

Chapter 3 Strategy formation in government

This chapter describes strategic management within government. On the macro level, strategic management appears in planning and evaluation, administrative reform, and regulation; these activities correspond to strategic design, internal strategic scanning and strategic governance, respectively. Strategic design focuses on the future by programming actions in advance. Internal strategic scanning focuses on the internal functioning of public administration. Administrative reform doctrines suggest alternative models to implement change in public administration. As for strategic governance, regulation offers a variety of direct and indirect strategies for influencing developments in the external environment of a government in both the economy and civil society. What do governments do to other parts of a society, and what does a society do to itself? In order to answer this question, it is necessary to discuss how governments do what they do. Strategic planning is a tool for governments to aim at futures that do not yet exist. Traditionally, regulation is a tool for organising viable market transactions and a means of protecting citizens from the harmful consequences of market competition. With the rise of globalisation and multilevel governance and the dismantling of hierarchical organisations, regulation has become a universal tool that can enable and discipline economic and social actions. Administrative reform involves changing the structures and functioning of the executive branch of government. Together, strategic design, internal strategic scanning and strategic governance account for most governmental efforts to effect. The case of strategy implementation of Finnish government programme (case 3.1) describes many of the insights in this chapter.

Case 3.1: Implementation of strategic government programme in Finland ((Johanson, Pekkola et al. 2017). The current Finnish government was appointed at the end of May 2015 and government program was published at the same time (Prime Minister's Office 2015). Government comprises of three parties: Centre party (Suomen keskusta, est. 1906), Conservative party (Kansallinen Kokoomus, est. 1918) and The Finns party (Perussuomalaiset, est. 1995). Traditionally, the centre party enjoys support from the rural areas outside major cities. Conservative party gains support for the major cities, and The Finns party typically gathers support from the blue collar men throughout the country. The evaluation of some of the measures adopted by the government program is possible as the government cycle is (2015-2019) is on the *las leg* and next parliamentary elections are already beginning to influence the behavior of the government.

Since Finnish independence in 1917, Finland has had 73 governments. Until 1980's, the presidential political system and political culture produced short-term governments typically serving only for a year or two. During 1980s and 1990s, the parliamentary tradition of Finnish political system was strengthening and the terms of governments were conformed to the terms of parliaments. In the interim, the status of prime minister and role of parliament was strengthened in the reform of Finnish constitution. The programs of many early governments were published in newspapers and they were only few pages long political declarations. From 1990's onwards the programs gained length, term by term the, the previous program being 79 pages long detailed action plan for ministries. The document and the process are regulated only with few guiding principles.

The Finnish government reached an agreement of government program in the end of May 2015. It was described as strategic by following the structure of a typical strategy document in identifying strengths (e.g. strong and functional democracy, capacity to invent), weaknesses (e.g. rigid structures and bureaucracy)

opportunities (e.g. agile country, free trade) and threats (e.g. international security, lack of European competitiveness). On the one hand, it contains long-term (10 yrs.) goals as well as goals to be reached during the electoral term. The length of the document is 34 pages and it includes 36 pages long appendix. The current government program contains five key strategic areas 1) strengthening employment and competitiveness, 2) renewing knowledge and education, 3) improving health and well-being, 4) speeding up biotechnology and cleantech solutions as well as 5) reforming procedures through digitalization, experimentation and deregulation. The government program also includes social and health reform, the aim to find a solution with social partners to increase competitiveness of Finnish economy by 5 per cent (social contract, later called as competitiveness contract), decreasing the responsibilities of local government as well as reorganization of regional authorities. Within most of these areas there is a 10 year target as well as target for the electoral term, ideas of the measurement of the targets as well as the identification of spearhead programs for the specific strategy areas. The measurement of the targets is limited and in many cases it is stated that indicators for the targets will be developed later.

These goals are operationalized to 27 strategical priority projects. In addition, government program includes guidelines for finance and fiscal policies, structural reforms, EU-policy, foreign, security and defense policy and justice, internal and immigration policy. As Mykkänen (2016) points out “in terms of new budget allocations for each year of the government term, the five key policy areas of Sipilä’s program represent, on average, less than one per cent of the annual state budget. Thus, a nonrecurring allocation of one billion Euros over a three-year period may not transform into a permanent change in corresponding policy areas when the funding comes to a close”.

The preparation of the strategic programme of the current government followed somewhat different route from the programme preparation of the previous governments. The negotiations took place among the politicians, headed by the party chairmen of the coalition parties and aided by the top civil servant in ministry of Finance in particular (Mykkänen 2016). As contrast to previous government stakeholders were not allowed to give insight into policy issues during the negotiations and civil servant did not take part in the formation of the substance of the strategy document. The more detailed implementation document appeared later in the 2015 (Prime Minister’s Office 2016) and the implementation document was further amended in spring of 2016.

The preparation of strategy document excluded outside constituencies from government and separated clearly politics from administration. The style co-incides well with the strategic management ideas of separating the design from implementation and it also gives politicians primary role on setting up the key targets of the government. Some unanticipated developments set hurdles to the swift implementation of the political agenda. The influx of immigrants from Middle East and the Greek debt crisis in the summer of 2015 caught politicians attention and made it difficult for civil servants to get guidance as how to implement the political goals. Moreover, the controversies of social and health reform in defining the suitable number of regional operators and the way in which client choice should be introduced produced a government crisis in autumn of 2015. The crisis was also instrumental in change of the chairman of the conservative party in the summer of 2016.

In essence, government programme includes internal savings of the government, combined with the aim of gaining competitive advantage through savings in labour cost achieved by moderate wage increases and gaining efficiency of public sector operations through structural change between local, regional and central

government levels. The government program aims to balance 10 billion long term deficit of public finances by the 2030's. The measures to reach these goals includes employment and economic growth (1.5 billion €), cutbacks and structural changes (4.5 billion €), Social and health reform and efficiency increase (3 billions), and reduction of local government responsibilities (1 billion €). The goal for employment and economic growth is partly dependent upon the negotiations with social partners and partly dependent upon the recovery of export industry and willingness of industries to invest. The most interesting of these in terms of planning is the social and health reform which requires establishing of new regional level of government and introduces private providers within the public delivery of services.

Many of the reform efforts orient to changing internal government structures. The social and health reform is a prime example of the appearance and problems of administrative reform. The document contains three steps with the integration of social and health services, unification of financing of these services and increasing the freedom of choice in the production of the services. There is a -widespread agreement of the need for change, but discrepant stakeholder interests cannot easily be combined. The actual reform has already been under preparation by two previous governments. The main controversy deals with the local government authority and government intervention. Local governments are responsible for the social and health services, but the number of local governments (317) and their unequal size makes the system extremely decentralized. The previous attempts to amalgamate local governments in a voluntary fashion has been very slow. Direct government intervention to force local governments to form larger units or intervention to reorganize social and health services is faced with local government opposition backed by strong constitutional guarantee for local government autonomy. The aim of the current government is to reduce number of social and health providers to no more than 19 social and health provider units, which would include democratically elected councils for the units. There is also a goal to unify the finance of social and health services and allow more private sector involvement in the production of these services. Previously, social and health services have been financed by local government with the help of central government grants. Within the newly designed system central government finances social and health expenditure directly. This is a strong measure to centralization in the control of finances from local governments to central government.

Some of the unanticipated changes have slowed down the pace of the implementation of the government program. One thing is the distinction between politicians and civil servants. Within each of the 26 spearhead programs there is a dual management structure. On the public administration side each programme is headed by a senior civil servant, and on the political side there are groups of ministers holding the political responsibility of the programs. This dual management structure creates tensions between those holding political mandates (state secretaries, ministerial advisors) and top civil servant within ministries. In addition, two of the spearhead programs have halted due to sudden deaths of civil servants responsible of the programs. The implementation of the spearhead programs has followed uneven pace, but there is no single determinant predicting the differences in the speed of the implementation. Some of the programs initiated by the past governments have progressed steadily while some of the newly initiated programs show little advancement. Here, there is a contrast between top-down implementation of strategy and bottom-up initiative. Local and regional projects sometimes diverge from the strategic aims. In many cases divergence originates from the lack of awareness of the strategic aims and willingness to see continuity of the local development agenda rather than political controversy per se.

Some of the recent developments have influenced the implementation of government programme. The cabinet underwent a crisis due to the split in the True Finns party in June of 2017. The Finn's party assembly elected a new chairman who represents hard-line anti-immigration fraction within the party. The former chairman together with the true Finn's ministerial group and 20 or so members of parliament broke away from the party and formed a new political group which remains part of the government. Government program implementation hit another crisis in the summer of 2017. Constitutional law committee gave a damning report of the way in which government bill aimed to organise patient rights to choose care provider. The political problem with the constitution is that changing the constitutional rules require 5/6 majority in the parliament which usually demands the backing of parliamentary opposition. As a consequence of the report, government was forced to reformulate the bill. Most importantly, the report meant a further delay of the implementation of the social and health reform as well as delay on the planned regional elections in October 2018.

Government programme contains conditional austerity measures worth €1.5 billion in case the competitiveness contract with the social partners fails. According to the government programme 'the Government will make a proposal to social partners on measures to reduce unit labour costs by at least 5 per cent. In the case of failure, the conditional austerity measures include both cutbacks and tax increases. In the spirit of the game, the government programme sets the stakes for the process. The complication is that the cutbacks and the tax increases target the population at large, whereas the social partners deal primarily with the issues related to those in the workforce. In such a setting, employees faced a certain deterioration of their working conditions in terms of salary or work hours (due to the agreement with the government), but the cost of the conditional austerity measures would have been spread across the larger population. Consequently, the incentives to reach an agreement with the employers and the government were not particularly strong. Nonetheless, the centralised agreement with labour market partners was reached in the summer of 2016.

One the aims of the government programme was to establish short-term experimentation as part of the implementation of the program. The aim of the experimentation was to unearth new best practices for the use of public administration. The flagship experimentation is the basic income experiment. Some 2000 randomly selected unemployed get a unconditional basic income of 560 euros without means testing between 2017-2018 (Kela 2016). The results in terms of employment, cost, and bureaucratic procedures will be analysed by a research consortium and the data will be compared with the control group which is subjected to variety of existing welfare benefit measures. The slow start in the implementation of the government programme gives extremely tight schedule for the basic income experimentation and other experiments.

Strategic design: Strategic planning and evaluation

Not all science has evolved out of philosophical considerations into scientific disciplines (as did physics, biology and sociology). Instead, many areas of scientific endeavour have evolved through the collection of 'rules of thumb' and the development of these rules into a collection of directives. This describes the development of many applied sciences and design sciences. The professionalisation of the practice of everyday experience is present in the application of medicine, warfare engineering and farming, to name a few examples. The mechanisation of technological tools in these and other areas of practice has increased

the efficiency of the application of the tools. Consider the development of technology, medicine or warfare. Design science often includes a normative aspect (Niiniluoto 1993). These fields do not merely describe how things are; they provide prescriptions for how things ought to be in order to attain goals (Simon 1996).

Planning and its various forms showcase design science. Planning has evolved out of practical tools used to design the future of our environment and actions. Plans can be time-consuming to formulate, and they might require a lot of work and effort and take a long time to accomplish. However, planning is not assessed based on its formal quality, truthfulness or accuracy. In the end, the value of planning lies in its usefulness to the users. Sometimes, its practical relevance might take unintended forms.

The following quotation illustrates this point:

The young lieutenant of a small Hungarian detachment in the Alps sent a reconnaissance unit into the icy wilderness. It began to snow immediately, snowed for two days, and the unit did not return. The lieutenant suffered, fearing that he had sent his own people to death, but on the third day the unit came back. Where had they been? How had they made their way? Yes, they said, we considered ourselves lost and waited for the end. Then one of us found a map in his pocket. That calmed us down. We pitched camp, lasted the snowstorm, and then with the map we discovered our bearings. And here we are. The lieutenant borrowed this remarkable map and had a good look at it. He discovered to his astonishment that it was not a map of the Alps, but a map of the Pyrenees (Weick 1995).

The lesson in this story is that, in many cases, the power of strategy is not found in its accuracy or level of detail but in its ability to give guidance and comfort in ambiguous situations. Moreover, genuine belief in the strategy enables concentrated effort, even if that belief eventually proves to be faulty.

The prominence of planning in the literature on strategic management relates partly to the fact that planning offers an encompassing view of society. First, planning appears in the macro development of entire countries as well as within micro developments of individual firms, public agencies and local communities. Second, as indicated by the micro–macro distinction, planning can refer to action in economic circles, in government or in civil society. Third, the most obvious effects of planning relate to the temporal aspect of social life. In other words, planning is a means of achieving goals and objectives in the future. Fourth, planning efforts do need not be confined to the realm of national governments, as witnessed by the developmental planning efforts of the UN, the World Bank and the International Monetary Fund (IMF), or the rise of supra-national institutions such as the EU.

Traditionally, planning was viewed as its own area of activity, separate from the consequences of strategic actions. In this view, the feedback loop between strategy outcomes and the formulation of new strategies is not the main concern of strategic planning. However, the increased importance of performance makes the consequences of strategic actions an integral part of strategic management (Poister 2003).

Anticipating future circumstances based on current knowledge sets the perspective for any planning exercise, but the distinction between projections, forecasts and plans is important (Isserman 1984). A projection is generated by entering assumptions into a formula of some kind in what is typically a quantitative procedure. A forecast is a best guess about the future, achieved by making judgments about the most likely future rates of change. A plan includes an evaluation of the forecasted future for its level of

desirability and potential alterability. Plans can be constructed to avoid undesirable futures, to make desired forecasts come true, or to create new, more desirable futures (Myers, Kitsuse 2000). Although projection and forecasts only offer rudimentary glimpses into the future, they help guide strategy formulation.

One of the most formidable achievements in human history is the construction of International Space Station (ISS). Not only is it based on international cooperation on the grandest scale, but it is also highly complicated planning and engineering effort (Case 3.2).

Case 3.2: Construction of the International space station

The implementation of the International Space Station (ISS) began with the launch, in November 1998, of a U.S. element procured from Russia, the Zarya module, followed by the launch of the U.S. Unity in December 1998. With the launch of these two elements began the realization of one of the largest and most complex international technological projects in history. The ISS is the largest orbiting human-made object. The ISS includes 1) primary structures (the external trusses that serve as the backbone of the station and the pressurized modules that are occupied by the ISS crew) and 2) functional systems made up of replaceable units (systems that provide basic functionality such as life support and electrical power), which are composed of modular components that are replaceable by astronauts in orbit. The ISS was constructed to support three activities: scientific research, technology development, and development of industrial applications. The ISS is an international endeavour. Canada provides a mobile servicing system. United States provides the six pressurized laboratories (a laboratory module and a centrifuge accommodation module), the European Space Agency delivers the Columbus orbiting facility, Japan produces the Kibo module, and Russia supplies two research modules. The ownership and use of the space station is established by intergovernmental treaties and agreements. The station is divided into two sections, the Russian orbital segment (ROS) and the United States orbital segment (USOS), which is shared by many nations. The owners of the Space Station - the United States, Russia, the European Partner, Japan and Canada - are legally responsible for the respective elements they provide. The European States are being treated as one homogenous entity (European Partner). The cost of the International Space Station, including development, assembly and running costs over 10 years, is somewhere around €100 billion. The cost is shared over a period of almost 30 years between all participants. After the retirement of the space shuttle fleet in 2011, Russian Soyuz rocket remained as the only method to bring people to the ISS. Three astronauts fly to the space station in Soyuz spacecraft and spend about six months there at a time. Starting in 2019 or 2020, the commercial crew vehicles Dragon (by SpaceX) and CST-100 (by Boeing) are expected to increase ISS crew numbers because they can bring up more astronauts at a time than Soyuz. Current plans call for the space station to be operated through at least 2024, with the partners discussing a possible extension until 2028. Afterwards, plans for the space station are not clearly laid out. It could be deorbited, or recycled for future space stations in orbit (European Space Agency 3.9.2018, Howell 3.9.2018, Schmidhuber, Cruzen et al. 2013)

Archibugi (2008) sketches a useful typology of different areas of strategic planning in specific subject areas that have succeeded in the past century through the use of managerial methods of public decision and intervention.

1. Physical planning
2. Macroeconomic planning
3. Socio-environmental planning
4. Development planning
5. Operational system planning

Archibugi (2008) sees these fields as an historical and chronological progression from the physical planning of urban and regional areas to operational corporate and government planning. This highly critical analysis is very influential in thinking strategy formation in government circles. The value of planning is its ability to look forward to distant futures without concern for the practices of the past. Although many planning developments begin as bottom-up, grassroots movements, these actions must be coordinated from the top down. Physical planning is an obvious example. Within the confines of a country, urban planning and regional planning must be coordinated: Communication and transport networks and land use and protection must be organised on the national level. A comprehensive planning approach considers all relevant factors when finding solutions to society's problems. Another aspect of planning studies relates to the tradition of urban planning. Here, the spatial aspect – that is, the location in a particular area, city or region – plays an important role in the examination. Financial resources, infrastructure, residential neighbourhoods and infrastructure are intertwined subjects of interest in urban planning and development.

Macro-economic planning deals with national governments' allocation of scarce public resources. The practical impetus for this field of study lies in the preparation and recovery from the world wars, in the need to design economic structures without markets (such as Soviet Union and other communist regimes), and in theoretical developments in economic theory that emphasise the role of governments in boosting economic activity. Socio-environmental planning builds on the local grassroots engagement of communities and groups in improving their own social conditions in a variety of areas such as housing, employment conditions or the care of children and the elderly. These actions have their macro counterpart in national health, social and education policies, among other things. Developmental planning aims to improve conditions in the developing world, often with the help of international organisations such as the UN, IMF or the World Bank. The intellectual origin of operational planning lies in management science; operational planning guides the activities of large public and private organisations. It uses mathematical and statistical techniques to estimate the efficiency and effectiveness of corporate projects (micro-operational); similar developments are apparent on the macro-operational level in the development of PPB systems by national governments (Archibugi 2008).

Mintzberg (1994) is one of the key opponents of strategic planning. During the heyday of planning in the 1960s and 1970s, very detailed exercises in planning prevailed. Mintzberg's critique is that, when facing future circumstances, very detailed programming exercises might limit the ability to adapt to changing circumstances. Instead, he argues there plans should leave enough operating room for new strategies to emerge. This allows organisations to learn from mistakes, amend strategies and grasp unforeseen opportunities.

The case of one child policy in China (Case 3.3) portrays some of the unintended long-term consequences of attempting to design whole populations.

Case 3.3: One child policy in China.

China abandoned its one child policy and allowed families to have two children in 2015. Many families still have only one child. Under the rule of Mao Zedong (1949-1976) child mortality fell, expected life expectancy rose and population grew to near 950 million people. It was feared that population growth was a threat to economic viability and financial growth. China launched one child policy in 1979. The policy had some exceptions and in the countryside it was possible to get permit for more than one child. The idea being that in countryside children would assist in labour intensive agricultural work. The consequences of the policy were dramatic. The abortion of female fetuses, abandonment of baby girls, and number of unaccounted and hidden children. As a result, there is overrepresentation of men in the population. What is more, the population pyramid of the country is top heavy. To put it otherwise, there are more and more elderly and retired persons in comparison to young people. The problem with the ageing population is manifold. First, due to lack of social security, children are important providers for old age care. Thus, any one child bears responsibility of two parents and four grandparents. The urbanization makes the situation worse as more and more young people have left countryside and settled into major cities. This separates generations from one another. Second, difference in age cohorts poses problems for pensions. China reformed its pension system in 1997. Employers contribute 20 per cent of employees' salary to social security funds. In addition, employees contribute 8 per cent of their salary to individual retirement accounts. The employers pay their premiums to local governments, which borrow some of the entitlements to fund unaccounted pension liabilities of already retired employees. So far, the abolition of one child policy has not resulted in growing fertility rates. Modernisation, urbanization and relative economic prosperity tend to decrease birth rates, but it is also case that child rearing in China puts heavy economic burden on the families. Even if families would have more than one child it is not clear that it would relieve the pension problem. If women with two children stay home to attend their offspring, it could in fact decrease the amount of employees in the workforce (Feng 2017, Fincher 2016).

In recent decades, 'evaluation' of policies, programs and government action has become the catchword for administrative reflection. In contrast to the ex ante orientation of research on planning, evaluation research involves an ex post examination of the consequences of administrative actions through a careful retrospective assessment. Interestingly enough, Vedung describes the historical development of evaluation research, not as antithetical to the planning movement, but as a parallel development in the process of changing society's ideas. According to Vedung, evaluation research is comprised of four consecutive waves of focus areas (Vedung 2010):

Scientific wave, 1950s – 1970s,
Dialogue-oriented wave, 1970s – 1970s,
Neo-liberal wave 1980s – 1990s and
Evidence wave, 2000s – present.

The scientific wave is based on the idea that societies can be transformed through rational planning, which would replace short-term political struggles for power and over the suitable course of government action. Inspired by the comprehensive planning exercises of socialist countries, most notably China and the Soviet

Union, long-term plans were adopted in industrialised western countries as well. According to the engineering model, evaluation takes place after the planning phase and before a plan's implementation. Scientific evidence is collected through experiments with target groups; evaluating this information provides additional knowledge for government interventions. In other words, evaluation is used to identify most efficient means to achieve the given goals. In this line of thought, evaluation is a value-neutral, scientific factual approach to solving social problems. The dialogue-oriented wave grew out of disillusionment with comprehensive planning ideas and value-neutral science. The dialogue-oriented wave highlighted the importance of subjective interpretation and the inclusion of stakeholders' values and perspective in the evaluation. In this movement, which was inspired by communicative rationality, the role of the evaluator is to balance different stakeholders' positions to better understand the reality of a problem (Vedung 2010).

The neo-liberal wave of the 1980s was related to the market-emulating reforms in the New Public Management (NPM) doctrine. If governments should operate like private enterprises, their performance and use of taxpayer monies should be evaluated in terms of 'value for money'. The marketisation of government provided an alternative to top-down, comprehensive planning and to the inclusion of stakeholders in dialogue-oriented evaluation. In the market-oriented environment, the evaluator provides measurement information from various levels of government to identify successful practices, which can then be lauded for others to imitate. A fourth evaluation wave supposedly began at the beginning of the new millennium. The catchword of the evidence-based wave is the 'systematic review'. The fundamental idea of this movement is that policies should be based on what works and what does not, according to prior evidence. Randomised trials, quasi-experimental studies, before-and-after comparisons, qualitative case studies, and professional, expert and user opinions could be used as input for such evaluations (Vedung 2010).

The discussion above illustrates the co-evolution of scholarship in strategic planning and evaluation. The themes of these different strands of thought are quite similar, although their foci differ. Evaluation is useful for strategic planning in two main respects. First, evaluation can provide valuable information about a plan's progress during the implementation phase. It can help organisations reorient and reformulate strategies based on concrete empirical evidence gathered during the strategy-formation process. Evaluation can also inform the initial phases of strategy formulation by distinguishing feasible futures from less likely ones based on the strategic goals.

Internal strategic scanning: Administrative reform

The simple storyline of the development of public administration describes a movement from the old form of public administration – with its red tape, hierarchical control, and sometimes overly legalistic rules and procedures – into a streamlined, business-like, market-oriented form of public management in the 1980s. Recently, some voices have supported a shift to a new form of public governance defined by voluntary networks, cooperation and the co-production of public services (Kisner, Vigoda-Gadot 2017). In assigning these broad labels, it is not easy to determine whether they refer to specific reform, actual forms of public administration, or theoretically driven models of the current state of current affairs. It is possible that some reform models actually contain all of these elements, while others do not possess any of them. In terms of strategic management and specifically the internal strategic scanning mode, the important feature of

administrative reforms is that they focus on changing the internal functioning of the government and offer guidelines for how to implement this change.

The analysis of NPM reforms has dominated the academic scene since the 1980s. The reasons for the NPM reform doctrine, along with descriptions of it and its outcomes and efforts to make governments more business-like, market-oriented and client-friendly, have been thoroughly covered in discussions about the role of public administration (Hood 1991). Business-emulating reforms have partly been responsible for the introduction of strategic management ideas in public administration. The most important feature of administrative reforms in strategic thinking is the internal focus on the public sector. The vocabulary of reform does not refer any more to the top-down integration of plans into society; it describes the decentralisation, contracting out and marketisation of government structures and processes.

The discussion of public sector reforms tends to concentrate on the reasons for, application of and consequences of the NPM that began in the 1980s. Administrative reforms are viewed as managerial reforms and deliberate attempts to change public sector organisations with the objective of helping them run better. It is very easy to see public management reforms partly as a consequence of problems and a failure of planning. Centralised control and comprehensive planning were not able to remove society's problems. A sometimes-naïve belief in progress and the scientific method that dominated society during the period of steady economic growth following World War II turned into distrust of the government during the economic instability of the 1970s. The government was no longer society's saviour but rather the origin of economic and social maladies. The fact that NPM has become more or less the catchword for any administrative reform effort has to do, at least partially, with developments in the political sphere. In the 1980s, the role of public administration became, for the first time, a political question, and administrative reform became a topic of political struggle (See Pollitt, Bouckaert 2017).

In the area of strategic management, public sector reform offers a showcase for the government's self-referential action. The primary focus of public sector reform is the re-organisation of governmental ranks, particularly within the executive branch. Administrative reform has evolved into a business of improving, streamlining and re-inventing public administrations to a degree never seen before. However, administrative reform is not altogether alien to previous discussions on the topic. Rather early on, Dror (1976) pointed out that strategies for administrative reform must deal with issues such as the limits and overall goals of administrative reforms; the preferred amount of time and risk; whether reforms should be incremental or innovative, careful or shock-inducing; assumptions about the future; the availability of resources; and feasible reform instruments.

In a recent influential examination of public management reforms in OECD countries, Pollitt and Bouckaert (2017) offer a descriptive model of administrative reforms. In this model, politicians and senior civil servants channel the influence of politics and socio-economic forces in the decision-making arena. Elite decision-making defines the feasibility and desirability of a given reform agenda. The agenda is still vulnerable to events such as scandals and disasters, which are often amplified by the media. Despite sometimes-ambitious efforts, public administrations tend to change slowly. Furthermore, the implementation process includes administrative adjustments, which may lead to unexpected results.

In his examination of US government reforms between 1945 and 2002, Light (2006) proposes four different approaches to reform. In the first, scientific management, people trust the government, which takes a

centralised approach to implementation. This approach is defined by strict rules, clear guidelines and procedures, and close oversight by central agencies. The second approach, the war on waste, involves audits, inspections and centralised oversight by quasi-independent bodies. This centralised implementation approach is also characterised by a lack of trust in the government. The third approach, the watchful eye, sees freedom of information and openness of procedures as a way to improve the government's functioning. This approach is decentralised and also includes a lack of trust in the government. E-media, interest groups and citizens use their voices and actions and to prevent governmental mischief. The fourth approach, liberation management, is characterised by trust in the government. This approach is decentralised and seeks to empower employees by avoiding oppressive rules and to achieve innovation through commitment and group effort.

In a more practical tone, Manning and Parison (2004) evaluate the drivers and possibilities of administrative reform in a number of industrialised and developing countries. They identify two factors that affect the feasibility of reforms: 1) points of leverage, which enable the reform effort, and 2) institutional malleability, which renders the implementation possible. A single strong central agency, a single party majority, integrated careers for senior civil servants and politicians, and heterogeneous public sectors are some features that create multiple points of leverage. Institutional malleability appears in federated, decentralised systems and less rule-oriented Anglo-Saxon administrative systems characterised by neutral, permanent civil service positions and limited membership in public sector trade unions.

Describing administrative reforms and identifying their drivers is not sufficient to implement administrative reform strategies for internal change in public administration. Research on public administration has identified several strategies for administrative change that include both the goals of and means to implement strategic action. New Public Administration (NPA), New Public Service (NPS), New Public Management (NPM), Public Value Management (PVM) and New Public Governance (NPG) are some options for realising macro changes in government. Each of these approaches has its own vision of public good, its own idea of the roles of the state and the government, and defined methods for achieving that vision. Table 3.1 shows some of the important features of these approaches.

Table 3.1. The main features of administrative reform strategies.

Administrative reform strategy	New Public Administration (NPA)	New Public Management (NPM)	Public Value Management (PVM)	New Public Service (NPS)	New Public Governance (NPG)
Vision of public good	Social equity in less bureaucratic administration	The bankruptcy of bureaucracy	Guidance for public executives, reaction to the weakness of the NPM	Democratic ideal as antithesis to the economic approaches of the NPM	Integration of policymaking and service delivery
Nature of the state	Unitary	Disaggregated	Pluralistic	Pluralistic	Pluralistic
Role of public administration	Public administration as part of policymaking	Guiding service inputs and outputs in particular	Creating public value to satisfy citizens and politicians	Servicing through negotiation and brokering	Collaborating with other suppliers and users
Means	Managing boundary exchanges	Market contracting, internal government contracts	Providing service, establishing legitimacy, evaluating public value	Building coalitions among public and private organisations and non-profits	Trust and informal, relational contracting

Adapted from (Pyun, Gamassou 2018, pp 255-258).

NPA

The NPA takes a moral and academic tone as it calls for the independence of public administration from political science and management. At the time of its inception, there was an ongoing controversy between value-based public administration characterised by the pursuit of the public interest and value-free administration characterised by scientific examination (Henry 1975). The NPA grew out of a concern with inequality, which, supporters argued, is a consequence of a technocratic ethos that values economy and efficiency over social objectives and public policy (Marini 1971, Frederickson 1980). Furthermore, a value-neutral administration is likely to alienate less well-off and marginal members of society. Therefore, the idea of value-free administration should be abandoned. Instead, the goal should be a combination of good governance and social equity in a less bureaucratic administration. This makes more room for advocacy in administrative matters. Bureaucrats can take a more political role by supporting issues and goals, but citizens could also be given a broader mandate to participate in decision-making.

NPM

The basic ingredients of NPM are a belief in managers, the use of indirect supervision and control, and an emphasis on clients and citizens (Vedung 2010). A focus on managerialism is expected to improve efficiency, while indirect control enables the use of market-type mechanisms in providing public services (e.g. privatisation and outsourcing). Marketisation gives clients and citizens the freedom to choose from a

variety of service options while guaranteeing service provision through citizen charters. It also gives citizens more power to influence the nature of these services as clients.

According to Aucoin (1990), previous NPM reforms originated from two roots: 1) a public-choice approach to controlling bureaucrats and hindering their tendency to maximise the budget and 2) private-sector managerialism that created successful companies. These two approaches are inherently contradictory. Public choice theory promotes centralisation, coordination and control, while the managerialist school of thought favours decentralisation, deregulation and delegation. Some additional influential ideas behind NPM orthodoxy originated from Osborne and Gaebler (1992). They proposed an end to Weberian bureaucracy and coined the mantra that the government should steer society rather than rowing it. They also emphasised competition between agencies, decentralisation and the role of citizens as clients of public services, but their proposition did not include privatisation as a primary means of administrative reform.

In a recent survey of top officials in 20 European countries, Hammerschmidt et al. 2017 analyse the relationships among five key NPM reforms (downsizing, agentification, contracting out, customer orientation and flexible employment practices) and four dimensions of public sector performance (cost efficiency, service quality, policy coherence and coordination, and equal access to services). They found that customer orientation and flexible civil service employment improve all four dimensions of performance. Contracting out and downsizing increase efficiency, but downsizing tends to decrease service quality. The creation of autonomous agencies does not influence performance one way or the other. Public management reforms can also be layered. Some countries in this study still struggle to establish independent public bureaucracies, while others are already seeking to developing more integrated, responsive and client-friendly public bureaucracies.

PVM

A discussion of public value provides a model for public managers to use their imaginations to overcome difficulties and implement goals that seem unlikely at first (Moore 2013, Moore 1995). The strategic task of the public manager is to use 'value-creating imagination' when combining an agency's tasks (e.g. services/regulation, operational/professional) and authorising environmental and operational capabilities. While business enterprises provide services to paying customers, government agencies often provide services to citizens free of charge or at a nominal cost. In order to provide these services, public agencies the authorisation of the environment and organisational capabilities, which establishes their legitimacy and public support for their actions. Following due process (e.g. auditing or disclosing government information) is one part of establishing the legitimacy of public action. Sometimes, tackling new problems requires authorisation for changes and innovations. For instance, increasing public awareness of a sustainable development gives public authorities a better mandate to tackle threats to the physical environment. In terms of operational capabilities, public agencies usually consist of multiple production lines which require coordinated efforts. Most often, each agency is but one part of a production chain, which highlights the importance of coordination among public bodies. The satisfaction of citizens is an integral part of public value creation, but public value as a product of government agencies eludes exact measurement, as it can be detected more in the collectively defined outcomes of government action than in the direct output of public agencies.

NPS

The NPS is rooted in democratic theory and rational perspectives. In this model, the administration's role is to provide services to citizens by negotiating with interest and user groups. Dialogues among stakeholders identify common values and shared understanding. This dialogue is important due to the existence of multiple rationalities (political, economic and administrative). Goals are realised through alliances among public, private and third-sector representatives. NPS raises the question of accountability but emphasises its manifold nature rooted in obedience to law, community values, political norms, codes of professional ethics and public interests. In a pluralist world, administrative discretion is also required, but it should be exercised in a restricted and accountable fashion (Denhardt, Denhardt 2000).

NPG

Most government activity consists of servicing citizens. Therefore, in this model, services and service users rather than processes should be the focus of public administration. In a pluralist world, agencies can rely more on inter-organisational networks, cooperative practices and, most notably, co-production practices with other public agencies and also with users. NPG draws on service-dominant logic and places public service systems and a user orientation in the front. Servicing citizens is not so much delivering services but realising a service promise (Osborne 2006, Osborne, Radnor et al. 2013). The NPG seeks innovations, not so much in technical product development or in obtaining property rights for new ideas, but in social, shared service innovations.

How do these strategic options fit into Light's (2006) approaches to reform? First, trust in the government is in short supply in these approaches, but there are variations on the theme. NPA and NPM require a formative change in public administration; in other words, bureaucrats should be more like politicians or businessmen. In contrast, NPS, PVM and NPG seem to approve of bureaucrats as they are, but they suggest amendments to their roles in value creation, collaboration and servicing. Second, these reform strategies all (except NPA) lean heavily towards decentralised methods of achieving administrative changes. Some NPM reforms may include a fair amount of 'bureaucrat bashing' and may seek to reduce waste, but the reforms are expected to proceed in a decentralised manner. Although NPS, PVM and NPG appear to represent models of a networked society that supports egalitarian participation, one cannot help but see an undertone of the watchful eye in these formulations. The formation of communities signifies the development of social norms, which are a guarantee of probity. NPA's critique of an overemphasis on expertise is far from scientific management, but it suggests a centralised and politicised solution to bureaucratic problems.

Strategic governance: Regulation in governance

Governance is ‘the ways in which governing is carried out, without making any assumptions as to which institutions or agents do the steering’ (Gamble 2000) Governance incorporates a plethora of ideas from different areas, such as corporate governance within private firms, the governance of political institutions, or multilevel governance that includes supranational, national and local institutions. The analytical problem is that, in this area of research, one must compare subjects with incompatible operational logics that locate themselves on different levels of analysis. To be productive, a connection between micro and macro approaches requires the use of bridging concepts that can connect the two (Moynihan 2018). For the analysis at hand, different levels of governance must be distinguished from one another. An analysis of the possible divisions provides a viable categorisation for different levels of governance.

Kiser and Ostrom (1982) define three levels of choices: operational, collective and constitutional. Individuals make practical operational choices that are authorised by collective choices. Collective choices construct institutions and make policy decisions that are authorised by constitutional choices. Collective choices legitimise and create the entities involved in collective and operational choice processes. Constitutive governance refers to decisions about the rules for making decisions. This definition parallels the role of national constitutions in formally defining how decision-making should proceed. Examining these levels of choices is part of the larger framework of institutional analysis and development (IAD)(McGinnis 2011) .

Hill and Hupe (Hill, Hupe 2002, Hill, Hupe 2006) translate these choice options into the policymaking arena. Setting aside individual operative choices, constitutional and collective choices may take place in different loci, which define scale-of-action situations. Constitutional choices appear in the design of political and administrative institutions or intergovernmental relations on the system level. Constitutional governance takes place in an organisational setting in the design of relevant contextual relations. For instance, mapping powerful and interested stakeholders could be a relevant activity here. Governmental policymaking and the rules for implementing policies are system-level collective choices. At the organisational level, collective choices maintain the designed external relational structures. Operational choices deal with the day-to-day management of policy processes on the system level and with the management of ongoing social relationships on the organisational level. These two levels of analysis are represented in Table 3.2.

Table 3.2. Choice options by scale-of-action situation.

	Constitutional	Collective
Locus: System	Designing institutions	Policy management
Locus: Organisation	Designing network structures	Network management

Adapted from Hill & Hupe 2002, p. 183 Hill & Hupe 2006, p. 562.

In a networked environment, there are two ways to guide interactions: 1) Direct guidance of the networks and 2) Guidance of the network structuring processes. In a sense, this difference is the distinction between micro interactions within organisations and macro interactions within governments. In the discussion on governance, there is a clear division between these two aspects. The designing of institutions and policy management define macro governance, and network creation and maintenance are the tasks of public agencies.

There is also an emerging idea that regulation, in its multiple forms, actually covers most aspects of governance (Jordana, Levi-Faur 2004, Levi-Faur 2013). It is too narrow to define regulation as government control of economic interactions, and it is even more restrictive to see regulation only as the activity of overseeing the functioning of utilities such as energy or water. Regulation includes the self-regulation of industries or community groups, and it takes place, not only through legal rules, but also through less formal but equally binding norms. In another sense, the discussion of regulatory state includes the idea that the state is no longer a welfare state providing services to citizens; the government takes a more a hands-off approach to controlling the operations of other organisations that cater to citizens' demands (Black 2002).

What are the justifications for regulation? Traditionally, there are number of reasons for economic regulation. These include controlling the power of a monopoly, controlling excess or 'windfall' profits originating from unusually favourable circumstances, demanding compensation for harmful actions (e.g. extra taxes on high-emissions cars), ensuring adequate information (such as the regulation of ingredients in pharmaceutical products) to protect consumers, and avoiding excessive competition (such as predatory pricing strategies) to eliminate competitors (Breyer 1982).

Regulations may include a specific set of rules, a deliberate state influence, or any form of social or economic influence. Regulation is not always restrictive; it can also enable actions. Although, regulation is mainly directed to economy and civil society, there has recently been an increase in certain types of regulations, such as formal auditing procedures and financial control of appropriations in the public sector. Regulative strategies include: command and control, incentive-based regimes, market-harnessing controls, disclosure regulations, direct action and design solutions, rights and liabilities, public compensation, and social insurance schemes (Baldwin, Cave et al. 2012).

Command and control regulation describes the pursuit of standards that have legislative backing and the imposition of criminal sanctions against violators. There are risks to command and control regulation. Those who are regulated in this way might seek to influence the regulation in order to get the upper hand over the regulator. Setting standards is in itself a difficult task, and it may lead to too much legalism. How should governments deal with genetically modified foodstuffs; what is a tolerable level of river pollution? Incentive-based regimes take a softer approach to regulation, such as offering a tax reduction on electric cars rather than increasing taxes on petrol. Market-harnessing control comprises measures aimed at providing adequate service to customers. In the aftermath of the deregulation of the telecommunication and energy sectors in the 1980s and 1990s, industry-specific regulation has increased. Prohibitions on misleading information are the substance of disclosure regulations. Direct action and design solutions are measures implemented directly by the government, such as publicly funded road construction or the regulation of physical construction through building standards. Rights and liabilities regulations define tolerance levels for harmful activities such as pollution. Actors who exceed this level face sanctions. Finally, compensation and social insurance schemes reduce individuals' risks. For instance, in many countries, employee safety and health schemes deprive employees of the right to sue their employers but entitle them to compensation for work-related hazards (Baldwin, Cave et al. 2012).

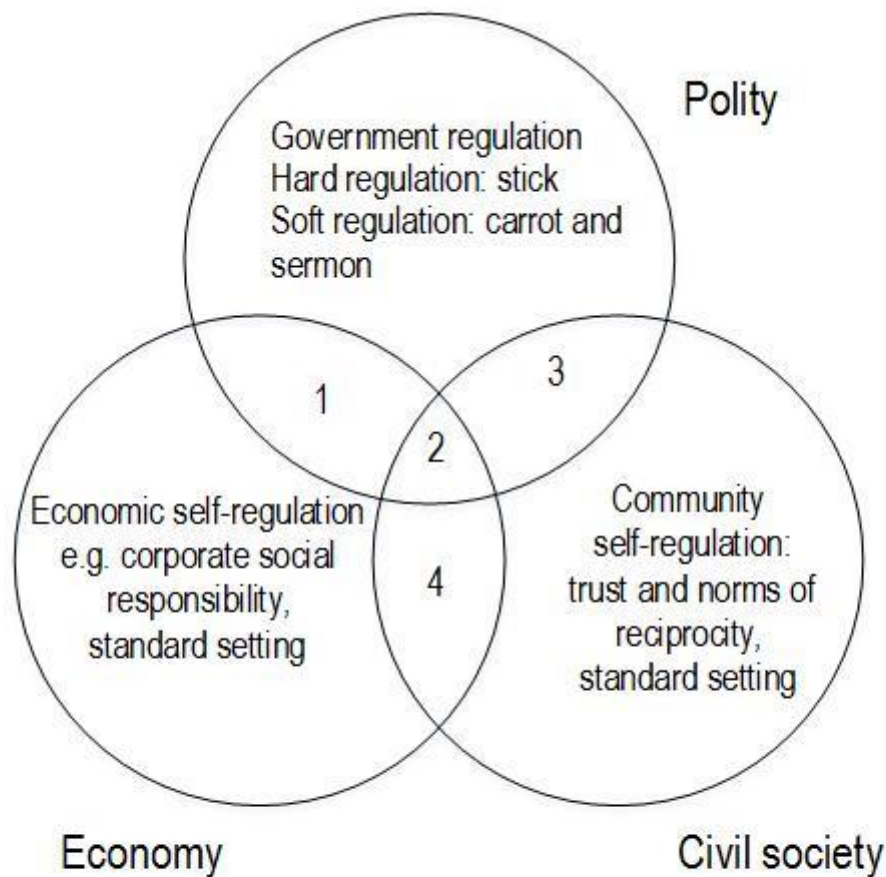
Levi-Faur (2013) defines the regulatory state as one layer in the alteration of the roles of the state in modern societies. A regulatory state extends the government's legitimate monopoly on physical coercion

into the right to form, maintain and enforce rules. In a regulatory state, the government's regulative actions seek to secure the markets through market regulation as much as they aim to organisation services for citizens. The rise of regulatory state indicates that governments have not abandoned the goal of top-down control of society but that they now seek to control new areas of society in less direct ways. An emphasis on regulation does not necessarily denote a neoliberal or socialist orientation; regulatory states might take highly corporatist forms that connect all areas of society as well as firmly market-oriented forms that separate governments from society.

The abovementioned developments put regulation at the nexus of the governance of modern societies. The rise of new regulatory state combines several characteristics (Jordana, Levi-Faur 2004):

1. Bureaucratic regulation is separated from service delivery.
2. Regulation is separated from policymaking.
3. Regulation is a separate stage in policymaking.
4. Formal rules and contracts replace discretion and informal relationships.

Outsourcing, privatisation and contracting out are all methods by which private firms offer services on behalf of the government. The separation of regulation from policymaking implies the insulation of regulation from political decision-making, giving regulatory authorities more autonomy over their own areas of specialisation. This separation gives regulation a position as a distinct stage in the policymaking process, between the formulation of the goals and policy implementation. Finally, regulation formalises interactions by replacing trust-based informal interactions with formal rules, thus advancing instrumental of rationality over mutual commitments within communities (Levi-Faur 2013). Some of the primary features of regulation are represented in figure 3.1.



1) public co-regulation (government–economy), 2) joint co-regulation by the government, the economy and civil society, 3) public co-management of common pool resources (a government–civil society hybrid), and 4) private co-regulation (civil society–economy).

Figure 3.1: Regulation in society (adapted from Steurer 2013, p. 398).

Steurer (2013) offers a useful typology for studying different forms of regulation. Beginning from the tripartite distinction of government, economy and civil society, he combines regulation, self-regulation and co-regulation into a single synoptic scheme. Governments can influence other areas of society, not only through the hard method of laws, but also through soft methods such as economic incentives and knowledge dissemination. Put another way, the law represents the stick, incentives the carrot, and information the sermon in government regulations (Bemelmans-Vidéc, Rist et al. 2017). In the era of governance, civil society has taken a more active regulatory role. A mixture of formal standards and informal pressure extends government influence. Setting standards for environmentally-friendly forestry practices, creating an index for governmental corruption, and selling certificates to sustainable tuna fisheries are examples of regulations exercised by institutions of civil society.

In business, self-regulation may be done collectively through industry standards, such as the adoption of corporate governance standards or the implementation of corporate social responsibility policies in individual firms (Steurer 2013). Private firms may also oversee the functioning of governments, such as when private firms audit public sector accounts (Vakkuri, Meklin et al. 2006).

Co-regulation and co-management practices blur many existing borders by forming identifiable types of hybrid arrangements. These take a number of forms, such as: 1) public co-regulation (government–economy), 2) joint co-regulation by the government, the economy and civil society, 3) public co-management of common pool resources (a government–civil society hybrid), and 4) private co-regulation (civil society–economy).

Ostrom (2002) examines public co-management of common pool resources and demonstrates that it is possible for a group to manage common pool resources without top-down intervention. Common pool resources are goods which can only be denied to possible beneficiaries with difficulty and which are easily depleted (one person's use of the good reduces the possibilities that others can benefit from it). Some natural resources, such as fisheries and forests, are common pool resources. Groups can effectively manage these resources themselves if they have enough room to operate, a clear identity, collective decision-making and sanctioning structures, fair distribution of benefits, and working relationships with other levels of authority. Long-lasting contractual agreements between public and private parties (PPP) fall into area of public co-regulation. The difficulty in defining PPP arrangements as either public or private activities in national accounting systems highlights the dual nature of these activities. Partnerships also fall under private co-regulation and joint co-regulation practices, but they also include joint standard setting and certification schemes.

What is the purpose of the regulative effort? Happiness of the population is a good candidate for the combined regulatory efforts of the government (case 3.4).

Case 3.4: Who is the happiest?

Happiness of the population has recently appeared as a new indice for the success of nations. For one thing, happiness offers strategic aim other than economic progress for the development of societies. Happiness is not all about the finances, but it includes social relationships, supportive communities and well-organized services for the citizens. The United Nations General Assembly has proclaimed 20 March the International Day of Happiness (United Nations 2012) recognizing the relevance of happiness and well-being as universal goals and aspirations in the lives of human beings around the world, and the importance of their recognition in public policy objectives. There are more than one way to be happy. First, the principle of hedonism, that is, maximizing pleasure and minimizing pain was articulated already in antiquity. The pursuit of pleasure is still widely endorsed as a way to happiness. Second, in contrast to hedonism there is another tradition traced to Aristotle's notion of eudemonia, which states that true happiness requires identification and cultivation of one's virtues and living according to them. To put it otherwise, people should develop what is best in themselves and use these qualities in the service of greater good. Third, the pursuit of engagement might be yet another way to achieve happiness. The notion of flow is central in this line of thinking. Flow is a psychological state that follows highly engaging activities. In such instances time passes quickly, one tends to lose sense of oneself and in the aftermath one feels invigorated. These orientations to happiness are independent from one another and can thus be pursued simultaneously (Peterson, Park et al. 2005). The world happiness report 2018 (Helliwell, Layard et al. 2018) lists rankings of happiness in 156 countries. The wording for asking the level of happiness was following "Please imagine a ladder, with steps numbered from 0 at the bottom to 10 at the top. The top of the ladder represents the best possible life for you and the bottom of the ladder represents the worst possible life for you". Four different countries have held top spot in the four most recent reports, Denmark, Switzerland,

Norway and Finland, which have their own specific features of happiness such as “Hygge” or intentional intimacy in Denmark, sense of community in Switzerland, comfortable living in Norway, and Sauna and “Sisu” or perseverance in Finland. All of these countries score high on the dimensions supporting happiness or subjective well-being: Income (per capita GDP), healthy life expectancy (number of expected healthy years of life), social support (having someone to count on in times of trouble), freedom (satisfaction with your freedom to choose what you do with your life), trust (most people can be trusted) and generosity (donations to a charity in the past month). The focus of 2018 happiness report is on immigration. The important finding of immigration is that the level of happiness of immigrants is largely dependent upon the levels of subjective well-being of the destination country and to a lesser extent on the happiness of the country of origin. There is connection between income and subjective well-being, but as income grows the rate of return for the extra income diminishes. Yet, there are threats to happiness even in high income countries. Three interrelated epidemic diseases, notably obesity, substance abuse (especially opioid addiction), and depression can explain why levels of happiness might decrease even in wealthy countries such as USA.

What public administration can do to economy, civil society and its own structures? According to previous examination, there are some clear conclusions. If public administration belongs to autonomous or managerial regimes, it has better abilities to promote any type change. Depending on the type of economy and the natures of civil society there are tendencies, which either help or hinder the effort of public administration. Internal cleavages within economy as in mixed market economies or lack of bridging or bonding within civil society put obstacles to the effective functioning of public bureaucracies. It is very difficult to pinpoint direct causal linkages, but it is very easy to see that anomalies in any one part of the society is likely to influence other parts of the society as well.

There is another question to what extent administrative reforms, regulation or planning reflect the ideas of strategic management. From the political side of view. Strategies are opportunistic and calculative means to secure re-election. In this respect, administrative reform, regulation and planning are not very accurate means to guarantee political success. From business point of view, it is very difficult to pinpoint any specific performance outcomes of the changes in governance. Still, all these areas of change represent goal-oriented actions in the grandest scale. The deviation from political or business approach to strategy is not the main issue here. What the design, internal strategic scanning and strategic governance put forward is the variety of options for government to advance their policies. In this way, NPM is only one strategy to implement reform policy. Likewise, regulation consists of variety of strategies and alternative principles and strategic management offers number of areas for considering future prospects of the government. In this line of thinking, strategic management offers alternative ways of thinking forward instead of legitimating past practices or resorting to single-minded solutions.

References

- ARCHIBUGI, F., 2008. *Planning theory: From the political debate to the methodological reconstruction*. Milano: Springer.
- AUCOIN, P., 1990. Administrative reform in public management: paradigms, principles, paradoxes and pendulums. *Governance*, **3**(2), pp. 115-137.
- BALDWIN, R., CAVE, M. and LODGE, M., 2012. *Understanding regulation: theory, strategy, and practice*. Oxford: Oxford University Press.
- BEMELMANS-VIDEC, M., RIST, R.C. and VEDUNG, E., 2017. *Carrots, sticks & sermons : policy instruments and their evaluation*. Abingdon: Routledge.
- BLACK, J., 2002. *Critical Reflections on Regulation*, London: Centre for Analysis of Risk and Regulation. Discussion Paper 4 edn. London: London School of Economics and Political Science.
- BREYER, S., 1982. Regulation and reform. *Harvard University, Cambridge, MA*, .
- DENHARDT, R.B. and DENHARDT, J.V., 2000. The new public service: Serving rather than steering. *Public administration review*, **60**(6), pp. 549-559.
- DROR, Y., 1976. Strategies for administrative reform. In: A. LEEMANS, ed, *The Management of Change in Government*. The Hague: Springer, pp. 126-141.
- EUROPEAN SPACE AGENCY, 3.9.2018, 3.9.2018-last update, How much does it cost?. Available: http://www.esa.int/Our_Activities/Human_Spaceflight/International_Space_Station/How_much_does_it_cost [9/3, 3.9.2018].
- FENG, E., 2017, 30.11.2017. China's mixed messages to working women. *Financial Times*.
- FINCHER, L.H., 2016. *Leftover women: The resurgence of gender inequality in China*. London: Zed Books.
- FREDERICKSON, H.G., 1980. *New public administration*. University, Ala.: University of Alabama Press.
- GAMBLE, A., 2000. Economic governance. In: J. PIERRE, ed, *Debating governance*. Oxford: Oxford University Press Oxford, pp. 110-137.
- HAMMERSCHMID, G., VAN DE WALLE, S., ANDREWS, R. and MOSTAFA, A.M.S., 2017. New Public Management reforms in Europe and their effects: findings from a 20-country top executive survey. *International Review of Administrative Sciences*, , pp. 1-20.
- HELLIWELL, J., LAYARD, R. and SACHS, J., 2018. *World Happiness Report 2018*. New York: Sustainable Development Solutions Network.
- HENRY, N., 1975. Paradigms of public administration. *Public administration review*, , pp. 378-386.
- HILL, M. and HUPE, P., 2002. *Implementing Public Policy: Governance in Theory and Practice* Sage. London: Sage.
- HILL, M. and HUPE, P., 2006. Analysing policy processes as multiple governance: accountability in social policy. *Policy & Politics*, **34**(3), pp. 557-573.
- HOOD, C., 1991. A public management for all seasons? *Public Administration*, **69**(1), pp. 3-19.
- HOWELL, E., 3.9.2018, 3.9.2018-last update, International Space Station: Facts, History & Tracking. Available: <https://www.space.com/16748-international-space-station.html> [09/03, 3.9.2018].
- ISSERMAN, A.M., 1984. Projection, forecast, and plan on the future of population forecasting. *Journal of the American Planning Association*, **50**(2), pp. 208-221.
- JOHANSON, J., PEKKOLA, E. and HUSMAN, P., 2017. Government Programme as a Strategy—The Finnish Experience. *Administrative Sciences*, **7**(2), pp. 16.
- JORDANA, J. and LEVI-FAUR, D., 2004. *The politics of regulation : institutions and regulatory reforms for the age of governance*. Cheltenham, UK; Northampton, MA, USA: E. Elgar.

- KISER, L. and OSTROM, E., 1982. The three worlds of political action. *Strategies of political inquiry*. Beverly Hills: Sage, .
- KISNER, M. and VIGODA-GADOT, E., 2017. The provenance of public management and its future: is public management here to stay? *International Journal of Public Sector Management*, **30**(6-7), pp. 532-546.
- LEVI-FAUR, D., 2013. The odyssey of the regulatory state: From a “thin” monomorphic concept to a “thick” and polymorphic concept. *Law & Policy*, **35**(1-2), pp. 29-50.
- LIGHT, P.C., 2006. The tides of reform revisited: patterns in making government work, 1945–2002. *Public administration review*, **66**(1), pp. 6-19.
- MANNING, N. and PARISON, N., 2003. *International public administration reform: implications for the Russian Federation*. Washinton DC: The World Bank.
- MARINI, F., 1971. *Toward a new public administration : the Minnowbrook perspective*. London: Chandler Publishing.
- MCGINNIS, M.D., 2011. An introduction to IAD and the language of the Ostrom workshop: a simple guide to a complex framework. *Policy Studies Journal*, **39**(1), pp. 169-183.
- MINTZBERG, H., 1994. *The rise and fall of strategic planning : reconceiving roles for planning, plans, planners*. New York; Toronto: Free Press ; Maxwell Macmillan Canada.
- MOORE, M., 2013. *Recognizing public value*. Cambridge, Mass.: Harvard University Press.
- MOORE, M., 1995. *Creating public value : strategic management in government*. Cambridge, Mass.: Harvard University Press.
- MOYNIHAN, D., 2018. A great schism approaching? Towards a micro and macro public administration. *Journal of Behavioral Public Administration*, **1**(1), pp. 1-8.
- MYERS, D. and KITSUSE, A., 2000. Constructing the future in planning: A survey of theories and tools. *Journal of Planning Education and Research*, **19**(3), pp. 221-231.
- NIINILUOTO, I., 1993. The aim and structure of applied research. *Erkenntnis*, **38**(1), pp. 1-21.
- OSBORNE, DAVID., GAEBLER, TED., 1992. *Reinventing government : how to entrepreneurial spirit is transforming the public sector*. Reading, Mass; Menlo Park, Calif: Addison-Wesley Publishing Company.
- OSBORNE, S.P., 2006. The New Public Governance? *Public Management Review*, **8**(3), pp. 377-387.
- OSBORNE, S.P., RADNOR, Z. and NASI, G., 2013. A new theory for public service management? Toward a (public) service-dominant approach. *The American Review of Public Administration*, **43**(2), pp. 135-158.
- OSTROM, E., 2002. Common-pool resources and institutions: toward a revised theory. *Handbook of agricultural economics*, **2**, pp. 1315-1339.
- PETERSON, C., PARK, N. and SELIGMAN, M.E., 2005. Orientations to happiness and life satisfaction: The full life versus the empty life. *Journal of happiness studies*, **6**(1), pp. 25-41.
- POISTER, T., 2003. *Measuring performance in public and nonprofit organizations*. San Francisco: Jossey-Bass.
- POLLITT, C. and BOUCKAERT, G., 2017. *Public management reform: a comparative analysis-into the age of austerity*. Oxford: Oxford University Press.
- PYUN, H. and GAMASSOU, C.E., 2018. Looking for Public Administration Theories? *Public Organization Review*, **18**(2), pp. 245-261.
- SCHMIDHUBER, M., CRUZEN, C. and KEHR, J., 2013. *Space Operations: Experience, Mission Systems, and Advanced Concepts*. Sunrise Valley: American Institute of Aeronautics and Astronautics.
- SIMON, H.A., 1996. *The sciences of the artificial*. Cambridge, MA: MIT press.
- STEURER, R., 2013. Disentangling governance: a synoptic view of regulation by government, business and civil society. *Policy Sciences*, **46**(4), pp. 387-410.

UNITED NATIONS, 2012.

International Day of Happiness. 66/281 edn. New York: United Nations.

VAKKURI, J., MEKLIN, P. and OULASVIRTA, L., 2006. Emergence of Markets—Institutional Change of Municipal Auditing in Finland. *Nordic Organization Studies*, **8**, pp. 1-31.

VEDUNG, E., 2010. Four Waves of Evaluation Diffusion. *Evaluation*, **16**(3), pp. 263-277.

WEICK, K.E., 1995. *Sensemaking in organizations*. Thousand Oaks: Sage Publications.