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HRM Models in Public Sector Prior to Digital Tech Boom

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Abstract

The article explores and discusses the basic characteristics and points of human resource management models prior to the digital technology boom. The objective is to show the landscape in human resource management at the threshold of a new technological era. Firstly, I discussed the general concepts of HRM as applied to public organizations. Secondly, I explained and provided critical comments on the salient features of New Public Management (NPM), Reinventing Government (RG), and business process engineering (BPR) models. Lastly, the final section tried to identify the obvious points of convergences and divergences of the said models through simple enumeration.

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1. Introduction

A multitude of models—calculated to either explain government organizational systems or provide significant reforms—recurrently inundate academic discourses since the 1970s to early part of the second millennium. Those afforded enormous attention from scholars were the following: (1) reinventing government; (2) new public management (3) and business process engineering. These models generated great popularity during this period when the digital technology, though already prevalent, was still in its infancy.

Apparently today, with the sudden yet ironically expected influx of digital technology development and its acceleration, scholars continue to grapple with a coherently crafted theory or framework that could catch up with the dynamic, fluid, and labyrinthine character of public management. Models such as (but not limited to the following) came to fore: (1) we-government; e-government; and (3) digital governance.

In this essay, I explored and discussed some HRM models that surfaced prior to the digital technology boom. The objective is to show the landscape in human resource management at the threshold of a new technological era. I organized the paper in this manner. Firstly, I discussed the general concepts of HRM as applied to public organizations. Secondly, I explained and provided critical comments on the salient features of New Public Management (NPM), Reinventing Government (RG), and business process engineering (BPR) models. Lastly, the final section tried to identify the obvious points of convergences and divergences of the said models through simple enumeration.

2. Human Resource Management in the Public Sector

Kerry Brown (2004) explains that Human Resource Management (HRM) covers a lot of domains. These domains include the following: "acquisition, development, reward and motivation maintenance and departure of employees" ([2], p.304). Brown also noted that HRM has basic concerns, to wit: "HR Planning and capability audits, recruitment and selection of employees, skill development and training, career progression, performance appraisal, formulating employment conditions and compensation and reward" ([2], p.304). Most often, HRM is associated with private corporations. Many scholars undermine the importance of HRM when applied to public sector [2]. He noticed that there is a scant attention given by organization theorists about this vital application of HRM [2].

Contrary to the scholars he alluded to, Brown (2004) claimed HRM is crucial to the operations of Public organizations. This is because "public sector organizations need to hire, develop and train employees and establish payment systems, set conditions of employment and develop coherent set of employment policies" (p. 305). These significant demands of public organizations are undoubtedly within the bounds of HRM. This certainly suggests the necessity of giving academic attention to HRM and its applicability to public sector operation.

Brown (2004) observed that there have been a lot of innovations and changes that occurred in public sector as regards HRM. According to him the public sector is perceived as a "model employer and conditions of service have been at the forefront of employment reform and innovation" (p. 305). The public sector should set examples for private sector to emulate especially in activities relating to good working conditions, treatment of employees, and fringe and other benefits. Needless to say, the public sector should also show good example as regards observance of and conformity

with labor laws especially relating to fair labor practices, security of tenure, minimum wages, leaves, benefits and others.

3. Dominant HRM Models Prior to the Digital Tech Boom

The precursors of digital technology may possibly be located in the late 70s [9]; however, the world is a witness of its hurried acceleration only in the early part of the year 2000 when computer and cellular technology started to dominate in almost all the facets of personal, professional, economic and social lives of individuals [3]. In the area of public management and administration, for example, impacts of the technology cannot be understated nor discounted. When the Y2K bug or the Millenium virus caused global alarm, almost all governments including the United States of America instituted measures and mechanism on how to address and mitigate the impact of the glitch . Arguably, movements in technology always have corresponding influence on the way governments and states operate and function.

Illustrative of this assumed relationship is perhaps the movements and shifts that happened in human resource management particularly in public sector. Before the so called boom of the digital technology in the early 2000, governments have to evaluate situations according to the level of advancement that the technology manifests. Among others, the rise of New Public Management (NPM) is a testament to the influence (among others) of technology in human resource management in public sector [22]. Gruening (2001) observed this clearly in his work titled Origin and theoretical basis of New Public Management.

3.1. The new public management

Over time, social and technological changes led to changes in management practices in various territories and states. In the United Kingdom, during the reign of Margareth Tatcher a new kind of management model surfaced—New Public Management (NPM). Other commonwealth governments followed suit (e.g New Zealand, Australia, etc) [8]. Brown (2004) noticed that with the major changes and reforms to the public sector under NPM, the distinction between private and public sector was blurred. It was, however, Gruening (2001) who offered a comprehensive study on NPM. He located the theoretical genealogy of the varied attributes and components of the model.

Firstly, one of Gruening's observations is that the NPM is massively advocating for the use of information technology . The primary use of information technology

(IT) in public sector is basically focused mostly on clerical tasks such as recording of information regarding persons and objects in large data banks [22]. The uses are "informational in nature" ([22], p.12). Gruening (2001) believes that the use of IT in public sector is not grounded on any earlier theory or model. NPM adopted it for merely practical reason. I would concede that NPM has great utility. I think that by optimizing the use of IT, operations to improve human resource management, service delivery, and control would be facilitated with ease.

Arguably, optimization of IT use is a major component of strategic management of private corporations (See [7, 23]). This is proven to be an effective tool that hugely aided private corporations to increase their production, profits and minimize their loses (See [19]). NPM applied this strategy to public corporations in order that traditional governance and bureaucracy can be gradually reformed.

Secondly, Gruening (2001) also claimed that NPM advocates for reforms on performance measurement and improved accounting. Accountability, he concluded is a principle that can be traced back to the classical thinkers and their concept "to benchmark public organizations" ([5], p. 16). In 2014, this area of NPM was also explored by Jonathan Laurence Hynes Halloran. Halloran (2014) affirms that accounting technologies are used in Australia (particularly in his research locale) to impress significant changes and improvement in devolved budgeting and resource planning systems. Also, the use of accounting technologies is observed particularly towards future transition to accrual accounting [6]. In another research, the role of accounting management to NPM is also highlighted [10]. Here, Gruening (2001), Halloran (2014) and Malmmose (2012) apparently validated the overriding principle of accountability of NPM.

Another important feature of NPM is the separation of politics and administration. This is also rooted in the classical theories of public administration and also some of its features are from neoclassical theory. This component of NPM influences policy analysis for politics and some branches of public management [5]. This, I would claim, is an important dimension of NPM. It basically outlines the very objective of the model.

Swiss thinkers explain the logic of this dimension [20]. According to Schedler and Eicher, "Administration and politics pursue different logics of action, i.e. their own respective rationalities" (2013, p.377). The basic criterion of formal success for politics is the votes of the majority (ballots); whereas, administration's success criterion is the fulfillment of tasks [20]. There are five critical success factors for politics: coalitions, bartering processes, opinion-forming, image in the population, and involvement of relevant stakeholders [20]. On the other hand, the following are success factors for

administration: legality and legitimacy, efficiency and effectiveness, and protection of one's own scope of action [20].

I submit that the separation of politics and administration ensures quality service delivery, fair decision making, swift actions, and immediate responses to problems (See for example [1]). This is premised on the idea that tasks and duties are performed regardless of political affiliations/parties; and decisions are made without regard to popularity or perception of the majority.

Thirdly, Gruening (2001, p17) emphasized that "democratization and enhanced citizen participation" is another significant characteristic of NPM. For him, this characteristic is adopted from another model which is the New Public Administration (NPA) and it was influenced so much by public-choice theory.

Democratization and citizen participation is traditionally viewed as political participation in decision making and it is less associated with implementation of public policy issues, public service delivery and quality improvement processes [21]. With the rising of NPM in popularity, citizen participation is already seen not only in decision making but in almost all aspects of public management and administration.

Some other characteristics of NPM as mentioned by Gruening may be subsumed under the following general attributes: (1) strengthening steering functions at the center; (2) devolving authority, (3) providing flexibility; (4) improving the management of human resources; (5) developing competition and choice; (6) improving the quality of regulation; and (7) providing responsive service [11].

Lastly, there are still other characteristics of NPM which can be taken from various interpretations of the model. However, due to spatial constraints, I cannot explain them all exhaustively here. However, the important point of Gruening (2001, p.17) is that "NPM has been inspired by theoretical perspectives: public-choice theory, management theory, classical public administration, neoclassical public administration, policy analysis, principal-agent theory, property-rights theory, the neo-Austrian school, transaction-cost economics, and NPA…"

3.2. Reinventing government

It was the monumental work of Osborne and Gaebler (1993) titled Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector that paved the way "to a new way of doing business in the public sector" (Ocampo, 1998, p.248). The model suggests a revolutionary paradigm shift toward a kind of (public) management akin to private corporations (Ocampo, 1998).

According to Osborne (1993), the government was a failure because it was "doing business in an outmoded way" (p.350). He observed that there have been so many changes that transpired and yet the public sector remained stagnant. It did not change. This drove him and Ted Gaebler to propose a revolutionary model. The two scholars called upon US government to implement a model which is in many respects an "entrepreneurial government" ([12], p.19). Like private corporations, the use of technology was also viewed as important in order to come up with an efficient and competent systems [18]. Technological infrastructures must be in place [18].

To understand well this model, the following summary is helpful:

> Most entrepreneurial governments promote competition between service providers. They empower citizens by pushing control out of the bureaucracy, into the community. They measure the performance of their agencies, focusing not on inputs but on outcomes. They are driven by their goals— their missions—not by their rules and regulations. They redefine their clients as customers and offer them choices...They prevent problems before they emerge, rather than simply offering services afterward. They put their energies into earning money, not simply spending it. They decentralize authority, embracing participatory management. They prefer market mechanisms to bureacratic mechanisms. And they focus not simply on providing public services, but on catalyzing all sectors—public, private, and voluntary— into action to solve their community problems ([14] cited in Ocampo, 1998, p.248)

The following characteristics of reinventing government model are obvious in the above quoted paragraph: entrepreneurial governments privilege (1) outcomes over inputs; (2) goals over rules; and (3) market mechanism over bureaucratic mechanisms. Likewise, entrepreneurial governments are (4) decentralized; proactive; (5) profit oriented; and (6) catalyze all sectors.

Osborne (1993) simplified these principles as catalytic, competitive, mission-driven, results-oriented, enterprising, decentralized, community-owned, anticipatory, and market-driven.

Osborne (1993) believes that these principles can be used by public managers in order to face and solve problems of the public sector especially in this environment of rapid change. He elucidated the following principles:

Catalytic Government is anchored on the idea that "government should steer rather than row" ([12], p.352). The option is not always "to raise taxes, hire more people,

or deliver more public services" ([12], p.352). When there is low revenue/tax collection and there is a higher demand for public service, traditional governments usually undergo downturn. However, in catalytic government all other alternatives are taken into account such as the involvement of private sector in addressing problems. Private sector, for example, can deliver services directly to the constituencies and the expenses they incurred would just be deducted from their respective tax liabilities. In this way, governments act as "catalysts leveraging private sector actions to solve problems" ([13], p.2).

Competitive Government injects "competition into the service delivery" ([12], p.352). Osborne observed that "competition is a fundamental force that leaves the organization no choice but to heighten its productivity" (p.352). Conversely, monopoly "encourages inefficiency and inhibits change" ([13], p.2). I think modern governments should consider competition as a plus factor rather than a disadvantage. Quality service would spring forth from competition as agencies struggle to outperform others. The same result is also expected in other areas.

To stress, competition here does not only refer to competition between government agencies but also competition against private entities.

Mission-Driven Government-Rather than focusing on the rules, entrepreneurial governments focus on the attainment of goals or mission. It is important that goals and mission are clear and unambiguous [13]. By this, managers can easily manage and bring the organization to better performance.

There is a tendency for governments to be inefficient when obsolete rules and activities still prevail. There should be an overhaul of existing laws and rules that hinder governments to be more flexible, innovative and effective [14]. Change in the behavior of managers and employees is also a must. The managers and the employees should be empowered "to design their own budgets enhanced motivation and creativity" ([12], p.353).

Results-Oriented Government-it focuses on "achieving results for customers; being responsive and accountable to taxpayers" ([15], p.48). Governments should focus on determining priorities and translating these results into outputs [15]. There should always have a mechanism on determining whether the outputs are achieved or not [15]. Entrepreneurial governments should also learn how to measure the satisfaction of their clients or customers with the services (e.g transit system, parks, schools) delivered to them [12]. In other words, results-oriented governments prioritize the

following: outcomes, outputs, inputs, and (most importantly) "how the government and the community know whether those outcomes are being achieved in an efficient and effective way (performance indicators and measurements)?" ([15], p.48).

Customer-Driven Government- There are two major characteristics of this government, to wit: (1) it focuses on the welfare and satisfaction of the customers; and (2) it provides customers with freedom of choice. Osborne (1993) offers the following examples to illustrate his point. "After world war II, a generation of young men returned home. The government provided them with an education, and they became productive citizens. The government did not build veterans' universities. Instead, it gave the veterans vouchers and permitted them to select the colleges they wanted to attend" ([12], p.354-355). With this initiative, schools have to compete with other schools to invite and lure veterans with vouchers. Schools have to raise the quality of education they offer in order to increase their enrolment. "This is the power of choice, of letting the customer drive the system" ([12], p.355).

Despite the apparent positive effect of customer-driven government, many scholars remained pessimistic about it. John Pearson (2016), for instance, believes that customer driven government is not realistic. According to him:

> The main reason customer driven government is not realistic is that government agencies have many demands on them that are not related to customer service or participation. Only a very limited amount of an agency's scarce resources can be devoted to customer service. Private organizations, however, are in an entirely different situation. They control their product line in a way that government agencies do not. They can choose to cut back costly and difficult products and services and do more customer service if they feel it would help the bottom line (np).

Enterprising Government-the principle that is highlighted by this type of government is that "earning is important than spending" ([12], p.355). This is where the proprietary/commercial function of government is heightened. For example, in the Philippines, the Local Government Code of 1991 allows LGUs to enter into commercial contracts with private or other public corporations. This is to, possibly, catch up with the changing environment during the 90s. It should, however, be noted that even Osborne and Gaebler (1993, p.21) recognized that "government cannot be run like a business" because of the basic differences between the sectors [11].

3.3. Business process reengineering

In Business Process Reengineering (BRP) organizations reassess existing systems and processes towards providing value to the customers [17]. Organizations "typically adopt a new value system that places increased emphasis on customer needs" ([17], p.18). "Companies reduce organizational layers and eliminate unproductive activities in two key areas: redesigning functional organizations into cross functional teams; and (2) they use technology to improve data dissemination and decision making" ([17], p.18). Organizations also "reduce costs and cycle times" ([17], p.18).

Despite of the noble intentions of BRP, criticisms against it are abounding. BRP, for instance, is criticized for being "downright damaging" and "a fad that forgets people" ([11], p.251). It does not consider the feelings and emotions of workers thus "courting failure" and nurtures harsh working environment ([11], p.251). Also, the concept of security of tenure is not respected, much less devalued.

Ocampo (1999) believed that BRP is doomed to fail. He premised his claim on the following arguments: (1) Government is not a business [4]; and (2) Government's "problems are not high cost but lack of effectiveness" (p.251). Ocampo's claim, I think, is acceptable and valid. Traditions in public sector are entirely different from those in the private sector. Adjustments are too many that necessitate a lot of time and resources to implement.

4. Conclusion

1. The important role of technology is apparent in all the above discussed models. NPM optimizes the use of information technology especially in the areas of communication, archiving, record management and public service delivery. In the same vein, Reinventing Government also accentuates the use of technology and technological infrastructures to come up with efficient and competent government. Likewise, BRP also recognizes the importance of technology. BRP assigns importance to technology as a tool to improve data dissemination and decision making. The models of seemed to recognize digital technology's vital importance to HRM notwithstanding its stage of development—that is being relatively inchoate–at that period.

2. Decentralization in government is seemed demanded by the time. This is suggested so loudly through the models. Decentralization, in varied forms, is a recurring theme. NPM stresses, for example, the significance of devolved authority; RG

highlights decentralized government; and BRP, by reduction of costs and cycle times, does not only eliminate bureaucracy, it also (consequently) removes centralized governance.

3. BRP increases emphasis on customer needs. There is also not much difference with RG being a customer-driven government. I also think that NPM is also customer-driven that is because one of its main agenda is to provide responsive delivery of service to its constituencies.

4. NPM and RG are both advocates of competition. The advantages of competition are underscored. Both models believe that competition offers no choice to organizations but to be more productive and efficient. On the other hand, BRP is silent as to this aspect of governance.

5. BRP is basically profit oriented. It advocates for a government that is focused on earning than spending. The same is also true in RG, where one its salient features (enterprising government) follows the same idea "earning is important than spending". On the other hand, profit is not a very important consideration for NPM.

6. For both champions of RG and NPM, government "cannot be run like a business due to the basic differences between the two sectors" [11], p.251). Hence, it is understood that though the models apply corporate principles in government management, absolute application is not possible.

7. NPM and RG claim universal applicability and global convergence [11]. But this claim is criticized and challenged by many scholars. For example, NPM reform ideas are "culturally plural rather than homogenous" (Hood cited in [11], p.252). In other words, pluralism itself of NPM's ideas prevents it from having universal or global application. The same is also observe in RG. It "combines incompatible worldviews, such as the 'hierarchist' worldview of 'steering', individualist competition, and egalitarian bias for collective action through 'empowerment' " (Hood cited in [11], p.252).

Finally, the above models are (still) in the process of becoming and thus, convergences and divergences between and among them remain fluid and dynamic. This is notwithstanding the length of years since their introduction in organization theory.

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