

Focus

This newsletter is prepared by the Public Management Service (PUMA) with the guidance of the Public Management Committee of the OECD. It appears quarterly: March, June, September, December.

SIGMA launches new phase of work

Promoting good governance in Central and Eastern Europe

In July, SIGMA received the green light to continue work. SIGMA stands for *Support for Improvement in Governance and Management in Central and Eastern European Countries*. It is a joint initiative of the OECD's Centre for Co-operation with Economies in Transition and the European Union PHARE Programme. It is principally financed by PHARE.

Utilising PUMA networks

Since SIGMA's inauguration in May 1992, the programme has operated within the Public Management Service. Through PUMA, SIGMA offers its partner countries access to a network of experienced public administrators, comparative information, and technical knowledge of public management issues.

Thirteen countries participate

The number of countries participating in SIGMA's work has increased from five at the outset to thirteen today: Albania, Bosnia-Herzegovina, Bulgaria, the Czech Republic, Estonia, the Former Yugoslav Republic of Macedonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

Search for good governance

SIGMA aims at assisting its partner countries in their search for good governance to improve administrative efficiency and promote adherence of public sector staff to democratic values, ethics and respect of the rule of law. The programme also helps build up capacities to face the challenges of internationalisation and of European Union integration. It supports initiatives of the European Union and other donors to assist the partner countries with public administration reform.

Work areas of the programme

SIGMA focuses on five issues:

- planting the seeds for change (the reform agenda and structure);
- improving policy development,

Reform on the move

Public management reform seems to be moving into a new phase. In the first phase of reform, previously budget-funded activities were commercialised, turned into business enterprises or privatised. In other words, activities were moved out of the budget-funded sector and subjected to market discipline.

In the second phase, market discipline is being brought into the core budget-funded sector. Purchaser-provider splits are becoming common. Budget-funded activities are being benchmarked, made contestable and put out to competitive tendering.

Governments around the world are seeking to provide effective services at least cost to their taxpayers. This has fundamental implications for all of us. Once again, PUMA will provide us with an excellent opportunity to learn from each other as this important change progresses.

Len Early

Deputy Secretary

Department of Finance, Australia and Vice-Chair, PUMA

Building bridges

Here is the second issue of *Focus*.

It gives us a chance to better communicate information on country experiences. I hope that you enjoy reading it. I should also add that we are looking forward to getting your feedback on this initiative.

As I have been a member of the PUMA Committee since 1986, I can confidently say that the Committee succeeded during these years in establishing sound information bridges among its members. I also observed, during the decade, the impact of the Committee's work on countries. Turkey is a good example. PUMA products were a source of inspiration for our officials. These outputs told us what others were doing, why and how. They analysed successes and failures, indicating possible ways of doing or not doing things. We hope that the Committee will continue to play this role for many years to come.

Reyyan Ödemis,

Head, Foreign Relations Dept.,

The Prime Ministry, Ankara, and

PUMA Vice-Chair

- co-ordination and implementation;
- guarding and using the taxpayers' money (expenditure management);
- establishing professional and impartial administration;
- supporting the rule of law and citizens' rights.

Want to know more about SIGMA?

You can consult PUMA's Web site to find information on SIGMA's work, its publications (all free of charge), and descriptions of public management structures of SIGMA countries: <http://www.oecd.org/puma/sigmaweb/index.htm>.

Public Management Forum

SIGMA publishes a bi-monthly newsletter on public administration reform in Central and Eastern Europe. It is circulated to over 6,000 addresses, and is also available on the Web site.

● **Focusing on implementation**

In **Germany**, like in many other countries, working groups and commissions in the past conducted comprehensive studies on public administration reform, and published voluminous reports. However, the results of this overall approach remained limited. Individual ministries continued to design their own interventions and realise them in an isolated manner. In 1995, the Cabinet decided to use a different approach and created the *Lean State Advisory Council*. It concentrates on practical issues of implementation. It does not conduct new studies. Instead, as the major central force, it co-ordinates the initiatives of individual ministries and other administrative bodies. As a catalyst for reform, it brings together the efforts of various government bodies, and provides guidance and encouragement. In addition, it makes suggestions for changes and gives practical recommendations.

The overall objective is to streamline ministerial functions, reduce tasks and debureaucratise. The Council is chaired by a prominent member of the Parliament and includes some parliamentarians, officials from the federal government, academics, representatives from the *Länder*, local authorities, industry, and trade unions. The Council's mandate will terminate in early 1997.

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● **"Animator" role at the top**

Portugal searched, for some years, for an organisational structure to conduct reform work. Finally, it decided that a centralised reform bureaucracy could not be effective. This led to the creation of a small and flexible unit, the Secretariat for Administrative Modernisation (SMA). Its role is to guide, facilitate and animate. SMA exists since 1986 and directly reports to a Secretary of State. It does not have permanent posts; the staff consists of officials seconded from other government units. This enables SMA to have direct access to the know-how of experienced practitioners. SMA promotes innovation and modernisation. It builds support systems for creating a suitable and sustained environment for reform. Most of the decisions and the design work for modernisation are handled by operational units. The SMA assists operational units in their modernisation efforts, by giving technical advice, monitoring and evaluating implementation, locating problem areas and alerting authorities on administrative deficiencies.

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● **Involvement from the outside helps**

Involving outsiders in the process of change may provide a valuable contribution to reform. It was with this idea in mind that a semi-governmental, but independent body, the Administrative Reform Committee, was established in **Japan**. It has five members (all from outside the administration) who are appointed by the Prime Minister and approved by both houses of the Parliament. The Committee plays an advisory role; it organises debates, conducts consultation, undertakes studies and produces reports that are submitted to the Prime Minister. Its views and proposals are highly regarded.

The Committee works through subcommittees and expert groups. One expert group deals with making administrative information more accessible and easily available to users. A subcommittee reviews the boundaries between the public and private sectors. Another subcommittee works on the simplification of regulations.

This last subcommittee was established with a three-year mandate and asked to review the action plan developed by the administration on "deregulation" (simplification of regulations). The review resulted in the selection of 47 proposals as top priority initiatives that were presented to the views of the public. This produced around 2,000 reactions. Public hearings were organised to discuss these ideas thoroughly. The end result was a report submitted to the Prime Minister. The administration revised its action plan, adopting most of the suggestions in the report. This was the first cycle of operations. Now the subcommittee is launching a second cycle of work concentrating this time on 37 initiatives.

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● **Reforms need an effective catalyst**

Four years ago, the post of Chief Operating Officer was created in the executive departments and agencies of the **United States**. The officers report directly to agency heads and are responsible for overall management. They also form the President's Management Council, which is a catalyst and implementer of management reforms. The PMC has contributed to efforts to reform procurement and personnel systems, improve service quality, rationalise field office structures, and streamline the federal workforce. It has worked closely with employee representatives and associations of managers. Its members also collaborated with members of Congress to make government downsizing more humane.

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Page Break

Greetings! Here is the second issue of Focus. The first issue had a circulation of 4,000 in English and 1,000 in French. We received encouraging feedback from our readers, and thank you for your warm

messages. We also appreciate the comments we received on content and format. We are constantly learning and striving to produce a better newsletter. The more comments you send, the better Focus can serve you.

This page looks at some ideas on how governments promote reform. Change cannot occur by itself: it requires mechanisms to make it happen. But as shown by the examples above, there is no single model for promoting reform.

● **Strategic planning**

In 1993, the **New Zealand** Government set out a broad vision for the country's future in *Path to 2010*. Then a set of Strategic Result Areas was drawn up, showing the contribution that the state sector will make to achieving this vision. Within this framework, the functions of some government departments are being described in strategy documents that are made available to the public. Ministry officials develop a draft strategy of planning processes and resource needs in their sector. The draft is released as a discussion document so the public has an opportunity to provide views on the proposed outcomes and targets. To date, strategies have been developed in education, the environment, and research, science and technology. Performance indicators are used, and targets set. For example, a target figure has been set for full-time tertiary education students in 1998 and 2001. In some sectors, more than one government department is involved. The strategy for the environment, for example, implies action by five bodies: the Ministry for the Environment, the Department of Conservation and the Ministries of Commerce, Agriculture and Fisheries. The strategy documents set out the goals for each sector and specify the agenda for action, the role of each actor, and the resource issues involved. After a period of public consultation, final strategy documents are issued. The stakeholders in a government activity thus know exactly where they stand.

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● **Closer to clients**

Helping managers manage people: the Public Service Commission of **Australia** is doing just that. Government employees and government managers can rely on the Commission for assistance with a variety of personnel questions. Now the increasing complexity of management matters has called for a restructuring of the Commission. In December 1995, it merged with the Merit Protection and Review Agency to become the Public Service and Merit Protection Commission (PSMPC). The new Commission has a strong commitment to working more closely with its clients to provide an accessible and responsive service. The focus for the future will be on working in partnership with clients to identify and promote best practices in people management. One effective tool is the new home page of the PSMPC on the Internet (<http://www.psmpc.gov.au/>). Through its new structure and orientation, the PSMPC is setting a standard of organisational design.

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Words & Concepts

There are a few words that start with "de" and sometimes cause confusion. They are: *devolution, decentralisation, deconcentration, delegation*. Countries give different meanings to them. And most of the time, people from various fields find it difficult to agree on a common usage. The intention here is not to resolve this conflict, but to warn of the difficulty and shed some light on the discussion.

Devolution: an umbrella word covering all transfers of responsibility. It is the granting of greater decision-making authority and autonomy:

- by central management bodies to line departments;
- by departments/agencies to subordinate units;
- within any government body to lower levels of management and to regional/local offices of central government (*deconcentration*, but sometimes also *decentralisation*);
- by central government to lower levels of government (usually *decentralisation*; but in the regulatory area *delegation* is used for this type of shift of authority).

● **Active Communication**

Government cannot function in a vacuum. The proper functioning of the democratic process depends upon fully informed actors who communicate. In **Norway**, a clear information policy has been established. It includes five inter-linked principles: communication, active information, comprehensiveness, line management, and information as a management responsibility. Communication implies that the government administration and its users are equal partners, who alternate as senders and receivers of information. The second principle means that the administration itself must inform the public, actively and systematically. Comprehensiveness implies that government information is co-ordinated, so that receivers perceive it as a whole. Line management in a particular area of government should have resources, tools, including information as an instrument, and authority to achieve their objectives. And finally, managers can delegate responsibility for information tasks, but not for the information policy. This central government information policy was presented to the Parliament (*Storting*) in 1993 as part of a budget proposition, thus linking the information policy to the efficient functioning of government.

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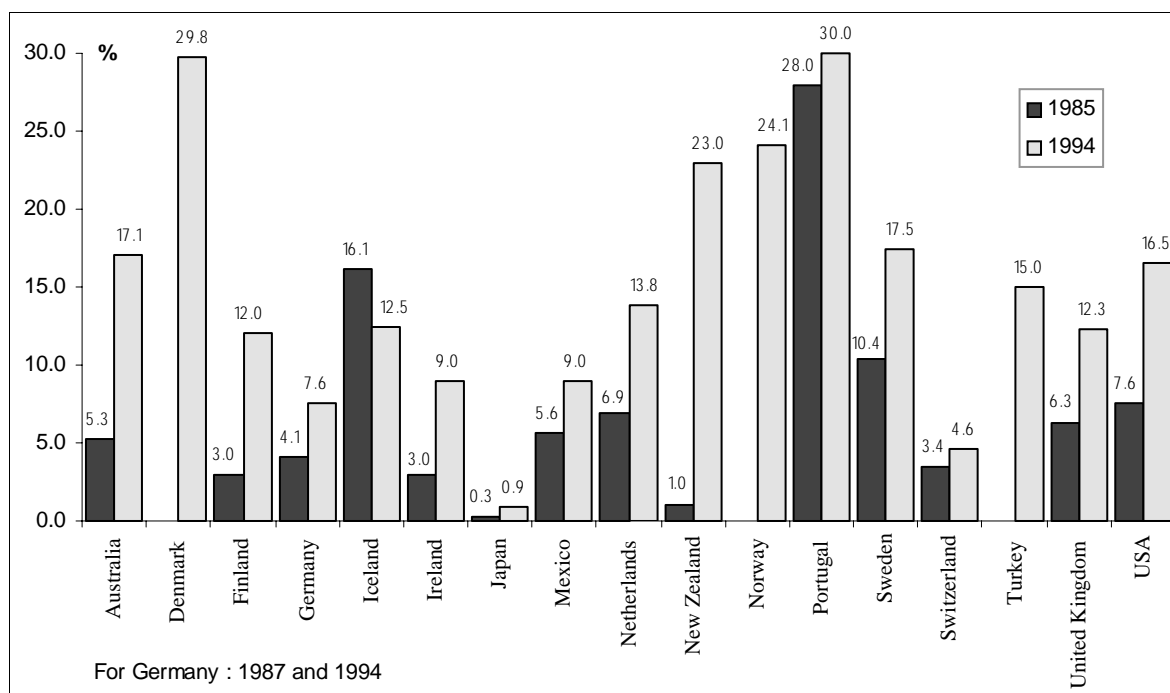
Page Break

Remember: the main focus of Focus is what PUMA Committee members report on their countries. The country experiences summarised on this page are taken from the fact sheets submitted by members. This is also true for some items on pages 6 and 7.

*You also see on this page a permanent feature of Focus: **Words & Concepts**. Terms may carry different meanings in different countries. This column tries to draw attention to these difficulties and warn of usage problems.*

*It is with extreme sorrow that we report here the loss of a long-standing Committee member from Germany. **Dr. Dietmar Seiler** passed away recently. He made valuable contributions to PUMA's work, and will be missed.*

Women in the senior public service



Source: OECD.

This graph provides a “snapshot” of the representation of women in the senior public service in a selection of OECD countries. The data on which this graph is based are from a PUMA study. The proportion of women at senior levels varies widely.

However, a word of caution must be entered about comparing across countries. Despite efforts to establish a reasonably homogeneous data set, the way the senior public service is defined varies between countries and the figures shown here are not strictly comparable for statistical purposes. For example, in Japan the representation of women was reported to be 0.9 per cent in 1994, but Japan only included the very top levels in the study, around 0.1 per cent, whereas the senior public service identified by many other

countries was much larger.

Most countries reported between 10 and 20 per cent representation of women in the senior public service in 1994. Four countries — Denmark, New Zealand, Norway and Portugal — stand out as having relatively high proportions. However, in no country did the proportion of women reach even a third of the total senior service, although in most cases there has been a substantial increase by comparison with the 1985 figures.

These data may reflect the gradual success of equal employment opportunity programmes. But other factors have undoubtedly been at work, in particular changes in the way the senior group is recruited. In countries where talented officials are identified very

early in their careers and set on a path towards successive promotions, changes in practices may take a very long time to feed through into the senior levels. By contrast, countries which recruit to the senior levels on a more ad hoc basis, or which recruit from pools outside their public service, may be in a position to respond to demands for greater representation of women more quickly.

The remarkable increase over a relatively short time shown for New Zealand, for example, could not have occurred under a cohort system of staffing the senior public service, where the pool of those available for promotion may comprise a very high proportion of males. Changes over time may also reflect reforms which have altered the definition of the senior service in some countries. ■

Page Break

The graph on this page uses data collected as part of a broader PUMA study on managing the senior public service. Although this study does not deal specifically with the policies and practices of representation of women,

it raises a few questions. How representative is the public service, in terms of its staffing profile, of the society it is serving? How effective have equal opportunity policies been? How successful have efforts been to

increase the representation of women and other under-represented groups at decision-making levels? PUMA will investigate these issues further in 1997 in the context of a meeting of senior officials.

The people side of reforms

In the context of major public service reform efforts, increasing attention is being focused on the people side of reforms, recognising that effective management of people is an essential ingredient for well-performing public services. Reasons for changing the way people are managed in the public service include, first and foremost, demands for greater efficiency and better quality of service. Other major factors driving change include efforts to strengthen managerial accountability, demands for increased transparency in public spending and the need for the public service to remain a competitive employer in a changing labour market. Reform trends include giving government departments and agencies greater freedom to manage their staff; shifting responsibility for people management from human resource management specialists to line managers; moving from detailed rules and controls to an emphasis on basic standards and good practices; and building skills and flexibility in the workforce to better meet programme delivery demands.

Integrating People Management into Public Service Reform, OECD, 1996

Forthcoming PUMA Publications

Two new publications, *Performance Auditing and the Modernisation of Government* and *Ethics in the Public Sector: Current Issues and Practice*, will be published in late December.

Reforming pay systems

The reform of pay systems in the public sector has been motivated both by the search for increased flexibility and the desire to contain the public sector pay bill. Pressures on pay systems in the public sector have arisen from macro-economic, managerial and labour market considerations.

One major advantage of decentralisation and of delegated responsibility for pay is that it encourages, perhaps even forces, management to develop a reward strategy that is consistent with an agency's wider strategic goals. Indeed, delegating responsibility for pay to agencies may be viewed as a mechanism for stimulating agencies to develop an explicit and consistent set of strategic goals: to ask themselves what "business" they are in and how best they might serve their customers.

Pay Reform in the Public Service, OECD, 1996

Reducing budget deficits

There is general acceptance across OECD Member countries that high budget deficits weigh adversely on economic activity by pre-empting national savings, raising interest rates and impeding private sector investment. Policies that involve ever rising debt-to-GDP ratios, and the debt servicing burdens they imply, are considered unsustainable. The imperatives underpinning fiscal consolidation are accentuated by large future spending commitments, particularly in entitlement programmes, as a result of ageing populations. While recovery from the general economic recession of the early 1990s is under way in most OECD Member countries, it is nevertheless clear that this cyclical improvement cannot provide sufficient fiscal consolidation. The reduction of budget deficits can only be achieved by additional measures to either raise revenue or cut spending. Most OECD Member countries have thus recognised the need for fiscal consolidation to focus on the structural component of budget deficits. Many have announced their intention of doing so, and some have taken measures to translate these intentions into reality.

Managing Structural Deficit Reduction, OECD, 1996

Lessons from Portugal

The Portuguese reform movement provides a rich experience from which some useful lessons can be drawn:

- Reform is not only a matter of changing structures, work methods and procedures, but also an intervention in the prevailing organisational culture.
- A citizen-oriented approach and a concern for service quality constitute key components of a reform programme.
- It is important that leading political figures develop "ownership" of reform and make it visible.
- The degree of consensus that can be reached among the various actors concerned (political parties, senior public service) on the analysis of administrative deficiencies and on reform objectives plays a key role.
- Administrative modernisation is not a quick fix. It takes a good decade to produce substantive changes in the administration.
- Continuity is an important element for the success of modernisation.
- A devolved approach to modernisation, which leaves the responsibility to operational units, works better than the approach in which reform measures are imposed from the top.

Putting Citizens First: Portuguese Experience in Public Management Reform, OECD, 1996

Page Break

September-October 1996 has been a very prolific period for PUMA. Six publications were issued in quick succession. Excerpts from four of them appear here. Other recent publica-

tions are: *Building Policy Coherence: Tools and Tensions* (practical lessons gained from country experiences), and *Performance Management in Government: Contemporary*

Illustrations (recent practices in five OECD countries). All of these publications are for sale. For more information, consult the PUMA Web site: www.oecd.org/puma/pubs/index.htm.

● **Delivering social services**

A large share of **Australia's** resources is employed in the delivery of government-funded and largely government-provided social services. These include public acute care hospitals, public housing, government school education, vocational education and training, police, courts administration, corrective services, and support services for families and individuals in crisis. The effective and efficient delivery of these social services has a direct impact on society and particularly on Australia's overall economic performance. A review of the provision of these services was undertaken in co-operation with the Commonwealth government, state and territory governments, and local government. The results were published in a report in December 1995, the "Scales Report: Initial Report of the Steering Committee for the Review of Commonwealth/State Service Provision". This report was the first of a series of annual publications that aim to inform parliaments, governments, government service agencies, and the clients of these agencies -- the wider community -- about their overall performance, based primarily on results rather than inputs.

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● **Can government be run like a business?**

Making policy and enforcing regulations are things only a government can do. They cannot be measured by business standards. But other government functions can. Much of government can operate more like a topnotch business. But how can you make government more businesslike without abandoning the concept of public service? The **United States** is proposing to create, within existing departments, performance-based organisations (PBOs). These PBOs would be run by chief executive officers who sign contracts, and who would be personally accountable for delivering results. Their performance would be measured by criteria such as efficiency, cost and service. Their pay and job security would be tied to performance. The entire culture of these organisations would be changed: they would be released from restrictive government rules, excessive red tape, and personnel and budget restrictions. In other words, they would be held accountable for results. For more information, see <http://www.npr.gov>.

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● **New budget process involves better forecasting**

The **Swedish** budget process was evaluated in 1992, revealing a certain number of defects. The Parliament (*Riksdag*) decided in 1994 to introduce a framework budget model for processing the draft budget in the *Riksdag* with effect from 1996. Thus, the *Riksdag* first decides on the overall level of expenditure and thereafter on its allocation among various purposes. Furthermore, a nominal expenditure ceiling was imposed in 1995 for the three-year period 1997-99. It will be renewed every year for the corresponding three-year period. The new system means that government agencies must improve their forecasting capacity. Government must be notified of potential overruns at an early stage, so as to meet its commitments.

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Forthcoming PUMA publication

Performance Pay Schemes for Public Sector Managers: An Evaluation of the Impacts will be published in the coming months.

● **Value for money**

The public sector is accountable to taxpayers for the way it spends their money to provide services. The government of the **United Kingdom** has set up the Private Finance Initiative (PFI) for contracting out service provision in some areas. The underlying principle is that the designer and builder of an infrastructure is also responsible for operating it. The public sector specifies the services it wishes to provide and then challenges the private sector in competition to come up with the best way of delivering them, for example hospital facilities for health care, office buildings for administrative services, roads and train lines for public transport, custodial services for the justice system. The private sector provides the infrastructure and protects its investment by keeping it running well. The public sector concentrates on its core task of purchasing a service. If the maintenance of the infrastructure is not up to agreed standards, a different supplier is found. Costs are clearly related to specific performance criteria. Competition ensures value for the taxpayers' money.

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Page Break

Something's new in this issue: colour. Purple (and this specific shade) is the PUMA colour; you see it on almost all PUMA publications. Based on comments we received, we decided to make Focus more appealing by adding colour and more white space.

There is another change in Focus: better quality paper. This is again a response to readers' comments. So, we are experimenting with alternative looks, while retaining the same basic format, to see which options fit best with what Focus is trying to

achieve. We are keen to retain the newspaper style and not opt for the look of a magazine. That was the guidance from the PUMA Committee, which is the board of editors of Focus. The Committee will have the final word on all of these options.

PUMA's Web site is in third place

PUMA's Web site has over 150 pages updated regularly. It provides information on PUMA's work and offers the texts of some outputs. It is popular: on average, it received 394 daily accesses in September 1996. This confirmed its third place among the substantive directorates of the OECD. To consult its pages, use this address: <http://www.oecd.org/puma>

Interested in electronic *Focus*?

Focus will soon appear in an electronic version. You will find it on the PUMA Web site. It will have the same coverage as the paper version you are reading now. However, it will include some longer and more detailed texts. It will also contain all past issues. You can access it at the following address after 16 November 1996:

<http://www.oecd.org/puma/focus>

Jumping to government Web sites

The PUMA Web site also serves as a link to a variety of other sites of interest. Please look at: <http://www.oecd.org/puma/links>

This contains numerous government and public management sites. Some examples include:

- Official Documentation and Information from Norway <http://odin.dep.no/html/english/>
- The Federal Authorities of the Swiss Confederation <http://www.admin.ch/>
- The Government of Canada http://canada.gc.ca/main_e.html
- The New Zealand Government Web Server <http://www.govt.nz/>
- The Portuguese Government's Administrative Information Service (INFOCID) <http://www.infocid.pt/english/welcome.htm>

Jumping by subject matter

The PUMA Web site also offers you links by subject matter. For example, to see what is available on budgeting and financial management, consult: <http://www.oecd.org/puma/mgmtres/budget/budlinks.htm>

Or, you may wish to see some interesting sites on performance management, including national audit offices and the UK Citizen's Charter Unit. To do so, consult:

<http://www.oecd.org/puma/mgmtres/pac/sites.htm>

PUMA links pages are constantly being expanded. ■

● Doing more with less

Americans want a smaller government, and the administration is creating one. It has cut the federal civilian workforce total as at January 1993 by 9.8 per cent (i.e. more than 200,000 employees). The goal set by the President and Congress is 12 per cent by the year 2000. But a smaller government is not an end in itself. The government must change the way it operates. Streamlined agencies are also being restructured. In place of the highly centralised focus on process, the administration is creating decentralised management structures within agencies to focus on results. In the past three years, supervisory personnel in many agencies has been reduced and unnecessary agency field offices have been restructured or eliminated. In many instances, agencies are consolidating their operations so that they can strengthen the services they provide to customers.

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Senior advisors met in Mexico City

The topic of this year's annual PUMA meeting for senior advisors to government leaders was "Integrating Multiple Interests into Policy". A feature of the meeting was a special session with President Zedillo.

The meeting began with presentations on recent developments in Mexico. This was followed by discussions on public consultation, interest groups, and direct democracy. The benefits of increased responsiveness need to be balanced against delays and administrative costs, and the risk that vocal interest groups could overshadow the views of the "silent majority".

The objectives and methods of public participation in policy should be carefully defined and controlled.

Managing relations with the media was the subject of another session. Participants acknowledged that they had to improve the management of media functions in government by packaging information better, involving press advisors at an earlier stage of policy deliberations, and by better co-ordination of press functions to avoid mixed messages, especially during crises.

Next year's meeting will deal with "Improving Policy Capacities for the Long Term". An initial discussion revealed that governments are experiencing a general decline in "policy capacities". This is due to a range of factors, including downsizing, budget constraints and a lack of investment in policy analysis. ■

Page Break

Here we come to the end of a journey, jumping from one Page Break to another. As you have seen, we try to respond to your suggestions, because Focus exists if you want it to, and in the way you want it. This is why your comments are so valuable. Our job is

to find solutions to your suggestions. We ask ourselves "how can we offer a nicer looking and more reader-friendly product, at the lowest printing and mailing cost, and in a timely manner?" We keep these factors constantly in mind — and in balance.

This second issue was again produced by the same team. The members of the Focus team are Atila Alpöge, Deirdre Wolfender, Andrea Uhrhammer and Marie Murphy. To contact us, use the addresses shown on the back page.

In France, users to benefit from redefined government roles

At each PUMA Committee meeting, a delegate presents reform initiatives undertaken in his/her country. At the March 1996 meeting, it was M. **Marcel Pochard**, the Director-General for Administration and the Civil Service (France), who talked about recent developments in France. The government has prepared a reform plan that has four objectives:

- serving citizens better by simplifying their relations with the state;
- renovating the management of human resources;
- bringing decision-making closer to the citizen;
- improving the quality of public decision-making.

Citizens as a central concern

The administration should simplify its structures and procedures, and make itself more accessible. Initiatives in this area include one-stop shops in rural areas, putting acts and decrees together in the form of codes, the introduction of a health-care card, abolishing numerous administrative authorisations, multi-purpose counters at courts.

Better management of people

The primary asset of the state is its public servants. The state's ability to meet the needs of society depends on the skills and motivation of its staff.

The question is how to encourage mobility, adjustment to new types of jobs and a spirit of responsibility, without changing the basic status of the public service.

Delegating responsibility

Central units in Paris should not directly perform operational functions. Implementation must be delegated to territorial units, which must be given adequate freedom of action and made accountable for what they do. For example, individual decisions concerning citizens will be taken at the deconcentrated level, away from Paris.

Improving decision-making

The reform will improve the decision-making processes and give a truly strategic function to central units, which

should deal with deciding on overall policy, steering operational units and supervising public enterprises. Central organisations will be progressively downsized by about a quarter.

Changes of this scope require efforts based on broad consultations and the mobilisation of all concerned. Two aspects of these efforts are worth considering closely: deconcentration and reorganisation.

Deconcentration

Deconcentration means, in this context, the delegation of responsibilities from the central administration to regional units.

Deconcentration is not new in France. However, despite many efforts during the last decade, administrative services have remained highly centralised. For example, 50 per cent of administrative appropriations, two-thirds of intervention credits (i.e. subsidies) and 70 per cent of programme authorisations are still managed centrally. Operational units are still closely controlled, and guided by detailed administrative command methods. The aim is to define objectives for the operational units, prepare "service contracts", provide freedom of

action in management and regularly assess the results they obtain.

Greater autonomy will be given for the management of human resources. Global administrative appropriations will become the normal practice. A new form of expenditure control is being tested in ten regions, and this practice will be extended in 1997.

Reorganisation

A policy of devolving responsibility requires the reorganisation of central units. This includes reducing staff at the centre (7,000 posts over the next three years) and adjusting the tasks of remaining officials. On the other hand, units that have direct contact with users are being asked to draw up a programme to improve their relations with the public. They will also introduce indicators to measure service quality and user satisfaction.

Another important aspect of the reform plan is the introduction of measures to tackle the problems resulting from the compartmentalisation of government units. New mechanisms are being created to ensure better co-ordination during the implementation of interministerial policies. ■

Frequently asked questions about the PUMA Committee

- *How many times a year does the Public Management Committee meet?*

Twice: in March and in October.

- *Can I participate in them and observe?*

No, these are for delegates nominated by governments. They are similar to meetings of the executive boards of companies: key questions of substance, orientation, work programme, use of resources, etc., are discussed and decisions are taken. Delegates represent the position of countries.

- *Can I participate in other meetings organised by PUMA?*

"Other" meetings are called activity meetings. They are similar to production workshops. Participants gather to work together, discuss practical issues, consider analysis developed by the Secretariat, etc. The meetings are platforms for exchange of experiences and ideas. Participants are from PUMA networks of government officials. To be a participant, one needs to be nominated by his/her administration. ■

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