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**“QUALITY STANDARDS FOR PUBLIC
MANAGEMENT IN SWITZERLAND”**

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Quality Standards for Public Management in Switzerland

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BACKGROUND

The public sector produces a large and growing proportion of goods and services in most OECD countries, including Switzerland. These range from non-market government services such as public administration and defense, to marketable services like telecommunication and postal service, and merit goods like health and education.

As in other OECD countries, general government expenditures in Switzerland have expanded markedly in recent decades, now reaching a substantial sum, 40% in 1993. The government sector's share of total employment in Switzerland has also increased, to 11.3% in 1994.

Like other OECD countries, Switzerland faces constraints and challenges which make it of paramount importance that the public sector in general and public administration in particular, are managed efficiently and effectively. One challenge is that Switzerland has the highest per capita cartel agreements in the world. Many cartels involving public sector organisations, such as telecommunications and postal service, now face competition and are hence in need of increased efficiency.

The push for better management of limited resources comes partially from external pressures

of globalisation (GATT agreements) and regionalisation (EU relations). An equally strong push comes from internal constraints, namely growing budget deficits, technological change (e.g. telecommunications and computerisation), and different forms of privatisation.

A more modern approach to public sector management has become imperative. Pressure finds its corollary in political manifestos like the recently published « White Book » supported by neo-liberal thinkers and politicians. At the same time, a countercurrent has emerged, mostly based on high and persistent unemployment in many Swiss cantons, prompting publication of a « Black Book ». The latter was supported by a coalition of trade unionist and regional nationalists, leading some media representatives to pronounce the federal consensus « dead ». There is a real danger that Switzerland's internal cohesion might be weakened and that social conflicts might erupt in the near future. A competent, well-functioning public administration is needed more than ever to manage the current and coming internal and external conflicts and challenges.

As a result of these external and internal pressures, the Swiss public sector is faced with growing demands for better and more equitable modern management. Efforts have been made to improve existing management practices over the last 10 years (e.g. EFFI programme of Federal government in 1994, « Management controls » in Federal Council in 1991, project « Orchidée of Canton Vaud) but the results have been far less satisfactory than expected.

REASONS FOR A QUALITY STANDARD OF THE PUBLIC SECTOR

The public sector, and especially the public administration, face constraints and tasks which do not exist in the private sector (e.g. legal requirements demanding impartial treatment of citizens/customers and equal access to service). The officials/managers themselves are governed by public laws and regulations, and the services provided by public offices are often strongly constrained by a multitude of frequently-conflicting policies.

Existing Quality Standards have been used in some Swiss public administrations (e.g. ISO 9000 series used by the Ministry of Public Works of Canton Fribourg). but application has mostly been reserved for the control of external service providers, not internal management. This limited use of ISO standards is mostly due to the specific nature of public administration, as described above.

New Public Management aims to improve public sector management. There exists no quality control of NPM nor one universal definition of what NPM is. Still, significant amounts of money are being spent and political « capital » is being invested in these endeavors without sufficient quality control. A new standard focusing on the particularities of the public sector is urgently needed to guide future public administrative reforms and to safeguard quality standards of New Public Management in general.

MAIN FEATURES OF NPM

The main difference between traditional public administration and NPM is in the latter's emphasis on performance measures and customer orientation. NPM endeavors to incorporate the satisfaction of the client into its quality of service equation. Measures used in achieving this performance objective are those used by the private sector. They can be summarized as follows:

1. Separation between service user, provider and sponsor (source of financing).
2. Delegation of competencies, definition of performance based on contracts.
3. De-hierarchisation, flexible project work, team work.
4. Merit system with regard to remuneration.
5. Analytical costing system.
6. Audit reports and performance evaluations.
7. Customer needs and satisfaction surveys, quality circles, benchmarking.
8. Competitive tendering and contracting out of services.
9. Redefinition of status, e.g. autonomous status, *régie* or fully private or public law organisation.

These NPM features are novel, that is, they do not yet exist in most of Switzerland's federal cantonal, municipal and communal administrations. Incorporating these features into the existing public administrative practices not only requires structural adjustments, but requires also reorientation of work processes and behavioural changes in civil servants.

Introducing quality improvements without quality standards is like target shooting without a target. Establishing quality standards appropriate for the public sector could greatly facilitate the change processes taking place in Switzerland.

RELATED DEVELOPMENTS IN OTHER OECD COUNTRIES

As other OECD countries face similar challenges (deficits, unemployment, technological change, globalisation), new standards have been and are being developed.

Canada has created « Guidelines for Implementing ISO 9000 Quality Management Systems in Public Sector Organisations » -CGSB 184.1 -94, Finland has started an ISO 9000 Pilot Project aimed at municipal service operations, Portugal has developed the « Public Service Quality

Charter » and New Zealand is developing unit standards for « Policy Process, Service Delivery and Management in the Public Sector ».

While these developments point in the right direction, the specifics of new public administrative management expressed in NPM have not yet been standardised. This is a lacuna deplored, for instance, by Professor Buschor, who pioneered NPM in Switzerland and implemented it in Zurich as Minister of Health. He is calling for professional standards in evaluating public administrations and NPM. His proposal is a step forward and offers an innovative move beyond the contributions made so far by other OECD standard organisations.

CONCLUSION

Impetus for NPM sprang from the need to better manage available public resources and the need to sustain acceptable levels of service. The quest for quality standards will thus help make concrete the required performance criteria, and safeguard public interests.

The French have a saying: « Plus ça change, plus ça reste la même chose ». Establishment of quality standards for the public management and for public administration reform would help to avoid wasting resources, which has plagued so many previous reform efforts in the public sector.