

ROMANIAN PUBLIC ADMINISTRATION-FUTURE PROSPECTS

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Abstract

The emergence of the European Union triggered a distinctive opportunity for the integration and convergence of legal cultures among the EU Member States. However, the constant disparities between Member States does not necessary mean an overall administrative convergence. This paper will analyze the present and future relations between Romanian public administration and the EU administration systems.

Keywords: *Public administration, convergence, European Union*

Today, after an endless economic and social crisis, the public sector has to innovate itself if it wishes to improve its efficiency and to be able to provide solutions for societal challenges. As a generic definition, ***the public sector includes all organizations in the field of the public administration, regardless of their funding source or legal form of the supplier.***¹ But, the concept of Central Public Administration is not precise. It has many different definitions depending mostly by the country profile and the historical, cultural and political context. However, in general, the concept refers to those administrative organisms, bodies and institutions that operate at central and national level and have a hierarchical dependence on political decision-making².

During the last few decades, public administration have been subject to a number of 'structural' reforms, implemented in a framework often designated as '*new public management*'.

The current economic, social and financial crisis has meant that several EU countries had to face higher unemployment and poverty levels, with some EU countries having unsustainable public debt. In that context public administrations across Europe have introduced different reforms to try to cut a part of the public expenditure.

The *New Public Management* (NPM) is considered as a global paradigm, emerged as a response to economic, administrative and political changes. The simplest definition of New Public Management is that NPM consist in "the implementation of management ideas from business and private sector into the public services"³.

The starting point of New Public Management was in 1991, when Christopher Hood' wrote the article "A Public Management for all Seasons". The parts of NPM, according to Hood, are: *applied and entrepreneurial management; specific standards and measures of*

¹ <http://www.eurofound.europa.eu/ewco/studies/tn1303013s/index.htm>

² Idem1

³ Haynes, P. (2003) Managing complexity in the public services Open University Press, Maidenhead, UK. ISBN 0335212204

*performance; output controls; desegregation and decentralization; competition in the provision of public services; implementation of private-sector styles of management; and discipline and cost-cutting in resource allocation*⁴.

The NPM, according to the OECD report (OECD, 1998) is characterized by:

- *a focus on results in terms of efficiency, effectiveness, quality of service;*
- *a decentralized management environment;*
- *a greater client focus and provision for client choice;*
- *the flexibility to explore more cost effective alternatives;*
- *accountability for results.*

Romania has issued a consistent public administration reform (PAR) strategy since 2001. The current government reaffirmed the general direction of the reform effort, but placed a higher emphasis on reform of service delivery through a decentralization process. In fact many European countries launched these reform processes well before the economic crisis of 2008; some in the late 90s and early 2000s (as in the case of Belgium, Bulgaria or Sweden) but most since the mid-2000s (such as the Czech Republic, Finland, Germany, Poland, Portugal or the UK).

Our national public administration reform plan started in 2001, as I mentioned, in three major directions:

- *the implementation of the strategy regarding the acceleration of the public administration reform*, in order to create a new legislative framework in providing the services by the public administration;
- *establishing the Governmental Council for Monitoring the Public Administration Reform;*
- *establishing the Central Unit for Public Administration Reform (CUPAR)*, in order to ensure the implementation of the decisions of the Governmental Council;

Two new institutions were created: **National Institute of Administration** as a specialized institution for training the civil servants and local elected officials; and **National Agency of Civil Service** to provide the civil service management and to draw up the normative documents regarding civil service.

Since 2009, a public financial management structure was introduced for multi-year budgeting. Fiscal rules were introduced on spending, public debt and primary deficit, and a framework for managing guarantees and other contingent liabilities was approved. Local public finance law was amended to bolster fiscal discipline and limit risks from local governments.⁵

The financial crisis has raised great concerns in most European public authorities about excessive public debt levels, which have prompted many Member States to implement austerity measures to try to reduce public expenditure and budgetary deficits. Examples of these measures included:

- decreasing in employment levels, limiting the hiring of new personnel and the replacement of workers who retire and the substitution of civil servants' positions by public employees and temporary workers;

⁴ Hood, C. (1991). "A Public Management for all Seasons?," Public Administration, vol. 69, no. 1, pp. 3-19

⁵ The strategic plan of the Ministry of Administration and Interior during 2007-2013 <http://www.mai.gov.ro/Documente/Strategii/Plan%20strategic%20MAI%202010-2013%20-13122010.pdf>

- working time related measures, such as extending the date of retirement and limiting early retirement schemes, restrictive changes to leave entitlement or greater flexibility in working time elements;

- freezes and reductions in pay levels, including direct pay freezes as well as cuts in other areas, such as bonuses, changes in sickness leaves or in pensions.⁶

According to data provided by national contributions⁷, it can be estimated that, in the EU 27⁸ and Norway, there are approximately 9.7 million workers in the public administration sector. France, Italy and the UK have the most significant number of workers (2.4 million; 1.9 million and 1.8 million, respectively), followed by Romania, the Netherlands and Portugal (466,000; 434,000; and 432,000 respectively). It must be noted, that not all countries conforms their data's to uniform European definitions; for example, according to *Eurostat's 2012 Labour Force Survey*⁹, employment in public administration (NACE 84) reached almost 15 million in EU 27 + Croatia in 2012.

Table 1: EU countries according to public sector share of total employment

Public sector share on total	countries
Over 29%	Norway, Denmark, Sweden, Belgium, France, Luxembourg, UK, Netherlands.
25%–27%	Finland, Germany, Malta, Ireland.
20%–23%	Lithuania, Hungary, Austria, Estonia, Latvia, Slovakia, Greece, Italy, Spain.
Below 20%	Portugal, Poland, Slovenia, Czech Republic, Cyprus, Bulgaria, Romania.

Source: LFS Eurostat. NACE Rev.2. Sections O, P, Q ; Bordogna and Pedersini, 2012

The negative trend in the public administration employment has been worsened by the economic crisis. The next table will shows us the main actions taken in the European countries in the last years.

⁶ <http://www.eurofound.europa.eu/ewco/studies/tn1303013s/index.htm>

⁷ <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>

⁸ Ref 2012

⁹ http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Labour_market_and_labour_force_statistics

Table 2: Cuts and freezes in public administration employment

	Date	Measures	How implemented
BE	2011	Federal coalition agreement to reduce total central public employment by 4,000 full time equivalents in the next two years	Several staff cost-saving measures, including that of replacing only one in three public workers who leave
DK	recovery plan May 2010	Initiatives to save costs in the CPA , including downsizing in several ministries, boards and agencies	Temporary employment freeze in several ministries, with 956 employees dismissed in 2012
DE	2009-2012	Introduction of the constitutional debt brake ("Schuldenbremse") in 2009 (Bundesfinanzministerium, 2012)	Planned job cuts for 2010, 2011 and 2012 by 1.0%, 1.5% and 1.5% per year, respectively.
FR	2009-2012	Steady decline in the number of people working in national public administration	Reduction from 2,484,000 people in 2009 to 2,392,000 people in 2011.
IT	2007-2011	The number of workers has declined by over 150,000 (-7%) from 2007 to 2011. The decline since 2009 is about by 2% per year due to existing restrictions.	Only one worker can be hired for every five resigning or retiring
RO	From 2009	Job cuts	From 490,000 people in 2009 to 466,000 people two years later (Insse, 2012).
ES	2011- 2012	Reduction 2% of salaried personnel working in public administration	Freezing in the public offer of working posts for the Central Administration
UK	2008- 2012	Public administration employment has shrunk by 330,000 posts	Increasing reliance on models of service delivery by private sector employees (outsourcing) and employed on fixed term contracts

Source: EIRO correspondents 2013

Another aspect to be mentioned about the public administration sector is the decentralization process. Since the early 1990s the decentralization of the competencies of the central public administration authorities has been an important policy initiative in the process of transition to a market economy and a democratic society, becoming a major priority for the reform of public administration. The success of this process is still under evaluation. In terms of measures taken, the image shows us a country with significant measures implemented in order to speed the decentralization of the public administration.

But when we evaluate the interactions between the new system's components we can clearly see some ideas from the previous highly centralized system still used in some areas of the public administration procedures.

Over the past few years, Romania has been facing a great task as it has to enhance its public management and public administration for achieving the European standards and values in terms of transparency, adaptability and efficiency. Complicated procedures, long and sinuous circuits of documents, delayed deadlines to solution an action are certainly a factor of decreasing productivity. Fortunately bureaucracy and resulting complications are remediable deficiencies when the manner to approach administrative actions changes. But we, as a European country, still have a lot of obstacles to overpass till we will say clearly that the Romanian's public administration is 100% efficient and competitive. The best example of bad practices in the public institutions can be seen today in the ANAF's agencies, where the system, the bureaucracy and the overall experience is like copied from a Hitchcock horror film.

The problem is, from my point of view, the lack of leadership of the Romanian public sector. In fact, we can say today that Romania is now confronting with the greatest lack of public leadership ever seen in the modern history of our country.

The success of public administration reform is now, and it will be conditioned by organizational issues, from strategic planning capacity to leadership's capacity to promote and coordinate the organizational development. Unfortunately, very often, both in Romania and other Eastern European countries, the administrative reform has been understood only in terms adopting new laws and regulations; the only tool of administrative change was located on the legislation level. This led to the emergence of new structures, incapable though to implement the change and achieve an acceptable level of effectiveness and efficiency.¹⁰

In terms of organizational development, as part of the management reform in the public administration, Romania must succeed in:

- a) improving the transformation process of the organizational structures to strategic goals and objectives, where our country is not in the upper part of the hierarchy.
- b) encouraging, motivating and training the workers from the public sector.
- c) implement a transparent correspondence between the performance and the rewards in the public administration sector.

Romania must quickly understand that the values of the public service lie in the human resources and furthermore the future investments that are to be made in the human resources are actually money well spent for insuring an efficient and European compatible public system.

Especially in times of financial crises and severe cost cuts in public administrations, like occurred a few years ago in Romania, the national focus must take into consideration the efficiency, competitiveness and transparency of the public service delivery. The idea of quality applied in public administration seems utopian in the national framework.

¹⁰ [http://www.nispa.org/files/conferences/2013/papers/201304102225590.NICA%20Aser%20\(NISPA%202013\)%20The%20role%20of%20leadership%20in%20public%20sector%20from%20Romania%20and%20Great%20Britain.Comparative%20Study.doc?fs_papersPage=4](http://www.nispa.org/files/conferences/2013/papers/201304102225590.NICA%20Aser%20(NISPA%202013)%20The%20role%20of%20leadership%20in%20public%20sector%20from%20Romania%20and%20Great%20Britain.Comparative%20Study.doc?fs_papersPage=4).

But we as a nation, if we really want for the Romanian people to be finally integrated into the European family, and not just be considered as a part of the Europe, then we must implement a real culture of quality in public administration, in order to ensure good quality services and a competitive public system.

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