A public value perspective for ICT enabled public sector reforms: A theoretical reflection

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ABSTRACT

The purpose of this paper is to offer a critical discussion of information system adoption in the public sector (often referred to as e-government) and to contribute to the debate by offering a public value perspective. The paper points to the public value paradigm as an alternative approach to studying ICT-enabled public sector reforms. This paradigm, we argue, proposes an alternative way of framing the nature of the problems faced when ICT enabled public sector reforms are initiated and studied. The public value perspective proposes a new and richer context in which to study and research these phenomena. It also calls for the redefinition of the ways we assess e-government in the context of public sector reforms. It is therefore seen as vital to evaluate the socio-political impact of ICT adoption in the public sector.

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1. Introduction

Governments' investments in public sector information systems have generally been directed towards enhancing efficiency and policy effectiveness as well as achieving broader democratic values (Bellamy & Taylor, 1998; Fountain, 2001a; Gil-Garcia & Pardo, 2005; Gronlund & Horan, 2004; Heeks, 1999; Kamarck, 2007). New public management (NPM)—explicitly or implicitly—has driven these investments in most countries around the world by proposing a cluster of ideas and practices that prescribe using private sector and business approaches in the public sector (Hood, 1991). Using core economic concepts, such as principal agent and transaction costs theory, NPM proposes public administration theories and practices whose ultimate objectives are to make the public administrative system more efficient, streamlined, and consistent (Hood & Lodge, 2006). The adoption of information systems is often conceived as a powerful solution to help in achieving these NPM reform goals. Information and communication technology (ICT) solutions are widely adopted to enhance private organizations' performance, by reducing the principal agent problem and transaction costs, and to streamline organizational activities by saving time and costs (Cordella, 2006; Picot, 1997). These results, which are the very basis of NPM reforms, are also expected when ICT is adopted in the public sector (Bekkers, 2003).

This paper reappraises the main trends in the literature on ICT-enabled public sector reforms, often labeled as e-government. The paper discusses different approaches to NPM and critically debates the implications the diverse formulations of NPM have on the adoption of ICT in the public sector. The work unfolds by questioning the NPM

approach to informing ICT enabled public sector reforms. This approach builds on frameworks developed to study ICT's impact in the private sector and downplays the public dimension of ICT enabled government reforms (Chadwick & May, 2003). To overcome the limitations of NPM for discussing the impact of ICT on the public sector, our paper proposes to focus on the notion of public value, following an emergent trend in the literature (Aberbach & Christensen, 2005; Bannister & Connolly, 2011; Cordella & Willcocks, 2010; Cresswell, Burke, & Pardo, 2006). Public value ideas account for the public and collective dimensions and impacts of public sector reforms, and that is why we argue that they therefore provide a more suitable approach than that of NPM to address the socio-political implications of ICT adoptions in the public sector.

In this paper we refer to ICT enabled public sector reforms and not generically to e-government, as there is no universally accepted definition of the concept of e-government (Yildiz, 2007). e-Government is in fact generically used to define any adoption of ICT to facilitate the daily administration of government and/or the production and delivery of government services to citizens through ICT (Moon, 2002; OECD, 2005; UN, 2001). Moreover, ICT enabled public sector reform better conforms to the object of our analysis. Thus, this paper critically assesses the relationships between public sector reform theories, such as NPM and public value creation, and the adoption of ICT in public sector organizations.

1.1. Background and aims of the paper

Public sector ICT enabled reforms are intrinsically embedded in combinations of political reforms and organizational changes, designed to enact, support, and drive a profound transformation in the organization of the public sector. Research in the field has so far prioritized the concept of ICT as a shortcut to increase public sector efficiency and improve internal administration and management capabilities (Andersen, 1999;

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Andersen, Henriksen, et al., 2010; Chadwick & May, 2003; Dunleavy, Margetts, Bastow, & Tinkler, 2006b). Since the late 1990s, ICT adoptions in the public sector leverage by following private sector experiences. There is no doubt that for the public sector the success of private sector adoptions to streamline organizational procedures and support electronic mediated exchanges (e-commerce) has acted as a stimulus to radicate the engagement of ICTs within NPM reforms. This trend has become evident when the wide adoption of ICT in the public sector organization has followed technical and strategic solutions—imported from private sector experiences—to improve and rationalize administrative and managerial practices. This aligned well with the NPM prescriptions, which recommend these same objectives to modernize public sector administration. By focusing on these goals, research in public sector ICT enabled reforms has often marginalized to discuss the broader impacts ICT can have on public sector organizations and the services they deliver (Barca & Cordella, 2006; Cordella, 2007; Dawes, 2009; Fountain, 2001b). The limited focus on the effects of ICT on public sector reform is summarized by Danziger and Andersen (2002) and Andersen et al. (2010). On the basis of a substantial analysis of the leading publications in the information systems and public administration fields, they concluded that in the literature the most commonly identified impacts of IT on public administration are discussed in terms of efficiency and productivity of government performance. In line with these findings, ICT enabled public sector reforms have largely conceived the use of ICT as a further step in the re-organization of the public sector along the basic principles of efficiency gains and costs savings that have driven much private sector ICT adoption (Bekkers & Homburg, 2007; Bhen, 1998; Dunleavy, Margetts, Bastow, & Tinkler, 2006b; Heeks, 1999; Homburg, 2004; Osborne & Gaebler, 1992). Thus a vast literature has been produced to discuss the effects of ICT adoption at the different government levels (Asgarkhani, 2005; Contini & Cordella, 2007; Danziger & Andersen, 2002; Gupta & Jana, 2003; Melitski, 2003; Moon, 2002) and to benchmark countries against indices of ICT readiness (UN, 2001, 2003), as if a better score would lead to more effective transformation of government action.

Although valuable, the focus on efficiency, effectiveness, and economy in ICT enabled public sector reforms is limited, because it leads to research into the best practices and universal strategies for successfully implementing ICT, while downplaying the role of contextual dependent factors in shaping successful ICT projects and their implementation. Rather than concentrating on best practices and universal strategies for ICT reform programs, we argue that ICT developments in the public sector should therefore better acknowledge the complexity that is associated with their implementation and do a better job to address the social and political outcomes of their adoption (Aberbach & Christensen, 2005; Bozeman & Bretschneider, 1986; Cordella, 2007; Frederickson, 2000; Moore, 1995).

This paper deals with these issues head on. We begin the review by presenting the fundamental concepts of NPM and of "joined-up" government, which is discussed as a further step in public sector reforms driven by efficiency and productivity goals. We proceed to show how public sector ICT design and adoption has been informed by these public sector reform prescriptions. To do so, we review the dominant literature which discusses ICT enabled public sector reforms informed by the NPM and joined-up government. This literature shows a bias towards core managerial and economic aspects. This bias is the main reason why we find these approaches to be at least limited for the study of the public dimension of ICT enabled public sector reforms. Our analysis also shows that in this literature there is a common tendency towards what Orlikowski and Iacono (2001) have defined as the "tool view of technology," which considers the deployment of ICT in the public sector as a linear process of change which leads to more efficient and less costly organization management. This approach neglects to consider the political impacts associated with changes in public sector organizational practices (Cordella & Iannacci, 2010; Cordella & Willcocks, 2010) and the importance of looking at ICT as a mediator in public administration

transformation (Persson & Goldkuhl, 2010). We prepare the ground to discuss what we conceive to be the neglected dimension in the study of public sector ICT reform: public value creation. Conclusions follow.

2. Public sector reforms and the new public management fundamentals

NPM proposes a project of reforms to redefine managerial and governance practices in the public sector in line with objectives typical of market economics (Osborne & Gaebler, 1992). Positions of scholars differ in identifying NPM as a new paradigm in public administration (see for instance Barzelay, 2001; Gruening, 2001; Lynn, 1997), or as a specific governance strategy (Lane, 2000; Sørensen and Löfgren, 2007). Yet, despite the open debate regarding NPM's main attributes, the advent of NPM as the main driver of the public sector reforms has resulted in several ambitious targets such as to make the governments more responsive, accountable, transparent, and results-driven, as well as decentralized, efficient, and customer-oriented (Batley & Larbi, 2004; Currie & Guah, 2007; Gruening, 2001). In addition, governments have to achieve these goals with a much slimmer structure, as the pressure to downsize the state has been another indisputable characteristic of NPM (Gruening, 2001). These new objectives embed ideas that contrast with the traditional administrative practices, which have historically been driven by assumptions of bureaucratic efficiency, and also of democracy: the delivery of public services according to principles of impersonality, equality, and fairness (du Gay, 1994). NPM offers a new logic to drive the organization and governance of the public sector, and is associated with a fundamental change in the factors used to assess the actions of the public administration, not least a shift from effectiveness to efficiency (Pollit & Bouchaert, 2004).The most evident transformation proposed by NPM is to promote a public management culture which is results driven, where the efficiency of the management supersedes the need for effectiveness in the delivery of the public services (Self, 2000). It also suggests structural or organizational choices that promote devolution, disaggregation, and single-purpose organizations, decentralized through a wide variety of alternative service delivery mechanisms, including quasi-markets where public and private service providers compete for resources from policymakers.

In practice, the NPM agenda is pushed as the ideal process for creating a "slim State" with "slim Government" through "slim Management." The set of policies and guidelines provided by NPM are grounded upon a very clear idea of the nature of the problems faced by the public administration and the solutions needed (Cordella, 2007). Bureaucratic boredom and the high level of unnecessary interdependences between public organizations profoundly affect the efficiency of their performance. As a response, alternative organizational solutions are proposed that are associated with new targets to be focused on. Osborne and Gaebler (1992) describe this paradigm shift from bureaucratic government to an "entrepreneurial government" where, as proposed by the Clinton administration, it is necessary "to make a government that works better and costs less" in order to "run government like businesses." The "entrepreneurial government" is based on a profound shift in administrative practices, organizational solutions and objectives to be ideally achieved by promoting competition between service provider, measuring public agencies' performances focusing not on inputs but on outcomes, considering citizens as customers, and by preferring market to bureaucratic mechanisms (Osborne & Gaebler, 1992) (Table 1).

Despite the great expectations of the NPM reforms, the results of the adoption of these policies are at least questionable (Dunleavy et al., 2006b). The process of organizational change needed to achieve the aimed for results has in fact been more profound and complicated than expected (Peters & Pierre, 1998). More generally, such change not only demands a reorganization of public offices but also a profound re-definition of the logic underpinning their actions. It demands the reconfiguration of public servants' conduct around one universally