The 1980s and 1990s have seen a plethora of reinventing, rationalizing, re-engineering and reframing initiatives designed to improve the operational efficiency and service quality of the public service. Collectively, these initiatives represent a substantial shift away from the traditional bureaucratic paradigm towards a yet-to-be defined post-bureaucratic paradigm. While clearly offering a number of benefits to the public service, these reforms have also contributed to an environment of turmoil, a largely disillusioned and cynical public service, and an almost pervasive strain between competing values and goals. Now as we edge towards a new millennium, the challenges facing the government are many. Consider issues of deficit and debt, a weakened social net, increasing global population, and diminishing hopes for national unity.

This raises a number of questions. For example, what will be required to resolve the tensions and turmoil within the public service? Will present reforms adequately prepare the public service for the future? If not, what will be required to effectively meet the challenges of the twenty-first century? Of course, trying to foretell the future is inherently a hazardous endeavour. This point was demonstrated by the president of Digital Equipment, in 1977, when he said, “There is no reason for anyone to have a computer in their home.” Nevertheless, it is not necessarily the accuracy of such predictions that is important but the thoughtful discussion they evoke. It is in this spirit that this article will undertake an exploration of the future of the public service. The first section highlights the why and what of recent reforms; this is followed by an exploration of how present reforms might evolve in the future. It is then argued that maximizing the benefits of present and future reforms will require striking a balance between com-
peting values, an environment of constancy and chaos, and the various categories and elements of reform. Finally, the argument is made that meeting the challenges of the twenty-first century will require moving beyond present reforms to a renewed value-driven public administration that effectively engages the essential groups served by government: clients, taxpayers and citizens. It should be noted that while this paper focuses on the federal public service, the issues discussed are also relevant to the provincial level.

Where we have come from

The reasons for the reforms of the 1980s and 1990s have been documented extensively in the literature. Some of the more commonly cited causes include a perception that the civil service had seized too large a role over the management of the state and policy development; a long-held concern over the government's monopoly on numerous services and of the inefficiencies and poor service quality such monopoly can engender; dissatisfaction with an unresponsive, rule-bound bureaucracy; and, perhaps most importantly, increasing deficit and debt. In short, the public service was seen as unnecessarily large, expensive and inefficient.

Reforms have unfolded essentially in a two-phase fashion: public-sector renewal and fiscal restraint. One cycle in the former began with the 1963 Glassco Commission's dictum to "let managers manage." Interestingly, by 1976 the Lambert Commission, seeing the need for greater accountability, announced that it was time to "make managers manage." In 1986, the pendulum swung back again with the Increased Ministerial Authority and Accountability (IMAA) initiative, which sought to increase departmental flexibility by simplifying accountability and decreasing Treasury Board controls. Then came two successive studies of public-sector management that, among other things, found a much lower level of morale in the public service as compared to the private sector. This engendered a number of initiatives, the most notable being the creation of the Canadian Centre for Management Development. Finally, in 1989, Prime Minister Mulroney announced a comprehensive reform initiative entitled Public Service 2000 (PS 2000). A government-wide initiative, it was designed to prepare the public service for the challenges of the year 2000. This meant improving service to Canadians and renewing the public service by streamlining administrative procedures, reducing managerial constraints, and adopting a results-oriented culture.

By the early 1990s, however, it became clear that attempts at public-service renewal were falling short of the mark. The increasing cost of servicing the debt meant that taxpayers continued to pay their taxes while receiving fewer and fewer services in return. Government appeared unable to reconcile the competing interests of short-term politics and the
long-term financial health of the country. It had come time for governance to be rethought.

In the second phase of reforms, government moved beyond “doing more with less” to “doing less with less,” that is, rolling back the role of government. This was spearheaded at the federal level by Program Review, a fundamental review of the government’s responsibilities and roles, as announced in the 1994 budget. This initiative sought to review government’s responsibility to ensure the provision, as opposed to production, of goods and services and then to roll back the state accordingly to its “core” functions. Still under way, this initiative is expected to result in a reduction in the size of the federal government by approximately twenty-two per cent by 1998–1999.6

The difficulty has been that these two phases of reforms (public-service renewal and fiscal restraint) were not successfully integrated and, in fact, in many respects were inharmonious, if not self-subverting. It was often the case that resources were cut first and solutions sought later. As told by one senior public servant:

On the one hand, public servants were told they were the government’s most important asset. On the other hand, their wages were frozen, resources were cut, and many, even at senior levels, found themselves without a job. This disjunction has spawned a cynicism, to say the least, about public-service reform and about the sincerity of those who led it.7

Where we are at and where we are going

While this inconsistency in reform initiatives has yet to be resolved, one element that has proven consistent in both phases has been an emphasis on improving how services are delivered, as opposed to what services to provide. Indeed, all Western countries have adopted a similar set of reform elements that demonstrate the same bias. Collectively, these reform elements have come to be known as the new public management (NPM).8 This section will highlight some of the key elements of the NPM as they exist now and as they will evolve in the future. For discussion purposes these elements have been placed into four ad hoc categories: 1) cultural change; 2) structural change; 3) market-type mechanisms; and 4) accountability and performance measures.

Cultural shift

The culture of the public service entails the shared attitudes, beliefs and values that are held about what is important and how business should be conducted. At present, total quality management (TQM) and innovation are arguably having the greatest effect on the culture of the public service, but the future will see organizational learning as their equal.
Total quality management

According to a recent study, the core elements of TQM include "training, customer focus, employee participation and empowerment, quality planning and direction, leadership, and teamwork." Canada's public service was formally introduced to these elements by Rs2000 in December of 1989. While Rs2000 waned in the early 1990s, the push towards a more service-oriented culture was reinforced in June of 1995 by the less publicized Quality Services Initiative. These initiatives appear to be having an impact on the culture of the public service, as evidenced by departments' slow, yet continuing, progress towards establishing service standards, the continuing existence of quality oriented networks, and the increased prominence of service-oriented values.

The future for TQM will involve a revived emphasis on public-service renewal. After years of downsizing and reorganizing, many public servants have become cynical and disillusioned. Furthermore, opportunities for promotion remain bleak. How can one move up the hierarchy when the hierarchy itself is not only clogged with baby boomers but is being flattened? Morale is so low, many public servants say they would not encourage their children to pursue a career in the service. Sensitive to this environment, some students are passing up the public service for other more promising alternatives. For these reasons, the privy council clerk's Fourth Annual Report has called for La Relève: "[O]ur words for our challenge, our commitment, and our duty to develop and pass on a vibrant institution staffed by highly qualified and committed professionals." Total quality management will play an important role to this end. Among other things, it will stress continuous learning and development in order to mitigate against employee stagnation. However, as there are fewer places to be promoted, a greater emphasis will be placed on lateral movement. Public servants must, therefore, be equipped with the tools to take on new challenges in different areas of their organization and different organizations within the public service. But unlike the past, renewal must be carried out strategically and be integrated with other reforms so that its achievements are not undermined. Indeed, a long-term perspective suggests that improving the performance of tomorrow's public service may well rely on regaining the loyalties of today's public servants.

Innovation

Innovation involves "the successful implementation of creative ideas within an organization" and is considered a necessary component of the fiscally strapped public service of the future. As Peter Drucker has stated, "[E]very organization – not just businesses – needs one core competence: innovation." Recognizing this, the government has been making a concerted effort to support innovations. The Treasury Board Secretariat has two regul-
lar publications and a section on their web site for the purpose of recognizing and sharing innovations and best practices. But innovation remains a relatively rare commodity in government. Even where innovations have been successfully undertaken, governments have been shocked into it by the need to solve a pressing problem. This has been called the “if it ain’t broke, don’t fix it” approach. The challenge for the future is to move beyond an environment that assigns blame for errors and mistakes to one that both tolerates them and that supports continuous, proactive innovation despite the risks involved.

Organizational learning and knowledge creation

Organizational learning will not only contribute to such an environment but, it is argued here, will have an immense impact on the public service of the twenty-first century. Popularized by Dr. Peter M. Senge’s book The Fifth Discipline, organizational learning “is a process that enlarges the knowledge base available to an organization, and improves the way in which this knowledge is interpreted and put to use.” It is not as much about creating knowledge, as capturing existing knowledge and making it available to the rest of the organization. Some of the elements central to organizational learning include a shared vision to direct learning, continuous self-examination, a readiness to break away from bureaucratic structures and adopt new structures and learning teams, an openness to external alliances, and permeable intra- and inter-organizational boundaries to encourage the sharing of new and established knowledge. But this is not to suggest that there is one best set of organizational mechanisms or structures. On the contrary, the specific organizational structures and mechanisms are irrelevant as long as they support the learning process.

While most writings focus on explicit knowledge as the primary ingredient for organizational learning, Ikujiro Nonaka and Hirotaka Takeuchi, in their theory of knowledge creation, convincingly argue the importance of tacit knowledge. Tacit knowledge takes the form of informal skills, commonly known as “know-how,” and a cognitive dimension, which usually takes the form of mental models and beliefs that are taken for granted. The conversion of tacit knowledge into explicit knowledge through the use of figurative language (e.g., metaphor and analogy) is one of the important ways knowledge is created. This is critical, for if tacit knowledge is not converted, it is difficult to share. Interestingly, redundancy (which in the West is considered synonymous with waste and duplication) promotes conversion by ensuring dialogue, effective channels of communication, overlapping activities and responsibilities, and the sharing of information beyond those “who need to know.” This facilitates the various forms of conversion (tacit to tacit, tacit to explicit, explicit to tacit, and explicit to explicit), enabling organizational members to share cognitive ground and create knowledge.
One of the biggest challenges with organizational learning, regardless of the knowledge-creation process, is making new knowledge available to the rest of the organization. The first step towards meeting this challenge is effectively capturing knowledge. Indeed, knowledge retention is becoming increasingly important, as downsizing and contractual employment have meant fewer career public servants to carry forward organizational collective memory. One suggestion has been to require those undertaking projects (individuals or groups) to deposit a knowledge inventory including successes, failures and analysis into a knowledge base where it can be recontextualized, recategorized and embedded into the organization’s computer systems, vision and culture. Once captured, shared and made easily accessible, this knowledge can then be used to assist in future decisions and actions.

A culture of organizational learning would also encourage public servants to take a more holistic view of government. This is important, as a ministry’s traditional turf is no longer solely its prerogative, as issues often cut across the expertise of numerous ministries. For example, the development of environmental regulations may involve other departments outside of Environment Canada (e.g., Industry Canada), other governments (e.g., provincial ministries of highways, environment and parks), and other sectors (e.g., private and non-profit). At present, government still tends to operate as if in a relay race, where one person or group runs the baton until their job is finished and then passes it on to the next person or group. Indeed, it is sometimes the case that different departments and governments are running the same race but in different lanes. However, given the need to do less with less and the potential for technology to effectively communicate and work horizontally with other governments and sectors, this will no longer be acceptable. In the future, governments will be required to operate in a manner more analogous to a rugby team. Everyone will run together, pass the ball right and left between players (departments, governments and sectors), bring in new players when beneficial and appropriate, and achieve goals as a united team. It will mean agglomerations and networks of departments, governments and other sectors working together collectively to gather, share and process information and coordinate solutions more effectively than in the past. Ultimately, this will result in the federal government, indeed all governments, appearing more “seamless” in the next millennium.

Such a culture would provide many benefits for policy development. Consider how information transverses the globe in a matter of seconds, heavily taxing government’s ability to effectively assimilate and react to it. Likewise, interest groups can reach ministers and indicate their preferences in a matter of seconds via e-mail. The result? There is little reason to expect government to have a monopoly on information or expertise. In order to meet these challenges, policy advisers must become more creative; more
adept at locating, collecting and processing information; and better able to establish and maintain networks. A culture of organizational learning is well suited to assist in these tasks.

**New organizational structures**

New organizational structures refers to all forms of program delivery other than departmental. These include, for example, Crown corporations, privatization, employee takeovers, special operating agencies, and the three new agencies (Parks, Food Agency and Canada Revenue Commission). As this list implies, structural change revolves around the separation of operational functions from policy functions. In general, structural change is undertaken to

- clarify and shift accountability from processes to results;
- improve ministers’ ability to plan strategically and articulate their expectations;
- reduce the often overwhelming scope of responsibilities carried by deputy ministers;
- improve service quality;
- improve operational efficiency; and
- shift organizational culture.

Indeed, the evidence suggests that many benefits can accrue from splitting operations from policy development. As a result of his comparative research, Peter Aucoin concluded that traditional, hierarchical departments that integrate policy and operations are less able to run efficiently and effectively serve ministers than organizations that split policy and operations. About New Zealand and Britain, he said: “Their decision to adopt organizational designs to separate responsibilities for policy and operations has led to many accomplishments.”23 On the other hand, the research carried out by Nonaka and Takeuchi suggests that the process of knowledge creation is promoted by the redundancy that occurs in a single organization. By splitting operations from policy, an important body of information and knowledge would likely not be available to those creating policy and those implementing it, therefore stifling knowledge creation. This would manifest itself in policies and implementation plans that are less effective than they otherwise could be. To some degree, however, it may be possible to mitigate this effect through the use of employee interchanges, open access to information, meetings, social events and so on.

On balance, the growing continuum of organizational structures affords organizations the opportunity to better align and integrate their structure with their missions, mandates, strategies, environments and cultures. With the benefits evidenced in other jurisdictions, Treasury Board Secretariat’s heightened emphasis on alternative service delivery (ASD)24 and comments made by the clerk of the Privy Council,25 there seems little doubt that the
future public service will entail a broader employment of flatter, context-specific organizations. The key is to recognize that structural change is not a panacea and that one organizational type cannot fit all situations.

**Market-type mechanisms**

Initiatives can be considered to fall within the realm of market-type mechanisms if they include at least one significant characteristic of the market (e.g., competition). The benefit of this set of initiatives is largely premised on the fact that government mandates have resulted in most ministries and agencies enjoying a protected status, irrespective of private-sector capacity or contestability. The incentive they face, therefore, is to limit outputs and increase financial residuals, which usually take the form of increased slack time, the acquisition of office boons (e.g., travel, training, etc.), the pursuance of pet projects, and the expansion of the bureaucracy. Market-type mechanisms seek to correct these perverse incentives and, thus, improve economy, efficiency and service quality.

A number of countries have introduced market mechanisms to the public services, both internally (e.g., user-charges) and externally (e.g., contracting out and partnerships). Canada has already undertaken a number of market-type initiatives, including loosening, to some degree, the requirement for departments to purchase certain services from organizations designed to support their needs (common service organizations). As a result, further flexibilities on this front are likely forthcoming but limited. Common service organizations deemed mandatory and funded by appropriations should, and likely would, begin to charge client departments on a cost-recovery basis. Such user-choice/user-pay systems will promote efficacious resource consumption by ensuring users get what they pay for and pay for what they get. Following the same logic, the future is also likely to see departments gain the freedom to purchase internal supplies (such as printing, technical support, etc.) from external suppliers.

Another initiative that has received limited play in Canada but that is likely to be used on a broader scale in the future is public-private competition. For the purpose of this paper, it is defined as allowing (in certain situations, requiring) in-house units to competitively bid against the private sector for the “right” to deliver recurring goods or services. It employs overt and defensible criteria, and when compared to arbitrary downsizing – real or perceived – is less likely to undermine public servants’ sense of organizational loyalty. Experience with public-private competition in Britain and the United States suggests cost-savings between twenty to thirty per cent. It is evidence of these types of savings, combined with a desire to reduce expenditures and increase efficiency, that will lead to an expanded use of market-type mechanisms.
Accountability and performance measures

Effective accountability and performance measurement are the linchpins of the NPM. After all, most of the initiatives require devolved or delegated authorities that must be accounted for. Indeed, it has been argued that concerns over the loss of coherence, coordination and control have seriously thwarted the success of past reform initiatives. It is, therefore, necessary to ensure effective accountability and performance measurement, if reforms are to proceed and good government is to be maintained.

Like many other jurisdictions, the federal government is utilizing a results-oriented approach to strengthen performance measurement and accountability. But, whereas Britain and New Zealand are utilizing performance contracts entered into by the deputy head and the minister responsible, the vehicle of choice for Canada has been organizational business plans, performance reporting and framework documents. For example, the accountability mechanisms for SOAS and agencies are defined within their framework document and business plan, which together lay out target commitments for service levels and financial performance. This results orientation is also evident in the business plans now required by departments and the sixteen departments that agreed to report to Parliament on the results they achieved during their 1996 fiscal year. In fact, when the president of the Treasury Board tabled Getting Government Right: Improving Results Measurement and Accountability in Parliament, he stated that "[f]ederal departments and agencies must, from now on, meet three requirements: first, identify and communicate the results expected; next, improve the measurement of these results; and finally, improve the way they report to Parliament." Of course, this is not new. This work started at least as far back as the mid-1960s with the Management Improvement Branch and later the Planning Branch of Treasury Board Secretariat. By 1981, the Office of the Comptroller General had described the process in its Guide on the Program Evaluation Function. This was followed by a number of initiatives leading to the introduction of Part III of the Estimates. If there is a difference this time around, it is perhaps the emphasis on the process of assuring management and staff commitment to the goals of usable, immediately relevant information. Or perhaps the key difference is that revenue buoyancy will never again be relied on to bail managers out of the need to make hard choices. But the clear lesson from history is that a declaration of interest in results is far from enough to assure a workable and effective performance measurement process.

Irrespective of intentions, there remains a number of inherent difficulties with measuring performance. Performance indicators utilized to measure outputs, for example, are apt to create perverse behaviour incentives. Is the
incentive for managers to focus on those things that are easily measured or on those that are difficult to measure? To focus on those things that are well-performing or on those that are not? Clearly there is a danger for the important to be eschewed for the facile and flattering. Complicating the matter is that there are "few, if any, proven models of effective policy-advising assessment systems." While impossible to eliminate all shortcomings, the key will be to minimize their effects via the diligent monitoring of results and the employment of regular outcome measurements such as that provided by program evaluations. After all, output information without outcome information can lead to the wrong thing being done right, whereas outcome information in the absence of output information can lead to the right thing being done wrong. Conversely, a synergy exists when the information generated from outcome measurement allows managers to adjust operations and thus outputs, which in turn allows them to improve outcomes. But in truth, obtaining accurate outcome information continues to be an elusive task in many cases. In some cases, these limitations must be recognized and alternative approaches considered.

Towards balance

The NPM, and the reform process generally, has created extensive turmoil and pressures within the public service. As a result, maximizing the benefits offered by the NPM will require reaching a "reflective equilibrium." This will require finding a stable balance between 1) competing values; 2) the various elements and categories of the NPM; and 3) environmental constancy and chaos. With respect to the first point, the NPM has brought with it a number of new post-bureaucratic values such as quality service, empowerment, teamwork and innovation, and has elevated the traditional public service value of efficiency. While some of these new values reinforce traditional values, as is the case with quality and effectiveness, others challenge traditional public-service values such as equity, anonymity, effectiveness, accountability and due process. In fact, this pushing and pulling between competing values is evident in each category of the NPM. For example, market-type mechanisms promote efficiency, responsiveness and service quality, which can have a negative impact on traditional values of equity, fairness and due process. Organizations separate operations from policy to improve efficiency and service quality, but this separation reduces communication and redundancy and thus can thwart the effectiveness of policy development and implementation. Devolution of authority can improve operational flexibility, efficiency, creativity and innovation, but, at the same time, challenges effective accountability. Finally, cultures that promote empowerment, creativity or innovation, all of which encourage risk-taking, challenge existing systems designed to support the traditional public-service values of accountability and anonymity. In general, these elements of the NPM focus
on technical aspects of management that can clash with procedural requirements designed to assure natural justice and horizontal equity.

The important thing to note, however, is that while some of the traditional values of the public service are being challenged, this is not to say they are being weakened. For example, while notions of accountability are being required to "adjust" (e.g., performance reporting) as a result of the introduction of new values, this does not mean the new values are more important. On the contrary, it is precisely because accountability remains a core value in our system of government that new debate has erupted around the topic, and new initiatives have been undertaken to enhance its role. All of this push and pull between competing values is part of traditional ongoing tensions within the public service. Recognizing this fact helps to explain the swinging pendulum of reform. The challenge, therefore, is to not let this recognition paralyse initiatives but to find a reflective equilibrium and continue down the road of reform.

The second point speaks to the need to ensure the various categories of the NPM and the elements that make them up are appropriately balanced. For example, a culture that promotes TQM can be undermined by arbitrary downsizing; just as organizational learning can be undermined by an organizational structure that thwarts intra- and inter-organizational communication. In a similar light, being accountable for results provides minimal benefit without concomitant procedural flexibilities. Conversely, it would undermine good government if authorities were devolved or delegated without compensating methods of accountability, although a coherent set of shared values can reduce the need for procedural controls, especially if the incentives created by market-type mechanisms are congruent with the organization's shared values.

The point is, when elements are incongruous and unbalanced, performance will be suboptimal. But, when elements such as structure and culture are strategically balanced, the results can be much greater than the sum of their parts. Within this context, each organization must determine the optimal mix of reform elements. For a service organization, it will be that combination of elements that maximizes its ability to service its clientele. For a policy unit, it will be that combination that maximizes its ability to locate, collect and process information, as well as to work and communicate on a horizontal and/or vertical basis. Of course, as discussed above, complicating this equation is the necessity of finding an equilibrium between these technical elements, on the one hand, and natural justice and horizontal equity, on the other.

Finally, the human element of reform must be considered. Public servants have lived through fifteen years of downsizing and almost a decade of continuous and extensive "reinventing," that is, they have been living in an environment of continuous turmoil. Even public servants who have tried to
embrace change as an opportunity for improvement, rather than as a threat, have found frustration. For example, they work in an environment that supposedly supports creativity and innovation but in a system of accountability in which mistakes are fatal. Their potential has been underutilized, and their creativity stifled. The public service has been constantly beset by criticisms, and its members inadequately recognized and valued for their efforts. The result for some public servants has been irreparable disillusionment and cynicism.

Meanwhile, a large turnover in the public service looms on the horizon. By 2005, seventy per cent of executives, forty-five per cent of senior managers, and thirty-five per cent of professionals and scientists will be eligible for retirement, yet at present only six per cent of public servants are under thirty years of age. This means there will soon be a large infusion of fresh blood into a public service that, more than in the past, operates in an environment of new and shifting challenges and, by implication, solutions prone to stagnation. The relative environmental constancy experienced throughout most of this century will not return. However, the alternative need not be continuous chaos but managed, continuous change. This is the balance that must be struck. If the public service is to be renewed and well-performing, the mistakes of the past cannot be repeated. This is perhaps one of the greatest challenges before the public service. Change must be managed strategically and proactively, lessons must be drawn from past experience, pilot initiatives and from the experiences of other jurisdictions and countries. In the clerk's Fourth Annual Report, she states, "In hindsight, it is now clear that today's situation is also the result of not taking corrective measures at the appropriate time." Let this lesson be learned.

Beyond the NPM

As should now be clear, the NPM has much to offer the ship that is Canada's public service. Under the pure model, its crew is empowered, innovative and service oriented. Its customers have been consulted and receive prompt, high-quality service. The officers and crew are organized into two groups to provide requisite focus and flexibilities; one group focuses on steering, the other on rowing. The ship will cut through the waves faster and will handle more responsively than in the past. It is a fine ship. But when the captain looks out over the policy issues that are the ocean and at the tremendous waves that are the social and economic challenges facing the country, the NPM provides little or no guidance as to which way to steer. This is its shortcoming. It can tell us how to operate the ship more efficiently, involve ship's staff, and how to serve customers and clients better, but it cannot tell us what seas to sail, what direction in which to go, at what speed, or how far to travel in any given direction.
To provide some context, consider some of the social and economic issues that will have to be addressed in the next century. First off, the demographics suggest the debt and deficit issue is far from resolved. In the 1960s, the ratio of productive to non-productive people (as defined by the Economic Council of Canada) was about 6:1, in the mid-1990s, it fell to 4:1, and by the early twenty-first century, it will decline to between 2:1 and 3:1. Yet, while the number of productive people is decreasing, the cost of the health-care system is concomitantly increasing. Exacerbating this situation is an unemployment rate that has increased, and continues to increase, every decade since the Second World War. Perhaps more fundamentally, regional issues continue to eat at the integrity of the federation, and it is unclear whether national unity can be maintained in the next century. And globally, at its present rate of growth, the world's population will double from its 1987 levels by 2030, creating tremendous pressures on markets, immigration and the environment. While these issues represent only a sprinkling of the challenges facing the government, the point should be clear. Cultures that support quality service, creativity and innovation, diverse organizational structures, devolved authority, and various market-type mechanisms provide little or no guidance as to what the government ought to do about these issues.

To put it differently, the new public management only focuses on clients and, to a lesser degree, on taxpayers. But, outside of indirect stakeholders, government serves three groups of people: clients, who deserve responsive, quality services; taxpayers, who deserve prudence and probity; and citizens, who entrust the government to pursue the public interest. While the role of clients has been discussed thoroughly throughout this paper, it is now time to turn to the issue of taxpayers and citizens.

The issues of truthfulness, prudence and probity raised by taxpayers speak to the core values of the public service, as discussed earlier. But taxpayers also expect a responsible public service to minimize costs for a chosen level of output, as encouraged by the NPM. The tension, as discussed earlier, is that many efficiency-promoting initiatives (such as downsizing, innovation and market-initiatives) run at cross-purposes to equity, fairness, due process and detailed control systems for the expenditure of taxpayers' money (often viewed as "red tape"). This raises a number of questions. Is the public service's ethics regime sufficiently robust, especially in light of the influx of competing values? How best can truthfulness and integrity be secured? How tight should controls be to secure accountability, yet ensure requisite flexibility? Should procedural fairness and equity be able to thwart efficiency? If so, to what degree? What kind of a balance should be struck?

The NPM is silent on the public service's duty to citizens. Yet, public servants intimately engage the public interest when they advise on, or in any other way influence, policy, legislation or regulations. They are not "empty
vessels" relying on logic (e.g., causal chains) alone to make decisions. Facts and logic may determine cause-and-effect relationships but cannot, for example, tell public servants how citizens would value the benefits (monetary and other) received from a given effect, compared to their valuation of the costs required to achieve that effect. Consequently, public servants must employ values in their determination of what the public interest is. For these reasons, Hodgkinson argues that management (read NPM) denotes terms such as science, execution and facts, whereas administration denotes terms such as art, policy and values.\(^4\) It follows that if values are required to make decisions, public servants should employ values that represent and protect the public interest. But do institutional arrangements even allow for the accurate transmittal of the public interest? Does the will of elected officials represent the public interest? If so, are they able to clearly, comprehensively and consistently articulate it? What about the public interest as reflected by competing interests, the media, opinion polls, silent interests, not to mention the public servant's own values and interests? How should value conflicts be resolved? In brief, how should public servants determine the public interest?

The above discussion of taxpayers and citizens is neither to suggest mutually exclusive or jointly exhaustive categories nor to provide an extensive discussion of the issues involved. On the contrary, the above categories are intimately interrelated and vastly complex. The point being made is simple: the NPM is making, and will continue to make, laudable inroads towards improving the means by which government services are delivered to clients. However, on its own, it could lead to doing the wrong thing right (being efficiently ineffective) and, thus, is insufficient to speak to issues of governance. The future, therefore, will require a more holistic approach that moves beyond the NPM towards a renewed, value-driven public administration that effectively engages the three essential groups served by government: clients, taxpayers and citizens.

**Conclusions**

This paper, while by no means exhaustive, has reviewed a vast array of commentary on public management, public policy, public administration, and the public service. From underneath this blanket of rhetoric, three themes appear that may provide clues to the future. The first is the notion of redundancy. While raising thoughts of unnecessary duplication, inefficiency and waste, there is strong evidence that redundancy is necessary for organizational knowledge creation. At issue are market-type mechanisms that promote efficiency and non-duplication and structural changes that separate operations from policy, both of which could undermine redundancy. As a result, public servants subject to these initiatives could lose their sense of a common cognitive ground and the benefits that flow from it. It can, therefore, be expected that this issue will take on increased significance in the future.
The second theme is the recognition that improved management alone cannot speak to issues of governance. The need to move towards a value-driven public administration that incorporates improved management but more fundamentally addresses the rights and entitlement of clients, taxpayers and citizens is clear. Given the challenges ahead, this will require the development of a strong policy community that works together horizontally to gather, share and process information, as well as to coordinate solutions. To this end, knowledge creation and organizational learning will play important roles.

The final theme speaks to the need to reach a reflective equilibrium. A balance must be found between the values emphasized by the new public management, on the one hand, and accountability, natural justice and horizontal equity, on the other. This will allow the public service to move beyond pushing and pulling to doing and learning. But perhaps more fundamental is the need to move from an environment of chaos to an environment of continuous, managed change. Indeed, the costs of constant upheaval have been high for public servants and government alike. To be well-performing in the future, the public service must not only be valued and committed but must be free from perpetual turmoil and transition and thus able to meaningfully engage the tasks and challenges of governance.

Notes

3 Ekos Research Associates Inc., Rethinking Government (March 1996), found that while eighty-nine per cent of respondents indicated that the government’s ability to cut through bureaucracy is important, only twenty-seven per cent of respondents indicated they were satisfied with the government’s performance in this area. Also, in its 1994 study (as overviewed in its 1996 study), Ekos concluded that Canadians had a “pervasive dissatisfaction/hostility to government.” On a similar note, B. Guy Peters and Donald J. Savoie argue that during the 1980s, Anglo-American leaders charged their respective civil services with being “bloated, expensive, [and] unresponsive,” in “Civil Service Reform: Misdiagnosing the Patient,” Public Administration Review, 54, no. 5 (September/October 1994), pp. 418–25.
5 Ibid., p. 7.
7 Ole Ingstrup, Public Service Renewal: From Means to Ends, pp. 8–9.
The New Public Management and the Future Public Service:

Originally from a Conference Board study on twenty studies, this is quoted from Leslie Seidle, *Rethinking the Delivery of Public Services to Citizens* (Montreal: Institute for Research on Public Policy, 1995), p. 15.

Examples would be the Service Standards Network and the Interdepartmental Quality Network. The latter is composed of over 300 members from across Canada and has a non-profit arm, the Canadian Public Sector Quality Association (CPSQA). The CPQSA/IQN home page is located at http://fox.nstn.ca/~riqn/.


The "Innovative and Quality Exchange" (IQE) is part of TBS’ web site (http://www.tbs-sct.gc.ca), and the two publications are entitled: *Transformation and Innovations – Best Practice Notes*. Note the "Innovation Journal," which was part of the Treasury Board Secretariat's web site, now exists independently at http://infoweb.magi.com/~igvn/journale.shtml.


Ibid., p. 19.


This is part of what is called the "knowledge layer" in the "hypertext" organization as described in Ibid., pp. 167–70.

A team leader at Honda used the analogy of relay racing and rugby to highlight the differences of working individually to working in teams, in Ibid., p. 78.

Peter Aucoin, *The new public management*, pp. 246–7. Evidence of the benefits of structural change can also be found in Leslie Seidle, *Rethinking the Delivery of Public Services to Citizens*.

In the 6 August 1996 reorganization of Treasury Board Secretariat, an ASD sector was created.


Ibid.

Ibid., p. 41.

An intriguing discussion about the stifling effect of the "control lobby" on the PS 2000 is provided in Alasdair Roberts, "Worrying About Misconduct: The Control Lobby"
36 Kenneth Kernaghan, "The emerging public service culture, CANADIAN PUBLIC ADMINISTRATION, p. 629
38 Clerk of the Privy Council Office, Fourth Annual Report, p. 43.
41 Brander, Government Policy Toward Business, p. 296.
42 Peter Harder classified the people government serves in this manner during an Issues Review Meeting in the summer of 1996 at Treasury Board Secretariat.
43 These are three of the many descriptors of management and administration discussed in Christopher Hodgkinson, Towards a Philosophy of Administration (New York: St. Martin’s Press) p. 4.