Performance Improvement of Public Administration Institutions: The Case of Lithuanian District Municipalities’ Administrations

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The factors of public administration improvement in the article are being analyzed. These factors are typical to any public administration institution regardless of its size, performance particularity or level. The goal to diagnose the condition of all public administration institutions in Lithuania was not raised for this research. For this particular reason, the administrations of Lithuanian district municipalities became the object of the empirical research. The diagnosis of the condition of Lithuanian district municipalities’ administrations was accomplished. On the basis of theoretical and empirical investigations of the authors, a model of performance improvement of Lithuanian public administration institutions (on the self-government level) was developed.

Raktažodžiai: viešojo administravimo tobulinimas, viešojo administravimo efektyvumas, inovacijų plėtra, demokratinės vertžės ir tradicijos.

Keywords: improvement of public administration, efficiency in public administration, innovations’ development, democratic values and traditions.

Introduction

Public administration is a very broad activity, which is typical to various management forms and levels that have different administration organization, processes and techniques. The economical situation of society as well as the state potential and image in the integration processes and the possibilities to use the support of political and financial institutions depend on the public institutions’ abilities to plan, prepare efficient decisions, coordinate their implementation and focus on the resources and possibilities. Therefore the performance of public administration institutions should be improved.

Both in theory and practice there are lots of the factors that are applied in order to improve performance of public administration institutions. However, before starting any actions of the performance improvement of public administration institutions the sequence of these actions should be as follows: firstly, exploration of improvement factors that are applied in modern countries, secondly, awareness of these factors in theoretical level, thirdly, accomplishment of comprehensive investigations of the situation of public administration in the country and finally layout of particular performance improvement actions.

Not a few theoretical and empirical scientific factors are accumulated on the subject of the public administration improvement. The successful implementation of particular factor of public administration improvement in other countries does not assure that this factor will be dependable and proper to the Lithuanian circumstances. On the basis of scientific
literature and by using such scientific method as logical analysis, synthesis and others, theoretical model of performance improvement of public administration institutions was developed. Using the methods of social diagnostics and operationalization the instrument for the research in the Lithuanian district municipalities was prepared. With reference to authors’ theoretical and practical investigations the model of performance improvement of Lithuanian public administration institutions (on the self-government level) was developed.

The completed theoretical investigations allowed formulating scientific problem – there isn’t integrated system of performance improvement factors of public administration institutions and methodic of public administration institutions performance investigation until now. The studies analyzing public administration improvement factors as well as comprehensive investigations in this field were not accomplished in Lithuania yet.

**The aim of research** is to prepare the model of performance improvement of Lithuanian public administration institutions (on the self-government level) in the period of transformations.

**Tasks to be solved are as follows:** to analyse performance improvement factors of the public administration institutions; to determine the main elements of performance improvement model (on the self-government level).

1. **Investigation methods of public administration improvement**

Public administration improvement is especially important and actual to Eastern and Middle Europe countries that are overcoming complex and purposeful processes of reforms started after becoming independent. These reforms usually differ in their forms and methods; however they are often explained as tools for increasing effectiveness, efficiency and responsibility.


Theoretical and practical scientific solutions concerning performance improvement of public administration institutions are accumulated, however, it is not clear if these mentioned solutions are reliable under the conditions they should be applied to. The question is, which solutions or which performance improvement factors found in foreign literature could be applied in Lithuania. It should be noted that performance improvement factors depends on particular country, its conditions and historical traditions.

The civil servants from 20 administrations of Lithuanian district municipalities participated in the research “The condition of administration in Lithuanian municipalities”. The sample size of the respondents was calculated on the ground of special table of V. Jadov (Ядов) with 5 per cent error [24]. The number of events couldn’t be less than 350 - 360 respondents according to the table. During research 437 civil servants from municipalities’ administrations were questioned.

One of the scientific research components applied in the article was the collection of primary information about cognitive object, which is called social diagnostics of object features. The questionnaire was applied while collecting primary information of empirical research.

The research instrument was framed according to the development trends that were defined in the article. Three generalized in theory and plenty discrete enough evaluation dimensions were singled out. These dimensions conditionally were called diagnostic blocks (see Fig. 1): 1) Efficiency factors; 2) Innovative factors; 3) Democracy development factors. On the basis of theoretical reasoning and expertise each of the diagnostic blocks was concretized according to different diagnostic features (see Fig. 1).

![Fig. 1. The scheme of research instrument (fragment)](image)

These features reflected various peculiarities of public administration institutions’ functioning. The lower level of abstraction is incidental to diagnostic
features comparing with diagnostic blocks. Furthermore, there were many more of these features. Nevertheless, the diagnostic features remained quite theoretical. Neither empirical investigations nor evaluations based of them could be carried out. These features should be concretized (operationalized) further (see Fig. 1). At the end of such many-stage concretization (operationalization) procedure three primary abstract diagnostic blocks became concrete indicators. These indicators could be directly committed and evaluated. The questionnaire was prepared on the basis of the scheme of research instrument compiled in such way. For the purpose to collect evaluation of investigated peculiarities from respondents, the evaluation scales and ranking methods were used.

The ordinal scale was developed in the article because the values of indicators were proposed in percentage. In order to avoid complications the percentage was transformed to ranks from 1 to 5. In order to attribute variants of respondents’ answers to one of ranks’ levels, all the values of answers were grouped into intervals in measurement scale: 1 rank (lower level) included values of answers from 0 to 20 percent, 5 rank (higher level) included values of answers from 80 to 100 percent. One rank was attributed to every variant of answers in this ordinal scale; therefore, problems as concerns ranks’ numbers identification with the number of measured features were successfully avoided. The whole measurement scale was divided into five intervals by 20 percent.

Investigation methods are as follows: the analysis of scientific literature was applied for investigation of performance improvement factors of public administration institutions; the comparative analysis was applied for study of performance improvement factors of public administration institutions that were applied in EU member states and Lithuania during the last decades of XX century; the logical analysis and synthesis was applied trying to systematize public administration improvement factors; data accumulation and analysis package SPSS 10.0 was used for statistical analysis. The following methods of statistical analysis were applied: mean, standard deviation, Pearson correlation coefficient, Student t test, etc.

2. Performance improvement factors of public administration institutions

Public administration is an activity that is proper to all countries and management forms. The complexity of public administration concept is determined firstly under the circumstances that the social and political relations of society permanently assume new forms, change set values, institutions, structures, behavior of the society members and administration. Interaction of administration and policy, private and public sectors are changing too. It can be stated that public administration:

- Embrace the activity;
- Is connected with policy and its shaping;
- Is connected with the implementation of the laws;
- Is prone to concentrate in the field of executive power;
- Differ from the private sector administration.

According to the American and European models of public administration it can be stated that public administration embraces three relative different approaches that are emerging due to the different perspectives of its functions. In the first approach public administration is called the managerial effort, which is similar to private sector practice. In the second approach “publicity” of the public administration is highlighted and the rapt attention to its political aspects is given. In the third approach the sovereignty and importance of constitution and regulation in public administration is stressed. Public administration as the legal matter is called in this approach. Each of these approaches emphasizes different values, technical and structural agreements. The authors maintain that the public administration can be defined as the appliance of managerial, political and legal methods while striving efficiently, innovatively and on the basis of democratic principles to implement laws and other legal acts and to meet the commitments of public institutions’ to society or its particular segments, subjects and citizens in administration of public services provision. Depending on the economical, social factors, political power and other aspects in each country different approaches prevail.

Carrying out the analysis of the former investigations of public administration institutions not a few theories can be found, explaining present system of “good” or “effective” public administration institutions [6]. Many of early public administration scientists (White, Gulick and others) stand on the position that the public administration should be strictly measured according to the efficiency of its processes [22]. The importance of the efficiency in public administration is conditioned by the fact that public institutions make use of public tangible. Therefore the question how efficiently and rationally these tangibles are used is especially signifi-
The environment of public administration became very complicated at the end of the XX century. Firstly, there was big increase in the extent of authority and this puzzled the work of civil servants. The relations between public institutions, public and private institutions became complex due to increased extent of authority. The requirements for public servants’ competence and skills increased as well. Limited resources raised more and more conflicts between public institutions as regards the use of resources. To overcome these challenges, in most countries reforms have started in the last two decades of XX century. These reforms are taking place till now. Some reforms were implemented by explosive changes, for example, in the post-communist East European countries, democratized Third World countries [14]. Other reforms were implemented gradually because most of the countries have changed public administration relatively a bit. Administrative reforms were implemented in different political and cultural circumstances.

To elaborate the problems of public administration it is necessary to acknowledge administration very well and to perceive it as the system of contemporary state management, performance functions, methods and procedures. According to F. Naschold and G. Daley (1999), the main trends of local government improvement during the last decades of XX century were as follows: internal modernization (it means the control of results, changes in personnel politics, etc.), orientation to market factors (it means the competition in provision of public services, quality improvement of public services, etc.) and democratization (it means citizens’ involvement in decision-making process, assignment of authority’s tasks to civil society, etc.) [10, p.25 - 51]. A. Raipa (2002) maintains the view that three essential trends of contemporary public administration development are as follows: the efforts of public administration institutions to pursue efficiency, innovations and modernization tendencies in public administration, and the relation of public administration institutions to democratic values and traditions [18, p.11 - 20].

It is evident that scientists distinguish similar trends of public administration improvement. These trends include: firstly, internal reorganization of institutions in pursuance of efficiency; secondly, adoption of innovative and orientated to market factors; and, thirdly, development of democratic factors in public administration institutions (see Fig. 2).
It can be stated that the first development trend of public administration – the performance efficiency improvement of public administration institutions – includes such traditional values as rational usage of resources, optimal number of civil servants, clearly defined functions, etc. On purpose to improve performance efficiency public institutions are applying different factors: strategic planning, inter-institutional cooperation, information technologies, etc.

The second development trend of public administration – innovation development – includes factors that were applied in the private organizations since the last decades of XX century until now. These factors are adopted by public administration field (for example, Total Quality Management, New Public Management, etc.). The third development trend of public administration – development of democratic values and traditions – includes such principles as citizens' participation in decision-making and implementation processes, openness of public administration structures, transparency, etc. All these three development trends of contemporary public administration are interdependent and under the influence of each other.

The authors found out that in order to improve performance efficiency of public administration institutions, different factors that became traditional already, can be applied. The mostly applied factor is strategic planning. It promotes the increase of institutions responsibility, improves its performance in dealing with essential internal and external problems, and lets more flexible and efficient change performance guideline according to continually changing circumstances. The influence of changes on performance efficiency is increasing constantly and it is evident that in the future it will continue increasing. The management of organizational changes includes evaluation of change importance that are running inside and outside organization for organization performance and results, elimination of the negative impact of these changes, and the providence and usage of possible positive subsequences [23, p. 528 - 537]. Therefore, a great attention should be paid to analysis of change management mechanisms and means.

In pursuance of performance efficiency, a great attention should be paid to development of civil servants professionalism, which is related to continually and well-rounded professional improvement, capabilities and skills training. By improving qualification of public administration institutions, managers and civil servants are trying to have employees who could creatively and effectively deal with the most complicated problems, assure effectiveness of public administration institutions' services.

On purpose to gain confidence in authority and its particular institutions, democracy and state, the main role plays public administration ethics, which is necessary for civil servants. It helps to find proper ways to solve problems between political authority and citizens’ demands. Public administration institutions are closely interdependent. Therefore there is a necessity to strengthen inter-institutional cooperation continually. This includes significant performance areas and interactions that are evident between different levels of state authorities. The partnership principle allows private, non-governmental and public sector to cooperate on purpose to use each one’s unique nature, missions, competency and resources. The information technologies (IT) are especially important for efficiency improvement in partnership and inter-institutional cooperation development. IT includes information technologies, information and communication technologies, telecommunications and Internet. In particular IT is a significant factor of public administration improvement because they encourage democratic changes, increase confidence of public institutions and citizens, efficiency, involve inhabitants in public administration processes, improve public services provision.

Summing up factors that help to increase the efficiency of public administration institutions performance it can be stated that this development trend of public administration is essential. The purpose to increase efficiency is not straightforward. The main importance is placed on the strategic management of performance of public administra-
tion institutions, which is based on ethical values and partnership with other institutions.

As have been mentioned already, the second development trend of public administration is implementation of innovations. In the scientific literature innovation is defined as creation and application of new technologies, ideas, and methods while proposing new or improved products, services and processes to the market. Administrative innovations are related to new organizational forms and new managerial instruments. The trend of innovations development in public administration institutions includes such factors that are widely applied in the performance improvement of public administration institutions since the last decades of XX century and mostly are adopted from the private administration. Such aspects as attention to results, flexible organizational structures, performance indicators, striving to decrease the state role in services’ provision, in expanding privatization process and applying other market factors especially are underlined in New Public Management. Total Quality Management method is applied on purpose to improve internal institutional relations, quality of services, team working, to develop initiatives. It is defined as organizational management mode, which is orientated to quality, grounded on participation of all members in pursuance of long-term success while meeting the clients’ demands and benefit for all members of organization and society. Public administration institutions should adjust to changing conditions, to foresee forthcoming changes and challenges in continually changing economical, cultural, political life. The first principle of learning organization is systematic improvement of civil servants qualification. The success and performance efficiency of organization depends on employees’ readiness to work, on consistent improvement of capabilities on employees’ and organization initiative. Of capital importance is the prosperous environment for generation and implementation of new ideas that is there should be encouraged administrative creativity of civil servants.

E-government is closely related to the IT development. The attention is paid to the appliance of new information and communication technologies (ICT) in the public administration institutions.

This factor conveys predominance of the information management means and establishment of modern public administration style, which meets the information society demands. It increases society confidence in authority, accountability and transparency, encourages efficient involvement of interested parties including non-governmental organizations, business subjects and citizens. Entrepreneurship conception is adopted from private sector too. D. Osborne and T. Gaebler (1992) proposed some principles necessary for public administration institutions that are striving to become more entrepreneurial. These principles include community power, competition involvement in services provision, orientation to results, meeting the clients’ demands, preventive power, decentralization etc. [12].

The environment is changing very fast; therefore it is very important to have the disposition of proper information and knowledge timely and at relevant place. Ongoing processes of globalization and integration highlight the advantages of information and training. Accordingly implementation of innovative factors in public administration institutions’ performance can broaden possibilities of meeting citizens’ demands, assure quality of decisions and provided services and their accessibility, and increase citizens’ confidence in authority.

The democracy development in internal and external environment of organizations, in relations of society members, interest groups with authority institutions is one of the most significant and complicated problems for leaders and managers of public administration institutions. The transparency of public administration structures, publicity, their ability to represent and solve citizens’ interests without prejudice the main principles of democratic society, human rights and liberty are the significant aspects for the development of democratic processes in public administration institutions performance. The third development trend of public administration is related to development of democratic values and traditions. The fact how broadly citizens’ participation in institutions management is developed, plays very important role. Citizens’ participation in management is defined as direct participation of plain individual, private citizen in policy shaping and implementing. Citizens’ right to participate is given in a different manner and means: participation in the performance of political parties, in structures of executive power, maintaining of contacts with administrative institutions, mechanism of citizens’ complaints analyses. Citizens’ participation encourages maturity of all society too. The big importance for democracy development has performance openness and transparency. This means the possibility of performance evaluation of the public administration structures. The necessity of such evaluation derives from the citizens’ willingness to assure whether authority’s actions in regard to them are legal and juristic. E-democracy is one of the means of citizens’ involvement in management and performance open-
ness increase. The conception of democracy development at workplace is used for establishment of employees’ participation and management levels in organizations. This is special participation form, which allows the employees to participate in decision-making process. This is considered as alternative to hierarchical relations that include wider participation of employees, legal and ethical values.

Recently ongoing changes encourage further development of democratic values, private and public sectors’ relations while continually adopting the best practices of private organizations management and administration to public administration institutions.

The development trends were specified considering the aspects that they emphasize. Thus three main groups of factors of public administration institutions’ performance improvement were settled (see Fig. 3): 1) Efficiency factors; 2) Innovative factors; 3) Democracy development factors.

Several factors of public administration improvement and their peculiarities are widely explored in the scientific literature. However, efforts to find attempts to systematize different factors of public administration improvement failed. Therefore it can be stated that development and appliance of performance improvement models requires deeper analysis in Lithuanian practice.

3. The structure of performance improvement model of Lithuanian public administration institutions (on the self-government level)

The attitude of civil servants towards work in civil service was analyzed. There was established that psychological climate in the civil service is positive. The attitude of civil servants from different age groups was statistically diverged. Younger (up to 40 years) civil servants didn’t feel happy at work and if the possibility to change work emerged they would not think twice about taking this opportunity. The respondents from this age group thought that usually they were not involved in decision-making process. Meanwhile, civil servants 40 years and older were feeling much greater satisfaction while communicating with people and they felt being involved in decision-making process more often.

While analyzing efficiency factors there was established that...
Organism has strongest exertion in administrations of Lithuanian district municipalities (see Fig. 4). However, it should be noted that this factor is alienated from the maximum available rank most of all. Therefore, in spite of the fact that this factor has strongest exertion in administrations of Lithuanian district municipalities, the attention paid to increase of civil servants’ professionalism isn’t proper. The factor of rational usage of resources has lowest exertion in municipalities’ administrations. The closest to the maximum available rank are the factors of inter-institutional cooperation and information technologies. It can be stated that these two factors have plenty exertion enough in the municipalities’ administrations. However, the fact that rapid development of IT enables institutions to cooperate and encourages them to apply new IT cannot be forgotten. These two factors should be improved continually.

Fig. 4. The average ranks of efficiency factors exertion in the administrations of Lithuanian district municipalities, 2003-2004.

Fig. 5. The average ranks of innovative factors exertion in the administrations of Lithuanian district municipalities, 2003-2004.

The second important stage of analysis was the attitude of respondents towards innovative factors appliance in the performance of the public administration institutions. In Figure 5 bold line presents existing ranks of every innovative factor exertion. The outside dotted line marks maximum available rank of every factor exertion, the inside dotted line – minimum rank of every factor exertion. It was established that the factor of Total Quality Management has strongest exertion in admini-
strations of Lithuanian district municipalities (see Fig. 5). However, there should be noted that this factor (as the factors of New Public Management and entrepreneurship) is most of all alienated from the maximum available rank. Therefore, in spite of the fact that this factor has strongest exertion in municipalities’ administrations there should be paid much more attention to the quality aspects while improving performance of municipalities’ administrations. In spite of the fact that the attention to IT appliance grows continually and IT is applied for provision of services to inhabitants often but the factor of e-government has lowest exertion in municipalities’ administrations.

![Average ranks](image)

Fig. 6. The average ranks of democracy development factors exertion in the administrations of Lithuanian district municipalities, 2003-2004.

The third important stage of analysis was the attitude of civil servants towards application of democracy development factors in public administration. In Figure 6 the bold line represents existing ranks of every democracy development factor exertion. The outside dotted line marks maximum available rank of every factor exertion, the inside dotted line – minimum rank of every factor exertion.

It was established that the factor of individual responsibility (see Fig. 6) has strongest exertion in administrations of Lithuanian district municipalities. The civil servants noted that specific feature to performance of municipalities’ administrations is openness. An efficient control of personnel is determined and the employees are participating in decision-making processes often. Despite the fact that factor of citizens’ involvement in decision-making process is the most important for democracy development, this factor has lowest exertion in municipalities’ administrations. This factor is most of all alienated from the maximum available rank. Every second respondent acknowledged that functions in institution are of reliable financing. This problem is emphasized in Lithuania from time to time and again because commonly municipalities obtain new functions but the material-financial resources for their implementation are inadequate.

The main improvement areas of administrations of Lithuanian district municipalities were identified on the ground of the theoretical model of performance improvement of public administration institutions, which was developed in the theoretical part of the paper, and according to the empirical research carried out in Lithuanian district municipalities. Considering these areas the model of performance improvement of Lithuanian public administration institutions was developed (on the self-government level) (see Fig. 7). This model involves main areas where biggest problems in Lithuanian municipalities’ administration were identified.

The model of performance improvement of Lithuanian public administration institutions (on the self-government level) includes these structural elements (see Fig. 7):
• **Professional training**, which affords ground for permanent improvement of qualification and identification of training demands, assignment of specialized tasks and is related to specialty and methodical competence;

• **Motivation**, which allows to combine motives of employees and possibilities of institutions, to establish priorities of motivation manners and means, and tendencies of career alternation;

• **Public services**, which are closely linked to contract system, to implementation of “One counter” principle and e-government;

• **Partnership**, which includes inter-institutional cooperation and net organizations;

• **Democracy**, which development is related to citizens’ and employees’ participation in decision-making processes and assurance of performance openness.

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**Fig. 7. The model of performance improvement of Lithuanian public administration institutions (on the self-government level).**

The variety of performance improvement factors of public administration institutions shows the importance of this problem while solving modernization issues of the whole country. On the ground of the research results on condition of Lithuanian public administration institutions (on the self-government level) it can be stated that there isn’t necessity to intercept all improvement factors that are applied in the modern countries, just because they were successfully applied in other country. Not always they fit Lithuanian conditions and current situation; therefore, it is necessary to regularly carry out investigations of current condition of Lithuanian public institutions and to foresee appropriate factors for their improvement.

**Conclusions**

1. The improvement of public administration is a relevant trend of contemporary development. This trend requires perceiving and solving the particular improvement problems. It was established that the main of these problems is determination, reasoning and selection of priorities of public administration improvement. This problem is conditioned by the fact
that in the public administration practice and theory until now the factors that meet contemporary requirements and that could reasonably help to define and implement priorities of public administration improvement, aren’t defined and systemized yet. Working out the problem of determination, reasoning and selection of priorities of public administration improvement, theoretical and practical presumptions for purposeful development of public administration would emerge and the possibility of modernization of the whole society and contemporary state with public administration means would originate.

2. On the basis of completed theoretical analysis it was established that the reforms of public administration that were implemented since 8 decade of XX century, could be distributed into three main trends. The first trend is related to internal modernization of local government and includes control of results, improvement of personnel professionalism, strategic planning, information technologies, etc. This trend of reforms is oriented to the performance efficiency improvement in public administration institutions. The second trend is related to the orientation to market and includes such factors as quality assurance, orientation to consumer, competition in services provision, etc. This trend of reforms is concerned with the implementation of innovations in public administration institutions. The third trend of reforms is related to democratization of local government and includes both citizens’ and civil servants’ involvement in decision-making processes, development of e-government, etc. It is oriented to the development of democratic traditions and values.

3. The model of performance improvement of Lithuanian public administration institutions (on the self-government level) was developed considering logically reasoned consecution. Firstly, the performance improvement factors and in EU member states applied factors of public administration improvement on the theoretical level were analyzed. Afterwards, the comprehensive research of current situation of Lithuanian district municipalities’ administrations was accomplished. On the basis of this research the main problems in this field were diagnosed. Eventually, having comprehensive theoretical and empirical basis the practical, corresponding to current situation model of performance improvement of Lithuanian public administration institutions (on the self-government level) was developed. The completed theoretical and empirical investigations allow identifying the main problematic areas of administrations’ performance of Lithuanian district municipalities and suggesting the ways of their solving.

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**Viešojo administravimo institucijų veiklos tobulinimas: Lietuvos rajonų savivaldybių administracijų atvejis**

**Reziumė**