslužnog prava* (ur. M. Mićović), knj. 5, Pravni fakultet Univerziteta u Kragujevcu, Institut za pravne i društvene nauke, Kragujevac 2014, 306.

effective administration, while new technologies, especially ICT, enable more efficient knowledge management, information flow and cooperation between all sectors on all government levels in local, national and international domain.⁴⁵

It needs to be emphasized that 'in the past twenty years new forces, such as globalization, information technology and innovations made us change the way we see administration, the role of government and the work done by the public sector institutions'.⁴⁶ The UN survey on E-government in 2014 focuses more than previous surveys on the comprehensiveness of government and collaborative national administration as a key to solving complex challenges which require an integrative and collaborative approach.⁴⁷ In that context, it is necessary to identify several favorable factors which contribute to the integrated administration. Firstly, there is an essential need for new forms of collaborative leadership and team work which also entail reshaping traditional values, attitudes and behaviors in the public sector by establishing visible guidelines and principles. Secondly, it is necessary to establish new forms of institutional frameworks for more efficient coordination, cooperation and accountability at the level of entire administration, between administrations as well as with institutions and individuals outside administration who can help create value in the public sector. Thirdly, there is a need for innovative coordination processes and service delivery mechanisms as well as for increased citizen participation extending to all social groups including marginalized and vulnerable population. Fourthly, collaborative mechanisms for increased citizen participation in the decision making process should be introduced in such a way to focus on each citizen as a beneficiary through a decentralized administrative system that mobilizes citizens using the existing forms of mass communication.⁴⁸

As the last factor, which frequently emphasizes all other factors, it is necessary to direct the power of new technologies and appropriate

⁴⁵ A. T. Chatfield, O. Alhujran, *A Cross-Country Comparative Analysis of E-Government Service Delivery among Arab Countries*, 151-153, <https://drive.google.com/file/d/0B5-bvYGt58QNcDRhbkF0WU1uYzQ/view?pref=2&pli=1>, visited on June 26th 2016.

⁴⁶ Z. Jovanović, *Izazovi i trendovi u upravljanju ljudskim resursima u javnoj upravi*, u: XXI vek - vek usluga i Uslužnog prava (ur. M. Mićović), knj 6., Pravni fakultet Univerziteta u Kragujevcu, Institut za pravne i društvene nauke, Kragujevac 2015, 276.

⁴⁷ United Nations E-Government Survey 2014, https://publicadministration.un.org/egovkb/portals/egovkb/documents/un/2014-survey/e-gov_complete_survey-2014.pdf, last accessed on June 25th 2016.

⁴⁸ *Ibid.*

information and communication administration strategies towards improved cooperation between sectors. Global scope of the Internet and application of ICT techniques in administration, accompanied by enlarged investment in telecommunication infrastructure and better human resource management can provide a fertile ground for transformation of public administration into an instrument of collaborative management that directly supports results of sustainable development.⁴⁹

While digital differences were earlier seen as a matter of having access to relevant information and communication infrastructure, today it is seen as a matter of access to ICT. Different degrees of digital development stem from widely spread social and economic inequality based on social and economic disparities between countries, groups and individuals influencing their ability to use ICT to promote welfare and prosperity. Consequently, developmental differences affect in one way or the other all the people in developed and developing countries.

All in all, in spite of certain advances in providing a variety of E-services and online information, the efforts to efficiently reduce digital discrimination did not produce significant results. Although ICT accessibility has improved and is not just the question of 'going online', e-services have not adequately utilized human, economic and social resources, institutional structures and management networks, which is a prerequisite for future development.⁵⁰

Recently, governments have increasingly focused on the link between the use of new technologies, education and social inclusion, especially of marginalized and vulnerable groups. By 2014, 64 per cent of government portals and websites managed to provide integrated links to archives and information sources (legal documents, strategies, budget) pertaining to some marginalized and vulnerable population groups, especially to people living in poverty, persons with disabilities, older persons, immigrants and young people.

One aspect of the different digital development is the discrepancy in e-government usage, which correlates with demographic and socio-economic

⁴⁹ J. C. Bertot, P. T. Jaeger, U. Gorham, N. G. Taylor and R. Lincoln, *Delivering e-government services and transforming communities through innovative partnerships: Public libraries, government agencies, and community organizations*, 127-128, <https://drive.google.com/file/d/0B5-bvYGt58QNMEVYSnIDYU5pODA/view?pref=2&pli=1>, visited on June 27th 2016.

⁵⁰ R. F. Hodos, *Computerization of public administration to E-Government: between goal and reality*, 119-121, <https://drive.google.com/file/d/0B5-bvYGt58QNWnFMA2JHNG4tdVk/view?pref=2&pli=1>, visited on June 27th 2016.

characteristics, such as income, education and age. Furthermore, as more government tasks are performed through online services, there is a concern that a significant number of the population will remain shut-off from health care, education and other government services as well as from job opportunities. This has particularly been observed in the most advanced e-government countries where 'digital by default' strategies have made many services only available online, as a result of cost savings as well as downsizing in public sector.⁵¹ This clearly results in a boost in e-government usage, but there is still the need to provide these services in the traditional way for groups which cannot access the Internet.

6. CONCLUSION

New public administration systems in the globalized world can emerge only in an orderly state with the rule of law, where the branches of legislative, executive and judicial government are separated and balanced. There has always been the need to make public administration better and more suited to the demands of the society. Essentially, public administration is the backbone of the governance system, an important element of political and administrative system, which must be adapted to the changes in social environment. However, the interest that political structures show in this matter is surprising. Even the EU integration process, together with other regional and international integration processes, has proclaimed public administration and governance system reform to be one of its pillars.

In general, the approach of the political structures was such that they transferred the root of large and growing social problems from the world of politics into that of administration. In many countries the politicians identified public administration as part of the problem rather than the part of the solution. Consequently, many reform initiatives turned into fight against bureaucracy in order to eradicate its negative effects. From the multitude of demands to transform public service emerged the movement to introduce modern governance systems. This movement, characterized by promotion of the governance systems concept as well as by specific structural models, had significantly different practical and administrative implications in various countries. These include the need for stronger legal protection of citizens, development of new legal instruments related to administration functioning,

⁵¹ M. Sorrentino, M. D. Marcob, *Implementing e-government in hard times: When the past is wildly at variance with the future*, 332-335, <https://drive.google.com/file/d/0B5-bvYGt58QNYIF0eEYzNzgzVzA/view?pref=2&pli=1>, visited on June 27th 2016.

more openness and transparency of administration, information balance between citizens and administration, as well as political independence of the media shaping public opinion, sensibility of public administration to initiatives, wishes, and suggested solutions that citizens can offer for some of the public problems.

Essential reform of Serbian public administration was postponed for too long. Every government from 2001 emphasized how necessary this reform was. However, for a long time there was neither the vision nor an appropriate plan to build administrative institutions. Clear and consistent concept of a reform is a prerequisite for its implementation. Decision-makers should be allowed to decide on appropriate measures in new circumstances respecting stability and some basic principles. In order to provide continuity, the reform should be designed as a long-term one. It is necessary to reach a consensus – the government and the opposition must agree on some basic principles at least. However, there has to be collaboration between state, regional and local authorities which have to implement the reform.

Judging by the global examples of good practice, it can be concluded that effective e-government depends on strong political commitment, collaborative leadership and new institutional administrative framework which supports and applies the service delivery model focused on citizens. It also relies on adequate national policy and strategy of ICT use in e-government, strengthening of institutions and public servants' capacity building. Effective approaches and modalities and comparative advantage of integrated governance are the backbone of e-government's future development. Collaboration between different sectors, openness, transparency, accountability and citizens' participation in the public sector supported by ICT infrastructure and adequate human capital and online services are also foundations on which effective e-government can develop and provide sustainable development and the future we want.

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