

MARCO TALIENTO

University of Foggia, Department of Economics, Italy

ON THE QUEST FOR VALUE IN THE PUBLIC SECTOR MANAGEMENT AND ITS IMPLICATIONS

Abstract:

This paper seeks to draw the attention to a peculiar, complex and interesting issue: the search for value in the public organizations' management. Thus, after a brief reference to the classical theme of creation and measurement of the general economic-financial value for (Business / Private) firms, it focuses on the more insidious and much less quantitative argument of the generation and management of Public value. Public value is the equivalent (though modified) of shareholder value (SHV) in public management with special features. A first model internationally diffused in public sector studies is representable by means of the Strategic Triangle; whose angles are: 1) Vision (value); 2) Legitimacy & support; 3) Operational capability of the public organization. A second model concerns more directly the first, highest, angle (that is now zoomed and founded upon resources and competencies): the value created for citizens through public services above all as mission. The building blocks and the outcomes & metrics developments are the elements that constitute a PSV (Public Service Value) scheme. A comparative analysis per stages is essential for our purpose: starting firstly from Public Administration (1: traditional model), secondly to New Public Management (2: NPM, denoting policies aimed to modernize and render more effective the public sector), we may arrive finally to the New Public Service stage (3: NPS, which is coherent with a networked public governance vision). Such an evolution implies a transition from a technical government to a wider and flexible governance philosophy in the ambit of a renewed value&performance-oriented public sector, which is willing to adopt qualitative principles and where individual employees are free and stimulated to pursue and propose new ideas about how to improve the working of the organization, in terms of efficiency or services. In sum, the quest for public value is the next and urgent challenge for public sector at its various levels: consequently, it will deserve more attention by both policy-makers (central and local public administrators) and researchers. For this purpose, it would be appropriate to come to a kind of public value scorecard aimed at the rational estimate of the expected, or realized, public value created time after time. At a more analytical-quantitative level, interesting would appear the inter-institutional search for a correlation between the public management value (ie, the value of public administrations) and the value of private institutions that ultimately benefit, with the individuals, from public goods and services.

Keywords:

Public sector, Public Value, Public Management, Government, Governance and Performance, Productivity

JEL Classification: M00, H83, H00