LESSONS FROM EMERGING COORDINATION ARRANGEMENTS IN EUROPEAN PUBLIC SECTORS

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Coordinating for cohesion in the public sector of the future (COCOPS)

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THE CHALLENGE OF FRAGMENTATION IN THE PUBLIC SECTOR

In recent years, **coordination problems** have been at the centre of reform efforts in European public sectors. These reforms have been initiated to counteract the "siloisation" or "pillarisation" of the public sectors and to increase the policy capacity of governments. Governments have developed new approaches intended to solve **"wicked problems"** in society and counter the **fragmentation** brought about by New Public Management (NPM) reforms. The new arrangements seek to integrate public sectors, create joint understandings and problem-solving across organisational boundaries, and they go under various names, such as collaborative public management, joined-up government, whole-of-government, holistic or integrated government. This policy brief presents the findings of COCOPS Work Package 5: "The governance of social cohesion: innovative coordination practices in public management" (WP5), which looked into some of these developments.
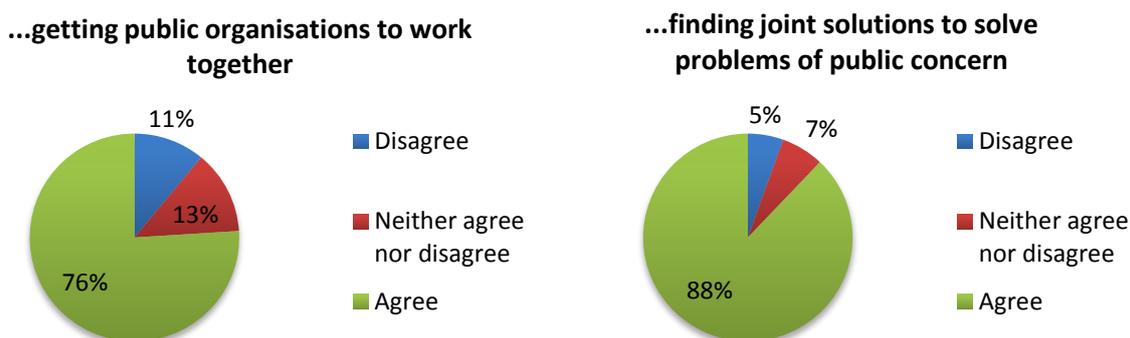
HOW DO PUBLIC SECTORS COORDINATE?

The Public-sector coordination is brought about with the help of specific activities or structures – coordination instruments. Within WP5, these instruments were called "**coordination practices**". Coordination practices within the public sector are varied and multi-dimensional. They aim to create greater coherence in policy and to reduce redundancy, lacunae and contradictions within and between policies. They can be identified as formal structures and procedures designed to impose greater harmonisation among individuals and/or organisations (for example, joint agencies, information systems or budgetary instruments), but may also include more informal and voluntary practices such as working groups or information-sharing. Inter-organisational coordination can be predominantly vertical or horizontal and can be achieved by using hierarchical authority, market incentives, contracts, network-like bargaining mechanisms or multi-level governance approaches. Attempts to coordinate government policy-making and service delivery across organisational

boundaries are not new. Nevertheless, they have regained focus in recent years, when a narrower sector or single-purpose orientation has been supplemented with a greater emphasis on transboundary challenges that cut across traditional responsibilities.

## HOW PUBLIC SECTOR EXECUTIVES VIEW TRENDS IN COORDINATION

The COCOPS survey of European public-sector executives demonstrated that coordination issues were important in the executives' understanding of their own role and also high on the reform agenda in different countries. Most executives participating in the survey agreed that getting public organisations to work together and finding joint solutions to public problems was among their main tasks (Figure 1).

Figure 1. I mainly understand my role as public sector executive as…

...getting public organisations to work together

11%
13%
76%

- Disagree
- Neither agree nor disagree
- Agree

...finding joint solutions to solve problems of public concern

5%
7%
88%

- Disagree
- Neither agree nor disagree
- Agree

The survey also confirmed the observation presented above that coordination reforms have been high on the public-sector reform agendas in Europe. 70% of the executives identified fostering collaboration and cooperation among different public-sector actors as an important reform trend in their specific policy fields (Figure 2).
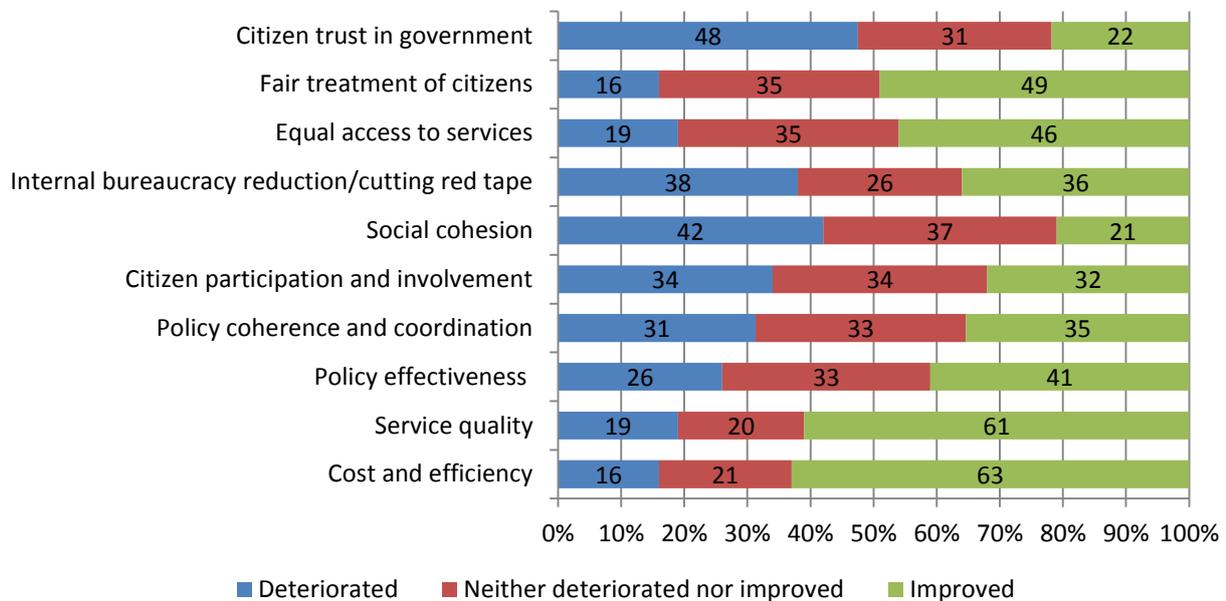
Figure 2. How important are the following reform trends in your policy area? Percentage 'to a large extent'
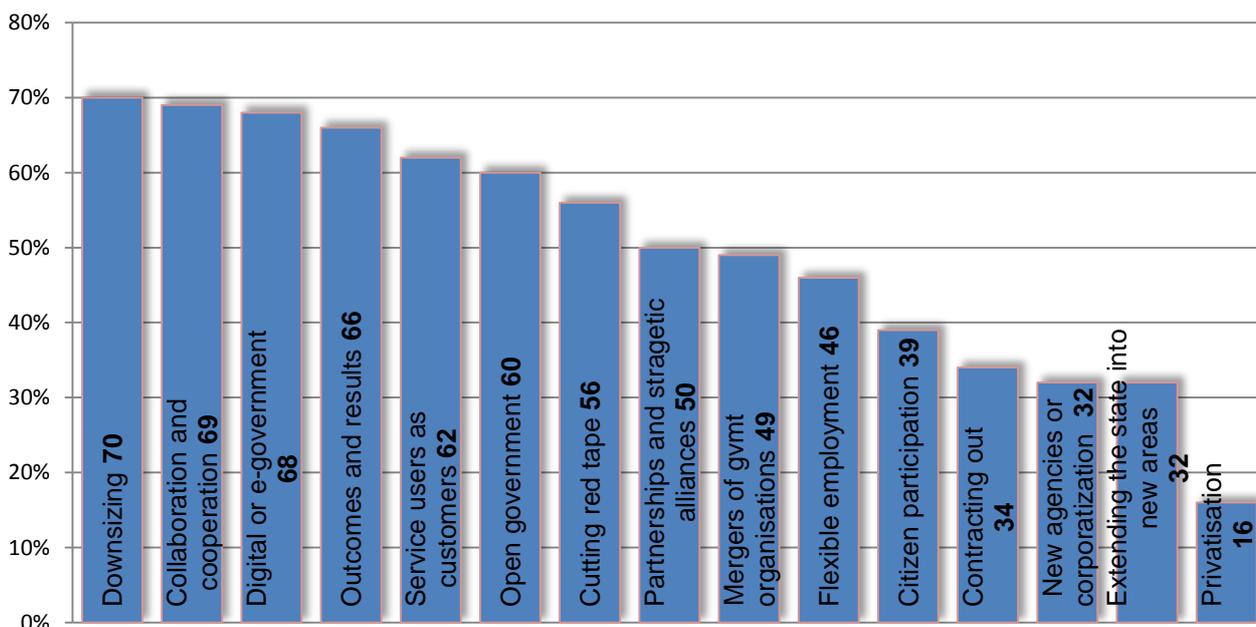
Although joint working was valued highly by the executives and coordination was listed among the most important reform movements, at the same time, the executives' evaluations of the state of affairs with regard to coordination were much more differentiated. Despite considerable attention to the coordination issues, only one-third (35%) of the respondents found that policy coherence and

coordination in their policy areas had actually improved over the last five years. Even more, 31% of the respondents stated that coordination had in fact deteriorated (Figure 3). This is a puzzling finding. However, such a controversy was reflected also in the COCOPS WP5 analysis of emerging coordination arrangements in Europe – although coordination was deemed important in different states and new instruments were introduced, their results tended to be mixed. It appeared that the task of bringing different public sector (and societal) actors together was not an easy task and presented high demands to the politico-administrative leaders.

Figure 3: How do you think public administration has performed in your policy area over the last five years in the following dimensions?

	Deteriorated	Neither deteriorated nor improved	Improved
Citizen trust in government	48	31	22
Fair treatment of citizens	16	35	49
Equal access to services	19	35	46
Internal bureaucracy reduction/cutting red tape	38	26	36
Social cohesion	42	37	21
Citizen participation and involvement	34	34	32
Policy coherence and coordination	31	33	35
Policy effectiveness	26	33	41
Service quality	19	20	61
Cost and efficiency	16	21	63

PERFORMANCE OF PUBLIC SECTOR COORDINATION ARRANGEMENTS

The perceived **performance** of coordination arrangements emerging in Europe varied. It appeared that coordination instruments seldom worked entirely as expected and sometimes resulted in unexpected or even negative effects. For example, overcoming departmental conflicts and interests and creating new shared cultural identities proved very challenging, especially in decentralised settings. It also appeared that a high degree of informality and non-binding instruments can result in uneven practices and implementation, while project-based coordination instruments may result in commitment and sustainability problems. Although the introduction of new coordination arrangements often started from simple ideas, they seldom resulted in simple arrangements in practice. Thus, coordination practices often represented complicated trade-offs rather than clear-cut success or failure cases. Consequently, a general finding was that measuring and **evaluating** the performance of coordination arrangements was difficult. It became also clear that the effects of the coordination arrangements were difficult to isolate from other on-going reforms and changes in public administrations.

Despite the difficulties in evaluating the performance of coordination arrangements, several **positive effects** could be reported. The effects were perceived to be more positive when it came to inputs and processes but more uncertain with regard to the outputs and outcomes. The research carried out within WP5 showed that coordination instruments can grant more capacity to act to central administrative or political leaders. They have the potential to provide for competence and expertise and create additional room for steering and decision-making through new combinations of knowledge, technical equipment and physical arrangements. New IT solutions, multi-disciplinary teams, virtual teams and the pooling of budgets can create more room for manoeuvre and result in better cross-sectoral collaboration.

Altogether, WP5 indicated that the **choice** of coordination arrangements often happened in an ad-hoc and pragmatic way, and was only occasionally related to a systematic analysis of existing administrative arrangements and their strengths, weaknesses and interaction. The coordination instruments frequently did not live up to the aspirations related to them, indicating a gap between expectations and real performance. It can be argued that reformers tend to oversell the promised effects of the coordinating arrangements, while an evaluation of actual effects is lacking. Last but not least, **context** is vital in understanding why and how different practices are set up, how they are welcomed and develop. Existing institutional structures, politico-administrative relationships and resources available to different actors have a strong influence on the way the arrangements emerge, develop and function. They are deeply related to the surrounding environment and there are no "best models" that would work everywhere.

LESSONS LEARNED AND POLICY RECOMMENDATIONS

Several lessons arise from the analysis of the emerging coordination arrangements in Europe.

1. **Public-sector coordination is always political.** Public-sector coordination instruments are not value-free exercises involving technical, managerial and "neutral" organisational tools. They are often highly political and depend on the perception of different stakeholders. Public-sector coordination arrangements address efficiency and effectiveness, but also wider issues of participation, legitimacy, trust, power and political control. Take the political context and the aspects of legitimacy and trust into account when designing coordination reforms. Support from key stakeholders is necessary, and a balance of expertise and representativeness is important.

2. **Context matters.** Coordination practices are deeply related to the surrounding political and administrative environment and dependent on the task in question. There are no "best models", and it is difficult to copy successful coordination practices straightforwardly from one setting to another. Be critical in drawing in lessons and adapt your coordinating instrument to the local context.

3. **Choosing the right mix of coordination mechanisms is crucial.** Public-sector actors can be brought together by hierarchical authority, cooperation in networks or by the use of incentives. Start from problems, not from solutions. Wicked issues demand horizontal coordination arrangements. Such coordination arrangements are needed the most when problems transcend administrative levels and organisations and cannot be solved unless there is inter-organisational collaboration. However, too much focus on network coordination will most likely not overcome policy silos and powerful interests. A combination of hierarchical and network coordination is therefore often necessary. Cross-border coordination feeds on trust and commitment. Shared culture and common interests make coordination easier. An administrative culture oriented towards collaboration is important.

4. **Accountability for joint results is essential.** Accountability relationships tend to become increasingly complex and hybrid when government acquires a horizontal and multi-level character. Different accountability relationships and their combination in practice have to be considered when designing arrangements for joint working. Usually it is necessary to go beyond traditional hierarchical accountability relationships and to allow for more horizontal accountability relations to enter the scene. Otherwise it may happen that the participants do not have enough incentives to work together. Unless cross-border targets get the same focus and status as organisation-specific targets, inter-organisational coordinating arrangements face the risk of operating in the shadow of vertical hierarchical steering and accountability.

5. **Coordination instruments should be carefully designed**. Coordination arrangements often run into implementation problems and do not work in the way they were expected. New coordination instruments can boost hidden organisational conflicts and result in unexpected complexity. Develop realistic goals and expectations. Try to figure out the details of introducing a new coordination arrangement before its implementation and be ready to adjust as you go along. For example, technical problems cannot be underestimated in the current ICT-dependent public administration. The costs and difficulties with the introduction of new ICT systems may determine the success of

coordination arrangements, and adequate technical solutions and support are necessary. Furthermore, the steering and control of network-type coordination arrangements requires new skills and competences. A gradual and stepwise introduction of new initiatives might be a key to success. Securing feedback mechanisms, patience and a long-term approach are usually necessary.

6. **Coordination across organisations is a resource-demanding process.** Availability of (financial and human) resources is critical for the success of coordination arrangements. Beware of these costs. Do not urge for collaboration and extensive coordination between organisations unless this is absolutely necessary. Consider more carefully the combination between different kinds of scope and intensity which are given to a specific coordination arrangement.

7. **General change management lessons apply also to the development of coordination instruments.** The introduction of new coordination arrangements needs smart management. Go through the change process – make an action plan, build internal and external support, ensure commitment from the political and administrative executives and deal with potential resistance, communicate the change and ensure enough resources. High motivation and personal commitment of leaders as well as other stakeholders is vital for the implementation of coordination practices. This observation goes beyond the rhetoric of participation and symbolic engagement of stakeholders and emphasises the need for real joint working for better public policies. The new coordination arrangements are often contested, especially in the introductory phase. Therefore, they need continued political and top-executive commitment and support in order to succeed.

RESEARCH PARAMETERS

COCOPS WP5 enquired what kind of coordination practices have emerged in Europe, why and how they have been functioning and what their perceived effects and implications have been. The analysis was based on two main sources:

1) A cross-sectional questionnaire to executives in ten European countries conducted within the COCOPS Work Package 3 in 2012 (Hammerschmid et al. 2013). This web-based questionnaire was sent to administrative executives in central government and also outside central government in the fields of employment and health. The following countries participated in the survey: Austria, Estonia, France, Germany, Hungary, Italy, the Netherlands, Norway, Spain and the United Kingdom. A total of 4780 administrative executives filled out the questionnaire. The main aim of the survey was to examine public managers' experience and perceptions of the effects and lessons of NPM-style reforms, but also post-NPM reforms focusing on the "whole-of government" and "joined-up government" reform measures.

2) A selection of short case studies of 22 emerging coordination arrangements in 11 European countries provided by the COCOPS partners and affiliated participants. The partners were invited to identify novel coordination practices from their national contexts and to investigate them in a joint analytical framework. Each partner was asked to provide at least one description of a coordination practice from one of the three areas (central government, health or employment services) based on the template provided by the WP5 coordinators from the University of Bergen and Tallinn University of Technology. The selection of cases was limited to emerging coordination practices over the last 10 years.

PROJECT NAME

Coordinating for Cohesion in the Public Sector of the Future (COCOPS

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- Corvinus University Budapest, Department of Public Policy and Management, Budapest, Hungary
- Erasmus University Rotterdam, Department of Public Administration, Rotterdam, Netherlands
- Hertie School of Governance, Berlin, Germany
- Katholieke Universiteit Leuven, Public Management Institute, Leuven, Belgium
- Tallinn University of Technology, Ragnar Nurkse School of Innovation and Governance, Tallinn, Estonia
- University of Bergen, Department of Administration and Organization Theory, Bergen, Norway
- University of Cantabria, Department of Economics, Cantabria, Spain
- University of Exeter, Department of Politics, Exeter, United Kingdom
- University Paris II & Centre national de la recherche scientifique (CNRS), Center for Studies and Research on Administrative and Political Sciences (CERSA), Paris, France

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FURTHER READING

International Institute of Administrative Sciences (IIAS) Knowledge Portal, focus on public sector coordination: http://www.pa-knowledge.org/focus/

Case study catalogue of novel coordination practices: http://www.cocops.eu/work-packages/wp5-coordinating-social-cohesion/case-study-catalogue

Hammerschmid, A. Oprisor and V. Štimac (2013). COCOP Executive Survey on Public Sector Reform in Europe.COCOPS Research report.

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