



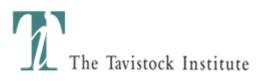
Think Paper 1: What is the scope for organisational change in the public sector in Europe?

Kerstin Junge, Johnny Kelleher, Kari Hadjivassiliou

Version No. 5.0

http://www.ccegov.eu/









Think Paper 1: What is the scope for organisational change in the public sector in Europe?

Kerstin Junge, Johnny Kelleher; Kari Hadjivassiliou The Tavistock Institute, London, England, 24th October 2006

Version No. 5.0

Prepared for the eGovernment unit, DG Information Society and Media, European Commission http://europa.eu.int/egovernment_research

"Think Papers" aim to present strategic issues that will be explored with stakeholders and researchers. They are intended to be high-level summaries both of the issues and challenges, and of the ongoing work undertaken by the project team. They will be updated on the project web site http://www.ccegov.eu/ where registered participants can contribute to interactive explorations of definitions and issues.

This paper begins to unpick some of the characteristics of public sector organisations, the environment in which they operate (that is, what motivates and influences change processes in this sector) and begins to elucidate some of the implications for approaches to organisational change.

The opinions expressed in this study are those of the authors and do not necessarily reflect the views of the European Commission. Reproduction is authorized, provided the source (eGovernment unit, DG Information Society and Media, European Commission) is clearly acknowledged, save where otherwise stated.

Think paper series editors: Trond-Arne Undheim and Professor Michael Blakemore





TABLE OF CONTENTS

1		1
2	KEY MESSAGES	2
3	ORGANISATIONAL CHANGE IN THE PUBLIC SECTOR: CHALLENGES, DRIVERS AND APPROACHES	3
	3.1 What is organisational change?	3
	3.2 Public sector idiosyncrasies	4
	3.3 And pressure for perpetual change	5
	3.4 Approaches to public sector modernisation: an eclectic mix	8
4	ORGANISATIONAL CULTURE: KEY FOR CHANGE PROCESSES	10
5	CITIZEN CENTRIC DELIVERY OF PUBLIC SERVICES – DREAMS AND REALITIES	12
6	SUMMING UP	14

1 Introduction

Organisational change practice and research aims at the improvement and development of organisations for the purpose of enhancing effectiveness and responsiveness to external changes through better people management, competence, communications, systems and structures¹. It is not a discipline that has more practical relevance in one sector than in another: the methods and approaches of the discipline are being applied in business and government alike.

Nevertheless, public sector organisations are frequently presented as a 'special case' in organisational change research, portraying the impression that bringing about change is significantly more difficult (and perhaps even impossible) in government organisations than it is in the private sector.

This paper begins to unpick some of the characteristics of public sector organisations, the environment in which they operate (that is, what motivates and influences change processes in this sector) and begins to elucidate some of the implications for approaches to organisational change.

We argue that organisational change in the public sector is not a 'lost cause'. In fact, there is equal scope in government for successful organisational change as in business. However, public sector organisations do have characteristics that make them distinct from business.

Successful organisational change does therefore not rely on the mere one-to-one transfer of 'tried and tested' concepts from the private sector to government but rather translating concepts across sectors, testing their practical usefulness in context, and at times transforming them².

It involves acknowledging and working with the idiosyncrasies of state (and quasi-state) bodies while holding on to the insight that there are methods and approaches of the organisational change and development that are generic across sectors. From the European perspective this also means recognising the importance of historically grown legal and institutional cultures shaping approaches to public sector reform.

¹ See also: Office of the Deputy Prime Minister (2005) An Organisational Development Resource Document for Local Government, <u>www.odpm.gov.uk</u>

² Indeed, there is evidence that "when the compatibility gap is large, there is greater likelihood that formalized techniques will be captured by and integrated into existing organizational dynamics (corruption of the technique) than that the technique will change these dynamics in a way consistent with its objectives (transformation of the organization." [Lozeeau, D. et al. (2002) The corruption of managerial techniques by organizations" *Human Relations*, Vol. 55 No 5, May 2002, p. 537].

2 Key messages

There is currently no model for organisational change specifically for the public sector. A **specific generic public sector model** for organisational change in public sector organisations must therefore be developed to help leaders in the public sector understand more clearly the scope for change towards 'citizen centricity'.

Private sector techniques for organisational change have relevance in the public sector. However, leaders in the public sector **must** *translate* these techniques to suit the specific requirements of public organisations rather than simply transfer them if they are to achieve the objectives of their change process.

Public sector organisations differ from those of the private sector in terms of culture, orientation and tasks. Change agents, both internal and external, must therefore understand and work with the grain of the **culture of public sector organisations**. Understanding this culture, and how it differs from that of businesses and between public sector organisations is key for successful organisational change

Organisational change strategies can have **different underlying paradigms**: rational, normative and coercive. When developing organisational change strategies, leaders in the public sector must balance these three paradigms so that their chosen approach reflects both the internal and external context within which an organisation sits.

3 Organisational change in the public sector: challenges, drivers and approaches

3.1 What is organisational change?

When we talk generically of the field of Organisational Change we are referring to both the academic, scholarly study of organisations various known as Management Science or Organisational Behaviour, and to a set of practical practices variously known as Strategic Management, Change Management, Management Consultancy and Organisational Development (OD). These later sets of practices are associated with intentionality, with planned change (or, more accurately, with planned change interventions or measures – the interventions or measures are planned, the change that results may be less so). So, for example, Cummings and Worley define OD as 'a system wide application of behavioural science knowledge to the planned development, improvement and reinforcement of strategies, structures, and processes that lead to organisational effectiveness'³.

Organisational change theory and practice is often usefully discussed in terms of three streams of thinking and action: the rational; the normative; and the coercive. Crudely characterised:

The rational (or 'rational-empirical') involves the use of data and analysis to define opportunites/issues/'problems' and formulate strategies/approaches/'solutions'. The predecessors of the rational-empirical are in scientific management and strategic management.

The normative (or 'normative-reeducative') involves the establishment of organisational norms and the training of organisational members to change their understandings, orientations and behaviours. Its roots are in liberal education and humanistic psychology.

The coercive (or 'political-coercive') involves – benign or otherwise - leadership, compulsion or manipulation to achieve the objectives of actors with power within or over the organisation. Its predecessors are military, religious and political.

These streams are often associated, respectively, with management consultancy/policy development; organisational development/human resource development; and 'real world' management/administration, but, of course, in theory and practice the three streams mingle and integrate. This is reflected in most of the standard generic models of what is involved in organisational change.

³ Cummings, T.G. and Worley, C.G. (2004) Organisation Development and Change, 7th Edition (pg. 1), South-western College Publishing co., Cincinnati, OH.

Thus, when we refer to Organisational Change in the context of this paper we are referring to the body of managerial and social science knowledge and practices concerning organisational change and development generally, and about improving and developing public institutions and public services specifically.

3.2 Public sector idiosyncrasies ...

Organisations in the public realm differ from private ones in the culture they embody, orientation and tasks they perform. It is somewhat of a cliché to state that government organisations tend to have a more bureaucratic culture than businesses - characterised as they are, among others, by a more authoritarian management style based on the observance of hierarchies, top-down management and conformity.⁴ Decision-making tends to be based on rules and regulations and driven by procedures. At the same time, the separation of management (that is, public officials) and control (that is, politicians) means that "public organizations have less autonomy and flexibility at decision-making than private corporations.¹⁵ As one group does not have overall control over both agenda setting and execution functions, capacity to implement is restricted. At the same time, however, it should also be remembered that it is bureaucracy (that is to say legalistic rationality (Max Weber)) which has enabled western societies to create the modern states and liberal democracies we live in today and has ensured their largely effective and incorrupt natures. We note this to remind ourselves that 'less bureaucratic' ways of doing things along private sector lines can involve real dangers and disadvantages in public affairs.

Indeed while the nature of bureaucracy has changed over the centuries and while our understandings of it have changed and developed too, bureaucracy remains essential to the functioning of contemporary society. The key elements of bureaucracy identified by Weber - separation of role from person, hierarchy, rule basis, record keeping - remain central to all organised organisations and remain particularly essential to public organisations in democratic societies where transparency and equity are required of all public acts. Much of what is trailed as an end to bureaucracy or an alternative to bureaucracy is self-evidently just another form of bureaucracy and not necessary an improvement. As we will see below, the New Public Management is no less bureaucratic than traditional public management nor is it necessarily more effective and this may have particular implications for how we might conceive a specific generic public sector model for organisational change. ⁶

One of the most important differences between business and the public sector is the purpose of these respective types of organisations. With the provision of a set of key public services (such as health, education and security)⁷ as a core function, public sector organisations

⁴ Claver, E. (1999) "Public administration. From bureaucratic culture to citizen-oriented culture" *The International Journal of Public Sector management*, Vol. 12 No 5, p. 455

⁵ Claver, E. (1999) "Public administration. From bureaucratic culture to citizen-oriented culture" *The International Journal of Public Sector management*, Vol. 12 No 5, p. 455

⁶ Elliott Jaques in (1976) *General Theory of Bureaucracy* and (1996) *Requisite Organisation* makes clear for all large complex organisations.

⁷ The definition of a public service to be provided by government is itself culturally dependent. In Germany the state as a provider of services is more enshrined in people's minds than in Britain where citizens have less expectations of the state (Barlow, J (1996) "Steering not rowing. Co-ordinaton and control in the management of public services in Britain and Germany" International Journal of Public Sector Management, Vol. 9 No. 5/6, p. 76).

primarily exist to fulfil a public mission. This might be understood as 'serving the community⁸ or keeping order within the state, depending on the underlying understanding of the relationship between state and citizen. As such, public bodies are value-based organisations, or, as Hoggett states: "(...) in contrast to private, for-profit organizations, organizations of the public sphere perform a number of functions which link them directly to the ethical and emotional lives of citizens."⁹ This clearly distinguishes them from business which, to put it simplistically, primarily aims at increasing profit, an objective which lends them a more unambiguous 'primary task'¹⁰ thus making them 'simpler' organisations.

Indeed, as Hogget¹¹ shows convincingly, the 'community focus' of public sector organisations means that they have multiple tasks to fulfil: governments and the officials working within them must constantly balance the inherent dilemmas engrained in the delivery of public services: acknowledging the rights and needs of the individual whilst maintaining those of the wider community, both under the spectre of shifting policy preferences. What this means is that the process by which a public good or service is produced – the degree to which that process embodies norms of equity, transparency and legitimacy – is as important to the citizen-consumer as is the good or service itself or the efficiency with which it is produced.

3.3 ... And pressure for perpetual change

As indicated above, public sector organisations traditionally are process driven rather than demand (or customer) driven. That said, in the last twenty years there has been a growing realisation among policy makers that the public sector should learn how to innovate if it is to respond adequately to a rapidly changing environment and citizen's/business expectations. A variety of drivers lie behind the current push for public sector modernisation, most prominent among which is the need to provide prompt, improved and personalised public services to citizens. In other words, the public sector has recognised that it needs to cater more effectively to public needs and expectations by building public services around citizen requirements, as opposed to make them fit its own organisation and structure.

Indeed, the "one-size-fits-all" approach that has historically informed the establishment of government and public services is outdated with respect to the current needs of the public. Furthermore, the last two decades have seen the growth of the importance of the customer as a result of, inter alia, altered and rising customer expectations in both private and public sector. This development, although its origins lie in the private sector who first embraced the principles of Total Quality Management (TQM), has started to affect public sector attitudes and responses, culminating in the quest for quality government.¹² With the advent of 24/7 services

⁸ Hoggett, P. (2006) "Conflict, ambivalence, and the contested purpose of public organisations" *Human Relations*, Vol. 59 No 2, p. 189

⁹ Hoggett, P. (2006) "Conflict, ambivalence, and the contested purpose of public organisations" *Human Relations*, Vol. 59 No 2, p. 187

¹⁰ 'Primary task' refers to the idea that any purposeful human system has a task that it must perform to survive. The primary task is thus an 'essentialist element' which differs from all the other tasks that an organisation normally fulfils.

¹¹ Hoggett, P. (2006) "Conflict, ambivalence, and the contested purpose of public organisations" Human Relations, Vol. 59 No 2, pp 175-194

¹² Kamarck, E. C. (2004): *Government Innovation around the World*, Ash Institute for Democratic Governance and Innovation, John F. Kennedy School of Government, Harvard University, November 2004

provided by the private sector through ICTs, expectations of the public have changed even more.

In the same vein, concerted efforts have been made to improve the delivery and outcomes of public services. Although some key public service areas manifest considerable progress, e.g. enhanced educational attainment, crime reduction, etc., there are others for which there is great scope for improvement, e.g. people/communities at risk of poverty and social exclusion, the digital divide and others. There is a strong belief among policy makers that, in order to address problems which in the past have proved intractable in these areas, innovative approaches to policy, practice, provision and delivery are required. In this quest, ICTs are increasingly seen as a suitable medium for both instigating innovation in the way governments design and deliver services to the public and changing the internal business processes whereby such services are produced.

Another key factor for the 'innovation drive' in the public sector in recent years has been the need to contain costs and improve efficiency both in the provision of public services and in the way the public sector operates. This has been even more pronounced in view of increasingly tighter budgetary/fiscal constraints. As Mulgan and Albury¹³ point out, the cost of public services tends to rise faster than the rest of the economy because of lacking competition and because gains in labour efficiency lag behind gains in capital efficiency. To avoid public service costs increasing ahead of the economy, innovation to increase efficiency must occur. Alternatively, to address the pressure to contain costs governments have tried to cut direct costs (mainly by reducing the wage bill) and restructuring the work and operations of the public sector.

It would be wrong to regard the above factors as operating independently and/or with no reference to the wider context within which the public sector has been working in recent years. For example, linked to these developments has been the prevalence, over the last twenty years, of the New Public Management (NPM) and the reforms it has brought about in public administrations across the world. NPM, in turn, can itself be associated with the global Government Reform Movement of the 1980s (Stage I) and 1990s (Stage II)¹⁴. In Stage I, the primary emphasis was on economic liberalisation, deregulation and privatization of previously state-owned industries. Stage II has been characterized by a focus on administrative reform of core state functions and the building of appropriate state capacity, e.g. by ensuring that public servants have the requisite skills for today's environment. In other words, states have been focusing less on privatisation and more on cutting down some of their bureaucracies and on modernising government with a view to making it more efficient and responsive to customer needs. The wide use of ICTs in this pursuit, though not itself new in public administration, has also been closely associated with these developments.

Finally, one factor that is increasingly present in policy and practice innovation is the desire on the part of policy makers to capitalise on the full potential of ICTs, in terms of both efficiency gains and improved service provision and delivery. Although the current focus on e-Government ("Government on the Web") and on-line public services appears novel, it is worth

¹³ Mulgan, G. and Albury, D. (2003): Innovation in the Public Sector, Strategy Unit, Cabinet Office, October 2003

¹⁴ Kamarck, E. C. (2004): *Government Innovation around the World*, Ash Institute for Democratic Governance and Innovation, John F. Kennedy School of Government, Harvard University, November 2004

noting that the use of ICTs in and by Government is not a particularly new phenomenon. ICTs have been used by Government since the 1950s to cover a wide spectrum of relationships: internally and in government-citizen (G2C), government-business (G2B) and government-government (G2G) relationships¹⁵.

However, what is new in the state's approach towards e-Government since the 1990s is the belief among policy makers that Internet and web-based technologies can transform the relationship between the state and the citizen/society, especially in the "new" economy and information society. The use of ICTs has been long presented in policy and practitioner circles as having the potential, through the organisational re-engineering it requires, to bring about a transformation of public service delivery and the citizen experience of using those services. Most recently, the potential of the Internet and related digital technologies to transform service delivery has become a central focus for policymakers¹⁶.

At present, e-Government is the broad term used to describe the provision of on-line public service in order to enhance their delivery by making them more accessible to citizens in time and space ("24x7 e-Government"¹⁷. The underpinning philosophy of current developments is the vision of e-enabled delivery of more integrated ("joined-up") services as part of a "holistic government"¹⁸. The delivery of online public services is generally seen as a means not only of enhancing the quality of services as experienced by the citizen but also of changing the way the public sector operates both internally and in liaising with its external environment. This, in turn, means reconfiguring the nature and range of professional, cross-departmental and intraorganisational relationships as well as the relationship between the public, private, and, increasingly, the voluntary/independent sector. For example, boundaries become more blurred between virtual organisations both within public and between public and private sectors. Similarly, information technology differs fundamentally from other types of technology because it affects both the design and provision of services (or capacity) as well as issues such as coordination, communication, and control

It is clear from the above discussion that e-Government encompasses much more than the delivery of online public services in a customer-orientated and cost-effective way and extends to restructuring the way government conducts its business and interacts with citizens. Indeed, eGovernment has been defined as "the use of information and communication technologies in public administrations combined with organisational change and new skills in order to improve public services and democratic processes and strengthen support to public policies"¹⁹

eGovernment is therefore seen not only as a new way of designing, organising for and providing services to citizens, but also, crucially a novel approach in engaging and interacting with citizens. Indeed as Fountain notes in writing about eGovernment "technology is a *catalyst*

¹⁵ The focus of ICT use against a given governmental bureaucratic structure has changed over time. 1950s were characterised by the use of defence technologies. 1960s and 1970s saw the introduction of huge mainframe computers which carried out large-scale repetitive tasks. In late 1970s and 1980s the use of large databases and networks of personal computers (PCs) became the dominant paradigm.

¹⁶ McLoughlin, I., Wilson, R., et al (2004): "Enacting Technology: from 'Building' the Virtual State to 'Architecting' Infrastructures for the Integration of Public Service Delivery?", Paper prepared for workshop on Information, Knowledge and Management – Re-Assessing the role of ICTs in public and private organisations – 3-5 March, SSPA Bologna, Italy.

¹⁷ Kraemer, K., and King, J.L. (2003): Information Technology and Administrative Reform: will the time after e-Government be different? Centre for Research on Information Technology and Organisations, University of California, Irvine.

¹⁸ McLoughlin, I., Wilson, R., et al (2004), *ibid.*

¹⁹ EC(COM) 567 final, Brussels, 26.9.2003

for social, economic and political change at the levels of the individual, group, organization and institution²⁰. However, in line with the Tavistock's own socio-technical systems theory, she goes to point out that for to bring about such a change effectively one should pay attention not only to the "objective technology", i.e. available hardware, software and network capacity but also to the "enacted technology", i.e. "perceptions of users as well as the designs and uses in particular settings".

3.4 Approaches to public sector modernisation: an eclectic mix

The brief discussion above has highlighted some of the key drivers for public sector modernisation and the variety of approaches used by governments in Europe in order to implement them. It is worth pointing out, however, that there is a great deal of implicit confusion in current actually existing 'theories-in-use' of approaches to public sector management (and the development thereof). The table overleaf sets out the three main historically widely used theories' of public management. Even a cursory review of this table should confirm to the reader that EU member states tend to use an eclectic mix of elements rather than a coherent approach.

²⁰ Fountain, J.E., (2001), *Building the Virtual State: Information Technology and Institutional Change*, Washington, DC: Brookings Institution Press.

	Traditional Public	New Public	Public Value
	Management	Management	
Public interest	Defined by politicians/experts	Aggregation of individual preferences, demonstrated by customer choice	Individual and public preferences (resulting from public deliberation)
Performance objective	Managing inputs	Managing inputs and outputs	Multiple objectives: - service outputs - satisfaction - outcomes - maintaining trust/legitimacy
Dominant model of accountability	Upwards through departments to politicians and through them to Parliament	Upwards through performance contracts; sometimes outwards to customers through market mechanisms	Multiple: - citizens as overseers of government - customers as users - taxpayers as funders
Preferred system of delivery	Hierarchical department or self-regulating profession	Private sector or tightly defined arms-length public agency	Menu of alternatives selected pragmatically (public sector agencies, private companies, JVCs community interest companies, community groups as well as increasing role for user choice)
Approach to public service ethos	Public sector has monopoly on service ethos, and all public bodies have it	Sceptical of public sector ethos (leads to inefficiency and empire building) – favours customer service	No one sector has a monopoly on ethos, and no one ethos always appropriate. As a valuable resource it needs to be carefully managed.
Role for public participation	Limited to voting in elections and pressure on elected representatives	Limited – apart from use of customer satisfaction surveys	Crucial, multi-faceted (customers, citizens, key stakeholders)
Goal of managers	Respond to political direction	Meet agreed performance targets	Respond to citizen/user preferences, renew mandate and trust through guaranteeing quality services.

Table 1 Approaches to public management

4 Organisational culture: key for change processes

The development of any of these approaches – in their 'pure' or in a mixed form – cannot happen without preparing an organisation, and the people working within it, to carry out their 'new' way of working. For this to succeed, organisational change processes must consider the cultural factors influencing thinking about bureaucracies in European nations as well as the specific culture specific to the organisation which is subject to the change processes.

Indeed, whilst (as has been indicated above) certain trends in public administration have taken place in all European countries, public organisations in Europe are subject to traditions and cultures intrinsic to each member state. These are historically grown and have a decisive influence on the way a state 'bureaucracy' is thought of in terms of its relation to the citizen. There are at least four types of state traditions in Europe: Anglo-Saxon, Germanic, French, Scandinavian and Soviet (this last one extinct), and each have developed their own understanding of these matters.

The sometimes vast differences between these traditions (and the implications for organisational change that they entail) can be illustrated by contrasting the understanding of the role of the state and its relations to citizens in Britain and Germany²¹ as outlined by Barlow.²² In Britain, the notion of a civic-oriented state means that there is an emphasis on citizens' rights which goes hand in hand with a comparatively greater tolerance towards provision of services through multiple (state and non-state) organisations. Generalist recruitment makes it easier for new (management) techniques to be taken up, though policy-making tends to be seen as being of a 'higher order' to management. The German model of the 'authoritarian state' emphasises citizens' duties and sees civil servants as upholding the 'order' of the state. Dominated by lawyers in senior roles, historically there is a strong emphasis on 'rational' decision-making and comparatively less tolerance for managerial concepts such as 'customer focus' and efficiency.

It is clear that these characterisations are somewhat of a caricature: no tradition is permanently fixed but in itself subject to modification and change, especially in an age of globalisation and increasing use of benchmarking and exchange of good practice in the European context. It is nevertheless important to bear in mind these differences when thinking about organisational change in Europe as these traditions – even in a modified form – do impact on the way in which public management approaches are being developed in different countries which, in turn, has a consequence for the choice of organisational change approach. It means, for instance, that a 'one-size-fits-all' change strategy for all public sector organisations in Europe is unlikely to be successful.

²¹ The use of Britain and Germany does not imply a 'normative' preference for these two but has been chosen for illustrative purposes only.

²² Barlow, J (1996) "Steering not rowing. Co-ordinaton and control in the management of public services in Britain and Germany" International Journal of Public Sector Management, Vol. 9 No. 5/6

Whilst historically grown traditions shape ideas about the state, what its role is and what it must 'deliver' in terms of services to its citizens (with obvious consequences as to the choice of organisational change approach), the culture of an organisation itself is a further important factor to consider. This is, of course, itself influenced by the 'national culture' of bureaucracies as this in turn impacts, amongst others, on issues such as HR choices, leadership styles as well as the design and understanding of roles within an organisation. At the same time, however, it is clear that organisations themselves develop their own very distinct cultures based on their own history, leadership, self-understanding or even available technology.

Acknowledging organisational culture in change processes is therefore important because it sets the parameters for organisational change as well as, more often than not, being the object of change itself. This is also true in particular for efforts to make public services more citizen-centric.

5 Citizen centric delivery of public services – dreams and realities

A 'citizen-centric' delivery of public services has been the focus of public sector reform and the rise of the New Public Management across the western world for more than a decade now. Despite huge commitment and governmental priority in OECD countries such as the UK, Canada and the Netherlands, its achievement is proving elusive and rhetoric far outstrips reality.

The reality– as we now know from several decades of private sector experience of trying to create customer centred organisations - is that the organisational changes, that is to say the organisational transformations implied by a customer centric philosophy are complex, multi-faceted and at times intractable. (Pretty much every month the pages of the Harvard Business Review are festooned with cases and theories of success and of failure in achieving different such changes.²³) Private sector experience indicates that radical innovation is possible but it is demanding and complex.

Any consideration of creating citizen-centric eGovernment has to start from the perspective that citizen-centric eGovernment implies citizen-centric government (or, more accurately, citizen-centric provision of public services) and this in turn implies, as we have indicated above, radical organisational change for instance in terms of:

- Organisational culture, orientations and tasks
- Governance and strategy
- Leadership and management
- Systems, structures and infrastructures
- Work design
- Staffing and staff development
- Communications

Re-organising public institutions on the basis of a 'pull through' from citizens rather than a 'push out' from public policy offers immense potential for improved public services and higher user satisfaction – and there are many powerful examples of this across the European public sector, not least in the Nordic countries, where ICT is often an enabling technology. The reasons why this is not always (or even usually) achieved in practice are profound – political, material and human.

Put simply, it is because this is not just a question of organisational change, but of institutional reform in what are after all democratic states operating under the European Social Model which can be – for better and for worse – a powerful force for inertia. The goal must be to identify organisational change strategies which enable technological innovations which work

²³ So for example in two recent issue of the HRB picked more or less at random we can read substantial articles about: Connect and develop: inside Procter & Gamble's new model for innovation: How to implement a new strategy without disrupting your organisation: (both March 2006); and How right should the customer be? (July-August 2006)

with (not against) the grain of emergent reforms of European public sector institutions and which exploit (rather than fight) the possibilities created by the involvement of the social partners and the Commission in the European Social Model whilst considering the varieties of national and organisational cultures in the member states.

Such an approach to organisational change implies taking a whole systems approach which requires us to think through all the organisational ramifications and requirements of instituting ICT systems which allow for a citizen 'pull through' and so (in M.H. Moore's term) to create more 'public value'. The practical implication of such an approach for this project is to focus on that which:

- Is necessary for citizen-centric organisational innovations to begin.
- Is practical and achievable in the short to medium term given institutional realities.
- Opens up spaces for further innovation and social experimentation in the medium to longer term.
- Differentiates between the diversity of public sectors and public service delivery across the Member States.
- Can create demonstrable tangible benefits around which further public policy reforms can be mobilised.

6 Summing up ...

As we have argued above, the implementation of citizen-centric eGovernment is a significant organisational challenge for the public sector and one that has, to date, not been adequately addressed. All too often, the implementation of eGovernment is focused on purely technological issues rather than on the profound organisational and cultural challenges that need to be addressed to make (citizen-centric) eGovernment a truly successful venture both internally and externally.

Indeed, it is clear that technology per se must not be the key driver for the implementation of service innovations such as eGovernment and the associated organisational change processes. If it is, innovations such as eGovernment will be out of synch with existing governance structures, working practices and user expectations and thereby risking the obstruction of policy objectives as well as the service delivery obligations of the public sector.

The challenge for public sector organisations is therefore to create an internal culture of change driven from the outside in which enables and requires public servants to innovate and implement change. At present, however, in the literature and in practice, we can only observe possible elements of a specific organisational change model for the public sector which would address this challenge. There are currently no coherent specific organisational change models which are generic to the public sector.²⁴ Understanding and defining the true scope for organisational change interventions in the public sector in Europe will therefore depend on the development of specific generic public sector models for organisational change.

²⁴ Though the New Public Management might well be thought of a specific organisational *design* model generic to the public sector which includes its own assumptions about action and causality.