

Management of the Public Sector - Content and Features

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Abstract

Extending public services was imposed by the failure of the economic and social control mechanisms. The development of certain norms and standards is accompanied by various performances designed to meet certain needs of the society, needs considered by the political power to be of general interest. The state intervention through public services was justified to ensure access to these (electricity, education), to remove a private monopoly (telegraph), to achieve collective infrastructure (railways, water and electricity distribution) or to manage unprofitable activities such as public transport and waste collection.

It is facilitated for everybody the access to certain goods and services and it is brought an important contribution to the economic, social and cultural balance of the society. The existence of each individual is influenced daily by public services, their development directly affecting the living standard due to the degree of satisfaction of certain needs recognized by the community as of general interest, and which are not available to private initiative, needs which can aim at ensuring fundamental rights and freedoms.

Key words: *services, population, development*

JEL Classification: *H00*

Introduction

Human needs are many and varied and are amplified in close connection with the development of the society and culture at each level¹. Therefore, the development of public services and their diversification have been favored by the general progress of society which determined new needs for the population. On behalf of the general interest, the state intervenes to ensure the satisfaction of needs through direct provision of very important or poor public services or it intervenes to stimulate and support the private sector. For these reasons, the general interest, the public interest or common good can be understood differently from state to state or even within the same state, from one stage to another of development².

¹ It is considered that the number of public services is directly proportional to the degree of civilization and to an inverse proportion to the particular initiative (Vararu M., Treaty of roman administrative law, Socec Pub., Bucharest 1928, p. 91 si urm.).

² Ionescu, C., *Constitutional law and political institutions . General theory of political institutions*, vol. I, Lumina Lex Publishing House, 1997, p. 90-91.

Public services have diversified and expanded in all fields of social life, although they have been subject to major constraints, particularly by applying the principle of freedom of commerce and industry³.

Public Management Concept

The existence of the public sector both in traditional democratic societies and in those which are in transition to the market economy and rule of law represents an undeniable reality. This sector is not an alternative to the private sector but it is a complementary structure. In the modern society, the state activity is extremely complex and diverse. This activity is provided by public services organized in a variety of areas: transport, culture, social protection, municipal services, health etc.

It has been the case lately for the need and opportunity to address a new style of management in public organizations similar to that practiced in private organizations. This requires a change in the organizational culture, value system and behavior in performing the services provided by public organizations.

The mission of the public organization manager is especially difficult because of the following elements:

- private organizations have the clear purpose to search and maximize the profit while public organizations are created to serve the public interest;
- the decision-making system, within public organizations is strongly influenced by political factors, unlike the private one which is only obeying the market law;
- in the public organizations, the system is strictly regulated by law as opposed to private organizations in which the manager has discretionary powers;

The need for public management is justified by the following arguments:

- the identification and analysis of the structures of public organizations;
- the analysis of the existing relations between structures in the public sector seen as a system;
- identification and optimization of the tasks, powers and responsibilities of public managers located on different hierarchical levels;
- identification and implementation of joint management methods and tools specific to each public organizations;
- understanding the peculiarities appearing in this distinct field of science.

Given these assumptions, we can define “public management as a discipline that studies the management processes and relationships established in the public and outside organizations in the preparation of concepts, principles and laws to ensure their effective organization and functioning, in power regime and to satisfy public interest, through the provision of public services”⁴.

Public Management Characteristics

The political character refers to the fact that public management is governed by the political factor determined by the constitution of authorities that form the system of public administration and the duties performed by it. Regardless of the political system and form of government, governments are being constituted pursuant to the political game resulted from the

³ Chevallier, J., *Le service public. Que sais-je*, Presses Universitaires de France, Paris, 1987, p. 57.

⁴ Jordan, N., *Management of local public services*, Allbeck Publishing, 2003.

parliamentary elections. On the local public administration authorities are chosen democratically by the citizens, based on proposals submitted by political parties.

The variety character is determined by the variety of organizations that together make up the public administration system. Considering the material competence with which different public organizations are endowed by the law as a criterion for classification, we can distinguish two categories:

- organizations with general competence, which have regulatory functions in all areas of economic and social life (government, local councils, county councils);
- organizations with special competence which have specific tasks on certain areas of economic and social activity sectors (ministries, decentralized departments, other authorities of bodies of public administration).

According to the criterion of territorial jurisdiction, organizations are classified as it follows:

- public organizations with central competence, which produce documents that affect the whole country;
- organizations with territorial competence limited to a part of the country (city, county, municipality), which can issue regulations and conduct their activity only in a certain territory in which there were appointed or elected local councils, county, prefecture, decentralized services of the ministries etc.

As regards the *complex character*, according to art. 38 of Law 215/2001 of the local public administration, local councils, deliberative authorities of local government have complex and varied competences in different areas of economic and social life: education, health, investment, local development etc. To accomplish these duties, the authorities organize or provide a wide range of public services, adopt administrative acts etc.

Concerning the *synthesis character*, due to the diversity and complexity of public administration activity, the public management has to borrow from other areas concepts, methods and techniques whose value has already been experienced, methods that can be applied by the public clerks with beneficial effects on their activity.

Public Management Functions

Public management fulfills the same *functions* listed by H.Fayol, namely:

1. *Forecasting function*. It is considered as the most important function of a manager. In exercising this function, the public management identifies existing trends, adapts the knowledge in law, economics, statistics, and sociology to the peculiarities and needs of public organizations.
2. *Organization function*. “Designates all management processes through which are established and defined work processes, their grouping on jobs, job formations, compartments in order to achieve the best possible conditions of the anticipated objectives”⁵. In public administration, the organizational function was partly achieved once Law no.215/2001 and Law no.161/2003 entered into force.
3. *Coordinating function*. It represents all work processes through which the staff’s decisions and actions within the organization and its subsystems are harmonized as regards the forecast and previously established organizational system.

⁵ Jordan, N., *Management of local public services*, Allbeck Publishing, 2003

4. *Control-evaluation function.* All processes according to which the performances of the organization, its subsystems and components are measured and compared with the initially set objectives and standards to eliminate deficiencies and integration of the positive deviations.

Public Service: Definition, Features

Public service is organized by state or local authorities to meet the diverse needs of the community members, needs such as food, housing, transport, culture, health, order, welfare etc.

The notion of public service is used in two ways:

- a first sense refers to a legal person, public or private carrying out an activity that meets the general interest;
- a second sense pertains to the activity carried out by a legal person providing the service.

The public service has the following features:

1. It is a specialized body that meets the public interest. Public services of the state, county, municipality is organized and operates as follows:
 - public-ministries administration bodies, decentralized services of ministries and other central organs;
 - public institutions: schools, libraries, theaters, universities;
 - autonomous administration of public interest.
2. It is established by law or under an act of authority under the law.
3. The activity is developed in order to achieve public power. By setting them up, these bodies are endowed with responsibilities, powers and competences that allow them to meet general interest and are usually performed by the civil servants.
4. It runs a continuous and rhythmic activity, based on a pre-established schedule that is known to the public. This character resides from the public interest that the service provides, therefore no interruption of its activity is allowed.
5. The material foundation for the activity is generally provided by the budget of the state, of the county, town, or village.
6. Equality of all citizens as regards the public service. Although some public services do not achieve any income, the state, county, municipality, are obliged to subsidize activities when appropriate.

Public Service Management in Ploiesti City Hall

Ploiesti City Hall is founded under Law no.53/2003, Law no. 188/1999, republished, with subsequent amendments, pursuant to art.36 para. 2 letter a. of Law no.215/2001, republished.

The Hall brings out the decisions of City Council and the Mayor requirements. Public administration authorities through which it is realized the local autonomy at the local level are: Local Council Ploiesti, as the deliberative authority and the Mayor of Ploiesti, as the executive authority.

The Mayor is head of local government in Ploiesti and of the specialized apparatus that he leads and manages according to Article 66, paragraph 1 of law 215/2001 and is the executive authority in achieving local autonomy. The City Council has the initiative and decide, under the

law, in all the matters of local interest, except those which by law are the jurisdiction of other public authorities.

Organizational Structure

The organizational structure of Ploiesti comprises the following departments: the Mayor's Cabinet and several Directions such as: Budgets Department, management of foreign loans, human resources, education culture, planning, investment and public procurement, internal audit, inspection and general control, heritage, properties bookkeeping, land register, finance and accounting, tracking claims, regulatory coordination of infrastructure and department of analyzing records and documents.

The organizational documents used within Ploiesti City Hall are: R.O.F., organizational chart and job descriptions.

The main sources of financing the activities of Ploiesti City

The ways to finance the carried out activities are established under Law 215/2001 (Law on local public administration). City finances are administered under the principle of local autonomy. Local governments have the right to own resources, sufficient, proportional to their respective powers, under the law, freely available. The City Council provides the incomes of Ploiesti by establishing local taxes and other sources. Public investments made by local authorities, can be financed in variable proportions through the following three finances: treasury reserves of authority, investment subsidies, loan. In most countries, local authorities are free to choose their own credit resources.

The presentation of the objectives of the analyzed public institution

As main *objectives* we can mention:

- the streamline of the activity of the institution;
- the best management of financial resources;
- the completion of programs and projects initiated by the Ploiesti City Hall;
- improving the relationship with customers;
- initiating new projects and actions on social plan, of environmental programs;
- intensifying the modernization actions related to the city.

The *underway projects* or *in progress projects* in the analyzed institution, would be:

- programs in social protection domain, regarding environmental protection, in infrastructure area, in terms of attracting the resources necessary to complete the locally objectives, attracting partners to fund certain projects; strategy for database preparation, studies and forecasts in order to analyze public expenditure system;
- projects upon the construction of housing, rehabilitation of roads and urban roads, repair of passages; integrated rehabilitation of Ploiesti-West district, passenger transport, sanitation and integrated waste management, water supply and sewerage; public lighting, green spaces and leisure;

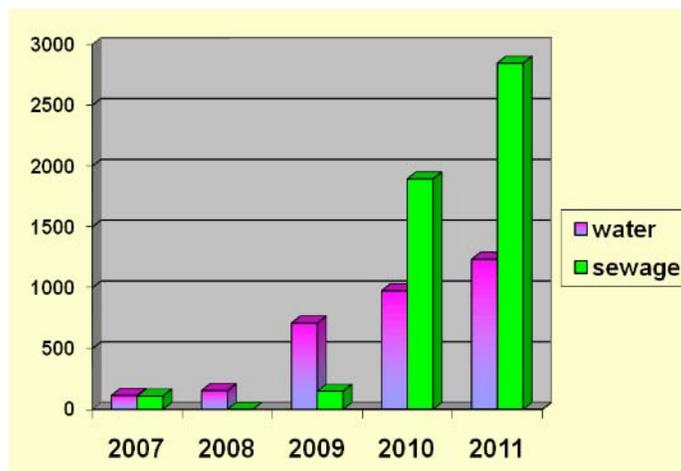


Fig. 1. Modernization in period 2007-2011

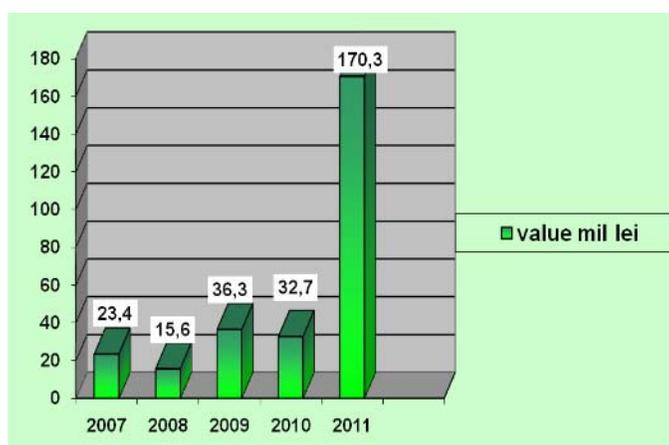


Fig. 2. Investments in period 2007-2011

Conclusions

Given the above, we conclude that the authorities of local public administration provide themselves a range of public services and also have the power to establish public services according to available resources and local public interest, determined by political factors.

The Public administration may resort to setting up administrative bodies which are operating within the normal administrative framework, fully respecting the purely administrative procedures; or may establish bodies which are approaching commercial type organizations, although by their origin, by the operation mode, control and used capital they have an administrative nature.

Also there are similar regulations between European countries in terms of interest activities that require the use of infrastructure; countries legislation stipulates specific rules regarding the use / exploitation of this infrastructure (which is in the public domain), the facilities enjoyed by operators of such services and the principles that they should respect in the operation of such services (the equality of the beneficiaries in terms of access and use of them, their social affordable limits, continuity etc.).

There are also important differences in terms of public services and their regulation in different European legislation documents, which, without representing the essence, individualize and differentiate their scope and content in each state.

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Managementul sectorului public - conținut și trăsături

Rezumat

Extinderea sferei serviciilor publice a fost impusă de incapacitatea de funcționare a mecanismelor de reglare economică și socială. Elaborarea unor norme este completată cu prestații din cele mai diverse care urmăresc să răspundă anumitor nevoi ale societății, nevoi considerate de puterea politică a fi de interes general. Intervenția statului prin servicii publice a fost justificată fie pentru a garanta accesul la acestea (electricitate, educație), fie pentru a înlătura un monopol privat (telegraf), fie pentru a realiza infrastructuri colective (căi ferate, distribuție de apă și electricitate) sau pentru a gestiona activități nerentabile precum transportul public și colectarea deșeurilor.

Se facilitează accesul tuturor la anumite bunuri și servicii și se aduce o contribuție importantă la echilibrul și coeziunea economică, socială și culturală a societății. Existența fiecărui individ este influențată zilnic de serviciile publice, dezvoltarea acestora afectând direct nivelul de trai prin gradul de satisfacere al unor nevoi recunoscute de colectivitate ca fiind de interes general și a căror realizare nu este la îndemna inițiativei private, nevoi care pot viza garantarea drepturilor și libertăților fundamentale.