

Introduction: Note on Public Administration, Management and Economic Development Nexus

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Abstract

This paper is an introductory text to the first issue of the new journal – *International Journal of Public Administration, Management and Economic Development* – published by Academy of Management and Economics. The goal of the paper is to provide some insights into the themes which are of interest for publishing in the journal. Two themes are chosen and further discussed in this regard - public administration, public management and public governance (1) and strategic planning (2). The discussion indicates the existence of a number of highly relevant and actual themes for publishing in the journal. Moreover, there are interlinkages between the three terms from the title of the journal – ‘Public Administration’, ‘Management’ and ‘Economic Development’. Overall, a high potential that *International Journal of Public Administration, Management and Economic Development* will meet its main aspiration in future – to create space for exchange of interesting thoughts related to the three domains – was identified.

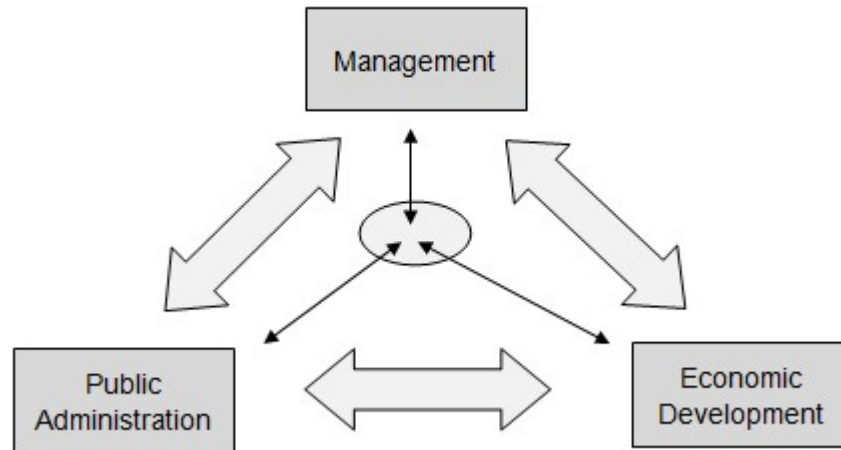
Keywords: public administration, management, economic development, journal

1. Introduction

This paper is an introductory text to the first issue of the new journal - *International Journal of Public Administration, Management and Economic Development* - published by Academy of Management and Economics. The main objective of this journal is to contribute to the understanding of various aspects of the three undoubtedly relevant and interlinked domains. Public administration, management and economic development belong to often-cited topics by researchers, politicians, businessmen and other people. Therefore, the exchange of knowledge about the three topics is highly desirable and rewarding. *International Journal of Public Administration, Management and Economic Development* provides the space for this exchange. The essence of this journal rests on the triangle - ‘Public

Administration', 'Management' and 'Economic Development'. The three domains are the nodes of the triangle connected through relations between them. The triangle is the leading philosophy of this journal. Hence both, papers concerning some of the three topics separately and papers concerning relations between the topics are welcomed. Figure 1 shows the rationale behind the journal schematically.

Figure 1: *International Journal of Public Administration, Management and Economic Development* – rationale behind the journal



Source: own elaboration

This introductory text is a theoretical review of some issues relevant for the rationale behind the journal. This corresponds to the goal of this paper – to provide some insights into the themes which are of interest for publishing in *International Journal of Public Administration, Management and Economic Development*. Two themes form the basis for further discussion – public administration, public management and public governance (1) and strategic planning (2). A particular emphasis is laid on the interlinkages between the three nodes of the triangle when dealing with the two themes. However, note that the review provided in this paper is far from exhaustive and a number of other topics may be relevant for publishing.

The paper is structured as follows. The second section deals with the first theme – public administration, public management and public governance, discussing the differences between the three terms and research issues closely related to them. The third section is focused on strategic planning. The essence of strategic planning is introduced, including associations with the three nodes of the triangle - 'Public Administration', 'Management' and 'Economic Development'. Finally, some concluding remarks are given.

2. Public administration, public management and public governance

There is a long history of research on public sector functioning reflecting the shifts in thinking about this issue. Bogason & Toonen (1998) distinguish three perspectives in this regard. The first perspective is about rational organization. Hence, formal institutions (e.g., norms, procedures, legislation) are searched in order to achieve rational organization. The second perspective is less focused on formal institutions and more on goals and means for

achieving them – e.g., human resource management, efficiency and effectiveness, cost-benefit analysis. This perspective is firmly embedded in the literature on strategic planning in the public sector (see, e.g., Bryson 2010; Bryson, Berry & Young 2010; Nutt & Backoff 1993; Poister 2010 for a review). The third perspective emphasizes relations between system elements – e.g., partnership and networking, outsourcing, privatization – for implementing policy goals, including the vast literature on New Public Management (see, e.g., Pollitt 2013 for a critical review).

Three terms closely related to the aforementioned perspectives may be found in literature (see, e.g., Bovaird & Löffler 2003a). The first term is public administration understood in the form of traditional public sector functioning – bureaucracy and low entrepreneurial spirit (compare with the first perspective). The second term – public management – accentuates the use of managerial techniques to increase ‘value-for-money’ allocated for public services (compare with the second perspective). The third term – public governance – upholds stakeholders’ interactions for achieving desirable outcomes (compare with the third perspective). Table 1 summarizes main features of the three perspectives and terms.

Table 1: Public administration, public management and public governance

Feature	Public administration	Public management	Public governance
Goals	Meeting the legislation's goals	Competitiveness	Quality of life
Perspective	State	Public sector	Civic society
Control	Hierarchy	Market	Networks
Logic	Legislation	Economy	Policy

Source: own elaboration based on Bovaird & Löffler (2003b)

Table 1 indicates various aspects of public administration and public management which are of interest for publishing in *International Journal of Public Administration, Management and Economic Development*. Hence, papers may deal with legal aspects of public sector functioning (e.g., comparative analysis of legislation, RIA, tax legislation), with economic aspects of public sector functioning (e.g., efficiency, effectiveness, benchmarking) and/or with political aspects of public sector functioning (e.g., social network analysis, political decision making, elections). The importance of all these issues has been increasing especially since the 1980s. In this regard, Bovaird & Löffler (2003b), McGuire (2006), and Börzel (1998) note the following reasons:

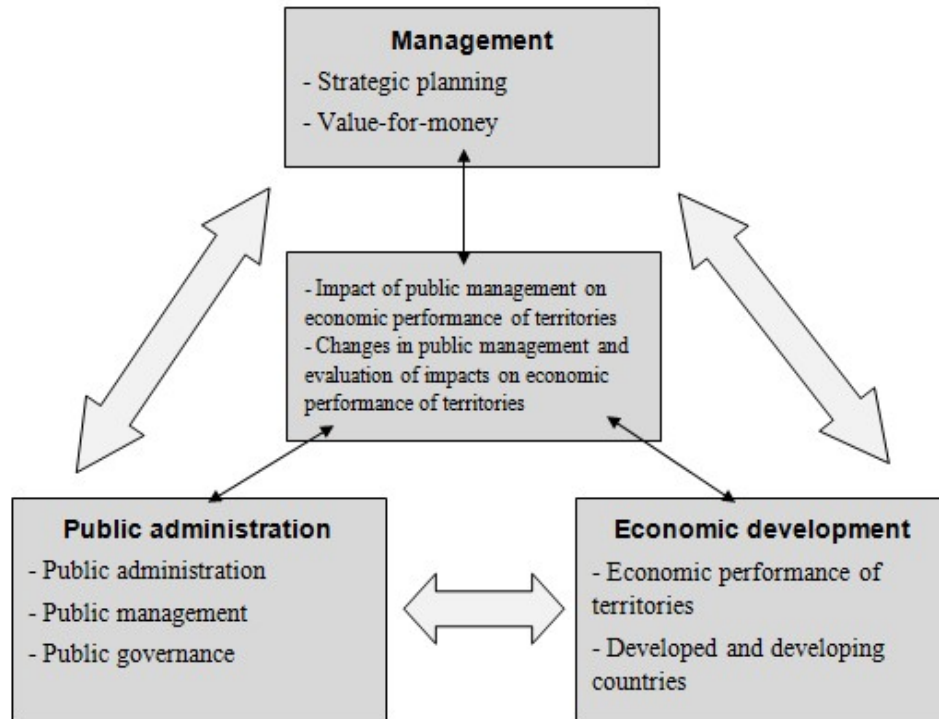
- Firstly, cuts in public funding have forced public organization to more concern themselves with efficiency and effectiveness issues. This fact is closely related to demographic changes and other processes as well.
- Secondly, an increasing number of social and environmental groups have become involved in a number of public sector issues, closely related to the quality of life concept. Consequently, more stakeholders influence decision-making processes than before the changes in public sector functioning.
- Thirdly, people are better informed about public sector issues nowadays – in the era of globalization. Mass-media and technological innovations (e.g., ICT) play a crucial role in this respect.

- Fourthly, legislation has become more complex and intricate since the 1980s for several reasons. These include also the processes of regional integration resulting into the creation of several multinational organizations.

Altogether, the research on public administration, public management and public governance is highly relevant and actual.

Some interlinkages between the ‘Public Administration’ and ‘Management’ nodes of the triangle were outlined in the preceding text. Nevertheless, public administration, public management and public governance are associated also with the ‘Economic Development’ node. Hence, Eagles at al. (2013), Dollar, Hallward-Driemeier & Mengistae (2005), and Pike, Rodriguez-Pose & Tomaney (2006), among others, claim that the quality of local institutions/organizations has the impact on spatial economic development and it is highly desirable to search for ‘good governance’ of territories. This assertion is highly relevant for institutional theories of regional and economic development. Hence, the failure of the so called structural adjustment programs in many developing countries is often ascribed to a bad institutional climate of these countries (see, e.g., Azam, Fosu & Ndung’u 2002; Owasu 2001). This is another strand of research relevant for this journal. Figure 2 provides a schema of interlinkages between the ‘Public Administration’, ‘Management’, and ‘Economic Development’ nodes of the triangle using the content of the discussion from the section 2.

Figure 2: Schema of interlinkages between the nodes ‘Public Administration’, ‘Management’ and ‘Economic Development’ – example based on the section 2 of the paper



Source: own elaboration

3. Strategic planning

Strategic planning may be understood as a methodological approach for shaping future development of public, private and non-profit organizations, as well as territories (see, e.g., Bryson 2010). Hence, strategic plans tell the organization/territory what its desired state in future is and how to achieve this state through economic development. Strategic planning creates an overarching framework for future development. However, this is not only a formal document – strategic plan – which is relevant for strategic planning. These are also relations among actors crucial for smooth implementation of strategic plans (see, e.g., Nutt and Backoff 1993; Bryson, Berry and Yang 2010; Bryson 2010). Hence strategic planning is firmly embedded in the three nodes of the triangle – ‘Public Administration’, ‘Management’ and ‘Economic Development’.

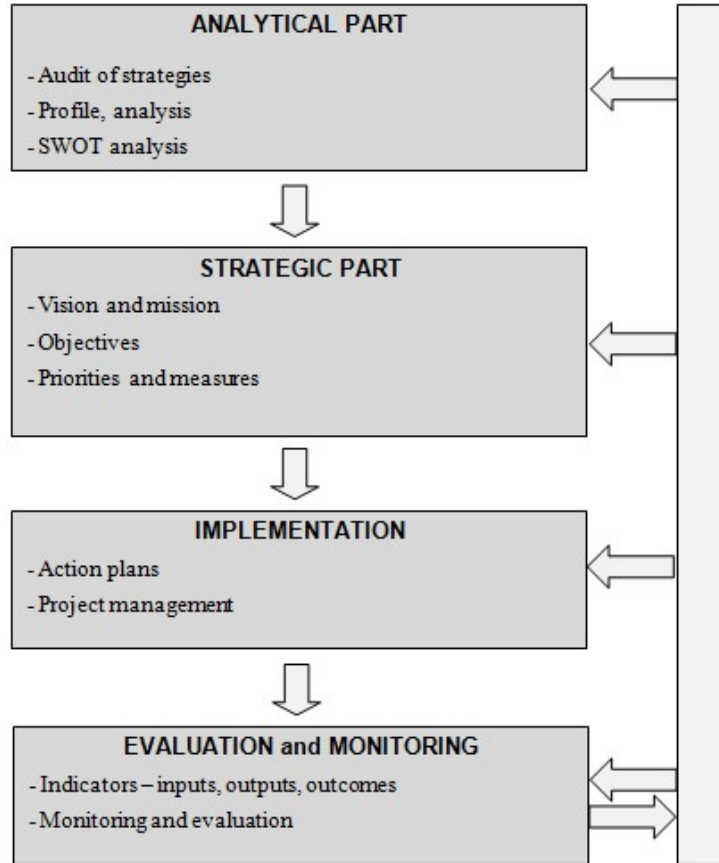
The methodologies of strategic planning may differ. However, four parts of strategic planning (see figure 3 for the linkages between these parts) are stressed in many studies (see, e.g., Vozáb 1999):

- The analytical part is the first part of strategic planning. This part provides information about the past, present and future state of an entity. Moreover, causal relations are explored in this part of strategic planning (see, e.g., Clark 1997; Knott 2008). Hence, development problems and opportunities are identified and summarized. SWOT analysis is often used for this purpose. Note that scenarios are built in a number of strategic analyses.
- The strategic part is the second part of strategic planning. A strategy for further development is defined in this part of strategic planning. Hence, a vision and mission, objectives, priorities and measures are defined, respecting the essence of the chosen strategy (see, e.g., Bryson, Berry & Yang 2010; Clark 2007). Note the different goals of private and public organizations generally (see, e.g., Nutt & Backoff 1993). Hence, there are crucial differences in strategic planning of public and private organizations.
- The implementation part is the third part of strategic planning. This part of strategic planning is traditionally connected with the so called action plans. These may be understood as short-term (e.g., one year) documents which define specific measures for each year or some other time period (see, e.g., Vozáb 1999). Hence, action plans are more operative than strategic documents. Moreover, project management is crucial for the implementation part of strategic planning.
- The evaluation and monitoring part is the fourth part of strategic planning. Monitoring indicators are formulated in this part. Three types of indicators may be distinguished. The first type is related to inputs (e.g., financial resources, human resources and others). The second type is related to outputs and is closely connected with efficiency. The third type is related to outcomes and is closely connected with effectiveness (see, e.g., Mandl, Dierx & Ilzkowitz 2008). The evaluation and monitoring part provides us with information about the strategy progress. Therefore, the question whether objectives are met may be answered (see, e.g., Vozáb 1999; Bryson, Berry and Yang 2010).

The four parts of strategic planning are interlinked. Hence, the analytical part provides information for the strategic but also for the evaluation and monitoring part (ex-ante evaluation). The strategic part defines what should be done in the implementation part. Ex-post evaluation is possible only after the implementation part is finished. Altogether, a logical system of feedback relations is created. This is a typical feature of strategic planning generally. All the tenets typical for strategic planning (e.g., analyses of public, private and

non-profit organizations, spatial analyses, case studies of successful strategic plans and projects) are kindly welcomed to be published in this journal.

Figure 3: Strategic planning



Source: adapted from Vozáb (1999)

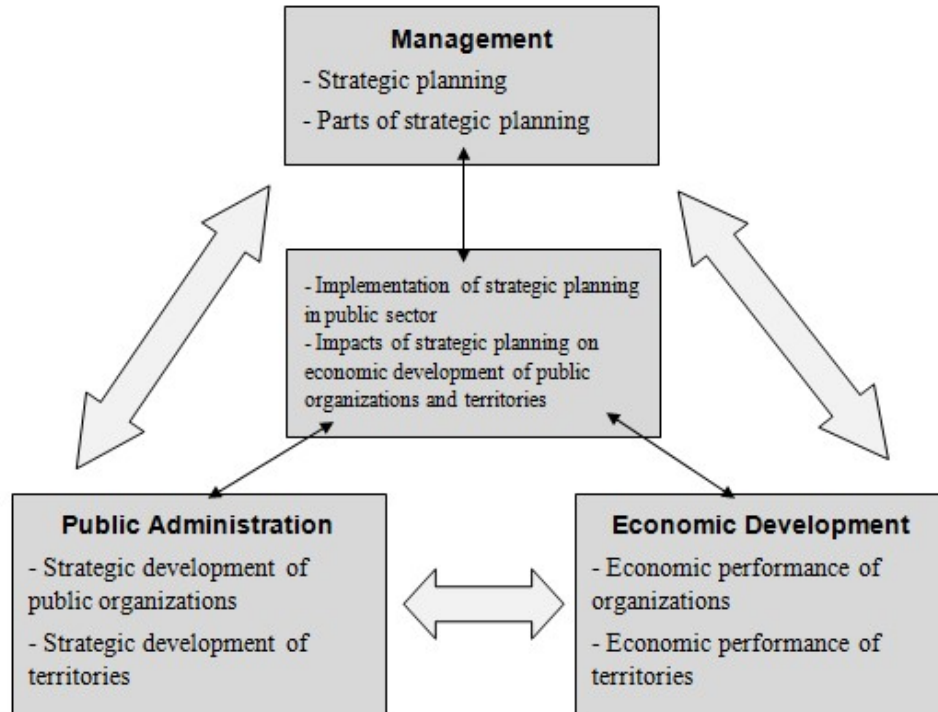
There are several benefits for public, private and non-profit organizations arising from strategic planning. Bryson (2010) summarizes these benefits as follows:

- creation of strategic climate – strategic thinking and behaviour,
- improvements in decision-making with respect to vision and objectives,
- strengthening efficiency and effectiveness,
- increasing responsibility for public funds.

Altogether, strategic planning contributes to the quality of public, private and non-profit management. Consequently, positive impacts on economic development may be expected. In this way, interlinkages between the three nodes of the triangle – ‘Public Administration’, ‘Management’ and ‘Economic Development’ – are created. Moreover, economic development is firmly embedded in strategic planning as well because it may be understood as one of the main objectives of strategic plans generally. The indicators of economic development are also used especially in the analytical and evaluation and monitoring parts of strategic planning. Figure 4 provides a schema of interlinkages between the ‘Public Administration’

‘Management’, and ‘Economic Development’ nodes of the triangle using the content of the discussion from the section 3.

Figure 4: Schema of interlinkages between the nodes ‘Public Administration’, ‘Management’ and ‘Economic Development’ – example based on the section 3 of the paper



Source: own elaboration

4. Conclusion

This paper was an introductory text to the first issue of the new journal - *International Journal of Public Administration, Management and Economic Development* - published by Academy of Management and Economics. Its goal was to provide some insights into the themes which are of interest for publishing in the journal. Two themes were chosen and further discussed in this regard - public administration, public management and public governance (1) and strategic planning (2). The discussion indicated the existence of a number of highly relevant and actual themes for publishing in the journal. Moreover, the interlinkages between the three terms from the title of the journal – ‘Public Administration’, ‘Management’ and ‘Economic Development’ – were shown. Overall, there is a high potential that *International Journal of Public Administration, Management and Economic Development* will meet its main aspiration in future – to create space for exchange of interesting thoughts related to the three issues.

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