

# Public Policy And Governance

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## In India

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DPOL527

Edited by  
Dr. Zahid Hussain



**L** OVELY  
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**U** NIVERSITY

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**Public Policy And Governance In India**  
**Edited By:**  
**Dr. Zahid Hussain**

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Self Assessment

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**Objectives**

- To understand the meaning of the word: public policy
- To point out the characteristics of public policy
- To elucidate the significance of public policy
- To understand the etymological origin of the word: administration,
- To elaborate the meaning of the word: administration,
- To analyze the various views of scholar on public administration
- To understand the features of public administration in India
- To elaborate the public policy framework in India
- To analyze the natures of public administration and policy in India

## **Introduction**

The lives of the citizens everywhere are formed by public policies, whether we are aware of them or not. The dream for improved life while its achievement rest on our own efforts, will probable to contain public policies to aid the result of it. Public policy is a subject or field of inquiry has a long past, though the current public policy analysis have a specific American and 20th century fragrance. The public policy seeds were sown in 1940s and made a significant influence on the government and academic organizations over these years. In the early 1950s public policy has developed as academic search and from then it has been securing new measurements and is stressed tough to attain the position of a discipline in the area of Social science. As a study of „products“ of government, policy forms a significant component in many a course and academic programme in various disciplines like political science, public administration, economics and business management.

Public administration is an aspect of the larger field of administration. It exists in a political system for the accomplishment of the goals and objectives formulated by the political decision makers. It is also known as governmental administration because the objective 'public' administration means 'government'. Public administration has become an essential segment of modern society which has witnessed the emergence of what is called, by administrative thinkers as 'Administrative State'. This means that every activity of individuals from 'womb to tomb' is regulated and controlled by the State agencies i.e. administrative agencies. The following views expressed by various scholars clearly highlight the significance of 'public administration in a society'.

### **Subject Matter:**

#### **1.1 Lecture 1: Public Policy**

Dye says that institutional studies usually described specific government institutions...without systematically inquiring about the impact of institutional characteristics on policy output. However, the linkage between institutional arrangements and content of policy remained largely unexamined. The definitions of public policy are as follows: According to Thomas Dye, defines public policy as "whatever governments choose to do or not to do". Dimock, stated public policy as "deciding at any time or place what objectives and substantive measures should be chosen in order to deal with a particular problem". According to Chandler and Plano, who define public policy as "the strategic use of resources to alleviate national problems or governmental concerns"?

Freeman and Sherwoods, stated that it is the public answer to the interest in refining the human circumstances. In these definitions there is deviation between what governments agree to do and what they essentially do. Public policy is a controller which government has planned for direction and practice in certain problem areas. In the current times, the study of public policy has evolved into what is virtually a fresh branch of social sciences called as, „policy sciences“. In 1951, Harold Lasswell, for the first time, the concept of policy science was framed. Presently, the policy sciences have departed far away from immature ambitions for societally applicable information.

#### **1.2 Concept of Public and Policy**

In the literature of academics, the term „public policy is regularly utilized in our present-daylife and we regularly refer to the policies which are implanted like, national, education policy, agriculture policy, health policy, wage policy so on. In fact this is the area where public are involved. The concept of public policy is assumes, that there is domain of life which has totally individual and is not private, which is believed in collective. It is very significant to recognize the notion of public for a discussion of public policy. We regularly use the words such as public interest, public sector, „public opinion, public health, and so on. The public policy, has to do with which are labelled as the public, as contrasting to scopes concerning „private. The measurements of public is usually mentioned as, public ownership or governor for public purpose. The term public contains all the measurements of human action observed as needing governmental involvement or social directive. Though, there has been battle between what is public and what is private.



#### **The Notion of Policy**

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The notion of public, the idea of policy is also not exactly defined. Policy signifies, between other things, guidance for action. It might take the procedure of:

1. Commanding conclusion,
2. Principle or value
3. Purposive course of action,
4. Method of governance
5. Manifestation of considered judgment
6. Look of political rationality and
7. Declaration of common goals.

In a Machiavellian sense, policy is the base of power. While bureaucracy derived its legitimacy from its claim to "State", the politician claimed that their authority rested on the approval of their policies by the electorates. Hogwood and Gunn specified ten usages of the word policy as:

1. A label for the field of activity
2. An expression of desired state of affairs
3. Specific proposals
4. The decision of governments
5. Formal authorization
6. A programmes
7. Output 8. Outcome
9. A theory or model
10. A process.

### **1.3 Meaning of Policy**

The meaning of the term policy is varying like other concept of social science. Unluckily, the policy itself is somewhat which take diverse procedures. David Easton defined policy as the output of the political system, and public policy as the authoritative allocation of values for the whole society. The measures of this alteration in the methods of the accepted from other definitions progress by the scholars in this field. Henry defines public policy as, "A script adopted and pursued by the government". Anderson stated, that policy be observed as "Purposive course of action followed by an actor or set of actors in dealing with a problem or matter of concern".

According to Sir, Geoffrey Vickers, policies are judgments giving way, unity and steadiness to the course of act for which the decision-making body is accountable. Friedrich look policy as, a proposed course of action of a person, group, or government within a given environment providing obstacles and opportunities with the policy was proposed to utilized and overcome in an effort to reach a goal or realize an objective or purpose. According to Parsons, who stated about it as, "A policy is an attempt to define and structure a rational basis for action or inaction". In present terminology a policy is broadly defined as a course of action or plan, a set of political purposes. It might well be sufficiently defined "policy" as a purposive development of act taken or accepted by those in power in chase of convinced goals or objectives.

It must be added here that public policies are the policies accepted and executed by government bodies and officials. They are framed by what Easton appeals the authorities in a political system. Namely, "elders, paramount chiefs, executives, legislators, judges, administrators, councilors, monarchs, and the like". He stated as, these are the persons who "engage in the daily affairs of a political system", are "recognized by most members of the system as having the responsibility for these matters" and take action that are "accepted and binding most of the time by most of the members so long as their act within the limit of their roles".

It is very much evident that policy might take different procedures like legislation, executive orders or the official acts. They actually comprise of a set of intentions or objectives a combination of devices or means for attainment of intentions, a description of governmental or non-governmental units indicted with the accountability of transporting out the intentions, and distribution of resources for the necessary tasks. To recognize public policy, it is very much needed to examine the nature. A policy may contain with specific or general, broad or narrow, simple or complex, public or private written or unwritten explicit or implicit, discretionary or detailed and quantitative or qualitative. Public policy is in fact a skill because these tasks regularly some information about the social sciences and in this case the stress is on the public policy which is known as government policy, selected by a government as a „direction for action“.

From the perspective of public policies, actions of government could be put broadly into two groups and they are: 1. Definite or Specific policies and 2. General, vague and inconsistent policies. In reality a government rarely will have a fixed of supervisory values for all its actions and in fact the significant public policies are frequently made more clear specifically where the issue of law, regulation or strategy is involved. The Supreme Court can give its decisions, by new interpretations to some of the articles of the Constitution which can be develop into new policy. These policies may be too unclear or too broad and may not be reliable to each other, in turbulent atmospheres like the current ones government has to make regular actions without reference to any particular policy, sometimes government announces some sort of policy for political convenience or for some reasons, in such cases, government will not have any intention to carry it successfully.

Hence, it is likely to have a policy without action or it can have action without policy. Public policies alive only in set of practices and precedents. The public policies are embodied only in an unwritten Constitution of United Kingdom is the best instance of this form of a public policy. Public policy contains major segment of actions, like, development policy, economic growth, socio-economic growth, equality, social justice, or any other such policy may be accepted by national policy. Hence, it can be observed a single policy in various written documents, it may be narrow, covering a particular action, like family planning which is reserved to certain division of the people or it can be for extensive range of the people in the country, for instance, government can accept that, no child is adult unless he attains the age of 16 years. Public policy is an area commonly defined by policy areas like health, education, housing, economic, environment, transport and social and it is mostly set that interdisciplinary and intergovernmental relations taking place. These policies can be developed either by the central government or state government, or sometimes mega policies act as a kind of master policy. This word mega policy is coined by Yehezkel Dror.

The broad policies which are an expression of national aims are the instances for the mega policies, eg. Economic growth, social justice etc. It is very much important to understand the nature of the policy means, it must contain an objective, an aim or a goal, or a purpose because a policy is a guidance for action. In fact all the mega policies are purposive and are object oriented but it is conceivable that a government can have policy without any recognizable objectives or purpose. It can accept any policy without any particular goals.

The significant regarding the goals and objectives is that, while studying the policies of government collective as a total, the multidimensional nature of goals and objectives, as well as the presence of several irregularities and even ambiguities becomes observable. Government can accept vague, inconsistent or even contradictory policies so that to gratify all the pressure groups and political parties. The public policy can be a positive or negative one, in its positive form, it can contain some system of evident government activity to treat a specific problem. Whereas, in the negative form, it might contain a decision by a public servant not to take action on some sort of matter on which the government action is required. These policies sometimes will have legally coercive so that people can adopt it legally for instance all the people will pay the taxes in order to stay away from the fines. These public policies makes public organizations different from private organizations.

#### **1.4 Lecture 2: Public Administration**

The word Administer is an English word, which is originated from the Latin word ‘ad’ and ‘ministrare’, which means to care for or to serve. Administration may be defined as the group activity which involves cooperation and coordination for the purpose of achieving desired goals or objectives. Various definitions of Public Administration are as follows Prof. Woodrow Wilson, the pioneer of the social science of Public Administration says in his book ‘The study of Public Administration’, published in 1887 “Public Administration is a detailed and systematic application

of law." According to L. D. White "Public Administration consists of all those operations having for their purpose the fulfilment of public policy as declared by authority."

Both above definitions are done from traditional viewpoint and related only to the functions and actions of Administration. According to Gullick - "Public Administration is that part of the science of administration which has to do with government and thus, concerns itself primarily with the executive branch where the work of the government is done." According to Waldo - "Public Administration is the art and science of management as applied to the affairs of the state."

### **1.5 Important characteristics of Public Administration**

1. It is part of executive branch of government.
2. It is related with the activities of the state.
3. It carries out the public policies.
4. It realize the aspirations of the people as formulated and expressed in the laws.
5. Waldo and other thinkers insist on the commitment and dedication to the wellbeing of the people. Otherwise Public Administration behaves in a mechanical, impersonal and inhuman way.
6. Public Administration is politically neutral.

### **1.6 Scope of Public Administration**

Following are the three important perspectives about the scope of Public Administration.

1. Narrow perspective or posdcord perspective.
2. Broad perspective or subject-matter view.
3. Prevailing view.

Narrow perspective or posdcord perspective Luther Gullick is the main exponent of this perspective. According to him the scope of public administration is narrow or limited. It is also regarded as posdcord view. It insist that the Public Administration is concerned only with those aspects of administration which are related with the executive branch and its seven types of administrative functions.

These seven types of functions which shows the scope of Public Administration are as follows - 1. 'P' stands for planning 2. 'O' stands for organization 3. 'S' stands for staffing. 4. 'D' stands for Directing. 5. 'Co.' stands for Co-ordination. 6. 'R' stands for Reporting 7. 'B' stands for Budgeting  
Broad perspective or subject - oriented perspective:- Prof. Woodrow Wilson, L D While are main exponent of this perspective. They have taken a very broad approach about the scope of Public Administration.

According to them, Public Administration covers all three branches of the government. Legislative, Executive and Judicial and their interrelationship. Legislative organ makes the laws, Executive organ of the government implements the laws and Judicial organ of the government interprets the laws. There is interrelationship between these three organs. B) Scope of Public Administration is like a cooperative group. It consist of all from class one officer to class four employees. C) Public Administration is a part of the political process. It has an important role in the formulation of public policy at all levels, from national to grassroot. It is closely associated with numerous private groups and individuals in providing services to the community. It has been influenced in recent years by the human relations approach.

### **1.7 Prevailing view**

Prevailing view divides the scope of Public Administration into two parts.-

- 1) Administrative theory
- 2) Applied administration



## 1. Administrative theory

It includes the following aspects.

- a) Organizational Theory-The Structure, organization, functions and methods of all types of public authority engaged in administration, whether national, regional or local and executive.
- b) Behaviour- The functions of administrative authorities and the various methods appropriate to different types of functions. The various forms of control of administration.
- c) Public Personnel Administration - The problems concerning personnel e.g. recruitment, training, promotion, retirement etc. and the problems relating to planning, research, information and public relation services.

## 2. Applied administration

It includes the following aspects:-

- a) Political functions - It includes the executive - legislative relationship, administrative activities of the cabinet, the minister and permanent official relationship.
- b) Legislative function - It includes delegated legislation and the preparatory work done by the officials in connection with the drawing up of bills.
- c) Financial functions - It includes total financial administration from the preparation of the budget to its execution, accounting, and audit etc.
- d) Defense - Functions relating to military administration.
- e) Educational function - It includes functions relating to educational administration.
- f) social welfare administration - It includes the activities of the departments concerned with food, housing, social security and development activities.
- g) Economic Administration - It is concerned with the production and encouragement of industries and agriculture.
- h) Foreign administration - It includes the conduct of foreign affairs, diplomacy, international cooperation etc.
- i) Local administration - It concern with the activities of the local self-governing institutions.

### 1.8 Significance and Importance of Public Administration

In today's modern state and in developing countries functions and role of Public Administration is very important. The role and importance of Public Administration are as follows.

1. It is the basis of government.
2. It is the instrument of change in the society.
3. It plays vital role in the life of the people.
4. It is an instrument for executing laws, policies, programmes of the state.
5. It is a stabilizing force in the society as it provides continuity.
6. It is instrument of national integration in the developing countries which are facing class wars.

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- **It is the basis of Government:** It is possible for a state to exist without a legislature or judiciary; but not even the most backward state can do without administrative machinery. The modern state cannot confine its field of activities to merely maintenance of law and order, dispensation of Justice, collection of revenue and taxes and participation in welfare activities. The modern welfare state is expected to provide more and more services and amenities to the people. Public Administration is the machinery used by the state to place itself in a position to make plans and programmes that can be carried out.
- **It is the instrument of change in the society:** Public Administration is regarded as an instrument of change and is expected to accelerate the process of development. In our country, the government has undertaken the task of levelling down the economic inequalities, spreading education among all abolishing untouchability securing equality of status, rights of women and effective and all round economic and industrial development. The burden of carrying out these social changes in a planned and orderly way rests upon the Public Administration of the country. The success of Indian democracy will depend not only on the wisdom of the legislature but more on the capability and sense of purpose on the part of the Administration.
- **It plays vital role in the life of the people:** Today every aspect of human life come within the range of Public Administration. Various departments of government such as education, social welfare, food, agriculture, health, sanitation, transport, communication etc. are run by the department of Public Administration. Thus Public Administration is rendering various types of services to the people from birth to death of an individual.
- **It is a stabilizing force in the society as it provides continuity:** Public Administration is carried on by the civil servants who are the permanent executives. Political executives i.e. ministers may come and go, systems of government or constitutions may undergo change but administration goes on forever. Hence, Public Administration is a great stabilizing force in society. It is a preserver of the society and its culture. It is instrument of national integration in the developing countries which are facing classwars.

### **1.9 Lecture 3: Public Policy and Public Administration in India**

The Indian Administrative Structure is largely a legacy of the British rule. The British legacy in Indian administration can be studied under following heads.

1) **Indian Civil Services:** This was the most important legacy. The officers of Indian Civil Service can be posted in any State. Even after independence, these services were continued and at present there are three all India Services i.e. IAS, IPS& IFS.

2) **Secretarial Services:** Secretariat is a high level administrative organisation which constitutes politicians or secretary and other personnel. Secretariat is a very important part of the government whose function is to plan policies, law and control and most important advising the Ministers in performing their functions.

3) **Rigid Bureaucracy:** System of bureaucracy was started in British period to execute the laws rules and programmes of the administration. File system was also introduced. Civil servants consider themselves as superior and different. This tendency was inherited from Britishers. Indian bureaucracy is traditional and conservative.

4) **Federal System and National Unity:** In a federal government, powers are divided between the Central Government and State Government by the constitution itself.

The federal features of Indian constitution are dual policy, double government, division of power into Central list, State list and concurrent list, bicameralism, rigid constitution. Besides, it is also unitary in nature, as it has single citizenship, governor is appointed removed is by the President and more powers to the Centre represent the strong unitary system.

- 5) **Administrative Anonymity & Secrecy:** The norm of anonymity means that the civil servants must work from behind the curtain without praise or blame. This trend came into existence during British period. Along with this, the principle of secrecy of procedure also operates. It means the ministers cannot divulge information about their proceedings.
- 6) **Committee System:** The committee system was started by British to do different work of government and administration such as amendments, investigate and advising. Different types of permanent and ad-hoc committees are formed in all government organisations.
- 7) **District Administration:** Warren Hastings in 1772, first time created the post of Collector. After independence, the collector became key figure from political, geographical and administration point of view.
- 8) **Revenue Administration:** First of all, Board of Revenue was set up in 1786 in Bengal. After independence, it has been established in most of the states as an independent body.
- 9) **Police Administration:** In 1808, post of Superintendent of police was introduced. Present police system is working under Police Act 1861, which is concerned with law administration.
- 10) **Financial Administration:** Yearly income and expenditure account is called Budget. Our budget formulation, implementation and execution and auditing is based on British traditions.
- 11) **Local Administration:** Lord Rippon is known as Father of local Self Government in India. In 1882, he made arrangements for electing representatives in village local bodies. This proposal of Rippon was also known as "Magnacarta of Local Self Government". Local self-government has been given constitutional status in 1992 by passing 73rd constitutional Amendment (rural government) and 74th Constitutional Amendment (Urban government) Act. These constitute an important part in democratic decentralization.

#### **Indian Administration has following salient features :**

**Federal System :** Our constitution divides the powers between Centre and States in terms of the Union List, State List and Concurrent list in the Seventh schedule (Art.-246). This principle is borrowed from Canada.

**Welfare administration:** Indian administration is welfare oriented i.e. it works for the basic requirements of a common man.

**Development Oriented Administration:** Various development programmes are being run to attain the objectives of a welfare state.

**Written, lengthy and detailed constitution:** The Indian constitution is the lengthiest and the most detailed written constitution in the world.

**Partly rigid and flexible:** The constitution of India is rigid to the extent that those provisions which are concerned with the federal policy (i.e. Centre-State relations and judicial organisation) can be amended by the Centre only with the approval of majority of States.

**Parliamentary System:** In this system the executive is responsible to the legislature for its policies and acts. The principles of Parliamentary government in India are - Nominal & real executive, majority party rule, Collective responsibility, political homogeneity, leadership of Prime Minister, dissolution of the lower house and secrecy.

**Fundamental Rights:** The fundamental Rights are contained in Part III of the constitution from Article 12 to 35. Inspiration came from USA (Bill of Rights). In this regard, at present there are 6 fundamental rights.

They are -

- a) Right to Equality
- b) Right to Freedom
- c) Right against Exploitation
- d) Right to Freedom of Religion
- e) Cultural and Educational Rights
- f) Right to constitutional remedies

**Fundamental Duties:** They were added by the 42 constitutional amendment Act of 1976 on the recommendation of the Swaran Singh Committee. There are eleven fundamental duties at present.

**Independent Judiciary:** The Indian judiciary is headed by the Supreme court to settle disputes between the centre and the States or between the States. It also protects the supremacy of the Constitution through its power of judicial review.

**Adult Franchise:** It means all the persons above 18 have the right to vote.

## **1.10 Lecture 4: Evolution of Indian Administration - Part 1**

Administration in India can be traced as old as to the known history of the Indus Valley Civilisation which is about 5000 years old. But major development in this field happened during the Magadha, Mauryan and the Gupta Ages. After that Mughals and British influenced the Indian Administration the most. Kautilya's Arthashastra written in Sanskrit from 321 to 296 B.C., is a political treatise on ancient Indian political. Arthashastra examines statecraft and put forth the theories and principles for effective governance. Kautilya was Minister under Chandragupta Maurya and thus gives an account of State administration and the rule of the Mauryan kings.

Arthshastra's principles of Public Administration are as follows-

- welfare orientation
- unity of command
- division of work
- coordination
- planning, budgeting and accounting
- decentralisation
- merit-based recruitment
- paid civil service
- hierarchy
- delegation of authority

The Mauryan king was all-powerful and everything was done in his name. The King was assisted by the Council of Ministers ('Parishad') and the 'Sabha' of learned men. The administrative system was a close combination of military force and bureaucratic despotism. For effective governance, the Mauryan empire was divided into 4 to 5 Provinces under the direct control of the central government through a Viceroy. The provinces, however, had "feudal-federal type" of the organisation but also had considerable autonomy. The provinces were further divided into districts and districts into villages with officials in charge at all levels. The city also had its own government with two separate courts for civil and criminal matters.

A unique feature of Mauryan administration was that the State not only performed the role of administration but also act as an agent of social transformation. A new class of officials, called 'dharma maha mantras' carried out the policy of moral regeneration of the people. Ashoka, one of the great Mauryan King, had set up a Ministry of Morals in this government.

## **1.11 Major Characteristics of Mughal Administration**

The Mughals build up a 'monolithic administration', with greater centralization. The Mughal Emperor symbolized the state and was the source of all power and the fountain-head of justice. The bureaucracy of the administrative machinery was unstable. It was not based on merit but depended on the whims and fancies of the king. Recruitment of top-level officials was majorly done on the basis of religion, caste, kin, heredity and personal loyalty to the king. The primary duty of the officials was to maintain law and order against internal and external aggression and revenue collection. Mughal bureaucracy was essentially military in character. Officials were called Mansabdars and were classified into 33 grades. The grades rang from Commanders of 10 to those of 10,000 soldiers.

The present administrative system in India was evolved during the East India Company's rule in the country. This period will be divided into two parts for study purposes. First, the East India Company's rule upto 1857 and second, the British government rules from 1858 up to 1947. The East India Company came to India for purely business purposes, but later took over the government of the country. The end of the company rule came in 1858 with the taking over of the government by the British Crown. These are some of the very important evolutionary steps in the administrative history of India. After the death of Aurangzeb in 1707, the Mughal empire began to disintegrate and the central administration became paralysed. The small rulers who earlier accepted the suzerainty of Mughal emperors, started fighting among themselves. The East India Company took advantage of this situation and established its hold over several parts of the country. The battle of Plassey in 1757 paved the way for the real authority in the hand of the Company.'

### **1.12 Lecture 5: Evolution of Indian Administration - Part 2**

For the purpose of study of the evolution of the Indian administrative system during this period, we shall divide it into the following two periods:

- Administrative system before 1858.
- Administrative system after 1858 upto 1947

The year 1773 was a landmark in the growth of Indian Administration. Before 1773 there was no central authority in the country. The 1773 Act restricted the powers of the presidencies from making war or treaties without the sanction of the Governor-General in Council. This confirmed the British Parliament's control over East India Company's affairs. The Pitt's India Act of 1784 placed Indian Affairs under the direct control of the British Government, by establishing a Board of Control representing the British Cabinet, over the court of Directors. The Court of Directors of the East India Company were required to pay due obedience (and be) governed and bound by such orders as they shall from time to time receive from the said board." The appointment of Governor-General was made by the directors with the approval of the Crown. The position of the Governor-General became very difficult with the introduction of the system of dual control. This system with some modifications remained in operation till 1858. As a result the Company's administration became not only cumbersome but also dilatory.

The Company's rule ended with the enactment of the Government of India, Act, 1858 and passed on to the Crown. The Board of Control and the Court of Directors, both were abolished and their powers were given to the newly created office of the Secretary of State for India. His office was known as India office which enabled him to discharge his functions smoothly.

#### **Various important additions made by British to Indian Administration**

##### **Portfolio System**

The government's work increased and its pressure was felt by the successive governorgenerals. Inordinate delay became unavoidable. This situation improved when the innovation known as portfolio system was introduced in 1859 by Lord Canning.

##### **Introduction of Local Self-Government**

In 1688 a corporation in Madras was established. In 1726 Calcutta and Bombay corporations were created. In the Presidencies of Madras and Bombay, ancient village system of rural self-government agency was retained and in the 19th Century, Panchayats received encouragement from district authorities.

##### **Administrative Reforms of 1919**

The Government of India Act, 1919 introduced the bicameral system and demarcated the central and provincial subjects. The central list consisted of important subjects such as defense, foreign affairs, tariff and customs, railways, post and telegraphs, income tax, currency and coinage, all India services, etc. The Provincial list included local self-government, public health, public works, education, water supply, irrigation, agriculture, land revenue, police, forests, justice, excise & fisheries, etc. The Provincial subjects were further divided into "reserved" and "transferred" subjects. The 'reserved' subject being important, were placed under the charge of counsellors, who along with governor were made responsible to the Secretary of State and the Central legislature. The administration of "transferred" subjects was entrusted to the ministers responsible to the Provincial Legislative Council.

### Administrative Reforms of 1935

The Act provided for the introduction of dyarchy at the centre, whereas the system of dyarchy in the provinces was abolished. The federal executive was made partly responsible to the federal legislature. The executive councilors were put in charge of defense, external affairs, ecclesiastical affairs and tribal affairs and were responsible to the Governor-General and not to the federal legislature. The governor General would interfere in the work of the remaining subjects in the federal legislature, on the ground that it affected the discharge of his special responsibilities. But this was never done as the scheme could not be operated.

### 1.13 Indianization of Administration

India became independent in August 1947 with the end of the British rule. A new Constitution was framed and adopted on January 26, 1950 and India became a republic. The pertinent question is what the new republic like was, and what was handed over by Britishers along with the power? The answer of these questions can be found easily during the period Britishers governed the country by establishing various institutions. Though Indians were very happy to get rid of the colonial rule it was soon realised that the governmental system and administrative apparatus developed by the Britishers was capable of meeting all the needs of the country, therefore, the same administrative system was maintained even after independence, of course, with some changes as per the requirements of the time. The main features of the British governmental and administrative system, like parliamentary form of government, federal structure, governors in the states, secretariat system, central and state administration, Civil Services, District and Regional administration, the procedures of work, Rule of law, and Local government, etc. continue to be the main points of the present Indian administrative system.

### Federal Structure

The federal structure of the Indian Constitution has its roots in the Government of India Act of 1935. The Constitutional history of India shows, that the Act of 1919 mentioned 'transferred' subjects which were entrusted to ministers of provinces accountable to elected provincial legislatures, and 'reserved' subjects meant for officials under the Governors. Thus, a 'dyarchy' system was the main characteristic of the Act of 1919, sowing the seeds of division of subjects between provinces and centre. The Government of India Act 1935 added three contributions to the political development in the country: these were: first, it established a full responsible government in the provinces, second, it contained a list of division of powers between provinces and the centre, third, it established a Federal Court. The Act of 1935 provided in its 451 clauses, a model for the Indian Constitution of 1950. Thus, the type of federation we have adopted in our Constitution, is a British legacy.

### Summary

In this unit, we have discussed the meaning of public policy, public administration, public administration in India and the new trends in the public administration etc. An analysis of the study shows that the public administration is inevitable because, contemporary civilization cannot progress without a sound administrative system. The importance of the public administration as a discipline has been closely associated with the increasing activity role of government everywhere. Public administration is a branch of study which has been developing in different levels to meet the administrative problems of the society. It adopts new concepts from the management system and also became a growing field of knowledge and practice, to meet the emerging challenges which are occurring in the field of government.

In the era of globalisation, the concepts of 'e-governance' or 'digital governance' is also very significant. It derived from the Information and Communication Technology. The aim of e-governance is to open up government process and enable greater public access to information. Both digital and e-governance are of recent origin and there is hardly any universally acceptable definition. Digital/e-governance refers to the use of the emerging ICT like the internet, webpage and mobile phones to deliver information and services to citizens. It can include publication of information's about government services on websites and citizens can download the application forms for these services. It can also deliver services such as filling of a tax form, renewal of licence and processing on-line payments as well. According to Jagdish C Kapoor, the purpose of digital government is to create 'super counters in and climate the endless maze citizens have to negotiation going from door to door, floor to floor, to obtain service'. Appropriate use of various technics of ICT will usher in a new era in public administration by seeking to make the governmental functioning and processes more transparent and accessible.

### **Keywords**

- **Public policy:** Public policy as deciding at any time or place what objectives and substantive measures should be chosen in order to deal with a particular problem.
- **Administer:** The word Administer is an English word, which is originated from the Latin word 'ad' and 'ministrare', which means to care for or to serve.
- **Administration:** Administration may be defined as the group activity which involves cooperation and coordination for the purpose of achieving desired goals or objectives.
- **Rigid bureaucracy:** System of bureaucracy was started in British period to execute the laws rules and programmes of the administration.
- **Committee System:** The committee system was started by British to do different work of government and administration such as amendments, investigate and advising.

### **SelfAssessment**

1. Present administrative system in India was established during the
  - A. East India Rule
  - B. French Rule
  - C. Mughal Rule
  - D. Sultanate Period
  
2. The Government of India Act, 1935 had two basic concepts:
  - A. Central Administrative Rule & Provincial Autonomy
  - B. Provincial Autonomy & All India Federation
  - C. Autonomy to Princely State & Union of India
  - D. None of the above
  
3. Government of India Act, 1935 provided for introduction of Dyarchy at/in:
  - A. Provinces
  - B. Princely States
  - C. Centre

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D. States

4. Which Act restricted the powers of the presidencies from making war or treaties without the sanction of the Governor-General in Council:

- A. GOI Act, 1857
- B. Regulating Act 1773
- C. GOI Act 1947
- D. Indian Councils Act 1909

5. Companies Rule in India ended with enactment of:

- A. Government of India Act, 1857
- B. Indian Councils Act, 1931
- C. GOI Act, 1947
- D. Pits Act, 1883

6. Portfolio System was introduced in India in:

- A. 1665
- B. 1859
- C. 1957
- D. 1857

7. Concurrent List is present in which schedule of Indian Constitution:

- A. Sixth Schedule
- B. Seventh Schedule
- C. Eight Schedule
- D. Second Schedule

8. Fundamental Duties were recommended by which committee:

- A. Swapan Das Committee
- B. Swaran Sigh Committee
- C. Ishwar Sigh Committte
- D. Dutta Committee

9. CAG finds mention in which article of the Indian Constitution:

- A. Article 159
- B. Article 149
- C. Article 21
- D. Article 33

10. "Administration is the organistaion and direction of human and material resources to achieve desired ends". Who said this?



- A. J. M. Pfiffner
- B. A. O. Hume
- C. Wilson
- D. J.S. Millet

11. "Administration has to do with getting things done with the accomplishment of defined objectives". This quote is attributed to:

- A. Urwick
- B. J. D. Millet
- C. Luther Gullick
- D. None of the Above

12. "Public administration is the detailed and systematic application of law. Every particular application of law is an act of administration." This was said by whom:

- A. L.D.White
- B. W. Wilson
- C. Gullick
- D. Follet

13. Public Policy is "the relationship of government unit to its environment". This Statement is attributed to:

- A. Robert EyeStone
- B. Henry Milkman
- C. Oliver Whilkinson
- D. Dakes Jr.

14. Pattern or course of activity or the governmental officials and actors in a collective sense than being termed as their discrete and segregated decisions, is term as:

- A. Decision Making
- B. Ordinance
- C. Public Policy
- D. Rule

15. Public policy is a proposed course of action of a person, group or government within a given environment providing opportunities and obstacles which the policy was proposed to utilize and overcome in an effort to reach a goal or realize an objective or purpose, was said by:

- A. Carl J. Friedrich
- B. Thomas Dye
- C. Herbert Simon
- D. Adam Smith

**Answers for Self Assessment**

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- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. A  | 2. B  | 3. C  | 4. B  | 5. A  |
| 6. B  | 7. B  | 8. B  | 9. B  | 10. A |
| 11. C | 12. B | 13. A | 14. C | 15. A |

### Review Questions

1. Explain the meaning of the words: public policy
2. Point out the characteristics of public policy
3. Elucidate the significance of public policy
4. Define the etymological origin of the word: administration
5. Elaborate the meaning of the word: administration,
6. Critically analyze the various views of scholar on public administration
7. Elaborate the features of public administration in India
8. Examine the public policy framework in India



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## Unit 02: Public and Private Administration

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### Objectives

- To understand the difference between public and private administration,
- To identify the features of system approach
- To clarify the meaning of decision-making theory/approach
- To elucidate the features of decision-making theory/approach
- To understand the implementation related problems of major theories in public administration in India
- To detail the core problems of public administration in India

### Introduction

Theories are attempts to accurately describe and to successfully predict relationships among elements of the physical, social and psychological worlds. Public administration is an integral part of the society. Its importance is pivotal in both developed and developing countries. Public administration as a specialized academic field deals essentially with the machinery and procedure of government as these are used in the effective performance of government activities. In simple public administration is a combination of theory and Practice. Theory is a body of principles dealing systematically with a subject. Theory is a concise presentation of facts and a logical set up of assumptions from which empirical laws or principles can be derived, its task is to tie significant knowledge together to give a framework.

Development of a theory should be in consonance with adoption of scientific approach to analyze and understand a particular phenomenon. Public Administration is the action part of government for the fulfillment of the objectives of the political system. The machineries' of government and their functioning have attracted the attention of scholars since the time of recorded history. Koudilya's Artastra, Aristotle's politics, and the Machiavelli's prince are important contributions to both political and administrative issues and ideas. Administrative theory will help the

administrator to conceive proper reasoning and sound arguments. Administrative theory educates the administrators scientifically, as theory is the conceptualisation of experience.

Administrative theory is a highly contested terrain of public administration. Theory is a body of generalization, which attempts to make sense of the world. Broadly speaking, validity of any theoretical construct depends on its ability to describe, explain and predict. According to Stephen Bailey's, "the objectives of public administration theory are to draw together the insights of the humanities and validated propositions of the social and behavioural sciences and apply to these insights and propositions to the task of improving the process of government aimed at achieving politically legitimized goals by constitutionally mandated means". Administrative theories have been developed in United States of America. In 1914 the American political science association published a report which delineated the objectives of the teaching of political science. One of the objectives stated was to "prepare specialists for governmental positions". Thus public administration was recognised as a subarea of political science. American universities gave more importance and recognition to this subject.

## **2.1 Subject Matter-Lecture 1-Public and Private administration**

The major concern of administration is to properly organize men and material for achieving desired ends. As a co-operative group activity, administration is truly universal and operates in all types of public and private organisations. In other words, administration occurs in both public and private institutional settings. Its nature depends upon the nature of the setting and goals with which it is concerned. On the basis of the nature of the institutional setting, public administration can be roughly distinguished from private administration. Public administration is governmental administration concerned with achieving state purposes, determined by the state. Private administration, on the other hand is, concerned with administration of private business organisation and is distinct from public administration.

John Gaus, Ludvig Von Mises, Paul H. Appleby, Sir Josiah Stamp, Herbert A. Simon, Peter Drucker, etc., in their writings, have made distinction between public and private administration. According to Simon, the distinction between public and private administration relates mainly to three points:

- Public administration is bureaucratic whereas private administration is business like;
- Public administration is political where as private administration is non-political; and
- Public administration is characterised by red-tape where as private administration is free from it. Felix A. Nigro has pointed out that government is also different from private organisation, as no private company can equal to it in size and diversity of activities.

According to Sir Josiah Stamp, the four principles, which differentiate public from private administration, are:

- Principle of Uniformity: Common and uniform laws and regulations mostly regulate public Administration.
- Principle of External Financial Control: the representatives of the people through a legislative body control Government revenues and heads of expenditure.
- Principle of Ministerial Responsibility: Public administration is accountable to its political masters and through them to the people.
- Principle of marginal Return: The main objective of a business venture is profit, however small it may be. However, most of the objectives of public administration can neither be measured in money terms nor checked by accountancy methods.

According to Paul H. Appleby public administration is different from private administration. He remark, "In broad terms the governmental function and attitude have at least three complementary aspects that go to differentiate government from all other institutions and activities: breadth of scope, impact and consideration; public accountability; political character. No non-governmental institution has the breadth of government. Appleby notes that the political character of Public Administration differentiates it from private administration. Public Administration is subject to political direction and control. This is the primary distinction between the two. He further argues, "Administration is politics since it must be responsive to the public interest. It is necessary to emphasise the fact that popular political processes, which are the essence of democracy, can only

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work through governmental organisation, and that all governmental organisations are not merely administrative entities, they are and must be political organisms.”

Appleby reflects further on the distinction between public and private administration in the context of public accountability. “Government administration differs from all other administrative work to a degree not even faintly realised outside, by virtue of its public nature, the way in which it is subject to public scrutiny and outcry. This interest often runs to details of administrative action that in private business would never be of concern other than inside the organisation. According to Appleby private administration cannot claim the breadth of scope, impact and consideration of the public administration. He observes, “The organised government impinges upon and is affected by practically everything that exists or moves in our society. It involves policies and actions of immense complexity. Its fullest possible understanding requires the wisdom of many specialists as well as the key participants in public and private life.

The more important distinguishing features of Public administration may be described under the following sub-heads: Political Direction: Public administration is political, while private administration is non-political, public administration takes place in a political context. Absence of profit motive: The absence of profit motive from the Public administration is another feature, which distinguishes it from the private administration. The primary purpose of governmental organisation is to provide services to the people and promote social good. Prestige: Public administrators who serve in the Government enjoy high status and prestige in comparison to their counterparts in private enterprises especially developing countries. Public Gaze: All the actions of public administration are exposed to wide public gaze because the public closely watches it. This does not happen in private administration.

Service and Cost: Most governments spend more money than their income or revenues. That is the reason for finding generally a deficit budget that is, expenditure exceeding income. Conversely, private administration income often exceeds expenditure without which they cannot survive. Legal framework: Public administration operates within a legal framework. It is rule oriented. The responsibilities of public administrators are fixed by a set of constitutional practices, laws and regulations. Government officials are obliged to act within their legal powers and not outside the law. Consistency of treatment: A government official is required by law to maintain a high degree of consistency in his dealings with the public. He has to observe the principle of equality of treatment in serving the people. It is a legal obligation to not to discriminate against any person.

Public accountability: Public accountability is the hallmark of Public administration in a democracy. Public administration is responsible to the public, though not directly but indirectly through political executive, legislature, judiciary, etc. Large-scale administration: Public administration is large-scale administration. It is said that almost anything under the sun is directly or indirectly under the domain of public administration. It is by all means larger than any big private concern in terms of size, complexity and diversity of activities. Monopolistic and Essential Services: In the field of public administration, there is generally a monopoly of the government and it does not generally allow private parties to compete with it. For example, no person or bodies of persons are allowed to establish or perform functions related to public services like national security, foreign relations, law and order, mint and currency, as these are the exclusive fields of the government and thoroughly important for the community and polity to prosper.

Officials remain Anonymous: In public administration, even the most senior officials remain anonymous and their identity is not disclosed. This is so because whatever they do, they do in the name of the government and not in their own name. Financial meticulousness: Public administration has to be very careful in financial matters because it is working as custodian of people’s money. Lower level of Efficiency: Efficiency is said to be the cornerstone of any organisation. However, due to varied responsibilities, lack of effective control, less accountability, involvement of a large number of levels and job security of employees, efficiency has not been there in public organisations to the effect desired. When compared to private administration, one finds that the degree of efficiency in public organisations is at a lower level. With profit as the major motive coupled with excessive control and flexibility in personnel administration the level of efficiency in private organisations is much higher.

## **2.2 Lecture 2-Approaches: System Theory**

Modern theory, also called systems analysis of organisations, developed largely since the 1950s. The origin of general systems theory is traced to the thinking of the biologist Ludwig Von Bertalanffy, in the twenties. It aimed at the unification of science and scientific analysis. General Systems theory is an attempt to join up the different approaches in science (traditional, behavioural and management science) and thus, to provide a broad macroscopic view of different types of

systems. Weber defines a system as "A set or arrangement of things so related or connected as to form a unity or organic whole." A system is thus a unified whole having a number of interdependent parts or sub-systems and it has identifiable boundaries that distinguish it from its surrounding environment in which it is embedded, and with which it interacts.

### **2.3 Features of Social System**

Features of Social System:

- 1) Social systems are open systems as they are in constant interaction with their environment. By contrast physical and mechanical systems are closed in relation to their environment.
- 2) Boundaries of social organisations are not easily identifiable. It has to be understood from their activities and functions in real life situations. Physical and mechanical systems have easily identifiable boundaries.
- 3) Closed systems have the general tendency toward 'entropy' and disorganisation; open systems, on the other hand, have the tendency to develop through greater internal differentiation and move towards higher levels of organisation. Most social systems fall in this latter category.

### **2.4 Relevance of Organisation Theory**

The Systems approach is particularly relevant to the study of complex public organisations that have elaborate structures and that are embedded in larger social, political and economic environments. An organisation survives and grows by 'drawing inputs from the' environment which are processed internally to produce its output. C. West Churchman provides five basic considerations in relation to the systems approach to management. These are:

1. The total objectives of the system and the measures of system performance.
2. The system's environment acting as constraints.
3. The system's resources that are put to use in performance.
4. The system's components and their goals and activities.
5. The management of the system (the regulation and decision-making aspect).

The systems view of organisation was prominent in the writings of M.P. Follet, Chester Barnard. Herbert Simon's decision-making scheme follows the Systems approach which was further elaborated by him and his associates later. Philip Selznick has used the systems framework in his studies of governmental and other complex organisations. The most representative writings in this field are: Organisations by March and Simon, and Modern Organisation Theory by Haire. Norbert Wiener pioneered in the field of cybernetics. He gave the first clear view of an organisation as a system consisting generally of inputs, process, outputs, feedback and environment as shown below: Organisational systems like social systems are considered to be Cybernetic in their behaviour with regard to the external environment. This means that "they are self-steering, using feedback to guide and control their behaviour". They develop mechanisms to collect, interpret and apply feedback in their decision-making process so as to acquire the capacity to adapt, evaluate the performance and to correct errors.

### **2.5 Lecture 3-Decision Making**

Decision Making Approach Decision making approach is generally associated with the pioneering contribution of Herbert Simon. The decision making approach usually equates administration with decision making. Decisions are made at every stage of the organization and are considered as fundamental steps in the process of policy formulation. However, decision making is not a single person's task, it involves a series of steps including feedback and follow up actions and obviously multiple actors. Herbert Simon gives importance to rational decision making. Decision making is a complex process involving several steps.

They can be sequenced the following manner:-

1. Identification of or locating the problem.
2. Getting related information and data and figuring out tentative options. 3. Weighing the tentative steps by seeking the opinion of the subordinates. 4. Zeroing in on a particular option.
5. Evaluate the efficiency of the decision reached at.
6. Getting the feedback and make necessary modification if situation so demands. Hence decision making requires a total team work starting right from the chief executive down to the personnel stationed at the ground level. Then only the objective of the organization can be achieved in a satisfactory manner.

## **2.6 Herbert Simon's Rational Decision-Making Theory**

Decision making approach is popularly associated with Herbert Simon, who has introduced the rational decision making approach. Simon views organization as a structure concerned with decision making. Decisions are made at every level of the organization. With an objective of ensuring that decision making is more effective and scientific, Simon tried to uncover the complicated inner dynamic of a decision in order to see how multiplicity of value premises determines the ultimate decision making. Simon breaks up decision making process into three phases namely, intelligence activity, design activity and choice activity. By intelligence, Simon referred to those activities by which one scans the environment and identifies occasions to make a decision, by design, he referred to finding or developing alternative options; and by choice, he referred to finding or developing alternative courses of action from those available options.

To Simon decision making involves choice between alternative plan of actions, and the choice in turn, involves logical co-ordination between fact and value propositions. Thus, Simon's decision making approach has other criteria the 'rationality' criteria. Simon views that total rationality in an administrative situation is almost impossible. Hence he has prescribed a moderate level of rationality (bounded rationality) based on a practical level of satisfaction. Simon's contributions are undoubtedly a major breakthrough in the evolution of administrative theory. His model has greatly encouraged the need for the use of various management techniques in public policy making and policy science has received the initial impulse from his formulation.

## **2.7 Lecture 4-Approaches and its Replications in India**

The administration of independent India stands committed to enforce the ideals of social, economic, political justice, equality, liberty, unity as well as fraternity as laid down in the Constitution of India. Keeping in view these ideals, attempts are being made to run the Indian administration in such a way so as to realise these ideals. The following are the salient features of public administration in India:

### **Colonial Legacy**

The Indian administrative system has a long historical background. The administrative system of present India is the outcome of two major influences) The British colonial administrative tradition, based upon which the units of the administrative system have been devised like divisions, districts, subdivisions, tehsils, circles, etc. a) The ideals of democratic tradition of welfare state, as reflected in the Constitution of India. b) The political and the administrative organisations of independent India have been influenced by its past experiences under the British regime. In fact, the administrative mechanism for governance has been to a large extent borrowed from the British model of Indian administration.

The influence of the British colonial administrative system on the present structure of Indian administration is still visible. The British colonial administration used to be centralised in nature and was largely regulatory administration. Independent India is following the same administrative divisions which were established during the British period. During the British period, the district was developed as a basic unit of administration. Now also, effective administration of the entire state depends very much upon the performance of the district administration.

After independence, the popular government came to power and the administration was called upon to work hand-in-hand with the elected representatives of the people. Changes were made to adjust the administration to the needs of free and democratic India. The administrative apparatus became a means to achieve the goals of a welfare state. However, despite the change in the philosophy of administration, the basic structure of the administration remained similar to the administration of the British era.

## **2.8 Constitutional Status and Different Types**

Indian system of civil services enjoys a constitutional status. The civil services enjoy constitutional protection. Change in the political executive does not really affect the status, rights, and privileges of the civil services. There are three types of civil services in India, namely, the All India Services, the Central Services (Group A and Group B), and the State Services. Centralised recruitment is conducted for the first two services while that of the state services are conducted within the state. The All India Services are highly respectable and the most important ones. They serve both the central and state governments.

The three All India Services are Indian Administrative Service, Indian Police Service and Indian Forest Service. Recruitment is made through merit based competitive examinations and all appointments to All India Services are made by the President of India. The Central Services only serve the union government. Some of the Central Services include Central Secretariat Service, Indian Foreign Service, Indian Statistical Service, Border Roads Engineering Services, Indian Postal Service, Indian Railway Personnel Service, etc. The State Services serve the respective states and appointments to the State Services are made by the Governor of the particular state. Some of the State Services include Assam Civil Service, Gujarat Administrative Service, etc. Although Indian administration is still dominated by generalist administrators, after independence the need was felt to recruit specialists with new skills and techniques to manage new activities and responsibilities. This has resulted in the growing role of specialists in the administration.

### **Political Neutrality in Administration**

Public administration in India is based upon the principle of political neutrality. According to this principle, the public servants are required to act in an impartial manner while implementing the policies of the government. They are required to act in their course of their duties in a politically neutral manner. At the same time, the principle of political neutrality also imposes restrictions on the public servants to actively participate in the political activities so that the government can deliver its functions in an impartial manner.

### **Responsible Administration**

One of the most important challenges of public administration in India is to make the administrative system responsible to the people. The Indian administration is accountable to the people and is committed to act in accordance with the objectives laid down in the Preamble to the Constitution. The administration is responsible and answerable to the representatives of the people. Institutional arrangements exist in centre, state and local levels to investigate the functioning of the administration. All kinds of administrative works are under ministerial, parliamentary and judicial control.

### **Law based administration**

Public administration in India is based on law and as such the whole system of administration is carried out in accordance with the principles of law. In matters of legality, the decision of the court is final. The court judges whether the administration is carried out in consonance with the principles of law or not and if not the court can declare them as illegal.

### **Flexible administration**

The Indian administrative system is open to change and as such it is flexible in nature. The various reforms in administration since independence with a view to make the administrative system effective is a reflection of this element of changeability and flexibility. There has been a continuous effort to mould the administrative system in accordance with the changing scenario.



## **Integrated administrative system**

Indian administration is an integrated one in the sense that the executive authority of the union government is in the hands of the President. Each department of government is under the charge of a secretary and each ministry is headed by a minister and above the minister is the cabinet and the prime minister. The main objective is to ensure maximum cooperation and coordination in administration.

## **Development administration**

Another feature of Indian administration is that our administrative system is committed to achieve the goal of development administration which lays emphasis on change in social, economic as well as political aspects of society. Development administration is change oriented and welfare oriented administration. Importance is given to public relations and administration must play a key role in this regard with the aim of attaining public cooperation. The very premise of development administration is related to policy programme, planning and projects. Development Administration is a change-oriented administration. Traditional administration was oriented towards the maintenance of stability and status quo. Thus, a development administrative system would be dynamic and not 'static'. The change is actually a strategy for increasing the coping ability of an administrative system in relation to its external environment. Development administration aims at establishing a new social order in which growth and distributive justice prevails side by side. Accordingly, development administration involves bringing about structural reorganization of administration, launching innovative programmes to remove unemployment, increasing industrial and agricultural productivity, eradication of poverty, etc.

## **System of reservation**

Indian administrative system subscribes to the principle of reservation, so as to ensure that the backward as well as the weaker sections of the society such as the scheduled castes as well as the scheduled tribes and other backward classes are not deprived of representation in administration. Thus, recruitment to public posts in India makes reservation for Scheduled Castes and Classes and other backward classes as well as for women.

## **Democratic decentralization**

The administrative mechanism in India is based upon the principle of democratic decentralisation. These institutions help to percolate democracy to the grassroots level. According to the principle of decentralisation, powers are transferred from upper levels to lower levels. In the India, the principles of decentralisation is reflected in the mechanism of a three-tier Panchayati Raj system for rural areas brought into effect by the Constitution 73rd Amendment Act, 1992. Similarly, for urban areas, the 74th Amendment has accorded recognition to urban local self-governing institutions. The local self-governing institutions have been devised to look after various issues at different levels below the level of the district.

## **Summary**

The approaches to the study of public administration are classified in to three categories. They are traditional approach, Modern approach and contemporary approaches. Under the traditional approach we examine the philosophical, historical and comparative approaches. In Modern approach we discussed the Marxist approach, Behavioral approach, ecological approach, decision making approach, Structural-Functional approach and developmental approach. Under the contemporary approaches we studied contingency approach, the rational choice approach and the public choice approach. The study of these approaches helps us to understand more about the public administration.

### **Keywords**

**Theory:** Theory is a concise presentation of facts and a logical set up of assumptions from which empirical laws or principles can be derived, its task is to tie significant knowledge together to give a framework.

**Development of a theory:** Development of a theory should be in consonance with adoption of scientific approach to analyze and understand a particular phenomenon.

**Public Administration:** Public Administration is the action part of government for the fulfillment of the objectives of the political system.

**Public accountability:** Public accountability is the hallmark of Public administration in a democracy. Public administration is responsible to the public, though not directly but indirectly through political executive, legislature, judiciary, etc.

**System Theory:** The origin of general systems theory is traced to the thinking of the biologist Ludwig Von Bertalanffy, in the twenties. It aimed at the unification of science and scientific analysis.

**General Systems theory:** General Systems theory is an attempt to join up the different approaches in science (traditional, behavioural and management science) and thus, to provide a broad macroscopic view of different types of systems.

### **Self Assessment**

1. The administrative culture of India, as well as of many other Third World nations, has drawn on two basic foundations:
  - A. Colonial Heritage and Traditional Influences
  - B. History & Science
  - C. Religion & Science
  - D. None of the Above
  
2. The administrative culture of a country is largely connected with the following factors:
  - A. Historical Roots and Scientific Traditions
  - B. Administrative and Political Culture
  - C. Language & Culture
  - D. Arts and History
  
3. During which regime Indian political system was exploitative & authoritarian?
  - A. Vajpayee era
  - B. British Era
  - C. Nehru regime
  - D. Ashok's Period
  
4. Who said that a decision consist of value premises and factual premises?
  - A. Andre Rank
  - B. Luther Gullick
  - C. Chester Barnard
  - D. Herbert Simon
  
5. What is a 'Maximizing decision'?

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- A. Good-enough decision
  - B. Best decision in given circumstance
  - C. A best solution ever possible
  - D. A worst case scenario
6. Why are human decisions bounded-ly Rational?
- A. Because of lack of full information
  - B. Because of Overload of information
  - C. Because of Scientific Rationality
  - D. None of the above
7. Decision-making is the process or sequence of activities involving stages of problem recognition, search for information, definition of alternatives and the selection of an actor of one from two or more alternatives consistent with.....?
- A. Logical preferences
  - B. Ranked Preferences
  - C. Alterative Preferences'
  - D. Hyperbolic alternatives
8. Who gave the first comprehensive and analytical treatment of decision making?
- A. Herbert Simon
  - B. Y. Dror
  - C. C. Barnard
  - D. Engles
9. Who said "Decision making is a process of selection from a set of alternative courses of action which is thought to fulfill the objective of the decision problem more satisfactorily than other"?
- A. Simon and Barnard
  - B. Haynes and Massie
  - C. Gullick and Urwick
  - D. Dror and Dye
10. Systems Approach to organisations was developed in?
- A. 1960's
  - B. 1980's
  - C. 1950's
  - D. 1930's
11. The Systems Approach to Organisations came through which field?
- A. Sociology
  - B. Biology
  - C. History

D. Management

12. Who pioneered the field of Cybernetics?

- A. Barnard
- B. Lubwig Von Bertalanafy
- C. Norbert Weiner
- D. Peter Guys

13. The public administration is different from private administration in three important aspects:

The political character

- 1. The breadth of scope, impact and consideration
- 2. Public accountability
- 3. Political Character

- A. 1 & 2 only
- B. Only 1
- C. 1, 2 & 3
- D. 1 & 3

14. Who said, "Public administration is bureaucratic while private administration is business like"?

- A. Herbert Simon
- B. Norbert Weiner
- C. Barnard
- D. Follet

15. Law and Order is monopoly of:

- A. Public Administration
- B. Private Administration
- C. Both A & B
- D. None

**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. A  | 2. B  | 3. B  | 4. D  | 5. A  |
| 6. A  | 7. B  | 8. C  | 9. B  | 10. C |
| 11. B | 12. C | 13. C | 14. A | 15. A |

**Review Questions**

- 1) What are the major difference between public and private administration?
- 2) Identify the features of system approach.
- 3) Elaborate the meaning of decision-making theory/approach.

- 4) Elucidate the features of decision-making theory/approach.
- 5) What are the implementation related problems of major theories in public administration in India?



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**Objectives**

- To understand the meaning of the words: Theory and Concept
- To elaborate the significance of theory
- To understand the meaning of Ecological Approach
- To point out the features of Ecological Approach
- To analyze the significance of Ecological approach in public policy

**Introduction**

Public administration is an integral part of the society. Its importance is pivotal in both developed and developing countries. Public administration as a specialised academic field deals essentially with the machinery and procedure of government as these are used in the effective performance of government activities. In simple public administration is a combination of theory and Practice. Theory is a body of principles dealing systematically with a subject. Theory is a concise presentation of facts and a logical set up of assumptions from which empirical laws or principles can be derived, its task is to tie significant knowledge together to give a framework.

Development of a theory should be in consonance with adoption of scientific approach to analyse and understand a particular phenomenon. Public Administration is the action part of government for the fulfilment of the objectives of the political system. The machineries of government and their functioning have attracted the attention of scholars since the time of recorded history. Kautilya's Arthashastra, Aristotle's politics, and the Machiavelli's prince are important contributions to both political and administrative issues and ideas. Administrative theory will help the administrator to conceive proper reasoning and sound arguments.

Administrative theory educates the administrators scientifically, as theory is the conceptualisation of experience. Administrative theory is a highly contested terrain of public administration. Theory is a body of generalization, which attempts to make sense of the world. Broadly speaking, validity of any theoretical construct depends on its ability to describe, explain and predict. According to Stephen Bailey's, "the objectives of public administration theory are to draw together the insights of the humanities and validated propositions of the social and behavioural sciences and apply to these insights and propositions to the task of improving the process of government aimed at achieving politically legitimized goals by constitutionally mandated means".

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Administrative theories have been developed in United States of America. In 1914 the American political science association published a report which delineated the objectives of the teaching of political science. One of the objectives stated was to “prepare specialists for governmental positions”. Thus public administration was recognised as a subarea of political science. American universities gave more importance and recognition to this subject

### **3.1 Subject Matter-Lecture 1-Theories and Concepts: Meaning**

A theory is a rational type of abstract thinking about a phenomenon, or the results of such thinking. The process of contemplative and rational thinking is often associated with such processes as observational study or research. Theories may either be scientific or other than scientific (or scientific to less extent). Depending on the context, the results might, for example, include generalized explanations of how nature works. The word has its roots in ancient Greek, but in modern use it has taken on several related meanings. In modern science, the term theory refers to scientific theories, a well-confirmed type of explanation of nature, made in a way consistent with scientific method, and fulfilling the criteria required by modern science.

Such theories are described in such a way that scientific tests should be able to provide empirical support for it, or empirical contradiction of it. Scientific theories are the most reliable, rigorous, and comprehensive form of scientific knowledge, in contrast to more common uses of the word "theory" that imply that something is unproven or speculative. Scientific theories are distinguished from hypotheses, which are individual empirically testable conjectures, and from scientific laws, which are descriptive accounts of the way nature behaves under certain conditions.

A theory not only explains known facts; it also allows scientists to make predictions of what they should observe if a theory is true. Scientific theories are testable. New evidence should be compatible with a theory. If it isn't, the theory is refined or rejected. The longer the central elements of a theory hold—the more observations it predicts, the more tests it passes, the more facts it explains—the stronger the theory. A theory presents a systematic way of understanding events or situations. It is a set of concepts, definitions, and propositions that explain or predict these events or situations by illustrating the relationships between variables. Theories must be applicable to a broad variety of situations. They are, by nature, abstract, and don't have a specified content or topic area. Like empty coffee cups, theories have shapes and boundaries, but nothing inside. They become useful when filled with practical topics, goals, and problems.

Why theory is important?

Theory provides concepts to name what we observe and to explain relationships between concepts. Theory allows us to explain what we see and to figure out how to bring about change. Theory is a tool that enables us to identify a problem and to plan a means for altering the situation. Theory is to justify reimbursement to get funding and support - need to explain what is being done and demonstrate that it works - theory and research. Theory is to enhance the growth of the professional area to identify a body of knowledge with theories from both within and without the area of distance learning. That body of knowledge grows with theory and research. Theory guides research.

#### **Development of theories**

Theory is constantly revised as new knowledge is discovered through research. Three stages of theory development in any new Sciences

- i. Speculative - attempts to explain what is happening.
- ii. Descriptive - gathers descriptive data to describe what is really happening.
- iii. Constructive - revises old theories and develops new ones based on continuing research.

#### **Theory development process**

- i. Theory-practice-theory take existing theory in education, apply to distance learning, develop new theory
- ii. Practice-research-theory see what is happening in distance learning, submit to research, develop theory from results

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- iii. Theory-theory-research/practice build on an initial theory to develop a second theory, then apply and test it

Theories which are true or false are called truth-valued theories. Among truth-valued theories, just as some may, with virtual certainty (conviction), be regarded as being true, others may, with equal certainty, be regarded as being false; e.g. the theory that flies spontaneously generate from putrefying meat; the theory that human beings are the only tool-making animals on this planet; and the theory that it is possible to construct a perpetual-motion machine. But most truth-valued theories fall somewhere between the two extremes, some close to one end or the other, while other theories fall closer to the middle. This is not, of course, to say that truth-valued theories fall along a continuum from true to false. There is nothing 'between' truth and falsity.

Any truth-valued theory is either true or it is false; there is no other alternative. There is, however, a continuum between our attitude of resolute conviction on the one extreme and our attitude of total disbelief on the other. We may well be strongly inclined to view some particular theory as true, another theory as false, and still another as one whose truth or falsity we are unsure about. Thus it is possible, although relatively rare, to be badly mistaken about a theory's truth. We might, for example, take a false theory to be indubitable, even though – in this case – we happen to have made a mistake, and the theory is, in fact, false.

As human beings, wanting to get on in the world, we must make reasoned judgments about the truth or falsity, or the utility as the case may be, of many of our theories. We may, even, feel ourselves justified in adopting an attitude of certainty about particular ones among our truth-valued theories. On occasion, however, the world fools us; on occasion, the world surprises us. What we are convinced is true sometimes turns out – for all that – to be false; and what we are convinced is false sometimes turns out – for all that – to be true. Theorizing begins at a very early age.

Even as the young infant lies in her crib, she begins exploring her environment and theorizing about it. Laboratory data suggest that it takes some weeks before the infant 'catches on' to the fact that when objects pass out of view (e.g. Mother or Father leaving the room) or one object passes behind another object, the obscured object does not 'go out of existence'. But what exactly do we mean when we say that the infant 'catches on' to the fact that most material objects persist (continue to exist) even though obscured from view by some other physical object?

The most natural way to explicate this notion of 'catching on' is to say of the infant that she has posited\* the hypothesis (constructed the theory) that obscured physical objects continue to exist, and that, by experimenting, has come to accept this hypothesis. Note, of course, that we are not saying that the infant has a concept of *hypothesis* or of *theory*. One may create a theory without having the concept of a theory, just as one may walk or talk without having the concept *walking* or the concept *talking*. And it bears remarking, too, that some theorizing at least – for example, this very case of the young infant hypothesizing the persistence of obscured physical objects – can proceed without a language. Indeed animals which lack languages can also be regarded as engaging in theorizing, although at a much less sophisticated level than human beings. Just as animals, e.g. cats and dogs, can be regarded as having certain kinds of unsophisticated beliefs, they can as well be regarded as engaging in a kind of low-level, unsophisticated, theorizing.

A concept is a symbolic representation of an actual thing - tree, chair, table, computer, distance, etc. Concepts are defined as abstract ideas or general notions that occur in the mind, in speech, or in thought. They are understood to be the fundamental building blocks of the concept behind principles, thoughts and beliefs. They play an important role in all aspects of cognition. As such, concepts are studied by several disciplines, such as linguistics, psychology, and philosophy, and these disciplines are interested in the logical and psychological structure of concepts, and how they are put together to form thoughts and sentences. The study of concepts has served as an important flagship of an emerging interdisciplinary approach called cognitive science.

### When and where to define concepts

- Concepts should be defined BEFORE you use them. Doing this demonstrates to the reader that you understand the unit/disciplinary meaning of the concept, helps 'set up' your discussion, and makes your work easier for the reader to understand.
- The short definition of simple concept may be included in the introduction of case studies, book reviews, research papers, and reports.



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- In essays it is often OK to provide a short-referenced definition of a simple concept (e.g. is not contested and does not require detailed explanation) in the introduction. Often, key concept definitions are presented in the first paragraph(s) of the essay body.
- It is common in theoretical essays to use the first few paragraphs of the essay body to introduce your theoretical approach by defining key concepts, and then use the rest of the essay to apply these concepts to make sense of historical events, explain social issues, evaluate political processes, reflect upon professional practice, analyse texts, solve problems, generate responses, or offer potential solutions.
- In some theoretical essays and literature reviews written in advanced units, much of the assignment involves comparing, contrasting, and judging the ways disciplinary experts define and use theoretical concepts.
- Less important concepts (e.g. not identified in the assignment topic/question and not crucial to your argument) can be defined as you use them (they don't need to be defined early on).

In contemporary philosophy, there are at least three prevailing ways to understand what a concept is:

- Concepts as mental representations, where concepts are entities that exist in the mind (mental objects)
- Concepts as abilities, where concepts are abilities peculiar to cognitive agents (mental states)
- Concepts as Fregean senses (see sense and reference), where concepts are abstract objects, as opposed to mental objects and mental states
- Concepts can be organized into a hierarchy, higher levels of which are termed "superordinate" and lower levels termed "subordinate".
- Additionally, there is the "basic" or "middle" level at which people will most readily categorize a concept.<sup>[6]</sup> For example, a basic-level concept would be chair, with its superordinate, "furniture", and its subordinate, easy chair.

There seems to be general agreement among psychologists and educators that concept formation is the basis by which man orders his experience; that it represents some sort of cognitive grouping; and that it is an extremely important element of human learning. After these initial agreements, however, there is little continued support in the literature for a common definition of concept. One fundamental problem in formulating a suitable psychological definition of concept is that the term has entered the realm of general language and is commonly used with a very indefinite and flexible meaning. Concept has come to refer, in common usage, to any idea, process or thing which cannot be defined readily in another way. An instructor says: Today we will talk about the concept of aerodynamics. A mother says: You don't have a concept of neatness. Examples of different common usages of the term concept abound. Common use is often tantamount to abuse. A similar state of affairs exists among members of the scientific community and has caused considerable ambiguity and other problems of communication.

**Main principles that delineate the traditional conception of concept are:**

- Concepts are sub-components of thought contents. Such contents type propositional mental events and abilities that may be common to different thinkers or constant in one thinker over time. Having a concept is just being able to think thoughts that contain the concept.
- Propositional mental abilities are type-individuated in terms of concepts partly because concepts enable one to capture a thinker's ability to relate different thoughts to one another according to rational inferential pattern.

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- In being components of thought contents, concepts constitute ways a thinker thinks about things, properties, relations, and so on. A concept of these things is a way of thinking of these things.
- In being components of thought contents, and ways of thinking, concepts are representational or intentional. They need not apply to actual objects, but their function is such that they purport to apply; they have intentional or referential functions.

Thus a concept of an eclipse could not be the concept that it is if it did not represent, or if it were not about, eclipses. If a concept were found to apply to things in the world that were not eclipses, it would not be the concept eclipse. Traditionally, the principle also applied to vacuous concepts. So the concept of a unicorn could not be the concept that it is if it were not about unicorns.

This principle may appear trivial, and it certainly is virtually undeniable as applied to concepts. But it is notable that an analog of the principle does not apply to other types of representation. Thus the word-form "eclipse" would be the same word form even if it were not about eclipses; and an image of a tower on a screen could be the same image even if it were not an image of a tower - if, say, it had been produced in response to something other than a tower.

On most modern conceptions, linguistic meaning is a complex idealization of use and understanding. The meaning of a term is revealed in its use and articulated in reflective explanations of its use by competent users. The meaning of a term at a given time is fixed by what an ideally reflective speaker would articulate by reflecting on all his intuitions, beliefs, and dispositions to apply a term, and so on, with no reliance on advances in non-linguistic knowledge. This point applies both to communal and idiolectic linguistic meaning. Communal meaning is fixed by the reflective understanding and use of the most competent speakers or by some idealized rendering of normal usage. Idiolectic meaning is fixed by the individual's idealized use and understanding.

### **3.2 Lecture 2-Ecological Approach**

Administration and its environment influence each other and the understanding of the dynamics of this process is necessary to understand administration. This approach is known as ecological approach. The word 'ecology' is borrowed from biology where it suggested the interdependence between an animal species and its natural environment. The Ecological approach to the study of public administration was initiated (in the order) by J.M. Gans (1947), Robert. A. Dahl (1969), Roscoe Martin (1952) and F.W. Riggs (1961). Fred W. Riggs is currently the foremost exponent of the ecological approach in public administration.

In 1961, F.W. Riggs in his book, "The Ecology of Public Administration" explored from a comparative perspective the interaction between public administration and the environment in which it develops. In analysing the administrative system from the ecological point of view, Riggs mainly used the structural-functional approach. Talcott Parsons, Robert Merton, Marion Levy, Gabriel Almond and David Apter are the other thinkers who adopted this approach in their works. The ecological approach views public bureaucracy as a social institution which is continuously interacting with the economic, political and socio-cultural sub systems of a society.

Bureaucracy is not only affected by these environmental systems but also affects them in turn. Thus, this approach emphasizes the necessary interdependence of public bureaucracy and its environment. In the opinion of Riggs, administrative institutions are shaped and affected by their social, economic, cultural and political environment. Therefore, he emphasizes that in order to understand better the real nature, operations and behaviour of a particular administrative system, one should identify and understand deeply in various environmental factors influencing it. The ecological approach determines how an administrative system operates in practice. Thus it is useful to understand administrative realities.

**Summary**

A theory not only explains known facts; it also allows scientists to make predictions of what they should observe if a theory is true. Scientific theories are testable. New evidence should be compatible with a theory. If it isn't, the theory is refined or rejected. The longer the central elements of a theory hold—the more observations it predicts, the more tests it passes, the more facts it explains—the stronger the theory. A theory presents a systematic way of understanding events or situations. It is a set of concepts, definitions, and propositions that explain or predict these events or situations by illustrating the relationships between variables. Theories must be applicable to a broad variety of situations. They are, by nature, abstract, and don't have a specified content or topic area. Like empty coffee cups, theories have shapes and boundaries, but nothing inside. They become useful when filled with practical topics, goals, and problems.

The ecological approach explored from a comparative perspective the interaction between public administration and the environment in which it develops. In analysing the administrative system from the ecological point of view, Riggs mainly used the structural-functional approach. Talcott Parsons, Robert Merton, Marion Levy, Gabriel Almond and David Apter are the other thinkers who adopted this approach in their works. The ecological approach views public bureaucracy as a social institution which is continuously interacting with the economic, political and socio-cultural sub systems of a society.

**Keywords**

- **Theory:** A theory is a rational type of abstract thinking about a phenomenon, or the results of such thinking. The process of contemplative and rational thinking is often associated with such processes as observational study or research.
- **Concept:** A concept is a symbolic representation of an actual thing - tree, chair, table, computer, distance, etc. Concepts are defined as abstract ideas or general notions that occur in the mind, in speech, or in thought. They are understood to be the fundamental building blocks of the concept behind principles, thoughts and beliefs.
- **Ecological approach:** Administration and its environment influence each other and the understanding of the dynamics of this process is necessary to understand administration. This approach is known as ecological approach.

**Self Assessment**

1. Fused-Prismatic model is attributed to?
  - A. F W Riggs
  - B. Woodrow Wilson
  - C. Dwight Waldo
  - D. Henry O'Neil
  
2. Social Structures, Institutions and their functions are best diffracted in which strata?
  - A. Fused Societies
  - B. Prismatic Societies
  - C. Diffracted Societies
  - D. None
  
3. Which is the intermediate society?
  - A. Fused Society
  - B. Diffracted Society

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- C. Prismatic Society
  - D. All of the above
4. Riggs emphasized that..... are generally prismatic and no society could be called purely fused or diffracted:
- A. no Society
  - B. Some Societies
  - C. all Societies
  - D. American Society
5. In which system economic system is based on law of exchange and barter?
- A. Prismatic
  - B. Fused
  - C. Diffracted
  - D. Indian
6. Inscriptive Values play an important role in which societies?
- A. Fused
  - B. Prismatic
  - C. Diffracted
  - D. All the three
7. Riggs used which country as reference for Diffracted societies?
- A. American Society
  - B. Portuguese society
  - C. Indian Society
  - D. Chines Society
8. Who is the founder of Ecological Approach?
- A. Riggs
  - B. Smith
  - C. Waldo
  - D. Henry
9. Which book is attributed to F W. Riggs?
- A. The Ecology of Public Administration
  - B. Discontents of Globalizations
  - C. Wings of Ecology
  - D. Ecological Synthesis
10. CPA identified three major trends: Normative Approach, Ideographic and the third one is.....?

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- A. Nomothetic
  - B. Hypersonic
  - C. Diabolical
  - D. Insignificant
11. Riggs Analysis primarily focuses on?
- A. Structural-Functional Approach
  - B. Hybrid Approach
  - C. Normative Approach
  - D. Empirical Approach
12. The book "The Ecology of Public Administration" was written in
- A. 1960
  - B. 1961
  - C. 1962
  - D. 1963
13. Who among the following is not associated with ecological approach?
- A. J.M. Gaus
  - B. Robert Merton
  - C. F W Riggs
  - D. Gullick
14. Which one was the most popular model of Riggs?
- A. Fused
  - B. Prismatic
  - C. Diffracted
  - D. All of the above
15. Ecological Approach wishes to understand the .....aspects of administration?
- A. Context
  - B. Content
  - C. Bits and pieces
  - D. Law and order

**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. A  | 2. D  | 3. C  | 4. C  | 5. B  |
| 6. A  | 7. A  | 8. A  | 9. A  | 10. A |
| 11. A | 12. C | 13. D | 14. B | 15. A |

## **Review Questions**

- 1) Define meaning of the words: Theory and Concept
- 2) Elaborate the significance of theory
- 3) What is Ecological Approach? What are its features?
- 4) Elaborate the features of Ecological Approach
- 5) Assess the significance of Ecological approach in public policy



## **Further Readings**

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## Unit 04: Scientific Management Theory

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4.5 Evaluation of New Public Administration

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Summary

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### Objectives

- To understand the concept of scientific management theory,
- To critically analyze the scientific management theory,
- To define the meaning of Rational Choice Theory
- To explain various elements and structure of Rational Choice Theory
- To understand the factors responsible for the emergence of New Public Administration (NPA)
- To critically analyze the Minnow brook conferences

### Introduction

Public administration is a combination of both theory and practice. According to Stillman (1980), there is no sharp point in history where the story of public administration theory begins, just like that of its practice. However, its practice is as old as human civilization. In the United States, there were two general textbooks on the subject matter of public administration theory which were regarded as the first attempt at presenting the discipline. These books were written by two scholars, White and Willoughby published in 1926 and 1927 respectively (Stillman, 1980).

Although, the publication of these books marked the birth of public administration theory as a discipline, it should, at the same time, be noted that there had been several decades of preparation for the birth of the discipline ever before they were published. For example, the works and efforts of some United States political leaders such as Thomas Jefferson and Alexander Hamilton cannot be underestimated in the attention which these leaders gave to the problems of public administration theory in a futuristic manner (Pfiffer&Prethus, 1967). Despite these efforts and their relevance to the growth and maturation of public administration theory, one cannot also down-play or ignore a remarkable essay by Wilson in 1887, eulogized by Akindele (1994) as serving as the symbolic beginning of the discipline in such a perceptive, persuasive and influential way both in its analytical and theoretical parlances. This unit discusses about important approaches in public administration.

**Subject Matter-****4.1 Lecture 1- Scientific Management Theory: Meaning**

Just over one hundred years ago Frederick Taylor published *Principles of Scientific Management*, a work that forever changed the way organizations view their workers and their organization. At the time of Taylor's publication, managers believed that workers were lazy and worked slowly and inefficiently in order to protect their jobs. Scientific management is a management theory that analyzes work flows to improve economic efficiency, especially labor productivity. This management theory, developed by Frederick Winslow Taylor, was popular in the 1880s and 1890s in U.S. manufacturing industries.

While the terms "scientific management" and "Taylorism" are often treated as synonymous, a more accurate view is that Taylorism is the first form of scientific management. Taylorism is sometimes called the "classical perspective," meaning that it is still observed for its influence but no longer practiced exclusively. Scientific management was best known from 1910 to 1920, but in the 1920s, competing management theories and methods emerged, rendering scientific management largely obsolete by the 1930s. However, many of the themes of scientific management are still seen in industrial engineering and management today.

Taylor was a mechanical engineer who was primarily interested in the type of work done in factories and mechanical shops. He observed that the owners and managers of the factories knew little about what actually took place in the workshops. Taylor believed that the system could be improved, and he looked around for an incentive. He settled on money. He believed a worker should get "a fair day's pay for a fair day's work" – no more, no less. If the worker couldn't work to the target, then the person shouldn't be working at all. Taylor also believed that management and labor should cooperate and work together to meet goals.

He was the first to suggest that the primary functions of managers should be planning and training. The scientific management theory basically encompasses the work performed on the production floor as these tasks are quite different from the other tasks performed within the organization. Such as, these are repetitive in nature, and the individual workers performing their daily activities are divided into a large number of cyclical repetition of same or closely related activities. Also, these activities do not require the individual worker to exercise complex-problem solving activity. Therefore, more attention is required to be imposed on the standardization of working methods and hence the scientific management theory laid emphasis on this aspect

Scientific management has at its heart four core principles that also apply to organizations today. They include the following:

- Look at each job or task scientifically to determine the "one best way" to perform the job. This is a change from the previous "rule of thumb" method where workers devised their own ways to do the job.
- Hire the right workers for each job, and train them to work at maximum efficiency.
- Monitor worker performance and provide instruction and training when needed.
- Divide the work between management and labor so that management can plan and train, and workers can execute the task efficiently.

While Taylor was conducting his time studies, Frank and Lillian Gilbreth were completing their own work in motion studies to further scientific management. The Gilbreth name may be familiar to anyone who has read the book *Cheaper By The Dozen* (or seen the movie the book inspired). The book is a biographical novel about the Gilbreth family, their twelve children, and the often-humorous attempts of the Gilbreths to apply their efficiency methods in their own household.

The Gilbreths made use of scientific insights to develop a study method based on the analysis of work motions, consisting in part of filming the details of a worker's activities while recording the time it took to complete those activities. The films helped to create a visual record of how work was completed and emphasized areas for improvement. Secondly, the films also served the purpose of training workers about the best way to perform their work.



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This method allowed the Gilbreths to build on the best elements of the work flows and create a standardized best practice. Time and motion studies are used together to achieve rational and reasonable results and find the best practice for implementing new work methods. While Taylor's work is often associated with that of the Gilbreths, there is a clear philosophical divide between the two scientific-management theories. Taylor was focused on reducing process time, while the Gilbreths tried to make the overall process more efficient by reducing the motions involved. They saw their approach as more concerned with workers' welfare than Taylorism, in which workers were less relevant than profit. This difference led to a personal rift between Taylor and the Gilbreths, which, after Taylor's death, turned into a feud between the Gilbreths and Taylor's followers.

## **4.2 Lecture 2- Rational Choice Theory: Meaning**

Rational choice theory states that individuals use rational calculations to make rational choices and achieve outcomes that are aligned with their own personal objectives. These results are also associated with maximizing an individual's self-interest. Using rational choice theory is expected to result in outcomes that provide people with the greatest benefit and satisfaction, given the limited option they have available.

Main Points raised by RCT:

- Rational choice theory states that individuals rely on rational calculations to make rational choices that result in outcomes aligned with their own best interests.
- Rational choice theory is often associated with the concepts of rational actors, self-interest, and the invisible hand.
- Many economists believe that the factors associated with rational choice theory are beneficial to the economy as a whole.
- Adam Smith was one of the first economists to develop the underlying principles of the rational choice theory.
- There are many economists who dispute the veracity of the rational choice theory and the invisible hand theory.
  - Understanding Rational Choice Theory
  - Self-Interest and the Invisible Hand
  - Advantages and Disadvantages of Rational Choice Theory
  - Examples of Rational Choice Theory
  - Rational Choice Theory FAQs
  - The Bottom Line

### **What Is Rational Choice Theory?**

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### **Key Takeaways**

- Rational choice theory states that individuals rely on rational calculations to make rational choices that result in outcomes aligned with their own best interests.
- Rational choice theory is often associated with the concepts of rational actors, self-interest, and the invisible hand.
- Many economists believe that the factors associated with rational choice theory are beneficial to the economy as a whole.
- Adam Smith was one of the first economists to develop the underlying principles of the rational choice theory.

- There are many economists who dispute the veracity of the rational choice theory and the invisible hand theory.

Many mainstream economic assumptions and theories are based on rational choice theory. Rational choice theory is associated with the concepts of rational actors, self-interest, and the invisible hand.

Rational choice theory is based on the assumption of involvement from rational actors. Rational actors are the individuals in an economy who make rational choices based on calculations and the information that is available to them. Rational actors form the basis of rational choice theory. Rational choice theory assumes that individuals, or rational actors, try to actively maximize their advantage in any situation and, therefore, consistently try to minimize their losses.

Adam Smith was one of the first economists to develop the underlying principles of the rational choice theory. Smith elaborated on his studies of self-interest and the invisible hand theory in his book "An Inquiry into the Nature and Causes of the Wealth of Nations," which was published in 1776.

The invisible hand itself is a metaphor for the unseen forces that influence a free market economy. First and foremost, the invisible hand theory assumes self-interest. Both this theory and further developments in the rational choice theory refute any negative misconceptions associated with self-interest. Instead, these concepts suggest that rational actors acting with their own self-interest in mind can actually create benefits for the economy at large.

There are many economists who dispute the veracity of the rational choice theory and the invisible hand theory. Dissenters have pointed out that individuals do not always make rational, utility-maximizing decisions. The field of behavioral economics is a more recent intervention into the problem of explaining the economic decision-making processes of individuals and institutions.

Behavioral economics attempts to explain—from a psychological perspective—why individual actors sometimes make irrational decisions, and why and how their behavior does not always follow the predictions of economic models. Critics of rational choice theory say that, of course, in an ideal world people would always make optimal decisions that provide them with the greatest benefit and satisfaction. However, we don't live in a perfect world; in reality, people are often moved by emotions and external factors.

The Nobel laureate Herbert Simon, who rejected the assumption of perfect rationality in mainstream economics, proposed the theory of bounded rationality instead. This theory says that people are not always able to obtain all the information they would need to make the best possible decision. Simon argued that knowledge of all alternatives, or all consequences that follow from each alternative, is realistically impossible for most decisions that humans make.

Similarly, the economist Richard Thaler pointed out further limitations of the assumption that humans operate as rational actors. Thaler's idea of mental accounting shows how people place greater value on some dollars than others, even though all dollars have the same value. They might drive to another store to save \$10 on a \$20 purchase but they would not drive to another store to save \$10 on a \$1,000 purchase.

### **4.3 Advantages and Disadvantages of Rational Choice Theory**

There are many economists who dispute the veracity of the rational choice theory and the invisible hand theory. Dissenters have pointed out that individuals do not always make rational, utility-maximizing decisions. The field of behavioral economics is a more recent intervention into the problem of explaining the economic decision-making processes of individuals and institutions.

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Like all theories, one of the benefits of rational choice theory is that can be helpful in explaining individual and collective behaviors. All theories attempt to give meaning to the things we observe in the world. Rational choice theory can explain why people, groups, and society as a whole make certain choices, based on specific costs and rewards.

Rational choice theory also helps to explain behavior that seems irrational. Because a central premise of rational choice theory is that all behavior is rational, any action can be scrutinized for its underlying rational motivations.

According to rational choice theory, rational investors are those investors that will quickly buy any stocks that are priced too low and short-sell any stocks that are priced too high. An example of a rational consumer would be a person choosing between two cars. Car B is cheaper than Car A, so the consumer purchases Car B.

While rational choice theory is logical and easy to understand, it is often contradicted in the real world. For example, political factions that were in favor of the Brexit vote, held on June 24, 2016, used promotional campaigns that were based on emotion rather than rational analysis. These campaigns led to the semi-shocking and unexpected result of the vote—the United Kingdom officially decided to leave the European Union.

#### **4.4 Lecture 3- New Public Administration: Meaning**

The 1960s and early 1970s were periods of turbulence, instability and confusion in the West, particularly in the United States. Like other social sciences such as psychology, sociology and political science, public administration was shaken by this revolutionary period. The earlier dogmas of public administration 'economy' and 'efficiency' were found inadequate and incomplete objectives of administrative activity. It began to be said that efficiency is not the whole of public administration. Man is the centre stage of all administrative activity who cannot be subjected to the mechanical test of efficiency.

The impact of administration on human character is more important than its efficiency and economy. Public administration cannot be 'value free', it is to be 'value-oriented' as certain human values are to promote in the society. The term New Public Administration was used to describe this new trend in the field of public administration. The two books "Towards a New Public Administration, The Minnowbrook Perspective" edited by Frank Marini and published in 1971 and "Public Administration in a Time of Turbulence" edited by Dwight Waldo and published simultaneously gave currency to the concept of New Public Administration. These two books edited the ideas of an academic get together of younger age-group on public administration called the Minnow-brook Conference held in 1968. This conference expressed dissatisfaction with the state of the discipline of public administration and sought to give it a new image by discarding traditional concepts and making it alive to the problems presented by the "turbulent times".

Anti-Goals of New Public Administration: Robert T. Golembiewski mentions three "anti-goals" (what they reject) and five "goals" (what they want to approach) of the New Public Administration. These are:

- (1) The literature of the New Public Administration is anti-positivist which means:
  - (a) They reject the definition of public administration as 'value-free',
  - (b) They reject a rationalist or perhaps deterministic view of humankind,
  - (c) They reject any definition of public administration that was not properly involved in policy.
- (2) The New Public Administration is anti-technical—that means they decry the human being sacrificed to the logic of the machine and the system.
- (3) The New Public Administration is more or less anti-bureaucratic and ant hierarchical.

**Goals of New Public Administration**

From a positive perspective, the five goals of New Public Administration are:

- (1) The New Public Administration considers mankind as having the potentiality of becoming perfect. Humans are not static factors of production.
- (2) It stresses the central role of personal and organizational values or ethics. There is an essential relationship between the structures and processes of administrative efforts and their ends and goals.
- (3) Social equity should be the guiding factor for public administration. Social equity means that public administrators should become champions of the underprivileged sections of the society. They must become active agents of economic and social change.
- (4) The New Public Administration advocates a client-centered approach.

It wants administrators to provide the people a major voice in how and when and what is to be provided. " In the words of Nigra and Nigra, "Client-focused administration is recommended along with de-bureaucratization, democratic decision-making, and decentralization of administrative process in the interest of more effective and human delivery of public services." (5) The New Public Administration places emphasis in innovation and change. The key-note of New Public Administration is an intense sensitivity to and concern for the societal problems of the day. Its parameters are relevance, post-positivism, morals, ethics, and values, innovation, concern for clients, social equity, etc. In this background, new forms of organization be carved out to suit the fast-changing environment.

In the words of Frederickson "The essence of New Public Administration is some sort of movement in the direction of normative theory, philosophy, social concern and activism. It is less generic and more public, less descriptive and more perspective less institutional oriented less mental and more normative" Nigro and Nigro observe"....In the past public administration has neglected the question of values in relation to the social purposes of government and that public officials have emphasized efficiency and economy of execution often at the expense of social equity. These officials profess neutrality but in fact have been far from neutral even catering to special interests".

**4.5 Evaluation of New Public Administration**

The critics of the doctrine of New Public Administration hold that the New Public Administration possesses only a kind of difference by definition. For example, Campbell argues that it "differs from the 'old' public administration only in that it is responsive to a different set of societal problems from those of other periods." Robert T. Golembiewski holds that New Public Administration must be counted a partial success, at best and perhaps only a cruel reminder of the gap in the field between aspiration and performance. He describes it "revolution or radicalism in words and (at best) status quo in skills or technologies."

The critics also fear that the advocates of New Public Administration are trying to arrogate to themselves what falls within the domain of political institutions. Further, the concept of social equity is vague. What it means, what it requires in public programmes, opinions vary greatly. The New Public Administration has not yet developed a theory of its own. It was the product of the social ferment of the 1960's and early 1970s in the United States. The Minnow-brook Conference was a youth conference which felt that old public administration had failed to solve the current social problems.

**4.6 Lecture 4- Development Administration: Meaning**

Development administration is the process of executing developmental programs and projects in the direction of nation-building and socio-economic progress through public administration.

There are two main issues identified as development administration goals -

- 1) Nation-building and
- 2) Socio-economic development

The term 'development administration was first coined in 1955 by an Indian scholar U.L Goswami in his writing "The Structure of Development Administration in India".

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Edward Weidner is the first scholar who gave a proper systematic explanation of the development administration. According to him, development administration as “an action-oriented, goal-oriented administrative system...guiding an organization towards the achievement of progressive political, economic and social objectives”.

Other contributors to development administration are George F. Gant, F.W. Riggs, Han Bee Lee, John D. Montgomery, and Alfred Diamant.

Professor Chakrabarty and Chand have mentioned three major factors for the emergence and growth of development administration.

- 1) The emergence of newly decolonized nations after the Second World War.
- 2) The emergence of international and the US economic and technical plans for assistance to developing nations. And
- 3) The establishment of the Comparative Administrative Group and the interest was shown by its members in developing nations and their administrative systems.

After World War II, most of the countries in Asia and Africa gained independence from colonial rule. As a result of the long period of colonial rule, the newly independent states faced many problems. Economic problems cover a large part of their miscellaneous problems. Poverty, malnutrition, starvation, lack of housing were the burning problems of these states. Other social problems were associated with it.

The lack of efficiency of the political parties up to the grassroots level and the absence of pressure groups are noticeable in these countries to get out of such a situation. Therefore, this responsibility was entrusted to the public administration. Because of the long period of colonial rule, the bureaucratic institutions in these countries were well-established. As a result, most states survive the bureaucracy in order to take on the main responsibility for social change. It was thought that all development projects should be implemented through public administration. This how developmental administration emerged.

The largest contributor to the development administration is the United States Comparative Public Administration Group (CAG). Fred Riggs was chairman of the group from 1960 to 1970. Under his supervision, a group of researchers studied the administration of developing countries in Asia and Africa. In this way, a new aspect of public administration was developed.

The following features of development administration can be identified –

**Action and Goal Orientation:** Development administration is action as well as goal-oriented. This means that it is related to achieving certain programmatic results. Developing countries need to address socio-economic problems, and this is exactly why development goals are set and development administrations take action towards those goals.

**Socio-economic change:** Development administration also change-oriented. Here change means the socio-economic change of underdeveloped or developing countries. So, development administration is concerned with bringing socio-economic development.

**Client Orientation:** It has to do with satisfying the needs of its clients. The need for clients means the need of citizens. It is concerned with the uplift of the poorer section of the society. Almost every country announces various schemes for the betterment of the lower class or community in the society and all those schemes are managed by the public administration and this kind of administration is called client-based development administration.

**Commitment Orientation:** The development administration is committed to its goals and responsibilities. It has high morale and motivation in working conditions to achieve developmental goals.

**Time Orientation:** It is time-oriented. The development administration has to perform all its developmental tasks within a time frame. All development projects have to be implemented within the time frame prescribed by the government.

**Ecological Orientation:** It is an open system. It continuously interacts with every element of its environment (Social, economic, and political system). It is influenced by every social, political, and economic environment and influences them as well. F.W Rigg's ecological perspective of public administration is a great example of this.

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**Participation Oriented:** The Development administration adopts the policy of administrative collaborative and participatory systems for its purpose. Here, people are not just considered passive recipients of services. The active participation of the people in the formulation and implementation of developmental policies is given priority. The expansion of the decentralized administrative system is recognized in the development administration. Local self-government ensures people's participation in their grassroots administrative system.

**Responsiveness:** It is very responsive. That means it is responsive in terms of its service. The administration implements every public welfare project of the government. So the more responsive it is, the more development extends.

**Innovativeness:** Development administration is innovative as it relates to social change in achieving developmental objectives. It is dynamic and progressive in thought and action.

### **Difference between the Development Administration and administration of development**

There is a conceptual difference between development administration and administration of development. But the relationship between the two is like that of an egg and a chicken, one cannot continue without the other. The main goal of development administration is to create a better social, political, and economic environment. That is, it is related to socio-economic change and nation-building. It focuses on the outcomes of the administrative work related to the nation's development.

On the other hand, Administration is the key to administration of development or administrative development. In every state system, the economy or social system is developed, similarly, the administrative system is also developed. Whatever the form of the state, that is, whether it is developed, developing, or underdeveloped, an administrative system is formed everywhere.

The main function of the administrative system is to build resources and use them for specific purposes in accordance with political directives. In that sense, it can be said that there are a number of indicators that can be used to understand the administration of development, such as

- Increasing budget allocations,
- Specializing administrative staff,
- Increasing diversity, efficiency and capabilities.
- Professionalization and specialization of its personnel,
- Administrative reorganization and rationalization

On the other hand, the main vision of the development administration is development. However, in order for the development administration to be successful, it has to take the help of administration of development, or simply put, it has to take the help of the administration for the successful implementation of development work.

As a result, although development administration and administrative development are interrelated, they are separate issues.

### **Challenges of Development Administration**

Development administration is a state-centric and citizen-centric administration. This globalized world is transforming from a state-centric to a market-centric approach driven by the New Public Management.

The question is why this transformation is happening. This is because the Development administration is facing challenges for a long time. These areas-

#### **The inadequate concern with people-driven development**

Development administration has been developed keeping in view the objective of people-oriented development. In any country, people live in different communities. In such a situation, no general policy can bring about the overall development of the people. This requires community-oriented development policies.

#### **Bureaucratic domination in development**

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The role of bureaucracy as the main tool of development is also questioned. The bureaucracy is an efficient instrument with which administrative policies are implemented. But the bureaucracy proved to be a very powerful institution to the common backward people.

In fact, bureaucratic power goes hand in hand with political power. In the case of development projects in such organizations, there are allegations of nepotism. Therefore, the general public has doubts about the importance of this institution in the overall development of the state.

#### **Political capability and politicization of development**

The biggest problem of newly independent countries is the lack of adequate political capabilities and the politicization of development. Due to the weakness of both the political parties and the interest groups, the correct problem is not represented. Its effect can be seen in the policy. Fails to administer the proper implementation of that policy.

#### **Low priority for quality assurance, monitoring, and evaluation**

The policy is formulated in the interest of socio-economic development but there is a lack of proper assurance about its outcome. At the same time, it is not seen how effective those projects are, that is, they are not properly evaluated.

#### **Administrative Corruption**

The biggest challenge for the development administration is administrative corruption. The government allocates a lot of money for development projects and that money is spent through the administration. Corruption at the administrative level is often seen in developing countries. That means that money is not spent in the right place.

#### **Excessive Political Control and Nepotism in Administration**

We call people-oriented government and welfare states the maximum state. In such a state system, the state has a huge amount of power in its hands so that it can guide the development process in the right way. But in reality, this state cannot function properly without effective leadership.

In almost every developing country, politically influential people abuse their political power to influence the administration. Political parties also in many cases appoint people of their choice in the administration. So the allegation of nepotism appears to be fatal.

#### **Lack of Bureaucratic professionalism**

Different departments are required for different types of work. In developing and underdeveloped countries, there is no separate division for each job. As a result, there is a lack of bureaucratic professionalism in the proper implementation of the policy.

From the above discussion about Development Administration, it can be concluded that it has played a very important role for the socio-economic development of developing and underdeveloped nations since the Second World War. It can play a very significant role today if it can overcome the above challenges.

At present, more importance is given to meeting the needs of the people than to increase wealth by creating economic content. That is why issues like public interest, time, self-reliance, participation, social justice etc. are getting much more importance in development administration. Development administration in the twenty-first century is therefore not only the administration of developing countries in the Third World, it is for developed countries also. This administration is determined by the socio-economic context, the needs of the people, the political culture in each state

### **Summary**

Theoretical frameworks for Public Administration are thematically exploratory in view of the approach to the study and understanding of Public sector management. It started with the Classical or Traditional approaches that deal with the formal dimension of organization. The Modern approaches try to give importance to human dimension by emphasizing holistic approach to analyzing the organization from both sides. Modern approaches consider both human and systematic sides of organization as important and emphasize the positive side existing in each of the theories and avoid the negative sides by giving them distinct and uniting condition.

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Post modernism is an extreme view about management evaluating organization as closed system, and sees the organization as interacting with its environment and claimed that each organization has a situation endemic to that organization, that is, there may be difference in organizational structure. The analysis and review in this paper appears concise in its discourse, though it encompasses all the relevant tenets of theories most often used in public administration.

Theory is an important instrument because it provides an explanatory framework for some observations and from the assumptions of the explanation follows a number of possible hypotheses that can be tested in order to provide support for, or challenge the theory. Importing from the foregoing to public administration, series of metamorphosis in public administration are handiwork of the classical, modern and postmodern theories. This unit espouses that more concerted efforts should be geared towards theorizing old, contemporary and new terms in the field of public administration so as gain an in-depth understanding of the causes and consequences of any given subject matter in the field, as well as building new field of enquiries, and helps clarifying and directing inquiry into policy making, governance, ethics among other primary subject matters of public administration.

### Keywords

- **Scientific Management:** Scientific management is a management theory that analyzes workflows to improve economic efficiency, especially labor productivity. This management theory, developed by Frederick Winslow Taylor, was popular in the 1880s and 1890s in U.S. manufacturing industries.
- **Rational Choice Theory:** Rational choice theory states that individuals use rational calculations to make rational choices and achieve outcomes that are aligned with their own personal objectives.
- **Behavioral Economics:** Behavioral economics attempts to explain—from a psychological perspective—why individual actors sometimes make irrational decisions, and why and how their behavior does not always follow the predictions of economic models.
- **New Public Administration:** The New Public Administration considers mankind as having the potentiality of becoming perfect. Humans are not static factors of production. It stresses the central role of personal and organizational values or ethics.

### Self Assessment

1. Development Administration is phenomenon of which era?
  - A. Post 1980
  - B. Post 1960
  - C. Post 2000
  - D. Post 1945
  
2. Term Development Administration came into use in?
  - A. 1940
  - B. 1950
  - C. 1960
  - D. 1961
  
3. Development Administration concerns?
  - A. Developed Societies
  - B. Developing Societies



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- C. Advanced economies
  - D. Switzerland
4. The earlier dogmas of public administration 'economy' and 'efficiency' were found inadequate and incomplete objectives of .....?
- A. Administrative activity
  - B. Economic activity
  - C. Political activity
  - D. All of the above
5. Man is the centre stage of all administrative activity who cannot be subjected to the mechanical test of .....?
- A. Efficiency
  - B. Economy
  - C. Political
  - D. Science
6. Frank Marini is associated with?
- A. NPM
  - B. Behavioral Movement
  - C. NPA
  - D. Scientific Movement
7. First Minnow brook was held in which years?
- A. 1977
  - B. 1968
  - C. 1989
  - D. 1990
8. Rational choice theory is used to model .....?
- A. Scientific Decision making
  - B. Human Decision making
  - C. Yearly budget
  - D. None
9. In ..... agents are described by their unchanging sets of preferences over all conceivable outcomes:
- A. Behavioral Theory
  - B. Scientific Theory
  - C. Rational Choice Theory
  - D. Public Choice theory

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10. Mental Revolution is associated with?
  - A. Scientific Management
  - B. Public Choice
  - C. Behavioral science
  - D. NPA
  
11. "Taylor was in favour of single foreman". Is this statement correct or not. Choose the right option:
  - A. Yes
  - B. No
  - C. None of the above
  - D. Can't say
  
12. The ..... is a foreman who would lay down the route (or journey) of raw materials from the raw-material stage to the finished product stage as passing through different processes and machines:
  - A. Route Clerk
  - B. Head man
  - C. Card Clerk
  - D. None
  
13. The ..... is a foreman who would record the time taken by a worker in completing a job; and would also compile the cost of doing that job:
  - A. Route Clerk
  - B. Time and cost Clerk
  - C. Head route
  - D. Foreman
  
14. Prior to the ....., there was no management theory as we know of it today:
  - A. 1800
  - B. 1900
  - C. 2000
  - D. 1950
  
15. Who is father of scientific Management?
  - A. F W Taylor
  - B. Barnard
  - C. Fayol
  - D. Gullick

**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. D  | 2. B  | 3. B  | 4. A  | 5. A  |
| 6. C  | 7. B  | 8. B  | 9. C  | 10. A |
| 11. B | 12. A | 13. B | 14. B | 15. A |

**Review Questions**

- 1) Could you substantiate the concept of scientific management theory?
- 2) Critically analyze the scientific management theory,
- 3) Define the meaning of Rational Choice Theory
- 4) Explain various elements and structure of Rational Choice Theory
- 5) What are the major factors responsible for the emergence of New Public Administration (NPA)?
- 6) Critically analyze the Minnow brook conferences

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5.4 Characteristics of Comparative Public Administration

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Summary

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**Objectives**

- To understand the meaning of the word: Comparative Public Administration.
- To identify various levels of analysis in Comparative Public Administration.
- To analyze various ranges of Comparative Public Administration.
- To understand the scope of Comparative Public Administration.
- To elucidate the significance of Comparative Public Administration.
- To analyze the effectiveness of Comparative Public Administration as a discipline.

**Introduction**

Woodrow Wilson has examined the methods best suited for the study of administration. He rejected the philosophical method and emphasized the historical and comparative methods. According to him, nowhere else in the whole field of politics, one can use these methods more safely than in the province of administration. Without comparative studies in government, we cannot rid ourselves of the misconception that administration stands upon different bases in democratic and other states. A comparative approach to public administration structures of differentiations with different cultural settings.

The Comparative Administrative Group (CAG) has defined it as the public administration applied to diverse cultures and national settings and the body of factual data by which it can be examined and tested. The purpose of such comparisons is to find out the universal elements in public administration and build a theory of public administration. As mentioned earlier, Woodrow Wilson was the first who stressed the need for a comparative study of public administration. In 1947, Robert Dahl, in his essay, "The Science of Public Administration," "Three Problems" also emphasized the utility of comparative public administration to develop the science of public administration.

However, the comparative approach to public administration became popular only after the II World War with the emergence of new nations in Asia, Africa and Latin America. These nations were facing the challenges of modernization and technological development. It was hoped that a science of comparative public administration would provide insights into such problems and yield some useful hypotheses about administrative behaviour in general. Two important figures in this field are Ferrell Heady and Fred Riggs. The comparative approach to public administration is not only useful to strengthen the theory building process in public administration but also helps us to know whether the administrative practices in a particular nation are applicable to other nations or not. On the basis of this, the applicability of the administrative models can be judged and practiced in other political systems.

## **Subject Matter-**

### **5.1 Lecture 1- Comparative Public Administration**

Comparative Public Administration is one of the counteractions that are available against the conventional theory of public administration. It is a sub-field of public administration. Comparative public administration is defined as the comparative study of administrative systems of different countries. It has been broadened and deepened by the interest of scholars in the administration of Third World countries, especially after World War II.

It is also considered as a movement that seeks to transform the idea of public administration from idealist to empirical and pragmatic. It seeks to make public administration universal, free from particular country-centric tendencies. It has made public administration ecological. By the study of the comparative public administration, you can understand the administrative structure and their functioning in different settings and associations or countries and what it does and why it works. It also helps to add and improve theories so as to lead to a strong and practical theory of the subject with the help of empirical experiments and analysis.

### **5.2 Evolution of Comparative Public Administration**

The comparative perspective in any branch of social science is not very old. Although in ancient times Aristotle initiated a comparative discussion between the city-states of Greece. Nevertheless, it can be said that this view did not become very popular in later discussions of political science. The real discussion of comparative governance began in the aftermath of World War II, especially in the 1950s. Almond, Powell, Coleman, Apter, Lucian Pye, etc., present comparative analysis in a larger field of comparative politics.

Undoubtedly, this view of comparative politics has encouraged the interpretation and analysis of comparative public administration. Many countries gained independence after the Second World War. The first challenge of those newly independent countries was rapid socio-economic development. This requires a development administration. A clear comparative discussion between the administrations of different countries in a particular environment was needed to dispel doubts about what that development administration would look like. Because the administrative model of the West can never be applied to these newly independent countries to get good results. As a result of comparative public administration, it is possible to arrive at what kind of administration is most conducive to the environment of those countries.

## **Three Different Processes of Comparative Public Administration**

There are three different processes that contributed to Comparative Public Administration

### **Normative to Empirical**

Before the rise of CPA, public administration was a very norm conscious. There is a kind of set of formula and public administration in any country that has to adapt to that kind of formula for making public administration efficient.

But after the world war, public administration focused on empirical reality. On the basis of that reality, public administration would be set up. So it was more focused on context rather than the norm.

**Idiographic to Nomothetic**

Idiographic means an understanding of a specific situation and identifies the unique characteristics of a particular administration. Instead of finding the uniqueness of a particular administration now, the focus is more on generalization. So that we can understand reality from a very abstract point of view.

**Non-Ecology to Ecology**

Instead of only focussing on administration it needs to be understood with the reference of social, political, and cultural context. Unless or until you know the ecology (Social, economic and cultural environment), it is very difficult to understand the nature of the administration.

**Comparative Administrative Group (CAG)**

Comparative public administration gained prominence in 1962 when the Ford Foundation received significant funding to run the Comparative Administrative Group (CAG) within the American Society for Public Administration.

Throughout the sixties, the CAG organized many research, essays, experimental lectures, and special seminars with administrators.

This CAG was led by Fred Riggs. He gave a theoretical form to comparative public administration.

**Lecture2-Comparative Public Administration:****5.3 Scope and Significance**

The main objective of comparative public administration is the classification of administrative systems. In the question of classification, there is cause-and-effect research to know the administrative similarities and differences of different countries based on experience.

As new public administration takes refuge, comparative public administration does not. It believes in the notion of value neutrality. With Farrell Heady's analysis in mind, the objectives of comparative public administration can be listed in the following points. One of the aims of this is to build an enlightened knowledge by changing the previous statements about public administration.

Public administration research should be expanded with development administration in mind. The nature of development administration will be determined by a precise comparative discussion of the administration in different countries.

One of the purposes of comparative public administration is to build a general management model.

A comparative analysis will be done on the ongoing problems of public administration.

Another important objective is to search for theory by doing comparative research of public administration in different countries. And to put those theories into practice.

**5.4 Characteristics of Comparative Public Administration**

From the above discussion, some features of comparative public administration can be identified. They are -

This is a relatively new topic in public administration.

Comparative public administration has a large number of contradictory discussions. Researchers from different disciplines may have come here, but there is a lot of discussion on the subject.

The application of the scientific method in the discussion of comparative public administration is particularly noteworthy.

Since the Ford Foundation of the United States contributed financially to its development, U.S. researchers and administration experts dominated this particular discipline.

Comparative public administration has been interested in theory building and moving towards the administrative problems of the developing state and its possible solutions.

Apart from these, it makes students, teachers, researchers, administrators, and experts aware of the public administration of other states. In addition, another state can be established by bringing administrative institutions and administrative procedures from other states and this is possible only through comparative public administration.

## **5.5 Significance of Comparative Public Administration**

Comparative public administration is probably one of the most discussed and enriched topics in the modern discussion of public administration. At the same time, comparative public administration has established its importance and significance in intellectual discourse and in the practical world.

The comparative discussion of the administrative structure of different political systems and its functions helps to form the theory. Many people think that if the theoretical discussion is taken forward through this kind of discussion, then the matter also becomes scientific. In addition, the characteristics of the administrative system of different states can be easily mastered through comparative public administration.

The significance of comparative public administration can also be noticed in practical matters. Through comparative public administration, administrators, policy makers and researchers can understand the successes and failures of administrative structures in different environments. It is possible to know what kind of administrative structure can be successful in any environment through comparative public administration.

Thus, in different states, in different environments, in different political and cultural contexts, it is possible to build a political system that is useful or consistent if one knows what kind of administrative structure has succeeded, what kind of administrative feature has succeeded or what administrative feature has failed.

### **Summary**

From the above discussion on Comparative public Administration, it can be concluded that the contribution of the comparative approach to administrative research at present is particularly significant. However, when the CAG closed in the 1970s and merged with the International Committee of the American Society for Public Administration, it was doubtful that the practice of comparative public administration would cease. But it turns out that the potential for comparative research is growing in the modern era. In the context of globalization, exchanges between states have also increased. That is why different states are deepening the relationship between them. As a result, the possibility of comparative discussions is increasing. The bureaucracy of different political systems, government management systems, relations between government and non-government organizations etc. can be discussed with great success in today's age.

### **Keywords**

**Comparative Administrative Group:** The Comparative Administrative Group (CAG) has defined it as the public administration applied to diverse cultures and national setting and the body of actual data by which it can be examined and tested. The purpose of such comparisons is to find out the universal elements in public administration and build a theory of public administration.

**Comparative Public Administration:** The main objective of comparative public administration is the classification of administrative systems. In the question of classification, there is cause-and-effect research to know the administrative similarities and differences of different countries based on experience.

**Idiographic:** Idiographic means an understanding of a specific situation and identifies the unique characteristics of a particular administration. Instead of finding the uniqueness of a particular administration now, the focus is more on generalization. So that we can understand reality from a very abstract point of view.

### **Self Assessment**

1. The scope of Public Administration has increased enormously during the .....?
  - A. 19<sup>th</sup> century

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- B. 20<sup>th</sup> century  
C. 21<sup>st</sup> century  
D. None of the above
2. The importance of Public Administration has grown substantially with the success of .....?  
A. American Revolution  
B. French Revolution  
C. Russian Revolution  
D. Indian Independence
3. Which is the mother discipline of Comparative Public Administration?  
A. Scientific Management  
B. Industrial Revolution  
C. Public Administration  
D. None of the above
4. It also needs to be stressed once again that comparative studies can be conducted at .....?  
A. Lower levels  
B. Macro, middle-range and micro levels.  
C. Higher Levels  
D. All of the above
5. CPA can be inter-institutional, cross-national, and cross-cultural and .....?  
A. Cross Temporal  
B. Cross Breeder  
C. Higher Studies  
D. Cross national
6. Who observed that a science of Public Administration cannot be conceived of without adopting a comparative approach?  
A. Barnard  
B. Riggs  
C. R. Dahl  
D. Fisher
7. The second important function of comparative public administration relates to its relevance to the.....  
A. Empirical world  
B. Scientific World  
C. Institutional World



- D. Policy World
8. .... focus on the comparisons of whole administrative systems in their proper ecological contexts ?
- A. Macro Studies
  - B. Micro Studies
  - C. Political studies
  - D. Higher Studies
9. Generally, the relationship between an administrative system and its external environment are highlighted in the .....
- A. Micro Level Studies
  - B. macro level studies
  - C. Middle level Studies
  - D. None
10. The .....are on certain important parts of an administrative system that are sufficiently large in size and scope of functioning?
- A. middle-range studies
  - B. Micro Level Studies
  - C. Macro Level Studies
  - D. Major Level studies
11. How many types of studies are there in comparative studies?
- A. 5
  - B. 6
  - C. 7
  - D. 8
12. A comparison of the structure and working of the Home Ministry of the Government of India with the Defence Ministry will be a case of .....
- A Cross cultural Studies
  - B. Inter-institutional analysis
  - C. Cross National Studies
  - D. Cross Temporal Studies
13. When an analysis in a comparative perspective is taken up among various administrative systems functioning within a country, it would be a/an .....
- A. intra-national analysis
  - B. Cross National Studies
  - C. Cross Temporal Studies
  - D. Cultural Study

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14. It involves a comparison of two or more administrative systems?
- Cross National Studies
  - Cross Temporal Studies
  - Cultural Study
  - Inter Institutional Analysis
15. Comparisons between the administrative systems of ancient Rome and modern Italy, or between the administrative practices prevailing during the period of Jawaharlal Nehru and Indira Gandhi would fall under the rubric of .....
- Cross-temporal analysis
  - Inter institutional Analysis
  - Cross National Analysis
  - Cross institutional analysis

**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. B  | 2. C  | 3. C  | 4. B  | 5. A  |
| 6. C  | 7. A  | 8. A  | 9. B  | 10. A |
| 11. A | 12. B | 13. A | 14. D | 15. A |

**Review Questions**

- Define the meaning of the word: Comparative Public Administration
- What are the various levels of analysis in Comparative Public Administration?
- What are the various ranges of Comparative Public Administration?
- Elaborate the scope of Comparative Public Administration
- Elucidate the significance of Comparative Public Administration
- Assess the effectiveness of Comparative Public Administration as a discipline

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## Unit 06: New Public Management

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### Objectives

- To understand the meaning of the word New Public Administration
- To explain major characteristics of New Public Administration
- To analyze the significance of New Public administration
- To evaluate the advantages and disadvantages of New Public administration

### Introduction

The Minnow Brook Conference II, which was held in 1988, is another landmark in the evolution of Public Administration. The outcome of the conference gave birth to the New Public Management (NPM) approach to governance. Its emergence reflected that took place in the Western nations. State as major dispenser of social justice had been increasingly questioned across the globe since the late 1970's. The popular approach was against the state for its dismal performance in almost every sphere – social, economic and political. Recent changes in the form of governance in the advanced Western democracies underwent great change, especially the public sector management.

As a result, the notion of New Public Management was born. NPM is portrayed as a normative paradigm of public administration made up of interconnected elements. They are providing citizens with high-quality services, expanding public managers' autonomy, recognising organisations and individuals for their efforts, and retaining an open mind. As a result, rather than the public sector, the private sector should execute public-sector functions. The Minnow Brook Conference II was held at a time when the US economy was booming and the general public was ecstatic.

It was held for the support and advancement of US public administration under the chairmanship of H George Fredrickson. Participants came from a variety of fields, including public administration, political science, law, management, and administration. As a result, it was more liberal and broad-based (Liberalisation, Privatisation and Globalisation). It spawned the notion of New Public Management, which has proven to be effective, encouraging, and supporting. All of the proceedings were published in Richard T. Mayor's "Public Management in the Interconnected World: Essays in the Minnowbrook Tradition," edited by Timmy Bailey and published by Timmy Bailey." (1990).

**Subject Matter****6.1 Lecture 1: New Public Management**

Scholars working in the fields of public administration from the United Kingdom and Australia (Hood 1991 and Hood and Jackson 1991) coined the phrase “new public management.” Now, the origin of this new term was to propose a fresh perspective on organisational design in the public sector, but after a decade, the meaning of this term in discussions and debates became many. Some researchers defined it as the application of new institutional economics to public management, while others used it to refer to policy pattern alterations.

Before we go into detail about the many parts of New Public Management, let's look at how it differs from traditional government management. The 1980s saw the emergence of new public management, which was an attempt to make the government more businesslike and efficient by borrowing ideas and management models from the private sector. It highlighted the importance of citizens as recipients of services or clients of the government. In order to obtain better results, the new public management system recommended a more decentralised control of resources and the exploration of different service delivery models, such as a quasi-market structure in which public and private service providers competed for better and faster services.

**6.2 The Themes of New Public Management**

A high emphasis on financial discipline, cost-effectiveness, and efficiency

Identifying and defining targets, as well as continuous performance monitoring and passing over power to top management, is a command-and-control method of operation.

Introducing financial and professional audits, using transparent means to analyse performance, establishing benchmarks, and implementing protocols to improve professional behavior

Increasing the extent of roles played by non-public sector providers and improving customer orientation and responsiveness

Deregulating the labour market by replacing collective bargaining agreements with individual rewards packages at senior levels combined with short-term contracts.

Discouraging professional self-regulation and handing power over to management.

Encouraging entrepreneurial management rather than bureaucracy with high retrospective accountability requirements upwards; and discouraging professional self-regulation and handing power over to management.

Introducing new forms of corporate governance, establishing a board model of operation, and concentrating authority in the organization's strategic core. With the passage of time, more components were incorporated into the NPM model outlined above, and what experts refer to as NPM model 2 was introduced.

**The critical aspects of this new model were:**

Introduction of a more complex and sophisticated quasi-market system at the local level; creation of more fragmented or loosely contracted public sector institutions, resulting in a shift from hierarchy management to contract management.

Market testing and contracting out non-strategic operations, as well as distinguishing between the small strategic core and the wide organisational perimeter

**Downsizing and delayering**

The introduction of new managerial concepts such as Management by Influence, the creation of organisational networks, and the formation of strategic partnerships between organisations.

Moving away from conventional service forms and toward more diversified and adaptable service forms. As more work was done in the areas of Human Resources and Relations, as well as popular texts that emphasised the importance of excellence, the importance of organisational culture, values, vision, and the concept of Learning Organization introduced by Peter Senge (1990) influenced the new public management, and as a result, scholars suggested appropriate changes in the theory.

Organizational development and learning were becoming more important in a bottom-up kind of organisation. The new perspectives included seeing organisational culture as a glue that ties the organisation together, assessing performance by results, and so on.

Securing changes in organisational culture was cited as important, as was clarifying, and projecting the vision and leadership from top to bottom. The private sector emerged as a role model for the neo-style public sector, with training, corporate logos, communication strategies, assertive HR, and all the other aspects that are characteristic jargon of the private sector. So, the new public management was essentially a radical effort to alter not only the way the public sector operates, but also the public's perception of it.

The NPM focuses on governance that is entrepreneurial. It is a participatory management and community-owned governance model in which citizens are seen as active consumers of programmes and policies rather than passive recipients. The central theme is to empower citizens. The release of Osborne and Gaebler's "Reinventing Government" in 1992 redefined government functions. The authors propose for "entrepreneurial government," which they claim will bring about fundamental changes through strengthening public administration through performance, measurement, and evaluation, cutting budgets, downsizing the government, and selective privatisation of public firms in specific areas.

Debureaucratization, democratisation, and decentralisation of administrative processes are thus prioritised in the interests of citizens. Non-governmental organisations (NGOs) and community-based groups have been recognised as auxiliary public authorities in addition to formal governments.

### 6.3 Significance of New Public Management

The main objective of NPM was to apply business values of effectiveness in the administration of state affairs. NPM is characterized by terms such as, eradication of vocational civil service, flat hierarchies, project management, de-politization, total quality management, orientation of customers, and contracting out. The key component of new public management entails the attempt to establish or reproduce performance motivation and disciplines found in the market environment in the public service. This is usually done with the supposition that these practices are favorable with regards to efficiency in divulging public sector activities to the pressures within the market for the purpose of the general public.

Moreover, the trend proposes that the government can gain from the private sector in spite of the differences in contexts. As a matter of fact, several administrative functions and the delivery of public services have been subjected to this approach. Even though several scholars have generally agreed on what constitutes NPM, they have often differed on their effectiveness, normative and positive contributions. NPM mainly involves decentralizing management in the public sector. Since the 1990s, there has been an increased adoption of NPM policies worldwide. Such policies include, downsizing, management decentralization within public services, contracting out, user charges as well as performance contracting.

Downsizing as well as user fees have been widely used particularly in Africa and are closely linked to structural adjustment programs. As a matter of fact, some independent agencies in the public sector have been introduced in some nations. For instance, we have independent hospitals in Sri Lanka and Ghana. On the other hand, contracting out and performance contracting have become common policy options in several crisis states. Contracting out is usually used as a tool of reform in the state-owned enterprises, where they offer the managers some form of operational autonomy, while still upholding accountability in the performance of the enterprises through a structure of sanctions and rewards.

Moreover, it is progressively being implemented in the delivery of public services such as waste management, maintenance of roads and secondary health services such as cookery and cleaning. In countries such as Bolivia, India and Ghana, performance contract is used in several sectors such as transport, agriculture, utilities, and telecommunications. Even though the adoption of the NPM practices have been to an extent beneficial in several instances such as cost savings and maintaining of roads, there have been several limitations in applying some NPM practices in several nations. Such limitations may be encountered in situations such as developing, monitoring, and reporting systems, complex governance and managing a network of contracts.

As a matter of fact, NPM is discounted for the notion of laying greater emphasis to the role of managers, a concept which can be applied in the control of public organizations. This is also the

case in Taylors Scientific Management which stresses on the role of managers in studying, planning and controlling of work in an organization for effective productivity. This notwithstanding, in some of the countries that apply NPM, the managers are given the mandate to manage by loosening restrictions on their prudence while in other nations, the managers are made to manage by compelling them to compete within the market.

Moreover, NPM is also concerned with disaggregation and defining of public agency units as well as their roles and functions. In fact, in some nations such as the UK, executive agencies have been removed from some departments and ministries with the aim of enhancing an explicit distinction in policy formulation and policy execution. Another example can be found in New Zealand where the government, departments as well as crown agencies have been delineated with regards to participants in service delivery, the various tasks of ministries for results and departmental executives for productivity.

Moreover, both the profitable as well as the non- profitable functions such as delivery and consultative, advisory, provider, funder and purchaser functions have also been defined so as to fit into procurement and performance accords and oblige the private and public contestants to tender for government contracts which may even embrace those that offer policy guidance. However, the implementation of NPM has had several challenges. Its tools are said to be too broad to be applied in governance, a system which is quite susceptible to its political and cultural setting and is hence expected to appear in a variety of institutional forms in diverse national environments. For this reason, the applicability and effectiveness of NPM concepts are likely to differ in different jurisdictions and nations.

#### **6.4 Consequences of New Public Management**

Even though NPM called for reforms within the public sector, one may not help to notice the significant difference between the private and public sectors. In reality, a state is primarily symbolized by its domination of authority, force and coercion as well as its orientation towards the well-being of the public. On the other hand, the business realm primarily lays more emphasis on profit maximization.

However, NPM disregards the disparity between the public and private interests by tending to gather its yields from the public. For this reason, application of business practices within the public domain is likely to complicate the very basic requirements of any given nation, predominantly of a democracy with a legal responsibility of regularity, intelligibility and appropriate features which are more important as compared to the speed and low costs stressed by NPM. As a matter of fact, the speed and low-cost distinctiveness of NPM is directly linked to the main purpose of NPM, efficiency, which has been described narrowly in NPM, increasing the obscurity behind the approach. In actual sense, efficiency is an insight which is highly influenced by environment and suitability. It is absolutely hard to realize the required effects with minimum resources.

In the same way, a nation cannot achieve the required outcomes attributed to NPM efficiency which has scarcely been defined. This misconstruction of the insight of efficiency together with the de-politization that comes with it are distinctive indicators of bureaucracy as well as technocracy, features which NPM proposes to combat, while in the real sense promoting them. Consequently, several nations are presently going through an essential adjustment of emphasis in the public administration domain and practice, from efficiency to effectiveness. In other words, the adjustment entails a shift from getting things done cheaply to essentially realizing one's objectives.

As a matter of fact, there is no pragmatic proof that the NPM reforms have contributed to increased productivity or improved public welfare. The constant efforts and experiences of public management reforms that have taken a number of years in Western Europe alongside other nations indicate comparative failure but not accomplishment. NPM has failed to deliver the slogan pledges. Flat hierarchies are a matter of suitability and highly depend in their appropriateness exclusively on the right environment. Handling the general public as mere customers removes their participatory privileges and obligations which does more harm to the state.

In addition, eradicating professional civil service is likely to terminate administrative capacity which may lead to de-democratization, leading to the resurgence of imperial bureaucrat camouflaged as entrepreneurial bureaucrat which employs same power but reduced accountability. Moreover, it has become evident that the process of contracting-out which is supported by NPM is extremely costly and more often than not, it has been found to flout on the principle of competence within a nation, and on the primary values of impartiality.

Besides, the concept of Total Quality Management is not essentially an idea of NPM. This is because the concept can also be applied anywhere else. Total Quality Management has often been viewed as a constituent of an effective public administration. In general, the economics-based challenges of NPM were to a certain extent expected. This was partly because NPM was not based on authentic economics where the pseudo markets were formed within administrative organizations with the aim of achieving market behavior. Nevertheless, such behavior can predominantly grow in authentic markets but not in pseudo-market.

This is a view that can be supported by any market theorist. For instance, in the case of product monopolies, there lacks a liberal consumer choice as in the case of an administrative body which has a contract with another predetermined administrative body, with regards to a service or a product that no one else is allowed to deliver, then, there can neither be a free market nor its benefits.

In the same light, all human beings act differently and cannot be the same everywhere. Similarly, economic performance goes hand in hand with culture. Nonetheless, NPM reforms represent suppositions that disregard the differences found in both the private and public realm. The approach views these presuppositions as is the most excellent and certainly the only suitable mode. Fortunately, the state is not debilitated, as implied in NPM ideologies, and is perhaps more visible now than it was a decade or two ago. In the light of public administration perspective, it is no doubt that globalization has been a major challenge to the structures of the state.

However, this does not make them archaic, but rather, it makes them more indispensable than ever before, as a particular structure or institution must form and make the setting created by globalization inhabitable. As a matter of fact, since 1989, the world has experienced an incredible resilience of the state. In recent years, several states have been formed, a good example being the splitting of the Soviet Union and Yugoslavia, as well as of Czechoslovakia in Europe. For this reason, we have mostly witnessed the re-emergence of the nation state as well as statehood. Moreover, even though there has been some intricate discussions about the legality of the 'stateness' of EU, we can comfortably endorse it as a state if we apply the functional definition of public administration. The EU is a continental state which is structured and functions alongside Continental lines. For this reason, despite having some constitutional crisis, the EU is a state structure.

Furthermore, the state stands at a better position to address the issues that challenge it. Such issues include ways of communication and organization. Most significantly, the current development and economic concerns which entail modernization, sustainability, technological expertise and development, promotes the role of the state in economic growth. The Schumpeterian, innovation-based context can hardly be successful exclusive of a proficient state institution. In the case of Carlota Perez' approach of Techno-Economic Paradigm Shifts, then we are now getting towards the synergy period of the Information and Communication Technology course which calls for a predominantly dynamic state with powerful administrative capability.

As a matter of fact, it is such concepts that constitute the primary development program of the EU Lisbon Strategy, which emphasizes on innovation as the foundation of EU as well as national development, and therefore completely necessitates a proficient state. The significance of these agenda cannot be dismissed regardless of the existing EU crisis or the challenges associated with the implementation of the Lisbon Strategy. In reality, one may even argue that given that the uncertainties of the upshots of globalization were the primarily source of this crisis, an approach that deals with these causes is of great importance. For this reason, it is evident that the Neo-Liberal 'policy reforms' have failed to deliver their principal promise of economic development as the third world nations seemed to develop better under the so called poor policies of the 1970s.

For the reasons stipulated above, New Public Management has been taken as an obsession which entails an authentic ideology, or founded on one, which is the neo-liberal belief, whose ideologies are weakened perceptions of veracity, reified by those who adopt them as they are not capable of handling the intricacy of the latter. This notwithstanding, we cannot underrate the influence of fashion. Reform within the Public sector has lately been in fashion and cannot be ignored by all self-respecting governments. In this case, the greatest problem lies on the manner in which the fashion is instituted in public policy.

The establishment is mainly achieved through the diffusion of policy which is created from the actions of international officials in conferences that mainly involve policy entrepreneurs, academicians, as well as public administrators. Sadly, the enthusiasm for administrative reform in these officials is mainly driven by their personal gains. As a matter of fact, the main reason why global experts have strongly advocated for New Public Management is that they are usually hired



for fissionability reasons as well as their ability to recommend change. Moreover, it is very convenient for politicians to resort to experts as it lessens their pressure to establish the most appropriate decisions and it also facilitates the execution of unpopular practices. For instance, concealed under the concept of efficiency, New Public Management purposely hands over the process of making decisions to the purportedly professional bureaucrat, and thus getting rid of political control, which is aimed at enhancing political accountability. This makes the politicians seem to be hiding themselves behind the blanket of managerial decision making.

While this may be very convenient for them, it scarcely contributes to the democratic aspect of decision making. Majority of politicians opt to pursue fashion as it is, according to them, the most secure and most spectacular means of continued existence in the political world. The more the politician is weak, the more insecure he is and thus the more likely he is to adopt this approach. These politicians use professional advice but hardly depend on it.

Ironically, these features symbolize the genuine rewards of management reform to the politicians. For instance, they are seen to be accomplishing some responsibilities, and thus are likely to gain some form of status and may even end up making a career out of the modernizing and reforming procedures. Rhetoric refers to what suits the demand, which does not necessarily mean that one has performed any action. The use of rhetoric in NPM may lead to the downfall of the state, which may cause delivery issues, weakening the public confidence.

According to Max Weber, the NPM system was a very dehumanizing organizational structure. To him, the most proficient form of public administration consisted of a set of offices in which the selected civil servants worked under the principles of chain of command, employment exclusively on merit, division of labor, career development as well as legality. His key term was increased rationality, which according to him, would enhance momentum, cost-effectiveness, range, as well as predictability, which were most needed in a highly developed industrial world.

Even though the world has already surpassed that stage, and is currently a network society, these are not archaic criteria, but in actual sense are remarkably close to a good number of the current extensive standards of public administration reform programs globally. These reforms comprise the central principles of the European Administrative Space which include dependability, efficiency, predictability, honesty, intelligibility, responsibility, and efficacy. Undoubtedly, these principles seem to be conscientious and closer to public administration reforms as compared to the slogans of New Public Management.

On the critique of traditional bureaucracy, it is essential to note that the public field, politics and administration are embedded in every nation and are likely to continue regardless of modernization which is a culturally based concept. Thus, the subject of bureaucracy is not about to go away. For this reason, the solution to poor public administration does not lie in the abolition of public administration, but in ensuring effective public administration, that facilitates development within the society, economy as well as the state. As a matter of fact, historically, it is evident that, the competence of a government is directly related to national development.

The ability to generate and allocate wealth in the majority of the most powerful nations cannot be elucidated without recognizing the fundamental functions of public organizations. This also applies to the third world countries. The Merit principle by Marx Weber considerably boosts the prediction of economic development. This can be supported by the recent evolution of the states in Central and Eastern Europe, while ranking their economic and social accomplishment. The findings in this analysis were very similar to those of the Marx Weber concept.

On the subject of information and communication technology, even though the information and communication technology is a very fashionable field of study, we cannot say that the Marx Weber concept is completely obsolete as it recommends for the application of the written form. This is because the written form does not turn out to be less authentic when it assumes the form of an e-mail instead of a physical ledger or letter. Moreover, division of labor, the chain of command, control and information flow, are not as easy as with information and communication technology. The subject of hierarchy may raise some eyebrows but the concept of division of labor calls for a hierarchical system of organization.

On the other hand, there are several genuine challenges which are associated with bureaucracy. For instance, the Marxist approach entails some very self-centered administrations which tend to deter economic growth. In addition, it entails common legalistic supremacy of public administration. However, the Neo-Marxist approach has indeed taken care of these challenges to represent a post-post-New Public Management, which is a synergetic structure of public administration.

The approach seeks to move from an inner course inclined to bureaucratic rules towards an external orientation which is dedicated to meeting the society's requirements and desires. The key means of realizing this does not lie in the application of market mechanisms but rather, on the establishment of a qualified tradition of service as well as eminence.

On the other hand, the approach entails the process of supplementation of the function of representative egalitarianism through direct representation of the society and various consultation strategies. Moreover, it stresses on realization of goals as compared to pursuing the right course of action during the management of government resources. On the other hand, the approach involves professionalization of the public service in a way that the bureaucrat does not only become a specialist within the law which is pertinent to his/her field of specialty, but also become a proficient manager who is capable of meeting the needs of his/her society.

## **6.5 NPM and Good Governance**

Governance is a neutral concept that stresses on directing activities in a given political system giving more emphasis to the relations of state with regards to the citizens, business and the society. However, the term good governance is not at all neutral but a normative impression that represents a powerful quality judgment which stresses on the reduction of expenditure within the state and is required to produce business standards, principles as well as interests. The concept of good governance came as a result of the negative experiences that international finance institutions had in the third world countries.

This was mostly because these institutions had very little or no effect on the third world countries. Several principles underlining the concept of good governance are similar to those of the NPM. These concepts include transparency, efficiency, participation, responsibility, and market economy, state of law, democracy, and justice. Even though most of these principles are undoubtedly good, most of them are dependent on context. For this reason, some scholars in the third world countries viewed the concept of good governance as a form of neo-colonialist imperialism or as a component of unconstructive globalization.

This was also because good governance calls for the establishment of institutions and structures prior to economic development within the developing nations, while the developed nations created these structures after economic development. As a matter of fact, we cannot have good governance as well as non-governmental involvement without first establishing a properly functioning government which means that we should not weaken the state capacity which beats the logic of New Public Management. Lastly, it is clear that the adoption of NPM reforms has cost many nations dearly. The reform agenda that signified the adoption of New Public Management was marked by de-regulation, privatization, devolution, and ultimate termination and neglect of administrative functions of government.

The end result involved an unsteady and disorganized government which is vulnerable to several challenges which it still takes responsibility to its citizens and whose integrity has been diluted by ideological reduction that went along with reform. Even though there are some similarities between a government and a business, a government cannot be run like a business as the two sectors are quite different. Application of the theory of NPM has also been severely challenged by several issues such as politics and the role of civil servants. Moreover, the approach is likely to make the government act like a business even where not applicable. For instance, it is not possible to apply competitiveness in the Internal Revenue System. Similarly, the regulatory agencies can never be controlled by the customers.

Furthermore, most countries which have adopted the approach of NPM go through economical a crisis which necessitates the need for efficiency in order to cut down the cost of delivering the public services. For this reason, the solution to successful public administration reform, which is imperative for economic development and excellent governance, should entail reinforcing the administrative faculty and proficiency of a receptive and accountable state.

In other words, the most favorable solution for public administration lies in the adoption of authentic post-post-NPM approach which is based on the Marx Weber concept but detailed with the lessons gained from New Public Management and that which stresses on the significance of the citizens in administrative decision making. The Neo-Marxist approach is the most appropriate remedy for public administration. This is mostly because it emphasizes on an explicit local authenticity, and with the ultimate objective of providing a good life in a good state. The approach replaces the concept of 'less government is better' with the phrase 'a better government is better.'

For these reasons, New Public Management could not be a solution for all the problems encountered in the public sector, but a guarded selection of some of the elements could be very beneficial.

### **Summary**

Public administration is a discipline that evolves over time. The evolutionary process shows how the discipline's boundaries are shifting in response to changing socioeconomic needs. It has evolved in response to fresh inputs from the current socioeconomic and political environment. As a result, understanding the nature of public administration in terms of Weberian conceptualization, which emphasises its strict, rule-bound, and hierarchical aspects, is challenging today. Instead, a government that is accountable, accessible, and transparent is desirable.

Since there is a rising support for both cooperation and healthy rivalry between these two sectors in the greater interests of societal progress, the concept of 'public' in public administration has taken on new dimensions where the public-private divide is more formal than real. Today, three types of governance are in charge of public administration: eGovernance, collaborative governance, and network governance. Since the government is entering into new areas and diverse activities with growing involvement in welfare programmes, the process of developing public policies and its analysis, as well as the measurement of output, have become new fields of study for researchers and subject matter specialists.

### **Keywords**

- **New Public Management:** NPM is portrayed as a normative paradigm of public administration made up of interconnected elements. They are providing citizens with high-quality services, expanding the autonomy of public managers, rewarding organisations and individuals for their efforts, and having an open mind about whether public functions should be done by the private sector rather than the public sector.
- **Minnow Brook Conference II:** Minnow brook Conference II was organised when the economy of USA was upbeat and a sense of euphoria was present among the masses.
- **New Public Management:** The 1980s saw the emergence of new public management, which was an attempt to make the government more businesslike and efficient by borrowing ideas and management models from the private sector.

### **SelfAssessment**

1. New Public Management (NPM) is the label given to a series of reforms from the .....  
Onwards?
  - A. 1990's
  - B. 1970's
  - C. 1980's
  - D. 1940's
  
2. Basis of .....has been an emphasis of efficiency and cost cutting and general  
assumption the government should deliver more for less.
  - A. NPM
  - B. NPA
  - C. APA
  - D. Scientific Management

3. Ideas borrowed from .....can improve experience and serve of those who use the planning system?
  - A. Private Sector
  - B. Govt. Sector
  - C. Higher Education
  - D. NPM
  
4. At the core of these changes has been a fundamental and ideological transformation of public sector ethos collectively referred to as .....
  - A. NPA
  - B. NPM
  - C. CPA
  - D. COP
  
5. The Public choice perspective in public administration was increasing in the early .....?
  - A. Seventies
  - B. Eighties
  - C. Nineties
  - D. Two Thousand's
  
6. David Osborne and Ted Gaebler made a proposal for ..... in their book
  - A. Re-Engineering
  - B. Re-Orienting
  - C. Re-Inventing
  - D. Re Focusing
  
7. Reinventing Government as model was adopted during Vice-President ship of .....in USA?
  - A. Wilson
  - B. Trump
  - C. Al Gore
  - D. Trueman
  
8. Government must promote competition among .....?
  - A. Service Providers
  - B. Citizens
  - C. Countries
  - D. Forums
  
9. Australian Government's strategy for NPM failed because of .....?
  - A. Expensive Reform Techniques

- B. Govt. failed
  - C. Change in politics
  - D. None of the above
10. Attributes of NPM are: De Localization, Externalization &.....?
- A. Hyperextensivenss
  - B. Imbleshiness
  - C. Bureaucratization
  - D. Re-Engineering
11. NPM is .....
- A. Result Oriented & Objective Focused
  - B. Non-Responsive & Efficient
  - C. Hyperactive & Sensitive
  - D. Bureaucratic and Non-responsive
12. Driving motives of NPM are:
- A. Three P's
  - B. Three E's
  - C. Three M's
  - D. Three T's
13. NPM was accepted as the "gold standard for administrative reform" in the .....
- A. 1980's
  - B. 1990's
  - C. 2000's
  - D. 1940's
14. Who claimed that "increased NPM inspired reforms have often increased corruption, creating new opportunities for bribes and future, direct or indirect, employment in the private sector"?
- A. Economist Ha-Joon Chang
  - B. Amartya Sen
  - C. J Hood
  - D. Cristiano March
15. NPM stands for
- A. New Pubic Management
  - B. New Public Manager
  - C. Mew Public Misnomer
  - D. New Private Management

### Answers for Self Assessment

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. C  | 2. A  | 3. A  | 4. B  | 5. A  |
| 6. C  | 7. C  | 8. A  | 9. A  | 10. C |
| 11. A | 12. B | 13. B | 14. A | 15. A |

### Review Questions

1. How do you define the word New Public Administration?
2. Elaborate major characteristics of New Public Administration
3. Assess the significance of New Public administration
4. What are the advantages and disadvantages of New Public administration?



### Further Readings

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**Objectives**

- To identify major recent changes in public administration
- To explain the changing natures of public administration
- To analyze various factors of change in the field of public administration
- To examine the limitations of public administration

**Introduction**

In the recent times, the role of bureaucracy has undergone a lot of change for a number of reasons. The changing role of the state in the contemporary context has brought about significant changes in the profile of bureaucracy. With the opening up of the economy as well as the growing accent on privatisation and rightsizing, there have been attempts to reduce the size of bureaucracy. Also, there have been persistent demands for a responsive, accountable and efficient administration. The bureaucracy technically has been an efficient form of organisation but is seen to have exceeded its administrative powers due to its tendency towards self-aggrandisement, permanence in employment and nearness to the political executive.

**Subject Matter****7.1 Lecture 1: Changing Nature of Public Administration**

Public Administration as an activity as old as human civilization. But as a social science theorization on public administration is very recent. In 1887, Woodrow Wilson has written the book on "The Study of Public Administration", and laid the foundation of the science of Public Administration. After that it had underwent rapid transformation in its scope, nature and role. Avasthi and Maheshwari have divided the evolution of Public Administration into the following five phases.

**Phase I - 1887-1926**

About the changing nature of Public Administration, in this phase following changes came out:

- Separation of Public Administration from political science
- Public Administration is the visible side of Government
- Prof. Woodrow Wilson has given definition, nature, role and importance of Public Administration
- L. D. White has written the first textbook on the subject i.e. 'Introduction to the study of Public Administration.' Prof. Woodrow Wilson is called the 'Father of Public Administration' because the genesis of the subject can be traced back to Wilson's book "The study of Public Administration" published in 1887. In this book he made a distinction between political - Science and Public Administration. Before this, it was treated as a branch of political science.

Secondly, while commenting on the role of Public Administration, he said Administration is the most obvious part of government. It is government in action and the most visible side of the government. Hence, he defined "Public Administration as detailed and systematic application of law. It consists of all those operations having for their purpose the enforcement of public policy as declared by authority." He argued for a science of administration "Which shall seek to straighten the paths of government." Thus, Wilson had projected the dichotomy view, which was picked up by other writers. In 1900, Frank J. Goodnow published his book "Politics and Administration". In his book he developed the wilsonian theme. He argued that "Politics and administration were two distinct functions of a government." According to him politics formulate the policies and administration execute these policies. Thus, Goodnow made a technical distinction between politics and administration. In 1926, L. D. White published the first text-book on the subject. This book reflects the theme of dichotomy between politics and administration. He emphasized that politics and administration are to be kept separate. He also visualized involvement of administration in policy matters and through policy with politics.

**Phase II - 1927-1937**

In the changing nature of public Administration this period can be called as principles of Administration and established the discipline of Public Administration as an independent science. In 1927, W.F. Willough has written a book "Principles of Public Administration." The title of the book indicates the new thrust in thinking and established the subject as an independent science. This period witnessed publication of a number of important works on this subject. The more important among them are -

1. Mary Parker Follett's "Creative Experience"
2. Henri Fayol's "Industrial and General Management."
3. Mooney's "Principles of Organisation".
4. Luther Gulick "Science of Administration."

Gulick explained the principles of administration. These are seven principles known as POSDCORB. Thus, in this period subject acquired -

- 1) The Status of separate subject of social science
- 2) Secondly. It was considered, as the science of administration.
- 3) Developed the principles of administration and theories. These theories and principles were in great demand both in government and business.

**Phase III - 1938-1947**



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This period brought new changes in the nature of Public Administration 1. Some thinkers refuted politics administration dichotomy. 2. They challenged the claim of Public Administration as a science. 3. Emphasised the environmental effects on administrative behaviour. While Public Administration Was taking shape as an independent discipline, C. I. Barnard, Simon, Robert Dahl challenged the claim of Public Administration as a science of administration. These thinkers disagree with the stand taken by Gullick. Simon, in 1947 published his book "Administrative Behaviour". In that he said there is no such thing as principles of administration; what are paraded as 'Principles' are in truth no better than proverbs. There is lack of scientific validity and universal relevancy in Public Administration. Robert Dahl emphasizes the need to take into account normative considerations, human behaviour and sociological factors while defining the parameters of public administration. He brought behaviouralism in Public Administration. He emphasised the environmental effects on administrative behaviour.

#### **Phase IV - 1948 to 1970**

Owing to the challenge posed by the behaviouralist, the discipline of Public Administration passed through the crisis of identity in the fourth phase. Because pre 1947 viewpoint upheld the politics - administration dichotomy and the post 1947 view point advocated their fusion. Pfiffner stated that politics and administration are so intermingled and confused that a clear distinction is difficult. Kingsley saw Administration as a branch of Politics. Paul Appleby upheld the fusion view, He said at higher levels administration is more generalised, takes on a greater political character and has a total governmental significance. At lower levels, it is less political and more particularistic.

Waldo in his Administrative State (1948) widened the orientation of Public Administration to include policy issues and decision - making processes. On the other hand, many political scientists began to argue that the true objective of Public Administration was "intellectualized understanding" of the executive. There was also a talk of continued 'dominion of political science over Public Administration.' In Short, this period witnessed the spectacle of Political - Science not only letting Public Administration separate itself from it, but also not fostering and encouraging its growth and development within its own field. Therefore, in the post world war II period, the credentials of Public Administration to being a science and a distinct discipline and apart from political, - Science were questioned. This led to the twin development of Public Administration being viewed as political science as also as an Administration science.

#### **Fifth Phase 1971 onwards**

In this period Public Administration registered great progress and enriched vision.

1. Focus on the dynamics of administration
2. It is considered as inter-disciplinary
3. Talk of New Public Administration
4. New trends emerged - in the subject of Public Administration i.e.
  - i) Comparative Administration
  - ii) Development Administration
  - iii) Market orientation - State and Market

Focus on the dynamics of administration - It is focusing its attention on the dynamics of administration. It is also drawing heavily on the management sciences. It is considered as inter-disciplinary- Public Administration has attracted within its fold scholars from various disciplines and thus is becoming inter-disciplinary in its nature.

## **7.2 Changing Nature of Public Administration: The Case of Bureaucracy**

In the recent times, the role of bureaucracy has undergone a lot of change for a number of reasons. The changing role of the state in the contemporary context has brought about significant changes in the profile of bureaucracy. With the opening up of the economy as well as the growing accent on privatisation and rightsizing, there have been attempts to reduce the size of bureaucracy. Also, there have been persistent demands for a responsive, accountable and efficient administration. The bureaucracy technically has been an efficient form of organisation but is seen to have exceeded its administrative powers due to its tendency towards self-aggrandisement, permanence in employment and nearness to the political executive.

Domination refers to a power relationship between the rulers and the ruled. In any kind of established authority, there exist a number of beliefs that legitimises the exercise of power in the eyes of the leaders and the led. Domination when exercised over a large number of people necessitates an administrative staff which will execute demands and serve as a bridge between the ruler and the ruled.

#### **Weber identified 3 types of domination:**

- Charismatic domination: Charisma literally means gift of grace. By virtue of possession of charisma or an exceptional quality, a hero or a leader casts a spell over his followers, who accept his domination because of their faith in the person. The administrative apparatus consists of the most faithful followers.
- Traditional domination: The legitimation in this form comes from the belief in the goodness of the past, in the appropriateness of traditional ways of doing things. The administrative apparatus in this kind of domination would consist of the personal retainers, servants and relatives.
- Legal domination: Legitimation of legal type of domination is based on the belief in the rightness of law. People obey the laws because they believe that these are enacted by a proper objective procedure. The administrative apparatus corresponding to this kind of domination is bureaucracy.

### **7.3 Characteristics of Bureaucracy**

Herman Finer says that bureaucracy is a "Professional body of officials, permanent, paid and skilled." Arthur K. Davis thinks bureaucracy is an "Integrated hierarchy of specialised offices defined by systematic rules, an impersonal routinised structure wherein legitimised authority rests in the office and not in the person or the incumbent." Harold Laski has applied the term bureaucracy for a system of government, the control of which is so completely in the hands of officials that their power jeopardises the liberties of ordinary citizens.

#### **Major Characteristics of bureaucracy are:**

##### **Hierarchy**

In a bureaucracy, activities based on specialisation are assigned to specific positions. There is clear cut division of work, competence, authority, responsibility and other job components. Each lower office is under the control and supervision of the higher office.

##### **Professional Qualities**

All officials possess qualities of merit and are selected on objective criteria. They deal in an impersonal and formalistic manner in their relations with others and also in execution of their official duties. They enjoy a permanent career with reasonable opportunities of advancement with sufficient security of service.

##### **Rules and Procedures**

In bureaucracy, decisions are governed by a consistent system of abstract rules, regulations and procedures, which are written, rational and impersonal. A bureaucrat's behaviour is guided by discipline and rules of conduct.

## Specialisation

Bureaucratic tasks are divided into functionally distinct spheres, each furnished with the requisite authority and sanctions. There is a functional specific division of labour.

## Organisational Resources

The resources of the organisation are distinct from the bureaucrats who cannot use them in their individual capacity. Official revenues and private income are strictly separated.

The weberian characteristics of bureaucracy have been found to be 'ideal' and hence not strictly implementable.

## Features of Indian Bureaucracy:

- Strong binding character
- Non-partisan advice to political leadership in the midst of political instability and uncertainties
- Administrative and managerial capacity of services
- Effective coordination between institutions of governance
- Leadership at different levels of administration
- Service delivery at the cutting edge level
- Provision of continuity and change in administration.
- Role of Bureaucracy in India

### 1. Delegated Legislation

It literally means the exercise of legislative powers by a subordinate authority. Over the years, there has been tremendous growth in the legislative powers of the permanent executive. The bureaucracy in theory at least has no legislative function but it carries out the certain legislative functions on behalf of the authority given to it by the legislature. The permanent executive or the bureaucracy acts as delegates and carry out delegated authority. The legislature due to lack of time, pressure of work and technical nature of policies is not able to provide the public policy with details; hence the rule making power is conferred on the bureaucracy, which is required to fill in the blanks.

There has been tremendous growth of Delegated Legislation as it is inevitable in the modern society. But, it seems to be posing serious problems due to the increasing clout of the bureaucracy. It leads to despotism of the administrative authorities by vesting in them the power to legislate. It has been even termed as 'New Despotism' as it is felt that the bureaucrats may prefer administrative convenience over and above the concepts of fairness and justice for the people.

### 2. Administrative Adjudication

Just as the power to make rules and regulations under statutory authority is a quasi-legislative power in the hands of the administrative agencies, so is Administrative Adjudication a quasi-judicial power vested in them. The basic reasons for the growth of Administrative Adjudication are the same as that of Delegated Legislation. The greatest safeguard against arbitrariness of Administrative Adjudication is the powers of the judiciary to review.

## 7.4 Impact of Globalisation on Administration

Globalisation stands for global spread of goods, services, technology, ideas and processes. As the states are de-facto getting economically, financially and culturally integrated the public administrative system as the central regulating mechanism of a country has been facing a novel situation, where it has to interact with a network of supra-national organisations and shed its traditional insularity to steer the state as one of the many members of an intensely interactive group.

Globalisation is ushering in far-reaching changes in the political, economic, social and cultural spheres across the world. Globalisation refers to the multiplicity of linkages and interconnections between the states and societies. It describes the process by which events, decisions and activities in one part of the world come to have significant consequences for individuals and communities in quite distant parts of the world. Globalisation has received the boost due to technological developments and market driven economic development. Globalisation is bringing about interdependence between Nation states. It is said to create free atmosphere for administrative, political, socio-economic, cultural and technological changes, globalisation involves domains of activity and interaction that include the economic, political, technological, military, legal, cultural and environmental. It implies from an economic perspective, removal of trade barriers and large scale entry of multinational enterprises engaged in FDI.

#### **Impacts of Globalisation on Public Administration as per Jamil Jreisat (2004) are:**

- A growing need for negotiation skills among sovereign states
- Changed role of bureaucracy from managing to facilitating economic activities
- An organisational, managerial culture which stresses performance and result-oriented management
- Focus on managerial leadership and expertise which has been necessitated by the demands of negotiations, mediation and sensitivity to human rights and diversity.
- Emergence of e-government, where all countries have been executing major initiatives to tap the vast potential of the internet for improving and perfecting the governing process
- Need for a comparative perspective wherein, in response to the new global reality, public administration must effectively utilise a comparative outlook that incorporates non-western as well as more developed systems.

The impact of globalisation has thus been a mixed one. In the view of Ali Farazmand (1999), due to globalisation, on the one hand, public administration seems to be moving towards protection of citizen's rights, accountability, ethical values, research and training. On the other hand, globalisation is leading to shrinking of public space, violation of human rights and commodification of citizens.

## **7.5 Various factors of Change**

### **1. Changing role of the State**

The state has always been at the centre-stage of societal governance. With coming up of Globalisation role of state has changed from Welfare State to 'Competition State', which encourages public choice initiatives, deregulation and privatisation, irrespective of the local, political and administrative cultures. The roll-back of the state has resulted into deregulation, privatisation and the market-oriented reforms in public service. So the government must

- Do less
- Reduce their previous overburdening responsibility
- Privatised public service
- Reform their operations in accordance with the market concepts of competition and efficiency.

### **2. Responsiveness of State Institutions**

The globalising state is said to threaten the lives of common people, through promotion of elitist policies, can be encountered by reasserting the role of the state institutions in becoming responsive to the needs of people. The key challenge to counteract the negative consequences of globalisation is to strengthen and revitalise the public institutions in a manner to ensure their legitimacy and

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effectiveness in protection of public interests. Development requires Good Governance meaning open, transparent and accountable public institutions. In a market economy, if growth is to be lasting, then it must be regulated and not over-regulated. It needs to be guided by public institutions and private professional conduct, which establish a foundation of transparency and fairness in economic life.

### **3. Management Orientation in Public Administration**

Government should now be performance oriented. The management of government has to be deregulated. Public agencies must be entrepreneurial, mission-driven and service-oriented. Public managers have to be risk takers who welcome participation and reward performance. Traditional bureaucracy has become stumbling blocks to responsiveness, effectiveness and efficiency. It must be based on following postulates:

- Focussing on achieving results rather than conforming with processes
- Introducing market principles such as competition and contracting out in the provision of goods and services
- Making public administration customer oriented to enhance service ethic and efficiency
- Assigning the role of steering activities to the government rather than rowing
- Deregulating the government activities to make them result-oriented
- Empowering the employees to serve the customers as it promotes teamwork
- Changing the overall public administrative culture towards flexibility, innovation, entrepreneurialism as opposed to rule bound, process orientation.

### **4. State market Co-operation**

A consensus is gradually building up to create co-operation between the state and the market. A state, which pays little attention to the economic suffering and marginalisation of a significant proportion of its population not only discredits itself but also the market process through which such marginalisation occurs. State role is to reconcile the objectives of liberalisation and the pursuit of national interests and development goals. State must create the pre-conditions for a more equitable development.

### **5. Civil society as a Supplementary Democratic Model**

Civil society refers to self organisation of citizens in contrast to the state or government is rooted in western rational decision making and political culture. Civil society comprises of collective of those social organisations that enjoy autonomy from the state and have as one important goal among others to influence the state on behalf of their members. The development of the civil society organisation would emphasise the growth of the third sector meaning Non-Profit Organisation. As market are being driven by profits and the state organisations are being mired in inefficiency and unresponsiveness, the civil society organisation have gained prominence due to their participatory, flexible, less bureaucratic, cost effective, accessible and people friendly characteristics.

### **Summary**

The process of globalisation is indeed irreversible, but we need to work towards fighting the apprehension that there is no other alternative to it. It is beyond doubt that globalisation has promoted technological advancements, foreign exchange flows, export growth, FDI and development of multinational enterprises. There have been attempts globally to evolve a uniform approach in promoting service values and delivery mechanisms. The uniqueness of culture and environment is likely to produce varied results in developed and developing countries. The new scenario needs an interactive relationship between the State, market and civil society in order to

achieve Good Governance as well as an accountable, transparent and efficient provision of goods and services.

### Keywords

- **Domination:** Domination refers to a power relationship between the rulers and the ruled. In any kind of established authority, there exist a number of beliefs that legitimises the exercise of power in the eyes of the leaders and the led.
- **Charismatic domination:** Charisma literally means gift of grace. By virtue of possession of charisma or an exceptional quality, a hero or a leader casts a spell over his followers, who accept his domination because of their faith in the person. The administrative apparatus consists of the most faithful followers.
- **Traditional domination:** The legitimation in this form comes from the belief in the goodness of the past, in the appropriateness of traditional ways of doing things. The administrative apparatus in this kind of domination would consist of the personal retainers, servants and relatives.
- **Legal domination:** Legitimation of legal type of domination is based on the belief in the rightness of law. People obey the laws because they believe that these are enacted by a proper objective procedure. The administrative apparatus corresponding to this kind of domination is bureaucracy.

### Self Assessment

1. The changing role of the state in the contemporary context has brought about significant changes in the profile of.....?
  - A. Politics
  - B. Bureaucracy
  - C. Administration
  - D. None
  
2. With the opening up of the economy as well as the growing accent on....., there have been attempts to reduce the size of bureaucracy?
  - A. privatization and rightsizing
  - B. Budgeting
  - C. Administration and Polices
  - D. Law and Order
  
3. Impacts of Globalisation on Public Administration are:
  - I. A growing need for negotiation skills among sovereign states
  - II. Changed role of bureaucracy from managing to facilitating economic activities
  - III. An organisational, managerial culture which stresses performance and result-oriented management
  - A. I & II
  - B. I, II, III
  - C. I & III

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D. II & III

4. The impact of globalization has thus been a .....

- A. Mixed One
- B. Positive one
- C. Negative
- D. One-dimensional

5. "Due to Globalisation, on the one hand, public administration seems to be moving towards protection of citizen's rights, accountability, ethical values, research and training" ...Who said this statement?

- A. Ali Farazmand
- B. Riggs
- C. U L Goswami
- D. Al Gore

6. The state has always been at the centre-stage of .....

- A. Private Governance
- B. Corporate Governance
- C. Foreign Governance
- D. Societal Governance

7. Globalization role of state has changed from Welfare State to '.....'?

- A. Competitive State
- B. Bureaucratic State
- C. Monopolistic State
- D. Prismatic State

8. The roll-back of the state has resulted into deregulation, privatization and the market-oriented reforms in .....

- A. Private Service
- B. Public Service
- C. Market Sphere
- D. None of the above

9. The globalizing state is said to threaten the lives of .....

- A. Corporates
- B. Private sector
- C. Common masses
- D. Americans

10. The key challenge to counteract the negative consequences of globalisation is to strengthen and revitalise .....?
- A. Private Institutions
  - B. Public Institutions
  - C. Both A & B
  - D. None of the above
11. Government should now be .....
- A. Performance Oriented
  - B. Lazy and Monopolistic
  - C. Oligarchic
  - D. All of the above
12. The management of government has to be .....?
- A. Controlled
  - B. Deregulated
  - C. Both A & B
  - D. None of the above
13. Public agencies must be entrepreneurial, mission-driven and .....?
- A. Service Oriented
  - B. Public Oriented
  - C. Private Oriented
  - D. Govt. Oriented
14. Changing the overall public administrative culture towards flexibility, innovation, entrepreneurialism as opposed to rule bound, .....
- A. Process Oriented
  - B. Service Oriented
  - C. Govt. Oriented
  - D. Monopolistic
15. .... refers to self organisation of citizens in contrast to the state or government is rooted in western rational decision making and political culture?
- A. Public Sector
  - B. Bureaucracy
  - C. Civil Society
  - D. NPM



**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. B  | 2. A  | 3. B  | 4. A  | 5. A  |
| 6. D  | 7. A  | 8. B  | 9. C  | 10. B |
| 11. A | 12. B | 13. A | 14. A | 15. C |

**Review Questions**

1. What are the major recent changes and trends in public administration?
2. Explain the changing natures of public administration
3. Elaborate the factors of change in the field of public administration
4. How do you examine the limitations of public administration?

**Further Readings**

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## **Unit 08: Theories and Principles of Organization and its Operations in India**

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### **Objectives**

- To understand the major theories and principles of organisation
- To assess the Management theories of Organisation
- To elucidate the major features of Bureaucratic Organisational Theory
- To analyse various rules of Max Weber's Bureaucratic Theory
- To examine HR Approach in Organisations
- To delve into the features of Elton Mayo's experiments
- To critically examine the nature of human relations theory

### **Introduction**

This unit intends to examine topics including principles of organization, Theories of Organization: Classical and Neo-classical Organization Theory, Modern Organizational Theory, Bureaucratic theory and Human Relations theory. It explains an organization is arrangement of personnel for facilitating the accomplishment of some agreed purpose through allocation of functions and responsibilities. The traditional or classical theory of organization was based on the formal administrative structure and basic management process. This theory was developed during the first half of the 20th century. This theory represents the merger of scientific management, bureaucratic theory, and administrative theory. Neoclassical theory (also referred to as human relations of thoughts) was introduced based on classical theory. It has added, modified, and in some way extended classical theory.

The Modern Organisation Theory describes organizations as an Open social System that interacts with the environments to survive, known as the Systems Theory Approach. The System Theory of Management approach is an external factor that measures the effectiveness based on long-term sustainability or growth. Max Weber's Bureaucratic Theory of Management proposes that the best way to run an organization is to structure it into a rigid hierarchy of people governed by strict rules and procedures. Human Relations management theory is a premise of organizational psychology from the early twentieth century, which suggests that employee productivity and motivation can be increased through positive social bonds in the workplace and acknowledgement of the worker as a unique individual. All these aforementioned points have been well explained with examples in the following sessions.

## Subject Matter

### 8.1 Lecture 1- Principles of Organization

According to L.D. White "Organization is arrangement of personnel for facilitating the accomplishment of some agreed purpose through allocation of functions and responsibilities."

There are several theories of organization. The distinguished theories are

- (a) The traditional or Classical Theory of Organization
- (b) The Scientific Management Theory
- (c) The Bureaucratic Theory and
- (d) The Human Relation Theory of Organization.

The principles of organization that can facilitate smooth functioning of organization are as follows:

- **Unity of objectives:** There should be unity of objective for each member of the organization so that all collective efforts can be concentrated on the set goals. The objectives of organization should be well understood and formulated so that every member is familiar with it.

- **Division of work and specialization:** The division of total work is done as to confine every individual to the performance of a single job. It facilitates specialization in the organization and enhances efficiency and quality. Every area of specialization should be interconnected to the total integrated system by means of coordinating together of all activities done in all departments.

Separation of line and staff functions: Line functions are those functions that help in accomplishing the main objectives of the company. These line functions should be separated from staff activities. The functions other than line functions are staff functions.

- **Chain of Command and Scalar Principle:** According to this scalar principle, the line of authority from top level to bottom level of organization should be clearly defined. This authority refers to the right to decide, direct and coordinate. The structure of the organization should facilitate delegation of authority. The clarity is completely achieved through delegation by steps or levels from the top position to the operating level of the organization. It is also referred to as chain of command.

- **Parity (evenness or balance) of Authority and Responsibility or Principle of Correspondence:** The responsibility delivered to every employee should be accompanied with its corresponding authority. Every subordinate should have sufficient authority to perform responsibilities entrusted to him. It will make himself reliant and can help him in taking quiet decisions without concerning higher departments or authorities.

- **Unity of command:** Every subordinate should report to his assigned superiors or boss. It will avoid state of confusion, chaos, conflicts and lack of action in the organization.

- **Unity of Direction:** The unity of direction states that group of activities with a common goal should be managed by one person. It encourages one head and one plan of action for a common objective of different activities. (Example: Cosmetic and Medicine but the main goal is production or all efforts should be directed towards one goal)

- **Exception principle:** The exception principle states that high level of managers should attend to exceptional matters only. The higher level of managers should deal with problems that concerns with unusual matter and policy decisions. The routine decisions should be referred to lower level of managers.

## 8.2 Lecture 2- Theories of Organization: Classical Organization Theory

The traditional or classical theory of organization was based on the formal administrative structure and basic management process. This theory was developed during the first half of the 20th century. This theory represents the merger of scientific management, bureaucratic theory, and administrative theory. The chief advocates of this theory are Henry Fayol, Luther Gullick, Lyndall Urwick, J.D. Money, A.C. Reiley, Mary Parker Follet and R. Shelton. March and Simon have characterized this approach as the administrative management theory. It is also designated as the Universalist approach or formal organizational theory, mechanistic theory or the structural theory or management process school and formal organizational theory. The theory is based on the theory that a science of administration can be developed based on some principles and based on the experience of administrators. The theory always aims to create certain universal principles of organization. It deals primarily with the formal organization structure.

This theory was based on two important things i.e. efficiency and economy. This theory had reached its topmost point in the year 1937 when Luther Gullick and Lyndall Urwicks published Papers on the Science of Administration. Later that book had become a very persuasive exposition of the classical approach of administration.

Characteristics

The characteristic features of the Classical Theory of organization are as follows:

- (i) Specialization or division of work.
- (ii) Hierarchy or the grading principle of the organization
- (iii) Rationality or Reasonableness of the employees.
- (iv) Impersonality or impersonal decision making system.
- (v) Command or Order
- (vi) Structure of the organization
- (vii) Economy and efficiency

## 8.3 Lecture 3- Theories of Organization: Neo-Classical Organization Theory

Neoclassical theory (also referred to as human relations of thoughts) was introduced based on classical theory. It has added, modified, and in some way extended classical theory. The basic assumption of this theory is that the physiological and social aspects of a worker as an individual and his workgroup ought to be focused on. In classical theory, the organization emphasized order, structure, economic factors, formal organization, and objective rationality. Whereas, neo-classical theory, emphasized social factors and emotions at work. Human relation is a general term that is frequently used to describe how a manager interacts with their employees. The importance of human relations is included in two aspects: The organization situation should be observed in social terms as well as economical and technical terms, and in terms of clinical method, it is similar to the doctor's diagnosis of the human organisms.

The Neoclassical approach was developed many years ago because it was believed that the classical theory did not achieve complete production efficiency and workplace harmony. Managers still observe the frustrations and difficulties because people always do not prefer to follow estimated or rational patterns of behavior. Hence, there was a greater interest in assisting managers to deal more effectively with the "people side" of the organization. The neo-classical approach reflects a slight modification over the classical approach.

The neoclassical approach identifies the importance of physiological and social aspects of workers as an individual and their relationships within and among the group of the organization. The Neoclassical Theory gained importance specifically in the rise of the "Hawthorne Experiment" at Western Electric Company by the father of human relation management named Elton Mayo from 1924 to 1932.

**Features of Neo Classical Theory**

- Business Organizations are identified as a social system.
- Human factors are regarded as the most important elements in the organization.
- The theory revealed the importance of social and psychological factors in determining the worker's productivity and satisfaction.
- The management aims to develop social and leadership skills along with technical skills. It must be done for the welfare of the workers and the organization.
- Morale and productivity work together in an organization.
- The neoclassical theory is the extensive version of the classical theory that includes behavioural science in business management. In this theory, the organization is the social system, and its performance is affected by human efforts.

The classical theory emphasized the mechanical and physiological variables and deemed them the primary factor in inferring its efficiency. However, when the efficiency was checked, it was found that the positive aspect of these factors did not evoke a positive response in work behaviour.

Hence, the researchers tried to specify the reasons for human behaviour at a job. This eventually led to the arrangement of the neoclassical theory of economists. This mainly emphasizes human behaviour in the organization. This approach is often referred to as human relations or behavioural theory of organization. The neoclassical theory states that an organization is a mix of both informal and formal aspects of the organization. This aspect was ignored in classical theory. The organization's informal structure is majorly formed due to the social interaction with workers; this affects and gets affected by an organization's formal structure. Generally, disputes between the organization and workers often exist but this needs to be resolved immediately as the problems persist.

The neoclassical theory tried to overcome the drawbacks of classical organization theory. It introduced the concept of informal organization and the human behaviour approach in the study of organizational functioning. However, the neoclassical theory is also not free from several drawbacks. Like the classical theory of organization, the neo-classical theory is also suffered from incompetency, a short-sighted approach, and lack of integration among many facts of human behaviour studied by it.

**8.4 Lecture 4- Theories of Organization: Modern Organizational Theory**

The Modern Organisation Theory describes organizations as an Open social System that interacts with the environments to survive, known as the Systems Theory Approach. The System Theory of Management approach is an external factor that measures the effectiveness based on long-term sustainability or growth.

A significant application of Systems Theory is in Business Organisations to elucidate a particular approach to management. The Modern Organisation Theory was not originally a business Theory but was proposed during the 1940s.

Modern Organisational Theories are divided into two major types - Systems Theory and Contingency Theory. In this article, you will comprehend Systems Theory and its contributions and criticisms in a detailed manner.

**System Theory of Management**

The Systems Theory was proposed during the early 1960s. The Theory holds a conceptual and analytical base, and thus the System presents a great significance on the empirical research data.

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In simple words, Systems Theory considers organisations as a network of Systems. A System can be either an organised or complex whole, that is, it can be referred to as a combination or an assemblage of things or parts that comprise a complex unitary whole.

Organizational Systems and its Environment

There are two types of Organisational Systems:-

### **Open Systems**

Open Systems interact with their environment, and all living Systems fall under this category.

### **Closed Systems**

Closed Systems hold no interaction with their environment, and all non-living Systems fall under this category.

An organisation is said to be an Open System if it incessantly interacts with its environment. Therefore, to understand the working of an organisation, one must identify its boundary and through the organization's interaction with its environment as an input-output model. An organization's inputs are information, energy, and materials that an organisation takes from its environment. The input consumed is then transformed with machines and people's help and then supplies the output to the environment.

An organisation comprises multiple sub-Systems like Social sub-System, Technical sub-System, and more. A few of these sub-Systems are independent and do not rely on the interlinking through any other processes.

Hence, the Systems Theory involves the study of an organisation and identifies four major factors-

The nature of Interdependence between the parts of the System

The strategic parts

The lists of the goals that the System is trying to approach

The list of any Systems or processes which link the parts of the Systems together

### **Contributions of the System Theory of Management**

- Systems Theory offers an Open-view of an organization and presents the recognition of its environmental interface.
- Systems Theory of Management is adaptive and dynamic
- Systems Theory adopts a multi-dimensional and multilevel approach, and therefore, it considers both the micro and macro aspects of the environment.
- Cybernetics is another significant contribution to Systems Theory as it is the science of communication and controls the man-machine System.
- The Theory is drawn from several disciplines like Economics, Sociology, Engineering, Psychology, etc.
- The Systems Theory is descriptive, not normative or prescriptive, and the Theory is also probabilistic and not deterministic and significantly emphasizes lateral relationships over vertical relationships.

### **Criticism of the Systems Theory**

The Systems Theory does not present any framework which does not apply to all the organizations. The Theory is not Modern but is a synthesis of all the research contributions of previous theories. The Systems Theory is too abstract to be practical and does not specify any precise and specific relationships between the social Systems and the organization.

The Theory is an amalgamation of multiple Theories like Contingency Theory, Decision Theory, and more and not a unified Theory.

## **Modern Organization Theory – Systems Theory**

**Understanding the Modern Organisation Theory-**Systems Theory seemed to be a difficult task before you could put your hands on the above content.

**The classical or traditional** theory concentrates on the formal structure of organisation and leaves the human aspect of organisation to personnel specialists. The earliest writers on organisation, called the classical school, and their successors to the present day have discussed how to plan the formal organisation of work.

They have been concerned with the best way of dividing up the tasks to be done, with how to group these tasks together into departments, and how to deal with the problems of coordination. They have paid particular attention to organisational relationships between line and staff. They have stressed the need for a clear definition of responsibilities and authority. They have sought to enunciate the principles, which should be used in designing this formal structure.

The chief contribution of the classical school is the definition and analysis of the tasks that have to be considered in building up an organisation. The emphasis is on structural frame work in which grouped activities are assigned to people, authority relations are established, individual efforts are properly coordinated and responsibilities fixed. The structure is built to help accomplish enterprise goals more effectively.

The theory has been criticized on many counts, especially by the behavioral scientists. The approach of the classical writers is too concerned with the formal structure, not sufficiently with the individuals who make the structure work. It is a static approach, paying too little attention to the many interactions that take place between different parts of an organisation.

Some of the principles are contradictory. Herbert A. Simon describes some of the principles as “no more than proverbs” and being simple generalisations devoid of predictive power. Since the classical theory ignores major facts of human nature, the newer theorists have developed some new approaches to the study of organisation

## **The Human Relations Theory**

The human relations theory, also known as neo-classical theory, states that while designing an organisation structure, the people who are employed there and their behaviour should be taken into consideration. No manager can think solely of job descriptions, he has also to think of why people behave as they do and what influences their behaviour.

The Hawthorne studies, and many subsequent ones, have shown that the way the people behave at work is affected by many other factors than monetary consideration. The organisation is composed of individuals with different needs that can be studied and of groups of people who develop their own ways of doing things and their own code of conduct.

The proponents of the human relations school are research oriented. They try to find out what happens before seeking to explain it. This approach to the study of organisations has contributed much that can be of value to the manager – If he looks at a job only from the classical point of view, he will think of the tasks that have to be done. If he adopts the human relations approach, he will appreciate what it is like for the person who has to perform the tasks.

The human relations school has also its limitations. Some of its supporters have claimed too much for what can be achieved by thinking about peoples’ needs and behaviour. Much bigger limitation is that although we have learnt a lot about people in organisations, there is still a great deal that we do not understand about human behaviour.

## **The Decision-Making Theory**

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The next approach to organisation is known as the decision-making theory. Herbert A. Simon (who was awarded in the year 1978, the Nobel Prize mainly on the basis of this theory) regards organisation as a structure of decision makers. In an organisation, decisions are made at all levels, and important decisions tend to be made at higher levels. The decision making approach to organisation accepts the hierarchical form of organisation.

Simon suggested that the organisation structure be designed through an examination of the points at which decisions must be made and the persons from whom information must be required if decisions are to be satisfactory.

### The Systems Approach

The systems approach looks at the organisation as a total system comprising a number of interacting variables. This approach emphasises that we should not deal with problems in isolation, but consider their interactions. In fact, the word system means a regularly interacting or interdependent group of items forming a “unified whole”.

Organizational theory is the sociological study of formal social organizations, such as businesses and bureaucracies, and their interrelationship with the environment in which they operate. It complements the studies of organizational behavior and human resource studies.

Organizations, which are defined as “social units of people that are structured and managed to meet a need or to pursue collective goals,” are said to have risen in the United States within a variety of social and historical contexts. Several of those factors are credited with making organizations viable and necessary options for citizens, and they built on one another to bring organizations to the level of importance that they are at today.

## 8.5 Lecture 5- Bureaucratic Theory

Max Weber’s Bureaucratic Theory of Management proposes that the best way to run an organization is to structure it into a rigid hierarchy of people governed by strict rules and procedures. Bureaucracy is defined in the dictionary as, “a system for controlling or managing a country, company, or organization that is operated by a large number of officials employed to follow rules carefully”.

These days the word bureaucracy is often associated with negative connotations, but at the time bureaucratic theory was developed by Weber it was designed to solve some big problems with the way organizations were being run.

Max Weber was a German sociologist born in 1864. He grew up at a time when industrialization meant how employees were organized was becoming increasingly important. Society was moving towards larger and larger organizations, from farms employing a dozen people, to factories employing thousands of people. Weber saw that organizing large groups of people like this presented new challenges, especially when it came to authority. At this time, most organizations were running based on traditional authority, where how well you did was based on who you knew rather than what you knew. Today we call this favoritism, but Weber called it particularism, where a particular group of people had disproportionate sway over the organization.

Because of the problems Weber saw with traditional authority he favored a more rational approach to running an organization and helping it to achieve its goals. There are two parts to Weber’s Bureaucratic Theory:-

**A Clear Hierarchy:** An organizational hierarchy defines how people are structured and fit within an organization. For example, a typical company will have the CEO at the top of the hierarchy, followed by the executive board. Each board member will then be responsible for managers, who in turn will manage employees. Weber wanted each hierarchy to have what he called legal-rational authority. This means that defined authority sits with a position, not with a person. For example, your subordinate would never be able to tell you what to do even if they happened to be the son of the CEO because their formal position doesn’t hold that power. Basically, your authority comes from the position you hold in the hierarchy.



Clear rules for decision making: Weber referred to this as rational-legal decision-making rules. This means that there should be a set of explicit rules and procedures defining how the organization functions, and that these rules should be consistent with the rules and laws of wider society.

### **Characteristics of Bureaucracy:**

Weber identified 6 characteristics of Bureaucracy:

**Hierarchical Management System:** One of the hallmarks of a bureaucracy is a hierarchical management structure. In a hierarchy, each level within the organizational structure controls the level below but is controlled by the level above. Power and authority are clearly and explicitly defined for each position within the hierarchy. Job responsibilities and duties are also clearly defined for each position

**Division of Labour:** Division of labor means that tasks are divided between the employees of the organization. Each employee will be responsible for specific tasks and each department will be responsible for specific functional areas. As an example of this think about how your salary is set and paid within a large organization. Your salary will be set by your line manager, but you will be paid by the Payroll department, rather than the money being paid to your boss who would then give it to you. There are advantages to breaking things up in this way. First, your manager is the person in the best position to set your salary as they observe your performance much more closely than the payroll department. Second, the payroll departments is specialists in payroll and ensure you get paid on the same day each month.

### **Formal Selection Process**

All employees are treated equally and are hired and promoted on the basis of qualifications, expertise, performance, and experience. There are formal rules and regulations to ensure this selection process isn't abused. For example, your manager can't hire someone simply because they're friends from the golf club

### **Career Orientation**

The organization is career orientated, meaning that if you follow the rules and regulations and perform well you will not be arbitrarily fired. In fact, if you perform well you may even have the chance to be promoted or receive a pay rise. In this way, the organization offers each employee the opportunity for a long term career, provided they follow the rules and perform well.

### **Formal Rules**

There are rules in place that govern how all employees should behave. Managers cannot simply appraise their employees according to their whims. Instead, they must assess employees according to the rules. For example, if you've been set a target to make 10 widgets and you make 10 widgets then you've achieved your target. Your manager can't simply decide retrospectively that you should have really made 15 widgets and then fire you for not making 15 widgets. The rules protect employees against this type of behavior. Similarly, there are rules surrounding how we behave, treat, and interact with other employees

### **Impersonality**

The rules are well defined and clear and are applied in the same way to everyone. The rules are there to prevent favoritism or nepotism.

If two employees were to enter into a relationship together whilst working within the same department, then often one of them will be moved to a different department or different part of the organization to avoid favoritism and help keep in-work relationships impersonal.

## 8.6 Lecture 6- Human Relations Theory

Human Relations management theory is a premise of organizational psychology from the early twentieth century, which suggests that employee productivity and motivation can be increased through positive social bonds in the workplace and acknowledgement of the worker as a unique individual. It holds that improved working conditions (empowerment, participation, positive treatment) lead to increased productivity.

Human Relations management theory originated between 1924 and 1932 during experiments conducted at the Hawthorne plant of the Western Electric Company in Cicero, Illinois.

These studies were started by scholars from the Massachusetts Institute of Technology (MIT), but Elton Mayo and Fritz J. Roethlisberger of the Harvard Business School became involved in 1927 and eventually popularized the subject

Human Relations Theory focuses specifically on the individuals needs and resultant behaviors of individuals and groups. It takes an interpersonal approach to managing human beings. It presents the organization is made up of formal and informal elements.

The formal elements of an organization are its structure. The informal aspects of the organization include the interactions between individuals. In this way, the organization is a type of social system. This system should be managed to create individual job satisfaction and the resultant motivation of the individual.

### Elements of Human Relations Theory

At the core of human relations theory are these six basic propositions:

- A focus on people, rather than upon machines or economics
- The organizational environment is not an organized social context
- Human relations are important in motivating people
- Motivation depends upon teamwork, requiring co-ordination and cooperation of individuals involved.
- Human relations within teams must fulfill both individual and organizational objectives simultaneously
- Individuals and organizations desire efficiency by achieving maximum results with minimum inputs

Also, central to the understanding of Human Relations theory is the concept of individual motivation. The drawback of this theory is that it requires the acceptance of numerous assumptions about human behavior

Professor Elton Mayo is known as the Father of the Human Relations Approach to Management Theory. From 1924 - 1932, he, along with Fritz Roethlisberger, T.N. Whitehead and William Dickson, conducted the Hawthorne studies (so named for the location of the studies - the Hawthorne Plan of Western Electric Company).

In these experiments, Mayo evaluated the attitudes and psychological reactions of workers in on-the-job situations. It began by examining the impact of illumination levels on worker productivity. Eventually, the study was extended through the early 1930s and addressed a broader range of workplace conditions.

The results, however, identified a unique identifier of group performance - attention. The control and experimental groups' performance improved irrespective of the environmental conditions.

The theory became known as the Hawthorne Effect - individuals perform better when given special attention.

The study also addresses other major concerns, such as: individual vs group job performance, worker motivation, and production standards

**The findings were as follows:**

- Group dynamics (Social Factors) are important determinants of job performance and output.
- Groups have their own norms and beliefs, independent of the individual members.
- Individuals are not solely motivated by compensation. Perceived meaning and importance of ones work are the primary determinants of output.
- Employees prefer a cooperative attitude from superiors, rather than command and control.
- Communication between management and employees is essential to understand employee issues.
- Workplace culture sets production standards - despite standards set by managers.

The work of Mayo, through the Hawthorne studies, was instrumental in understanding the roles of group behavior and individual psychology in management practice

**Summary**

Organizational theory is the study of the structures of organizations. Four major theories contribute to this study – classical organizational theory, human relations or neo-classical theory, contingency or decision theory and modern systems theory. Over time, the emphasis in organizational theory has shifted from stiff, hierarchical structures rampant in the industrial age to broader, more flexible structures more prevalent in the technological, modern age. Theories about organizational structure can help with plans for organizational success. These theories may influence how an organization allocates resources. Organizational theory describes how an organization interacts with its environment. Early theories were overly bureaucratic and have given way to organizational theories that apply to a multitude of dynamic situations. Management theories all revolve around similar concepts. Managers are expected to handle processes, people, information and other duties as necessary. A manager may need to motivate their subordinate employees or determine how best to improve operational processes. Management theories provide frameworks for successfully handling those responsibilities.

**Keywords**

- **Principles of Management:** Principles of Management are various basic principles proposed by various Management and Classical Theorists which are basic to the organisations.
- **Classical Theory:** The Classical Theory is the traditional theory, wherein more emphasis is on the organization rather than the employees working therein. According to the classical theory, the organization is considered as a machine and the human beings as different components/parts of that machine.
- **Impersonality:** This rule was proposed by Max Weber in his famous Bureaucratic model. Bureaucratic organizations treat all employees equally. They also treat all customers equally and do not allow individual differences to influence them.
- **Human Relations Approach:** A human relation is the relationship between human resources of the organization. It incorporates management-employees, employees-employees relationship. It also consists of relationship between the organization's human resource & outsiders.

**SelfAssessment**

1. Human Relations Theory came into existence in .....

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- A. 1930's
  - B. 1940's
  - C. 1950's
  - D. 1960's
2. ....stressed the formal structure of the organization and neglected the role of human element in the organization?
- A. Human Relations Theorists
  - B. Public Choice Theorists
  - C. Classical thinkers
  - D. None of the above
3. According to .....Approach, management is the Study of behavior of people at work?
- A. H-R- Approach
  - B. Behavioral Approach
  - C. Classical approach
  - D. Public Policy Approach
4. Historically, a bureaucracy was a government administration managed by departments staffed with .....
- A. Bureaucratic officials
  - B. Officials
  - C. Non-elected officials
  - D. None
5. The term bureaucracy was coined by?
- A. Wilson
  - B. Riggs
  - C. Vincent De Gourney
  - D. None of the above
6. Who applied the term bureaucracy for a system of government the control to which is so completely in the hands of officials that their power jeopardizes the liberties of ordinary citizens?
- A. Riggs
  - B. Wilson
  - C. Harold J Laski
  - D. Follet
7. First to formally study bureaucracy and his works led to the popularization of this term was?

- A. Vincent De Gourney
  - B. Max Weber
  - C. Karl Marx
  - D. Engles
8. Who gave the concept of ideal type?
- A. Max Weber
  - B. Taylor
  - C. Fayol
  - D. Marx
9. The ..... Theory describes organisations as an open social system that interacts with the environments to survive?
- A. Classical
  - B. Public Policy
  - C. Modern Organisation
  - D. None of the above
10. Systems Theory was developed during.....?
- A. 1950's
  - B. 1960's
  - C. 1970's
  - D. 1980's
11. Mayo is famous for his .....Experiments?
- A. Hawthorne
  - B. Clinical
  - C. Thrope
  - D. Endimism
12. Neo-Classical theory is also called.....?
- A. Behavioral theory
  - B. Organisational theory
  - C. Bureaucratic Theory
  - D. None of the above
13. Motivation is a ..... process. Several socio-psychological factors operate together to motivate people at work?
- A. Highly complex process
  - B. Simple Process
  - C. Both A & B
  - D. None of the above

Unit 08: Theories and Principles of Organization and its Operations in India

14. The organization must group various activities and jobs into departments. This allows it to minimize costs and also facilitate administrative control. Thus process is called as?
- A. De-bureaucratization  
 B. Hallucination  
 C. Departmentalization  
 D. None of the above
15. Who said "Principle is a guide to action or a means of understanding something."?
- A. J. D Mooney  
 B. Reelay  
 C. L D White  
 D. J D Cooner

**Answers for Self Assessment**

1. A      2. C      3. A      4. C      5. C  
 6. C      7. B      8. A      9. C      10. B  
 11. A      12. A      13. A      14. C      15. C

**Review Questions**

1. What are the theories and principles of organisation?
2. What are the 5 Management theories of Organisation?
3. Define the Bureaucratic Organisational Theory?
4. What are the various rules of Max Weber's Bureaucratic Theory?
5. What is HR Approach in Organisations?
6. Define various Elton Mayo's experiments?



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## Unit 09: Managing the Organization

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### Objectives

- To understand the meaning of organization
- To elaborate the steps and processes in managing the Organization
- To explain the major theories of Leadership and its features
- To identify the tenets and features of Great Man Theory of Leadership
- To assess the importance of Trait Theory
- To observe the significant theories of Motivation
- To analyze the advantages and disadvantages of Maslow's Hierarchy of Needs

### Introduction

This unit examines topics including managing the organization, theories of leadership and theories of motivation. For every organizations, adequate organizational management is a big task which entails proper planning, organizing, leading, and control of available resources, firms may end up achieving their objectives at the end of the day. But the executives should have the capabilities to make decisions and resolve issues for it to be more effective and beneficial. With respect to leadership, leadership is the art of motivating people to work towards a common goal. But motivating others isn't enough. Leaders also need to connect with people. They work towards a vision through effective collaboration and communication. Leadership is defined and influenced by business goals and workplace culture. Therefore, leadership can be interpreted in different ways. Motivation is clearly important if someone is to perform well; however, it is not sufficient. Ability – or having the skills and knowledge required to perform the job – is also important and is sometimes the key predictor of effectiveness. Finally, environmental factors such as having the resources, information, and support to perform well are critical to determine performance.



## **Subject Matter**

### **9.1 Lecture 1- Managing the Organization**

An organization is usually made up of different individuals with different beliefs, cultural backgrounds, educational qualifications, and experiences. But the best part is despite the disparities in their capabilities; each has to work together to achieve the targeted goal of the organization.

Employees are obliged to work in unity and proper coordination with one another to ensure that objects at the departmental level, including that of the organization as a whole, are met. And that's where effective organization management becomes critical. Organization management consists of everything the managers or superiors do to ensure the smooth running of the firm, which also entails creating an enabling environment for the employees to be more efficient in the discharge of their duties. It also involves the proper use of the available resources through adequate planning and control of the working environment.

With adequate organizational management which entails proper planning, organizing, leading, and control of available resources, firms may end up achieving their objectives at the end of the day. But the executives should have the capabilities to make decisions and resolve issues for it to be more effective and beneficial.

### **Need for Organization Management**

Organization management is beneficial if properly planned out and executed. And firms might benefit from a proper structure or management plan in several ways. Here is why organizational management is so relevant for the survival of any establishment.

#### **1. Helps to Create a Clearer Picture of the Goals within Each Department.**

Organization management helps managers to split roles within each department. And in doing so, each department will have a better understanding of their function and resources needed. Pictures of the size of the targeted goal for each department will also be more apparent.

#### **2. Effective Implementation of Business Plan to Achieve Targeted Goals**

Organization management doesn't stop at creating a roadmap regarding the goals of each department. It also helps managers to determine what should be done to achieve the targeted goals of each department and the company as a whole. Managers will also have the capacity to swiftly respond to issues that may undermine the external and internal expectations of the establishment.

#### **3. Better Coordination in the Various Departments**

A proper organization structure allows the managers or executives to manage the affairs of each department within the company. Employees would have a better understanding of their duties and responsibilities. They will also carry them out without waiting for the manager's instructions in most cases.

Effective management makes information sharing and communication easier. And there will also be no need for conflict within each department and the organization at large.

#### **4. Enables Employees to Deliver Assigned Projects Within Deadline**

Effective organization management creates the right environment for employees to accomplish assigned tasks within the agreed time-frame.

They will have access to the right materials or resources to work with or know who to approach to acquire them. Employees will also have no other choice but to follow due process in the discharge of their duties.

#### **5. Creates a Positive and Peaceful Work Environment**

No employee can thrive in a workplace where there is always conflict. Businesses may also experience negative growth in such circumstances.

Effective organization management would help to set the guidelines and define the mutual relationship that binds individual elements within the organization which includes people, technology, processes, and strategy to create an enabling environment for every department to work together to accomplish the targeted goal.

### Essential Features of Organization Management

**1. Planning:** Create a working plan to avoid confusion in the future. As the business continues to grow, you can add to your plan, instead of removing from it. You need to create a business plan that will help to give direction to your business. How things will be done should also come up in your business plan.

**2. Organizing:** Organizing is also critical in organizational management and the success of any business. It entails how you intend to utilize the available resources to help employees to achieve the best results. Organizing allows firms to make good use of their finances. But to ensure smooth cash flow, the management of the company needs to create a monthly budget.

**3. Staffing:** Fitting employees in the right position will not only cause them to deliver excellent performance. It will also affect the organization positively. On the other hand, hiring or assigning tasks to employees that lack the qualification and capacity might create problems for the organization. So, management should always recruit staff based on their competence.

**4. Control:** For management to have an impact and achieve the goals of the organization, hierarchies should be clearly defined. In other words, employees should know their place and who they are supposed to report to when the need arises.

And those they report to should have the capacity to carry out a proper review of their performances and make significant contributions that would guide the subordinates to deliver the best result.

**5. Motivation:** An effective organizational management plan takes into consideration the factors that motivate employees to perform optimally. It's not enough to create an enabling environment; lucrative packages should also be made available. It will help employees to stay motivated and consider working for the company for an extended period.

## 9.2 Theories of Leadership - Part 1

Leadership is the art of motivating people to work towards a common goal. But motivating others isn't enough. Leaders also need to connect with people. They work towards a vision through effective collaboration and communication. Leadership is defined and influenced by business goals and workplace culture. Therefore, leadership can be interpreted in different ways.

Effective leaders are expected to drive employee performance. But you may wonder, isn't that the role of the management? While the words 'leadership' and 'management' are often used interchangeably, they are not the same thing. Leaders are expected to do much more in addition to fulfilling their managerial duties. Leadership requires patience, flexibility and resilience. It's a difficult balancing act between employee engagement, organizational success and developing existing structures.

Anyone can become an effective leader if they know and practice the necessary skills and learn new approaches.

## 9.3 Types of Leadership Theories

For decades, numerous studies have been focused on leadership, giving rise to several theories. These theories are various schools of thought put forth by philosophers, researchers, and cognitive experts to explain what goes into the making of a leader. These theories shed light on the traits and behaviors that can help individuals cultivate their leadership abilities.

### **Great Man Theory of Leadership**

Thomas Carlyle proposed the Great Man Theory in the 1840s, and it is based on the assumption that leadership is an inborn phenomenon and that leaders are "born" rather than "made." According to this theory, a person capable of leading has the personality traits of a leader — charm, confidence, intellect, communication skills, and social aptitude — from birth, which set them apart. This theory emphasizes leadership as a quality that you either possess or you don't; it isn't something that you can learn.

Criticism: This theory was criticised or questioned due to the following reasons:

It was a male-centric approach when women have proved to be great leaders too.

This theory explains that leadership cannot be learned or taught it's an inherent trait.

There is no scientific validation to support this theory.

It neglected the environmental and situational factors which affect the leadership process.

### **9.4 The Trait Theory**

Ralph M. Stogdill proposed the trait theory of leadership in the late 1940s; he explained that an individual must possess the key personality traits and characteristics to be an effective leader and these traits are inherent by birth. Some of the core leadership traits based on this theory can be categorised as follows:

**Physiological traits:** Height, weight, structure, colour, appearance and so forth.

**Socioeconomic characteristics:** Gender, religion, marital status, age, occupation, literacy and earnings.

**Personality traits:** Extraversion, self-confidence, patience, agreeable, reliable, honesty and leadership motivation.

**Intellectual traits:** Decisiveness, intelligence, judgemental ability, knowledge, and emotional attribute.

**Task-related traits:** Attainment drive, dedication, initiative, determination, and business expertise.

**Social characteristics:** Socially active, cordiality and cooperation.

Some of the other traits being charisma, adaptiveness, creativity, uniqueness.

This theory was criticised since it neglected the environmental factors which may not always remain the same. The list of traits is quite vast and keeps on changing from time to time. It was unable to explain failures despite possessing the certain traits specified in the theory. Moreover, of the identified traits can be acquired through learning and training.

### **9.5 Behavioural Theory**

The behavioural theory of leadership evolved in the 1950s. After understanding that the personal traits of a leader are essential for effective leadership, the researchers were now keen to know that what leaders do to become effective leaders

Thus, they now focussed on the leader's behaviour rather than traits. To study the behaviour of leaders, two major research programs were started by two different universities namely, the Ohio State Leadership Studies and the University of Michigan Studies.

**The Ohio State University Studies:** A group of researchers at Ohio State University prepared a questionnaire to be surveyed in military and industrial setups, to determine the perception of the subordinates for the actual behaviour of their leaders. From their findings, the researchers identified two major categories of leader behaviour:

**Consideration:** The leaders are attentive towards their subordinates and build up an excellent inter-personnel relationship with them. They are very supportive and friendly. This was termed as 'people-oriented behaviour'.

**Initiating structure:** The leaders are majorly concerned about the achievement of goals and schedule and structure work accordingly. For such leaders, subordinates are just resources, and they have to make the optimal utilisation of them. This was termed as 'task-oriented behaviour'.

**The University of Michigan Studies:** This study is based on how the leader's behaviour is related to group performance. Researchers made a comparison of effective managers with the ineffective ones and found that the two can be discriminated on the basis of their behaviour, i.e., job-centric behaviour and organisational-member centric behaviour. The study further resulted in the identification of four additional behaviours essential for effective leadership which are: Support, Goal emphasis, Work facilitation and Interaction facilitation .

## 9.6 Lecture 3- Theories of Leadership - Part 2

### Path-Goal Theory

The Path-Goal Theory was proposed by Robert J. House and Martin Evans in 1970s. It suggested that leaders select specific behaviors that are best suited to others' needs and circumstances. According to this theory, leaders are responsible for providing people with information, support and other resources that can help them achieve common goals. Additionally, this theory assumes that good leaders are flexible. They should be able to adjust their behavior and change their approach according to the situation. A leader must help everybody fulfill their objectives and provide the necessary direction and support. Efficient leaders minimize roadblocks and make the journey towards goals much easier.

**Blake and Mouton's Leadership Grid:** Robert R. Blake and Jane S. Mouton gave the Leadership/Managerial Grid Theory and discovered the five different styles of leadership by categorising the managers into 81 possible ways arising out of the combination of rating depending on two variables, concern for people and concern for results.

Following are the various styles of Leadership according to this model:

**Indifferent:** Neither the attention is paid towards the work, nor towards the employees, it is the most ineffective style of leadership.

**Controlling or the country club:** All that matters is the well-being of the staff.

**Accommodating or task oriented:** All that matters is production and output.

**Status Quo or balance:** Moderate and equal importance and attention are given to work as well as employee welfare.

**Sound:** A high level of concern is shown towards both, the output as well as the employees, it is the most effective style of leadership.

### Contingency Theory

This theory proposes that no one way or style of leadership may be applicable to all situations. In other words, it recognizes that there might be variables influencing any particular situation, and a leader must choose the right course of action, taking into account those variables. In this regard, leadership researchers White and Hodgson state, "Effective leadership is about striking the right balance between needs, context, and behavior." The best leaders have not only the right traits but also the ability to assess the needs of their followers, analyze the situation at hand, and act accordingly.

### Situational Leadership Theory

Like the Contingency Theory, the Situational Theory stresses the importance of situational variables and doesn't consider anyone's leadership style to be better than the others. Put forward by US professor, Paul Hersey and leadership guru, Ken Blanchard, the situational theory is a combination of two factors – the leadership style and the maturity levels of the followers. According to this theory, different situations demand different styles of leadership and decision-making. Leaders must act by judging the situation they are facing.

### **Transformational Leadership Theory**

The Transformational Leadership theory, also known as Relationship theories, focuses on the relationship between the leaders and followers. This theory talks about the kind of leader who is inspirational and charismatic, encouraging their followers to transform and become better at a task. Transformational leaders typically motivated by their ability to show their followers the significance of the task and the higher good involved in performing it. These leaders are not only focused on the team's performance but also give individual team members the required push to reach his or her potential. These leadership theories will help you to sharp your Skill.

### **Transactional Theories**

Transactional Theories, also referred to as Management theories or exchange leadership theories, revolve around the role of supervision, organization, and teamwork. These leadership theories consider rewards and punishments as the basis for leadership actions. This is one of the oft-used theories in business, and the proponents of this leadership style use rewards and punishments to motivate employees.

## **9.7 Lecture 4- Theories of Motivation**

Motivation is one of the forces that lead to performance. Motivation is defined as the desire to achieve a goal or a certain performance level, leading to goal-directed behaviour. When we refer to someone as being motivated, we mean that the person is trying hard to accomplish a certain task. Motivation is clearly important if someone is to perform well; however, it is not sufficient. Ability – or having the skills and knowledge required to perform the job – is also important and is sometimes the key predictor of effectiveness. Finally, environmental factors such as having the resources, information, and support to perform well are critical to determine performance.

At different times, one of these three factors may be the key to high performance. For example, for an employee sweeping the floor, motivation may be the most important factor that determines performance. In contrast, even the most motivated individual would not be able to successfully design a house without the necessary talent involved in building quality homes. Being motivated is not the same as being a high performer and is not the sole reason why people perform well, but it is nevertheless a key influence over our performance level.

So what motivates people? Why do some employees try to reach their targets and pursue excellence while others merely show up at work and count the hours? As with many questions involving human beings, the answer is anything but simple. Instead, there are several theories explaining the concept of motivation.

### **Maslow's Hierarchy of Needs**

Abraham Maslow is among the most prominent psychologists of the twentieth century. His hierarchy of needs is an image familiar to most business students and managers. The theory is based on a simple idea: human beings have needs that are ranked. There are some needs that are basic to all human beings, and in their absence nothing else matters. As we satisfy these basic needs, we start looking to satisfy higher order needs. In other words, once a lower level need is satisfied, it no longer serves as a motivator.

The most basic of Maslow's needs are physiological needs. Physiological needs refer to the need for food, water, and other biological needs. These needs are basic because when they are lacking, the search for them may overpower all other urges. Imagine being very hungry. At that point, all your behaviour may be directed at finding food. Once you eat, though, the search for food ceases and the promise of food no longer serves as a motivator. Once physiological needs are satisfied, people tend to become concerned about safety needs. Are they free from the threat of danger, pain, or an uncertain future?

On the next level up, social needs refer to the need to bond with other human beings, be loved, and form lasting attachments with others. In fact, attachments, or lack of them, are associated with our health and well-being. The satisfaction of social needs makes esteem needs more salient. Esteem needs refer to the desire to be respected by one's peers, feel important, and be appreciated. Finally, at the highest level of the hierarchy, the need for self-actualization refers to "becoming all you are capable of becoming." This need manifests itself by the desire to acquire new skills, take on new challenges, and behave in a way that will lead to the attainment of one's life goals.

How can an organization satisfy its employees' various needs? In the long run, physiological needs may be satisfied by the person's paycheck, but it is important to remember that pay may satisfy other needs such as safety and esteem as well. Providing generous benefits that include health insurance and company-sponsored retirement plans, as well as offering a measure of job security, will help satisfy safety needs. Social needs may be satisfied by having a friendly environment and providing a workplace conducive to collaboration and communication.

Company picnics and other social get-togethers may also be helpful if the majority of employees are motivated primarily by social needs (but may cause resentment if they are not and if they have to sacrifice a Sunday afternoon for a company picnic). Providing promotion opportunities at work, recognizing a person's accomplishments verbally or through more formal reward systems, and conferring job titles that communicate to the employee that one has achieved high status within the organization are among the ways of satisfying esteem needs. Finally, self-actualization needs may be satisfied by the provision of development and growth opportunities on or off the job, as well as by work that is interesting and challenging. By making the effort to satisfy the different needs of each employee, organizations may ensure a highly motivated workforce.

### **Appraisal of Maslow's Need Hierarchy:**

Maslow's need hierarchy has application to the lower level workers in a country like India where the basic needs of the workers are not satisfied. It points out that people are motivated by unfulfilled needs. It also postulates that as lower-level needs are fulfilled, upper-level needs replace them. Thus, Maslow's theory seems to be a very simple description of the complex process of motivation of human beings.

### **Herzberg's Motivation-Hygiene Model**

A significant development in motivation was distinction between motivational and maintenance factors in job situation. A research was conducted by Herzberg and his associates based on the interview of 200 engineers and accountants who worked for eleven different firms in Pittsburgh area.

These men were asked to recall specific incidents in their experience which made them feel either particularly good or particularly bad about jobs. The findings of the research were that good feelings in the group under test were keyed to the specific tasks that the men performed rather than to background factors such as money, security or working conditions and when they felt bad, it was because of some disturbance in these background factors which had caused them to believe that they were being treated unfairly.

This led to draw a distinction between what are called as 'motivators' and 'hygiene factors'. To this group of engineers and accountants, the real motivators were opportunities to become more expert and to handle more demanding assignments. Hygiene factors served to prevent loss of money and efficiency. Thus, hygiene factors provide no motivation to the employees, but the absence of these factors serves as dissatisfier.

Some job conditions operate primarily to dissatisfy employees when they are absent, but their presence does not motivate employees in a strong way. Many of these factors are traditionally perceived by management as motivators, but the factors are really more potent as dissatisfiers. They are called maintenance factors in job because they are necessary to maintain a reasonable level of satisfaction among the employees.

Their absence proves to be a strong dissatisfier. They are also known as dissatisfiers or 'hygiene factors' because they support employees' mental health. Another set of job conditions operates primarily to build strong motivation and high job satisfaction among the employees. These conditions are 'motivational factors'.

**Maintenance and Motivational Factors:****Maintenance or Hygiene Factors:**

- i. Company Policy and Administration
- ii. Technical Supervision
- iii. Inter-personal relations with Supervisor
- iv. Inter-personal relations with Peers
- v. Inter-personal relations with Subordinates
- vi. Salary
- vii. Job Security
- viii. Personal life
- ix. Working Conditions
- x. Status.

**Motivational Factors:**

- i. Achievement
- ii. Recognition
- iii. Advancement
- iv. Work itself
- v. Possibility of growth
- vi. Responsibility.

Hygiene factors include such things as wages, fringe benefits, physical conditions and overall company policy and administration. The presence of these factors at a satisfactory level prevents job dissatisfaction, but they do not provide motivation to the employees. So they are not considered as motivational factors.

Motivational factors, on the other hand, are essential for increasing the productivity of the employees. They are also known as satisfiers and include such factors as recognition, feeling of accomplishment and achievement, opportunity of advancement and potential for personal growth, responsibility and sense of job and individual importance, new experience and challenging work, etc.

**Acquired-Needs Theory**

Among the need-based approaches to motivation, David McClelland's acquired needs theory is the one that has received the greatest amount of support. According to this theory, individuals acquire three types of needs as a result of their life experiences. These needs are the need for achievement, the need for affiliation, and the need for power. All individuals possess a combination of these needs, and the dominant needs are thought to drive employee behaviour.

McClelland used a unique method called the Thematic Apperception Test (TAT) to assess the dominant need (Spangler, 1992). This method entails presenting research subjects an ambiguous picture and asking them to write a story based on it. Take a look at the following picture. Who is this person? What is she doing? Why is she doing it? The story you tell about the woman in the picture would then be analyzed by trained experts. The idea is that the stories the photo evokes would reflect how the mind works and what motivates the person.

If the story you come up with contains themes of success, meeting deadlines, or coming up with brilliant ideas, you may be high in need for achievement. Those who have high need for achievement have a strong need to be successful. As children, they may be praised for their hard work, which forms the foundations of their persistence (Mueller & Dweck, 1998). As adults, they are preoccupied with doing things better than they did in the past. These individuals are constantly striving to improve their performance. They relentlessly focus on goals, particularly stretch goals that are challenging in nature (Campbell, 1982).

Are individuals who are high in need for achievement effective managers? Because of their success in lower level jobs where their individual contributions matter the most, those with high need for achievement are often promoted to higher level positions (McClelland & Boyatzis, 1982). However, a high need for achievement has significant disadvantages in management positions. Management involves getting work done by motivating others.

If the story you created in relation to the picture you are analyzing contains elements of making plans to be with friends or family, you may have a high need for affiliation. Individuals who have a high need for affiliation want to be liked and accepted by others. When given a choice, they prefer to interact with others and be with friends (Wong & Csikszentmihalyi, 1991).

Finally, if your story contains elements of getting work done by influencing other people or the desire to make an impact on the organization, you may have a high need for power. Those with a high need for power want to influence others and control their environment. A need for power may in fact be a destructive element in relationships with colleagues if it takes the form of seeking and using power for one's own good and prestige.

## Summary

Every organization has goals. But then, these goals cannot be achieved without proper management and execution of the business plan. Effective organization management is critical in any business settings. It would help to give the superiors and employees a clear direction involving how to run the business and get everyone to deliver their best. As you can see, leadership theories are based on different ways of thinking. Some focus on traits and qualities, while some touch upon the importance of situational aspects that influence how leaders behave. Like many other behavioral concepts, leadership is highly multi-dimensional, and there are numerous factors that go into filling the shoes of a leader. Because the human side of the business is one of the most – if not the most – important elements that determine the success and failure of an organization, leadership will always remain the most prized skill in the business world.

## Keywords

- **Organizing:** It entails how you intend to utilize the available resources to help employees to achieve the best results. Organizing allows firms to make good use of their finances.
- **Theories of Leadership:** Leadership is the art of motivating people to work towards a common goal.
- **Great Man Theory of Leadership:** It is based on the assumption that leadership is an inborn phenomenon and that leaders are "born" rather than made.
- **The Trait Theory:** An individual must possess the key personality traits and characteristics to be an effective leader and these traits are inherent by birth.
- **Behavioural Theory:** Focused on the leader's behaviour rather than traits.
- **Path-Goal Theory:** Leaders select specific behaviors that are best suited to others' needs and circumstances.
- **Blake and Mouton's Leadership Grid:** Discovered the five different styles of leadership by categorising the managers into 81 possible ways arising out of the combination of rating depending on two variables, concern for people and concern for results.



- Contingency Theory: This theory proposes that no one way or style of leadership may be applicable to all situations.
- Situational leadership theory: - The importance of situational variables and doesn't consider anyone's leadership style to be better than the others.
- Transformational Leadership Theory: - This theory talks about the kind of leader who is inspirational and charismatic, encouraging their followers to transform and become better at a task.
- **Transactional Theories:** Consider rewards and punishments as the basis for leadership actions.
- the variables that are perceived to be desirable to achieve goals and the undesirable conditions to avoid.
- **Maslow's Hierarchy of Needs:** physiological needs, safety needs, love and belonging needs, esteem needs, and self-actualization needs.
- **Herzberg's Motivation-Hygiene Model:** The variables that are perceived to be desirable to achieve goals and the undesirable conditions to avoid.
- **Acquired-Needs Theory:** Individuals acquire three types of needs as a result of their life experiences. Need for achievement, the need for affiliation, and the need for power.

### Self Assessment

1. Motive may be defined as needs, wants, drives or .....within an individual
  - A. Impulses
  - B. Jerks
  - C. Hybrid
  - D. Sounds
  
2. Motives or needs of a person are the starting point in the .....Process?
  - A. Classical
  - B. Hybrid
  - C. Motivation
  - D. None of the above
  
3. Motivation is personal and internal feeling. It is a ..... Phenomenon which generates within an individual?
  - A. Sociological
  - B. Psychological
  - C. Scientific
  - D. Political
  
4. Motivation is a ..... concept that directs human behaviour towards certain goals?
  - A. Scientific
  - B. Behavioral
  - C. Political
  - D. Sociological

5. Great Man Theory is associated with?
  - A. Leadership theories
  - B. Behavioral Theories
  - C. Scientific management
  - D. None of the above
6. Stogdill is associated with which type of theories?
  - A. Behavioral
  - B. Scientific
  - C. Classical
  - D. Leadership
7. Leadership is also a very important part of the ..... process?
  - A. Social Process
  - B. Administrative Process
  - C. Psychological Process
  - D. Classical Organisational
8. The success of every organization is dependent upon the quality of it's .....?
  - A. context
  - B. content
  - C. Bricks
  - D. Leadership
9. "The will to do is triggered by leadership and lukewarm desires for achievement are transformed into burning passion for successful accomplishment by the skillful use of leadership". This Statement is associated with?
  - A. G.R. Terry
  - B. Simon
  - C. Gibson
  - D. Heller
10. "Without leadership, an organization is but a muddle of men and machines...". Who said this?
  - A. G R Terry
  - B. K. Davis
  - C. Wilkins
  - D. Thomas Hood
11. "the single defining quality of leaders is their ability to create and realize a vision". This statement is attributed to?

- A. A O Hume  
 B. Davis  
 C. W. Bennis  
 D. Terry
12. .... refers to the art of getting people together on a common platform to make them work towards a common predefined goal?
- A. Organisation  
 B. Leadership  
 C. Politics  
 D. Management
13. ....refers to the judicious use of resources to achieve the best out of the employees?
- A. Leadership  
 B. Management  
 C. Organizing  
 D. None
14. Poor organization management leads to unhappy employees who eventually create problems for themselves as well as the organization. This Rule signifies?
- A. Staffing  
 B. Organizing  
 C. Commanding  
 D. Controlling
15. The superiors must be aware of what is happening around them. This rule signifies?
- A. Control  
 B. Planning  
 C. Execution  
 D. Organizing

**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. A  | 2. C  | 3. B  | 4. B  | 5. A  |
| 6. D  | 7. B  | 8. D  | 9. A  | 10. B |
| 11. C | 12. D | 13. C | 14. A | 15. A |

**Review Questions**

1. How do you define the term organization?

2. What are the steps and processes in managing the organization?
3. What are the major theories of Leadership and its features?
4. Identify the tenets and features of Great Man Theory of Leadership
5. How do you assess the importance of Trait Theory and its features?
6. What are the significant theories of Motivation?
7. How do you analyse the advantages and disadvantages of Maslow's Hierarchy of Needs?



### **Further Readings**

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## Unit 10: Organisational Communication

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### Objectives

- To understand the meaning of the word: Organisational Communication
- To point out the characteristics of Organisational Communication
- To elucidate the significance of Organisational Communication
- To analyze the various views of scholar on Organisational Communication
- To understand the features of Theories and Principles on Organisational Communication
- To elaborate the Organisational Communication in India and its various facets

### Introduction

Organizational communication is defined as the channels and forms of communication in which organizations such as corporations, non-profits, and governmental bodies engage, including both the internal communications that occur within an organization, and external-facing communications between an organization and its stakeholders. Optimizing organizational communication can have a powerful impact on the efficacy of an organization. Individuals with a bachelor's and/or master's in organizational communication can work in human resources, employee training and management, public relations and public affairs, marketing, communications consulting, media management, policy and advocacy, and research and instruction, among other areas.

### **Subject Matter**

#### **10.1 Lecture 1- Organisational Communication: Theories and Principles**

There are basically two types of Communication: Formal Communication and Informal Communication.

**Formal Communication:** Formal communication is, typically, conveyed from the top leadership to various departments and employees. Usually, every organization follows a procedure for formal conversation. Formal communication follows 'through the proper channel' procedures.

**Informal Communication:** Informal communication can also play a much larger role than just generating friendly chatter. This form of communication can be very useful in resolving a conflict between the employees and the management.

### **Classical Theories on Organisational Communication**

Fredrick Taylor's Scientific Management. Scientific management is a management oriented and production-centered perspective of organizational communication. Taylor believed that the reason why most organizations failed was due to the fact that they lacked successful systematic management. He wrote that "the best management is true science resting upon clearly defined laws, rules, and principles, as a foundation."

Henri Fayol: Fayol's principles of management are similar to the military because there is unity in direction, unity in command, subordination of individual interests to the general interest, and order. There is a hierarchical order of authority. There is a sequence and succession to how communication is transferred from one person to the other. This is similar to horizontal communication where workers of the same level communicate with each other. Even though Fayol's principles may appear to be strict, he was one of the first theorists to grasp the idea that having unconditional compliance with an organization may lead to problems. Hence, he also noted that each organization must determine the most favorable levels of authority. All in all, communication in the classical perspective has two functions: control and command. Fayol believes that organizations must limit their communication to precise and explicit words for task design and implementation. Thus, communication is not spontaneous and is more centralized in a classical organization.

Weber's Classic Organizational Theory of Fixed Structures: The widely respected management theorist, Max Weber can be considered the pioneer of organizational studies. His theory of bureaucratic organizations is the first attempt to define organizational structure and give meaning to the communication processes that happen within organizations. Weberian theory holds that organizations have clearly defined roles and responsibilities and hence communication is hierarchical, structured, and clear. There is no scope for confusion in the messages being sent from the top (the theory is inherently a top down one) and hence organizations have rigid machine like structures where each individual contributes by way of defined and unambiguous roles and responsibilities.

### **Human Relations/ Behavioral Approach on Communication**

Various Thinkers and scholars who worked on Communication include Elton Mayo, Chester Bernard and Herbert Simon. Interpersonal communication within workplaces is prevalent in modern times, but its roots, in many ways, can be traced back to the Hawthorne experiment. A revision to the Hawthorne effect can be when employees are able to positively, personally, and emotionally communicate their objectives, in the workplace, about their personal welfare. This can produce motivated workers who are more productive. Interpersonal communication changes the dynamics of leaders and subordinates within organizations. This is because opening channels of communication through physical and emotional factors within the workplace is beneficial to productivity and employee morale. Open communication about space design can be an effective measure when relaying information to an individual.

**Barnard argues in favour of "acceptance theory of authority"**. This theory was first proposed in 1938 by Chester Barnard in his book *The Functions of the Executive*. Among his major contributions, Barnard argued "...that the three functions served by the informal organization are

- (1) communication,
- (2) maintenance of cohesiveness in the formal organization, and
- (3) maintenance of feelings of personal integrity and self-respect".

This theory comes to organizational communication from the Human Relations School. It is important to organizational communication because it does not only stress the need to acquaint all organizational members with effective channels of communication, but also underlines the importance of formal channels of communication to connect all organizational members, with every individual within the organization reporting to or demonstrating subordination to someone else.

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This theory originated from biologist Ludwig von Bertalanffy in 1937, but has been extended by other scholars, including Talcott Parsons and Erwin Laszlo. In developing the theory, Ludwig sought to account for the interrelationships in the world around him and to view the world in a holistic way. For communication scholars, this theory provides the most natural avenue for investigating organizational functions and relationships because it "...views the organization as a system composed of many subsystems whose interdependent and interlocking parts are held together by communication".

### **10.2 Theory X and Theory Y**

This motivational theory was coined by Douglas McGregor based on directly opposing assumptions of human nature. In his theory, McGregor not only underlines the development of self-control, promotes creativity, and recognizes people as the greatest asset of the enterprise, but also suggests that workers should be rewarded based on their performance and contribution toward the attainment of goals set by the organization rather than on the basis of individual attainments, and that they should be given a stake in the running of organizational affairs by motivating them and giving them a voice.

### **The Speech-Act Theory & the Learning Organization**

Originally coined in 1975 by British philosopher John Austin, this theory is developed upon the understanding that human existence is defined by the ability to coordinate efforts through the employment of language, as well as the capacity to create images from others to construct reality through words. Due to the theory's presupposition that human beings cannot act without interpreting what is being said by others, it is increasingly used to assist organizations address challenges, issues, and performance gaps within their business departments and with their employees through the concept of learning organizations.

**Theorists in the cybernetic tradition** start with the assumption that an organization is a system comprised of many interdependent parts. The annual employee recognition luncheon is a particularly good occasion to see all those parts in action:

- The top executives who make speeches and set policies for giving awards;
- The human resources department that generated the list of employees eligible for awards and organized the luncheon;
- The corporate communications department that will send out a press release after the event;
- The accounting department that processed purchase orders and payments to the caterer;
- The information technology department that set up the audiovisual equipment for the awards ceremony;
- The maintenance department that prepared the room and will clean up afterward; and finally,
- The employees who attended the luncheon, received awards, and put on the humorous entertainment.

### **Shannon and Weaver Model of Communication**

In 1948, Shannon was an American mathematician, Electronic engineer and Weaver was an American scientist both of them join together to write an article in "Bell System Technical Journal" called "A Mathematical Theory of Communication" and also called as "Shannon-Weaver model of communication". This model is specially designed to develop the effective communication between sender and receiver. Also they find factors which affecting the communication process called "Noise". At first the model was developed to improve the Technical communication. Later it's widely applied in the field of Communication. The model deals with various concepts like Information source, transmitter, Noise, channel, message, receiver, channel, information destination, encode and decode.

### **10.3 Lecture 2- Organisational Communication: Functioning in India and Its Impacts**

The large organisations in India are found to have high differentiation in the organisational policies, practices and work culture. It is most relevant to the analysis and evaluation of communication in the context of organizational culture in major Indian corporate and changes leaders can employ to improve organizational performance through communication strategies. Culture is one entity that adds to the organization as a whole. However, more than any other organisational factors, the culture of the organisation respond to the members' basic needs. The culture of the organisation reflects a vision shared by the members at large. Many researchers have been done to study organizational culture but not much effort has been done to relate it with the communication skill.

The importance of communication in an organization in India can be summarized as follows:

- Communication promotes motivation by informing and clarifying the employees about the task to be done, the manner they are performing the task, and how to improve their performance if it is not up to the mark.
- Communication is a source of information to the organizational members for decision-making process as it helps identifying and assessing alternative course of actions.
- Communication also plays a crucial role in altering individual's attitudes, i.e., a well-informed individual will have better attitude than a less-informed individual. Organizational magazines, journals, meetings and various other forms of oral and written communication help in molding employee's attitudes.
- Communication also helps in socializing. One cannot survive without communication.
- Communication also assists in controlling process. It helps controlling organizational member's behavior in various ways. There are various levels of hierarchy and certain principles and guidelines that employees must follow in an organization. They must comply with organizational policies, perform their job role efficiently and communicate any work problem and grievance to their superiors. Thus, communication helps in controlling function of management.

#### **In India communication in various organisations has following**

##### **Peculiarities:**

- Peculiar Greetings which are in addition to western culture in various organisation:
- Business language and communication in India
- Role of Hierarchy in Indian discourse
- Communication in meetings and negotiations

Organizational communication can be defined as a method of conveying and sharing information such as organizational goals, plans used to achieve those goals, policies, rules & regulations, and other trivial details.

Informally, communication in an organization might take place in different ways, but, formally, each organization follows a particular communication method to convey information.

Organizational communication is an integral part of every organization, and it plays an essential role in building a successful business. Communication in an organization affects the way people behave in the organization. Communication in an organization is a vital managerial component because the role of management is to make plans and give directions.

People working in an organization, whether managers or employees who work at the front line, must be aware of how to behave to create the best working environment in the organization.



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Communication in an organization also shapes the way people behave in the organization. The behavior of people in the organization affects the way people motivate each other to achieve organizational goals. Organizational communication plays an essential role in the way people interact with one another in meetings.

On the other hand, ineffective organizational communication results in misunderstanding, lack of coordination, and incompetence in the organization. Therefore, it is essential to have effective communication in the organization to execute plans effectively and contribute to the organization's success.

Effective communication in an organization is so vital that nowadays, even recruiters look for communication skills as one of the primary skills in the people they want to hire. You will commonly find phrases such as business communication, corporate communication, or organizational communication skills in job advertisements.

### Importance of organizational communication

- The first importance of organizational communication is to keep employees working in the organization informed. The employees have communicated the goals they need to achieve and the method used to achieve those goals. They are not only told the techniques but also conveyed feedback to improve their work. The organizational communication helps in clarifying doubts or misunderstanding of the employees.
- Communication in an organization plays the role of a source of information. Information is conveyed to the employees through communication. That information helps the employees in critical decision-making as having this information provides them an alternative course of action to perform a particular task.
- Communication is essential for socializing. Through communication, employees working in the organization socialize with one another. Socialization is also necessary to make strong bonds among the employees, which is essential for an organization to grow.
- Healthy communication in an organization helps shape the attitude of people working in the organization. A well-informed employee has a positive attitude as compared to the less-informed employee.
- Written and formal communication in an organization is more effective as compared to the other types of organizational communications. Therefore, many organizations spend in publishing corporate magazines and journals to share important annual information with the employees of the organization.
- Organizational communication plays a vital role in the controlling process as the role of managers is to give guidelines to their subordinates and to take feedback from them. Effective organizational communication makes these tasks better. The subordinates can perform their tasks efficiently when they are communicated well as well as they can clear their doubts from their supervisors when they face any problem in their work

### Challenges of Organizational Communication

Even though organizational communication is an integral part of any organization, there are still many challenges that an organization faces when it comes to preparing an effective communication plan.

Organizational communication can never be effective and efficient when the challenges related to organizational communication are not taken care of. The following are organizational communication challenges that one must be aware of before preparing an organizational communication plan for the organization.

1. **The relevance of the plan:** The first and foremost challenge that one might face while preparing a communication plan is its relevance. It is quite challenging to make a communication plan which is relevant to everyone working in the organization. Different departments and different functions in those departments require different solutions for communication problems that might arise.



For example, in the sales department, most salespeople work virtually and rarely visit the office. The meetings with the sales manager are also conducted through video calls or phone calls.

2. **Size of the Organization:** The next challenge that one might face while preparing an organizational communication plan is its size. Especially in large organizations, it is challenging to make an effective communication plan. Because in large organizations, there are multiple departments and sub-departments.

Hundreds of employees work in those departments. Some employees work within the office premises, and some employees work virtually far from the office premises. In such cases, it becomes quite challenging to prepare a communication plan so that effective communication can be established among all the employees working in the organization.

3. **Accountability:** Accountability is one of the most critical challenges that one must consider while preparing a communication plan. How can you ensure accountability? How can you make sure that the message or information shared is not distorted while being communicated?

What actions should be taken when the data is changed? And how can the source of lapse be tracked? It is essential to have answers to all these questions. It is challenging to maintain accountability in the absence of an effective organizational communication plan.

4. **Integrity:** The last but not least challenge of organization communication is the integrity of information. This challenge is faced by organizations that opt for informal organization communication methods. In an informal environment, the chances of the integrity of the data being affected become high.

Therefore, it is a prominent challenge to make sure that the integrity of the information can be maintained while communicating it in the organization.

### **The Impact of Effective Organizational Communication**

- Effective communication impacts the organization and the people working in it positively. Let us learn about those impacts one by one.
- Effective communication helps to reduce misunderstandings among the employees and with the clients and business partners. Hence, the number of lawsuits and complaints also minimizes.
- Effective communication in the organization builds the confidence and morale of employees working in the organization. The employees feel more satisfied in an organization where they are well-informed.
- Effective communication improves the procedures and processes that take place in the organization, as a result of which efficiency in the organization progresses, and the cost of production also reduces.

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- Excellent and clear communication in the organization helps employees understand the organization's policies and rules & regulations. That helps them to become loyal towards the company.
- Proper communication in the organization helps in establishing healthy bonds among the employees and management. The employees trust their management and trust the decisions that they take for them. The main advantage of this scenario is that the organization remains union-free, and people communicate their problems and demands and look for a mutually beneficial solution rather than on strikes.
- Employees feel free to voice their opinions and ideas. It is advantageous for the organization as it helps the organization to grow.
- Planned organizational communication is helpful in the execution of production plans

#### Impacts of Ineffective Organizational Communication

- Ineffective communication causes altercations among employees and management because of the misunderstanding created by ineffective communication.
- Ineffective communication in an organization causes incoordination in the departments. Incoordination causes heated arguments between employees, wastage of resources, and high cost of production.
- It is difficult to meet customers' demands and expectations when there is ineffective communication in the organization. The sales department would not know what the marketing department has been promising to the customers.
- Ineffective communication can also cause a high rate of turnover. Employees feel dissatisfied and ditched when they are not appropriately communicated.

#### Summary

Organizational communication is a broad field that encompasses all forms of communication that allow organizations such as companies, government agencies, and non-profits to function, grow, connect with stakeholders, and contribute to society. Organizational communication includes both internal communications, such as employee training modules, messaging around an organization's mission, interpersonal communications between management and employees, and professional communication such as emails. It also includes external-facing communications such as public relations announcements, press releases, marketing materials, and branding.

Organizational communication is complex in that there are many moving pieces within an organization, almost all of which require clear communication in order to maximize the efficacy of said organization. Indeed, organizational communication itself is comprised of many forms of information transfer and relationship mediation, from interpersonal communication, group communication, and cross-cultural communication to mass communication and digital and social media.

Due to the complexity and the importance of organizational communication, there is demand for individuals who are well trained in how to optimize internal communications as well as external-facing communications for corporations, non-profits, government agencies, and similar organizations. Positions in organizational communication range from those in public relations and project management to human resources, marketing, and corporate communication management. Effective communication is a building block of successful organizations, In other words, communication acts as organizational blood. All managers and employees need to be aware of how people behave in order to provide the best working environment. Organizational behavior is about how people may be motivated to work together in more effective ways. The interaction required to direct a group toward a set of common goals is called organizational communication.

**Keywords**

- **Organisational Communication Theory:** Organizational communication can be defined as a method of conveying and sharing information such as organizational goals, plans used to achieve those goals, policies, rules & regulations, and other trivial details.
- **GangPlank:** According to Fayol, scalar chain refers to the chain of authority and communication that runs from top to bottom and should be followed by managers and their subordinates. Gang plank refers to an arrangement in which two managers working at the same level can communicate with each other directly for quick communication.
- **Gobbledegook:** Gobbledygook is inflated, jargon-cluttered prose that fails to communicate clearly. Contrast with clarity and plain English. Also spelled gobbledegook. Stephen R. Covey describes gobbledygook as "language that is so pompous, long-winded, and abstract that it is unintelligible".
- **Grapevine:** The meaning of grapevine communication is communication held without following a recommended structure in an organization is informal communication. So, grapevine communication can be described as a casual and unofficial communication system within the organization

**SelfAssessment**

1. Communication effectiveness becomes a very vital factor in determining the ..... with which an organization performs as a whole:
  - A. Efficiency
  - B. Control
  - C. Budget
  - D. None of the above
  
2. Good and effective ..... is required not only for good human relations but also for good and successful business:
  - A. Control
  - B. Planning
  - C. Communication
  - D. Process
  
3. "Persons working in the corporate and academic organizations in India spend more time in talking than listening". Who said this?
  - A. U L Goswami
  - B. M L Chandra
  - C. Jigisha Dholakia
  - D. Anand Mohan
  
4. "There are significant differences between males and females in terms of several aspects of organizational communication". This statement is made in the context of ?
  - A. American Administration

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- B. British Administration
  - C. Indian Administration
  - D. Mandarin System
5. This approach views organizations as “sites of domination”?
- A. Critical Approach
  - B. Organisational Approach
  - C. Classical Approach
  - D. None of the above
6. Which type of researcher uses interpretative type of research techniques?
- A. Classical Researcher
  - B. Critical Researcher
  - C. Homic Researcher
  - D. Normative Researcher
7. Which type of method can be used to predict the behaviour in organisations?
- A. Qualitative
  - B. Interpretative
  - C. Normative
  - D. None of the above
8. Developing ..... awareness and effectiveness is more than just having know-how or knowledge?
- A. Organisational Communication
  - B. Structural Communication
  - C. Functional Communication
  - D. Interpretative communication
9. Efficient organizational communication involves knowing how to create and .....?
- A. Build trust
  - B. Copy data
  - C. Exchange information
  - D. Build structures
10. Which department reported communication competency as the most vital skill necessary for the 21st century workforce to achieve organizational success?
- A. Australian Department of Defence
  - B. Chinese Department
  - C. US Department of Labor
  - D. Indian Ministry of Communication

11. A number of ..... by Davis & Miller; Holter &Kopka; Perrigo &Gaut identify effective oral and written communication as the most sought after skills by those who run organizations?
- Surveys
  - Communications
  - Data entries
  - Tests
12. For organizations to be successful, they must have competent .....?
- Theorists
  - Practitioners
  - Communicators
  - Villagers
13. Communication is a .....process?
- Simple
  - Complex
  - Both A & B
  - None of the Above
14. .... literally constitutes, or makes up, our social world?
- Thinking
  - Pondering
  - Communication
  - Leadership
15. Much of our communication involves .....and ..... relatively unproblematic messages and acting on that information?
- Sending and Receiving
  - Blocking and Kicking
  - Theory and Practice
  - None of the above

**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. A  | 2. C  | 3. C  | 4. C  | 5. A  |
| 6. B  | 7. A  | 8. A  | 9. C  | 10. C |
| 11. A | 12. C | 13. B | 14. C | 15. A |

## Review Questions

1. What is Organisational Communication?
2. Elucidate various theories of Organisational Communication?
3. Define the Max Weber's views on communication in Organisations?
4. What is behavioral approach on Organisational Communication?
5. Define various barriers to effective communication?
6. What is difference between Formal and Informal communication?
7. Examine the Shannon and Weaver's views on communication?



## Further Readings

- Cheney, G., Christensen, L.T., Zorn, T.E., and Ganesh, S. (2004). *Organizational Communication in an Age of Globalization: Issues, Reflections, Practices.* Long Grove, IL: Waveland Press.
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**Unit 11: Chester Bernard Principles of Communication****CONTENTS**

Objectives

Introduction

11.1 Lecture 1- Meaning of Chester Bernard Principles of Communication

11.2 Lecture 2- Information Management in Organization

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**Objectives**

- To understand the meaning Communication
- To point out the characteristics of Chester Bernard's views on Organisations
- To elucidate the significance Bernard's Views on communication
- To analyze the various views of Bernard on principles of communication
- To understand the features of Acceptance Theory of Authority
- To elaborate the Communication and its effectiveness from Behavioural point of view

**Introduction**

Communication is an important principle of organisation and is essential for realizing its aims, objectives and targets. J. M. Millet describes communication as the blood stream of an administrative organisation. According to Pfiffner, communication is the heart of management. Chester I. Barnard remarked: The first executive function is to develop and maintain a system of communication. He called it the foundation of cooperative group activity. According to Peter Drucker, good communication is the foundation for sound administration. Norbert Weiner said, communication is the cement that makes an organisation. Terry observed: communication serves as the lubricant, fostering the smooth operations of the management process.

**Subject Matter****11.1 Lecture 1- Meaning of Chester Bernard Principles of Communication**

**Chester Barnard:** viewed organisation as a cooperative system having three elements, viz. common purpose, willingness to contribute, and communication. Thus, he viewed communication as a vital dynamic of the organizational behaviour and believed that is a major shaping force in the organisation. In his words, the absence of a suitable technique of communication would eliminate the possibility of adopting some purposes as a basis of organisation. Communication techniques shape the form and the internal economy of an organisation. The Functions of the Executive is the only major book of Barnard. It was actually the revision and expansion of the manuscript prepared for the Lowell Institute Lectures. This book won him fame and helped him carve a niche for himself in the history of management thought. In it he developed a comprehensive theory of co-operative behaviour in formal organizations, better known as his theory of formal organization. He discussed



the complex problem of incentives, acceptance theory of authority, decision-making process, status systems and ethics in organization. His habit of rigorous abstract study is reflected in the difficult style of presentation in his book. The work is not easy reading and to understand his theoretical presentation one must dwell on his philosophy and thought processes.

**Barnard's Humanism:** Barnard was primarily concerned with the dignity and worth of the individual. He has been described as an idealist humanist, concerned with the well-being of man and the general welfare of society. He sees man as a single unique, independent, whole being. But the individual in an organization gets depersonalized. The management perceives him in terms of his limited role in the organization rather than view him as a whole being. But this duality does not make for a dichotomy. Barnard appreciates man's desires to promote his own interests. While doing so, he could further the interests of the organization or damage them. Accordingly, he has spoken of efficiency and effectiveness. When an individual in an organization seeks to achieve ends sought by the organization then his activity could be identified as effective. In the process, if he meets his personal needs and satisfies personal motives, the activity could be considered efficient. Organisational survival depends on both, and an executive must look for both-effectiveness and efficiency. There must be internal equilibrium and also 'an equilibrium between the system and the total situation external to it.'

Barnard distinguished between formal and informal organizations. He explained how individuals experience personal relationships in an organization due to the gregarious instinct or fulfillment of some personal needs. In course of time, these relationships get systematized and result in informal organization. Thus informal organization which is the aggregate of personal contacts and interactions does impact the formal organization. Both need each other as they are 'interdependent aspects of the same phenomenon...formal organizations are vitalized and conditioned by informal organizations.' Though Barnard saw the interconnection between the two, he built his theory around the concept of formal organization. He defined an organization as a "system of consciously co-ordinated activities or forces of two or more persons." It is a system made up of activities of human beings, a system in which the whole is more than the sum of its parts and "each part is related to every other part in some significant way."

To change one part is to change the interactions and thus to change the system as a whole. Barnard saw organizations as being, in reality, only partial systems. One cannot really isolate a complete, whole organization. Each is part of bigger and more complex organizations. Also, each is composed of various subunits, each of which is an organization in itself. Hence, the system must be treated as a whole. Barnard's entire theory of organization is a special application of the open-system theory. Viewing organizations as open systems, implies looking into parts and elements that make up the system, examining processes of functioning systems such as communication, decisions, feedback and identifying purpose, motivation and incentives.

As a humanist, Barnard sought a balanced position, a sort of mid-point, a way to benefit, the individual and the society. Every organization contained 3 universal elements:

**A) Willingness to co-operate:** In an organization, persons or contributors as Barnard calls them, must be willing to co-operate. Most of the time, contributors are indifferent or unwilling workers. Willingness relates to satisfactions or incentives. Barnard states that from the 'viewpoint of the individual, willingness is the joint effect of personal desires and reluctances; from the viewpoint of organization it is the joint effect of objective inducements offered and burdens imposed. The measure of this net result, however, is entirely individual, personal and subjective.' What makes for a willing contributor? In Barnard's words, 'If each man gets back only what he puts in, there is no incentive, that is, no net satisfaction for him in co-operation.

**B) Common purpose:** Willingness to co-operate must be for some specific purpose. At the same time, it is only when there is a purpose or an objective that cooperative effort is sought. Thus there is something like simultaneity in the acceptance of a purpose and willingness to cooperate. A purpose can serve as an element of a co-operative system only so long as the participants understand the nature and implications of that purpose as the object of co-operation. If there are major and serious differences between how the purpose is viewed individually and cooperatively, then the divergencies become very evident especially when the purpose is concrete, tangible and physical rather than when it is general and intangible.

According to Barnard, every participant in any organization has a dual personality- an organizational personality and an individual personality. When the purpose of the organization is co-operatively viewed, one has the organizational personality of individuals in mind. But what is

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dictated as worthy of support by organizational personality may be at variance with what is perceived by the individual personality. In other words, we have to clearly distinguish between them. The only time they are identical is when accomplishment of an organizational purpose becomes itself a source of personal satisfaction. Often, they are distinct and apart. Individual motive is necessarily an internal, personal and subjective thing while common purpose is essentially external, impersonal and objective. The executive has to imbibe in members the common purpose or objective of the organization in such a way that contributors feel that their personal satisfactions would come through accomplishing the purpose of the organization.

**C) Communication:** Willingness to co-operate and common purpose are linked through communication. Barnard lists the formal principles of communication. They are the following:

1. Channels of communication should be definitely known. The authority of person and position must be defined and publicized.
2. Objective authority requires a definite formal channel of communication to every member of the organization. Everyone should know where he is placed in terms of superior-subordinate relationships.
3. The line of communication should be as direct or short as possible.
4. The complete line of communication should usually be used. 'Jumping the line' can lead to contradictory communications, wrong interpretation and the undermining of responsibility.
5. The competence of persons serving as communication centres, i.e. executive personnel, must be adequate. The line of communication should not be interrupted in a functioning organization. Hence the need for the temporary filling of offices during incapacity or absence of incumbents.
7. Every communication must be authentic. The person issuing the communication must have the authority to do so, must be known to hold the position of authority and the communication must be actually issued by him.

Formal organizations can be studied from different points of view. For instance, an organization can be studied as a decision-making system, an incentive system, a moral system and so on. Though each is incomplete in itself, nevertheless it adds to our understanding of organizations. Barnard also looks at specialization as an aspect of formal organization. Specialization implies the analysis of purpose. Not only must the larger or general purpose be defined and analysed, the specialized purpose for each subunit must also necessarily be examined and related to the broad general purpose.

## **11.2 Lecture 2- Information Management in Organization**

Information, as we know it today, includes both electronic and physical information. The organizational structure must be capable of managing this information throughout the information lifecycle regardless of source or format (data, paper documents, electronic documents, audio, video, etc.) for delivery through multiple channels that may include cell phones and web interfaces. According to Wikipedia, Information management (IM) is the collection and management of information from one or more sources and the distribution of that information to one or more audiences. This sometimes involves those who have a stake in or a right to that information. Management means the organization of and control over the structure, processing, and delivery of information.

Information management is a vital aspect of data-driven businesses that allows them to make better decisions and achieve goals. Understanding the purpose of information management can help your business enhance the use, protection and storage of information to operate more effectively. Information management is the collection, storage, management and maintenance of data and other types of information. It involves the gathering, dissemination, archiving and destruction of information in all its forms. Information management covers the procedures and guidelines organizations adopt to manage and communicate information among different individuals, departments and stakeholders.

Information management focuses on the level of control an organization has over the information it produces. It requires building dedicated information management systems designed to help the company use its resources to support business processes. Information management also deals with how the organization shares and delivers information to diverse recipients. This includes the format, such as digital and physical information, and the medium, including computers, servers, websites, social media, mobile devices and applications.

### **Information management vs. data management**

Information management begins with the creation and collection of data that is processed and analyzed into information. The next step is storage, sharing and archiving when more current data becomes available. This process ends with the destruction of information for different reasons, including security, confidentiality, cost and storage constraints.

Data management is a subset of information management and relates to the policies, plans and programs that protect and control data and information assets through their life cycles. Data management gives organizations control over their business data, which can minimize security breaches and other risks when done properly.

### **Information management and its role in the workplace**

Information management allows an organization to achieve various goals. It improves compliance, reduces risk and controls access to vital business information.

1. **Controls creation of records:** An effective information management system can help an organization control the creation and growth of records. Without a defined strategy for creating and recording information, the workplace can produce excessive paper and paperless records.

This can increase time for retrieving records and increase costs of managing information resources. To prevent this, information management protocols set limits to creating and destruction of information to improve productivity and efficiency.

2. **Ensures regulatory compliance:** Many organizations have to work within regulations regarding how they handle client and business data. An effective information management system provides guidelines that enforce compliance with laws and regulations, allowing the company to avoid legal and financial penalties that could result from accidental breaches.

3. **Reduces operating costs:** Workplaces need an efficient information management system to reduce the cost of record keeping. Data collection, analysis, information storage, sharing and destruction are capital-intensive activities, especially for large organizations. Information management prioritizes the most important records, reducing expenses throughout the information life cycle.

4. **Adopts new technologies:** Information management provides the capability to adopt newer and more efficient technologies for managing information. It can be automation, enterprise solutions, artificial intelligence or any technological product or service that will help the company derive more benefits from its information.

5. **Improves productivity and efficiency:** A great information management system can improve how employees store and retrieve information required during their daily activities. It can also make it easier to disseminate information to diverse recipients via multiple channels, allowing teams to collaborate and communicate easily across time zones and locations. An effective information management system can help the organization extract actionable insights from its records to guide decision-making.

6. **Reduces risks:** An important function of information management is to reduce the risk of legal and financial punishments against the organization. It achieves this with a well-defined protocol for recording, storing, disseminating and destroying data. This reduces the chance of breaches and improves compliance with regulations.

7. **Protects proprietary information and preserves corporate memory:** Organizations need a process to safeguard their vital information from competitors and unauthorized access. Information management provides a system for protecting proprietary information from intruders, system failures and natural disasters. It helps protect the confidentiality and integrity of vital information assets, allowing the owner to derive maximum benefits from their trade secrets.

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Information management also helps an organization create a reliable institutional memory it can use for planning and making important strategic decisions.

### How to create an information management system

Use these eight steps to create an information management system:

**1. Identify information requirements:** The first step when creating an information management system is to identify information requirements. This can be in the form of an internal study or company-wide survey to determine the scope of the system in relation to the business, its operations, stakeholders and regulatory requirements. A simple way to achieve this step is to ask employees and management the amount and type of information they need to perform their duties.

**2. Outline objectives:** For the system to be successful, the organization needs to define its objectives in the form of guidelines or protocols that will guide implementation. Consider the overall management principles that will serve as a user manual when the system becomes operational.

**3. Determine information sources:** Organizations can collect information from diverse sources, including employees, internal departments, competitor research, market intelligence and regulatory agencies. The objectives of the system often determine the sources of information.

**4. Determine collection and classification methods:** Once you have determined the sources of information, the next step is to identify methods of collecting and classifying the information. This involves outlining the amount of information collection and the frequency, location and time. For classification, determine which information is quantitative, qualitative, technical, demographic, financial, legal and other categories. This step also involves the storage of current information and archiving when it becomes obsolete.

**5. Determine dissemination method:** Next, you'll identify the information recipients, the format and the channels of distribution. You'll also decide when to provide data access and other control measures to prevent breaches.

**6. Perform a cost-benefit analysis:** The cost of an information management system will include expenses for setting up the infrastructure, training staff, daily operations and maintenance. An effective information management system will deliver benefits that outweigh the costs.

**7. Implement and evaluate:** If the cost-benefit analysis is positive, you'll begin setting up the system and providing training and operational guidelines. You want employees who use the system to improve their productivity and efficiency at work.

You should assess the performance of the system after some months to determine how it's met objectives, including ensuring that the benefits continue to outweigh costs. Shorter periods for recording and retrieving information and increased use of data for decision-making are also signs the system is working.

If there are lapses in the company's information management strategy, an evaluation can help identify ways to improve the system for more effectiveness.

**8. Maintain and improve:** An evaluation will show how to improve the system's effectiveness and also provides an opportunity to upgrade infrastructure and retrain staff. Continuous improvements can contribute positively to the company's ability to achieve short- and long-term goals.

### Management Efficiency v Effectiveness

Authority only exists in as far as the people are willing to accept it; 3 basic principles for ensuring effectiveness of communication are:

1. Everyone should know what the channels of communication are
2. Everyone should have access to a formal channel of communications
3. Lines of communication should be as short and direct as possible.

Managers' key tasks are to set up systems to motivate employees towards the organisation's goals – individuals working to a common purpose rather than by authority ( a modern day collective) – real role of the Chief Executive is to manage the values of the organisation.

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The book 'Functions of the Executive' is complex, not light reading. His main objective, as indicated by the title, is to discuss the functions of the executive, but not from a merely intuitive point of view, but deriving them from a conception of cooperative systems based on previous concepts.

Barnard ends by summarising the functions of the executive (the title of the book) as being;

1. The establishment and maintenance of the system of communication
2. The securing of the essential services from individuals
3. The formulation of the organisational purpose and objectives.

### **Chester Barnard's Theory Explains Three Elements in an Organization:**

- Common Purpose
- Objective Purpose- He refers to the organizational purpose or the common purpose. He calls this as individual's purpose or individual's goal. Unless the individuals come together, cooperate with each other, it won't be possible for the organization to exist.
- Subjective Purpose
- Willingness to Contribute- Organizational survivability requires that the individuals must contribute willingly towards the organizational goal. By this, he is trying to explain the motivation of the individuals. He has dismissed the classical view on motivation i.e. classical theories are mono-motivational in nature. For classical theories, economic reasons are the only factors for motivation. He emphasized that the motivation is not just monetary but also based on non-monetary factors.

### **Contribution- Satisfaction Equilibrium**

- Chester Barnard has come out with a concept called as Contribution- Satisfaction Equilibrium to explain individual motivation.
- By contribution, he refers to individual's efforts and activities undertaken in pursuance of the organizational goal. By satisfaction, he refers to the incentives or the benefits provided by the organization towards the individual in exchange for the contribution.
- Chester Barnard says that the individual's motivation depends on individual satisfaction being more than individual's contribution.
- Individual becomes fully motivated when he derives a feeling that individual's satisfaction is more than the individual's contribution.
- Equilibrium refers to the balance in the system i.e. system to be functional requires that the individual contributes towards the organizational goal.
- Satisfaction of the individual has been explained through the concept of Inducement.

### **Concept of Inducement**

- Inducement refers to the factors which are provided by the organization to the individual to induce him to do work.
- He has discussed eight types of inducements.
- The main purpose of all these theories is to achieve efficiency in the organization. He has given few important points in this regard.

### **Specific Inducements**

- Material Incentives- This refers to money or salary.

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- Personal Non- Monetary Opportunities- This refers to personal power or personal recognition etc
- Desirable Physical Condition of Work- The working space should not be dingy or dirty.
- Ideal Benefaction- He refers to the job which satisfies individual's values, ideals or ideologies etc.

### **General Inducements**

**Associated Attractiveness-** This refers to a desirable social condition in the workplace. Here, social refers to Individual to Individual relationship or the relation among the colleagues. Undesirable social condition is a disincentive to work. A friendly atmosphere is always welcomed by the employees.

**Adaptation of the Working Condition of Work towards Individual's habits and attitudes-** He refers to the matching of the individual's habits and attitudes to the job requirements or job conditions.

**Opportunity for Enlarged Participation-** He refers to the opportunity to participate in the decision making or the opportunity to participate in various organizational activities.

**Opportunity to undertake Desirable Communication-** Freer communication with colleagues and supervisors in the organization acts as an incentive.

### **Views On Authority**

- Chester barnard dismissed the classical theories of organization and their view as being the Positional View on Authority.
- He developed his own Acceptance View of Authority. Positional view means that the authority flows from the position and the authority lies with the superordinate.
- Whereas, he has emphasized that the authority does not lay with the position which issues command rather lies with the position which accepts it. According to him, the authority lies with the subordinate and does not lie with superordinate.
- For Authority to be meaningful requires that it be accepted first i.e. Command only when it is going to be accepted by the subordinate.
- If the command is not accepted by the subordinate, it won't be complied resulting into non-meaningful authority.
- The acceptance of command depends on four conditions.
- It should be intelligible.
  - It should be consistent with the organizational goals.
  - It should be compatible with individual's personal goal.
  - It should be within the physical and mental limits.

### **Zone of Indifference**

- In order to substantiate Authority, Chester Barnard used a concept called as the Zone of Indifference. Within the organization, individuals carry Zone of Indifference as well as Zone of Denial. There are individuals who have more of Zone of Indifference.
- On the other hand, there are also individuals who have more of Zone of Denial. An individual who carries of Zone of Indifference, command issued towards them is more likely to fall within the Zone of Indifference and thereby will be complied. On the other hand, Command issued towards the individuals having more of Zone of Denial is more likely to fall within the Zone of Denial and thereby is liable to be disobeyed.

- The executives within the organization should always strive to increase the Zone of Indifference while decreasing the Zone of Denial. This can be done by working on individual's Contribution- Satisfaction Equilibrium. Zone of Indifference or Denial refers to a psychological condition of being obedient or disobedient.
- While being in the Zone of Indifference, the individual being indifferent towards the merit (four conditions discussed above) of the authority complies with the authority. Within the organization, while the acceptance of authority lies with the subordinate, the power of Veto lies with the superordinate.
- Power of Veto has been symbolically used and it means that the responsibility for the failure of authority or negation of authority lies with the superordinate.

### Summary

Chester Irving Barnard (1886 - 1961) was a telecommunications executive and author of 'Functions of the Executive', an influential 20th century management book, in which Barnard presented a theory of organisation and the functions of executives in organisations.

Chester Barnard looked at organisations as systems of co-operation of human activity, and was worried about the fact that they are typically rather short-lived. Firms that last more than a century are rather few, and the only organisation that can claim a substantial age is the Catholic Church.

According to Chester Barnard, this happens because organisations do not meet the two criteria necessary for survival: effectiveness and efficiency.

Effectiveness is defined the usual way: as being able to accomplish the explicit goals. In contrast, his notion of organisational efficiency is substantially different from the conventional use of the word. He defines efficiency of an organisation as the degree to which that organisation is able to satisfy the motives of the individuals. If an organisation satisfies the motives of its participants, and attains its explicit goals, co-operation among them will last.

Two of his theories are particularly interesting: the theory of authority and the theory of incentives. Both are seen in the context of a communication system that should be based in seven essential rules:

- The Channels of communication should be definite;
- Everyone should know of the channels of communication
- Everyone should have access to the formal channels of communication
- Lines of communication should be as short and as direct as possible
- Competence of persons serving as communication centers should be adequate
- The line of communication should not be interrupted when organisation is functioning
- Every communication should be authenticated.

### Keywords

- **Compliance:** Barnard formulated a concept of a 'zone of indifference' - orders *should* be perceived in neutral terms to be carried out without conscious questioning of authority. Incentives can be used to expand *this notional* zone; *however*, material incentives alone have been proven to be limited in their ability to effect compliance.
- **Communication:** In essence a central concept - decision making processes depend on communications. Barnard described characteristics and focused on importance of communication in informal organisations.

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- **Organisational Behaviour:** Organizational Behavior (OB) is the study of human behavior in organizational settings, the interface between human behavior and the organization, and the organization itself.



**SelfAssessment**

1. Word information comes from.....organ?
  - A. British
  - B. French
  - C. Indian
  - D. Italian
  
2. The word "information" comes from root word *enformacion* or *informacion* which means .....?
  - A. a criminal investigation
  - B. Getting data
  - C. Watching information
  - D. Seeing the act of crime
  
3. Etymologically Information as a word belongs to .....?
  - A. Latin origin
  - B. Greek origin
  - C. Indian origin
  - D. Chinese origin
  
4. Data that have been processed so that they are meaningful denotes the definition of .....?
  - A. Leadership
  - B. Attitude
  - C. Information
  - D. Communication
  
5. Who said that management has three different meanings?
  - A. Taylor
  - B. Theo Heimann
  - C. Decker
  - D. Luther
  
6. Management as a Noun refers to a .....?
  - A. Group of employees
  - B. Group of foreman
  - C. Group of managers
  - D. Group of individuals
  
7. Planning, Organizing, Directing, Controlling, etc. are the functions of .....?
  - A. Management
  - B. Leadership
  - C. NPM

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- D. NPA
8. Who was primarily concerned with the dignity and worth of the individual?
- A. Simon
  - B. Barnard
  - C. Follet
  - D. Taylor
9. "The management perceives him in terms of his limited role in the organization rather than view him as a whole being. But this duality does not make for a dichotomy". This statement signifies the thought of?
- A. Barnard
  - B. Simon
  - C. Tery
  - D. Gullick
10. "How individuals experience personal relationships in an organization due to the gregarious instinct or fulfillment of some personal needs". This statement signifies which type of organisations?
- A. Informal
  - B. Formal
  - C. Classical
  - D. None
11. The three universal elements of organisations according to Barnard are: Willingness to Cooperate, Common Purpose & .....?
- A. Leadership
  - B. Data
  - C. Communication
  - D. Eye sight
12. "Objective authority requires a definite formal channel of communication to every member of the organization. Everyone should know where he is placed in terms of superior-subordinate relationships". This statement signifies?
- A. Leadership
  - B. Communication
  - C. Authority
  - D. Control
13. 'Jumping the line', is characterized in which organisational principle?
- A. Communication
  - B. Hierarchy
  - C. Power

D. Control

14. Chester Barnard identified communication as an important .....activity?

- A. Leadership
- B. Management
- C. Classical
- D. Theoretical

15. Who among the following is defined as an ideal Humanist?

- A. Simon
- B. Wordsworth
- C. Gullick
- D. Barnard

### **Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. B  | 2. A  | 3. A  | 4. C  | 5. B  |
| 6. C  | 7. A  | 8. B  | 9. A  | 10. A |
| 11. C | 12. B | 13. A | 14. B | 15. D |

### **Review Questions**

1. Define Organisational Behaviour?
2. What is Organisational Communication?
3. Define Chester Bernard's Theory of Acceptance in Organisations?
4. What is the contribution of Bernard to Organisational Effectiveness?
5. Elucidate the views of Bernard on Authority?
6. What is Zone of Indifference?



### **Further Readings**

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## Unit 12: Conflict in the Organization

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### Objectives

- Elucidate the concept of Conflict in Organisations?
- What are various views of various scholars on managing conflict in organisations?
- Describe the ways in which conflict is managed in the organisations?
- What are the different attitudes of giving the orders?
- Explain the concept of Power, Authority and Control?
- List the principles of coordination?
- Views of Mary Parker Follett on Organisations and Managing conflict?

### Introduction

Organizational Conflict or otherwise known as workplace conflict is described as the state of disagreement or misunderstanding, resulting from the actual or perceived dissent of needs, beliefs, resources and relationship between the members of the organization. At the workplace, whenever, two or more persons interact, conflict occurs when opinions with respect to any task or decision are in contradiction

In simple terms, organizational conflict alludes to the result of human interaction, that starts when one member of the organization discerns that his/her goals, values or attitude are incompatible, with those of other members of the organization. The incompatibility in opinions can come into being, within a member, between two members, or between groups of the organization.

### 12.1 Factors Influencing Organizational Conflict

**Unclear Responsibility:** If there is lack of clarity, regarding who is responsible for which section of a task or project, conflict takes place. And, to avoid this situation, the roles and responsibility of the team members should be stated clearly and also agreed upon by all.

**Interpersonal Relationship:** Every member of an organization, possesses different personality, which plays a crucial role in resolving conflict in an organization. Conflicts at the workplace, are often caused by interpersonal issues between the members of the organization.

**Scarcity of Resources:** One of the main reason for occurrence of conflict in an organization is the inadequacy of resources like time, money, materials etc. due to which members of the organization compete with each other, leading to conflict between them.

**Conflict of Interest:** When there is a disorientation between the personal goals of the individual and the goals of the organization, conflict of interest arises, as the individual may fight for his personal goals, which hinders the overall success of the project.

Conflicts alleviate at the workplace due to individual and inter-individual factors. Individual related causes entails attitudes, beliefs, personality orientation and human-frailties. Inter-individual conflicts arises when a manager breaches norms of the organization.

## Subject Matter

### 12.2 Lecture 1- Views of Mary Parker Follett

Bridge between classical and behavioral approach to organization. It viewed organization as a social system, administration as a social process. Cooperation too was a process or outcome not a pre-condition. It highlighted the social, psychological dimensions of administration and management. Brought out human dimensions of an organization and pointed out the role of situational factors on an organization.

Mary Parker Follett's management theory exists to increase coordination among workers

Mary Parker Follett, or the "Mother of Modern Management," believed that management was "the art of getting things done through people."

Though she never managed a for-profit enterprise, she offered valuable insight on the importance of "powering with" rather than "powering over," and integrating with employees to solve conflicts.

She believed in science of administration. Follet focused on lateral coordination, administrative change, and authority acceptance. Follet believed that conflicts were inevitable due to individual differences, and they can be resolved. Constructive conflicts register themselves for benefit of all concerned. Conflicts can be used to produce harmony.

Follet felt State is the highest order of realization of any social group. Individuals find fulfillment of their goals and objectives in groups only. She believed democracy as the best form as it allowed people to voice their opinions. She believed laws would allow groups to fulfill their needs without compromising others. Unlike classical thinkers Follet believed in fact control i.e. situation shall give orders rather than man control i.e. people giving orders.

Resolving conflicts in an organization:

- **Domination:** Victory of one over other.
- **Compromise:** Both surrender some part.
- **Integration:** Finding a solution satisfying real needs of both sides without anyone sacrificing anything.

#### **Follet's rules for giving orders:**

- Different principles underline order giving.
- Identify principles that are basis for orders.
- Make experiments to analyze result of orders
- Use result to change extent, manner of giving orders.

What she meant was bossism should be avoided and instead manipulate people into obeying orders by using mental attitudes, time, place, habit patterns. Depersonalize orders, all concerned should study the situation and law of the situation should be obeyed. Thus situation gives orders. Action results in orders not the reverse.

Follet believed that to ensure orders are followed official should be made to see desirability of any method, rules should be made to make it possible to adopt new method and then few people should be convinced to adopt new method to set an example.

### Follet's Concept of Power

Power is the ability to make things happen, to be an agent to initiate change. Power can't be delegated as its the result of knowledge / ability. But condition can be created for the development of power.

**Power Over:** Coercive power which increases resentment and should be reduced by using integration, correct use of circular behavior i.e. influence a group and be influenced by it , law of situation.

**Power With:** Coactive power which causes superiors to develop subordinates to achieve at a settlement satisfactory to both. This increases theirself-respect and efficiency. Follet thus believed in correlated control rather than super-imposed control.

### Follet on Authority and responsibility

Authority is right to develop and exercise power. Authority belongs to those who perform job and not on basis of position held. Thus authority can't be delegated. Authority must be functional, as it carries responsibility. She said in an organization authority is "Functional" , Cumulative and pluralistic i.e. multiple responsibilities for a person.

### Leadership

Someone who can see all around a situation who sees it as related to certain policies and sees it evolving into next situation. Also who understands how to pass to next situation. Man possessing knowledge needed by a situation becomes a leader.

### Types:

1. Leadership of position: Hold position of formal authority
2. Leadership of personality: Forceful personal qualities
3. Leadership of function: Both of the above traits.

Central planning imposed on local levels lead to failure due to low coordination. Hence for coordination:

1. Have direct contact between all responsible people. Horizontal communication and vertical command both important.
2. Early stages: Involve people in policy formulation leads to higher morale.
3. Coordination is continuous from planning to activity and activity to planning.
4. Organizations have interrelationships and these must be taken into account.

### Integration

Follett thought that workers of all levels should integrate to reach the organization's goals. If conflict arises, there should be a conscious effort to pull instead of push, and to work together as a team. Because each member is doing their part, overall, they'll be more likely to be content with result.

### Power

Rather than establishing a strict hierarchy and delegating power to certain individuals over others, Follett believed that workers should practice co-active power. Powering with their team is better than powering over them; this way, each member feels just as valued as the next.

This is not to say that hierarchy should be eliminated entirely, however. Structure is still crucial, but employees should not feel like they are less valuable than their managers.

### **Group power**

Group power should be valued over personal power. Organizations do not exist for one person's benefit, but rather the entire company of workers. If this selfless mindset prevails, then all workers will feel like they're on the same team, rather than in competition with each other.

### **Critics:**

1. Ignored social nature of processes involved in management of organization.
2. Considered only psychological conflicts and not social content of organization scientifically.
3. Idea of integration was illusion. Her ideas didn't confirm to a theoretically well founded system.
4. Pursued collectivism i.e. theory of coordination and state and individualism i.e. theory of conflict and leadership at same time without giving specific dimensional definitions in their regards.

## **12.3 Lecture 2-Views of Peter Drucker**

Peter Drucker's writings on management are extensive and varied. Yet through all of his work a definite vision of what management is and how leaders and managers should operate does emerge. Management is a discipline and a practice. It is polycentric – it has many centers and interrelated elements. It is, therefore, very difficult to master this subject by mastering individual chapters in a linear way. One must integrate the elements into a working framework, as the whole is greater and different than the sum of its parts. Each of the ten parts of this book is related to one or more other parts. Each chapter is a part of the whole – the “words” – but the “music,” if you will, comes from seeing management as an organic whole.

Peter Drucker, hailed as the father of modern management, formulated a theory that is still used today. Drucker believed that managers should, above all else, be leaders. Rather than setting strict hours and discouraging innovation, he opted for a more flexible, collaborative approach. He placed high importance on decentralization, knowledge work, and management by objectives (MBO) and a process called SMART. To lead your team to success while supporting and encouraging each individual, consider channeling Drucker's approach. Here's how to implement his management theory.

### **Delegate Equal Power**

While it's important that employees respect you as their manager, they shouldn't feel that they're below you. Every worker should have the opportunity to speak up and share ideas with their team, whether it's during staff meetings or one-on-one conferences.

When workers are treated as equals, they're more confident and motivated in their work, which benefits the company as much as it benefits them. Talk to each employee as though their role is as necessary as yours (because it is), and remind them that they have a say in the organization.

### **Encourage collaboration**

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Collaboration is a crucial part of every organization. Rather than pitting employees against each other, or fostering an environment where employees keep to themselves, urge them to work together by sharing ideas, tips and guidance. This doesn't mean your employees shouldn't work individually, but they shouldn't feel like they can't ask for help or inspiration from others. Your staff should feel like a team, and you should serve as their coach.

### **Increase Efficiency**

To ensure you're continuing to prioritize productivity, utilize the concept of MBO, a process that calls for workers of all levels to work together to reach a common goal. There are five steps to MBO:

- Review goals
- Set objectives
- Monitor progress
- Evaluate performance
- Reward employees

These goals should be SMART, or specific, measurable, achievable, relevant and time-oriented. Call your team together and discuss your SMART goals to ensure everyone is on the same page and understands their part in the overall objectives of the organization.

### **Boost Innovation**

You want your workers to be confident and willing to take risks. Create an innovative atmosphere and lead by example, showing your employees that mistakes are not shortcomings. If your team sees that you're human, that effort does not always lead to success, they'll feel more comfortable risking failure. Be transparent with them, support their ideas and never punish creativity.

Management By Objectives (MBO) is a performance management approach in which a balance is sought between the objectives of employees and the objectives of an organization. MBO was developed by Peter Drucker, a renowned American author and consultant in the field of Organizational Development and management. The essence of Peter Drucker 's basic principle: Management By Objectives is to determine joint objectives and to provide feedback on the results. Setting challenging but attainable objectives promotes motivation and empowerment of employees.

By increasing commitment, managers are given the opportunity to focus on new ideas and innovation that contribute to the development and objectives of organizations. However, Peter Drucker sets a number of conditions that must be met:

- Objectives are determined with the employees;
- Objectives are formulated at both quantitative and qualitative levels;
- Objectives must be challenging and motivating;
- Daily feedback on the state of affairs at the level of coaching and development instead of static management reports;
- Rewards (recognition, appreciation and/or performance-related pay) for achieving the intended objectives is a requirement;
- The basic principle is growth and development not punishments.

Management by Objectives (MBO) is also known as Management By Results (MBR)

### **Summary**

First and foremost a political scientist, Mary Parker Follett originally applied her ideas to the field of social work. Follett was deeply interested in the individual, in both the group and society. Her philosophy of smaller more participative government runs counter to management and administration's focus on centralized power and regulation. This has contributed to the neglect of her work in management literature. She sent one primary message, that relationships matter. Follett's observations were made before the existence of computers, but her insight into the



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problems of organizations and society make her relevant still. Her central ideas of individual commitment through direct participation are critical issues in the modern workplace.

Instead of ignoring it, Follett believed that we should strive to see conflict as the legitimate expression of differences. It is by learning from these differences, that we develop a larger solution to meet the needs of all people. If approached with the right tools, Follett believed a conflict can become an opportunity for positive or constructive development. Follett identified three ways to respond to conflict: Dominance, Compromise and Integration. Dominance is victory of one side over the other. Compromise means each party having to give up something for the sake of reducing conflict. And integration, the option championed by Follett, means creatively incorporating the parties interests into the solution. How do you find the integrative solution? Begin by detailing all aspects of your demand; treat this as a joint problem and work together to find the solution. Make costless exchanges, what is essential for another party may be unimportant to you. Maintain an open mind, step outside of the problem and be inventive.

The starting point is to have each employee participate in the determining of personal objectives that are in line with the objectives of the organization. This works best when the objectives of the organization are discussed and shared throughout all levels of the organization so that everyone will understand why Peter Drucker's five steps are not a one-off exercise. It is a development cycle that takes the organizational objectives as the starting point and these need to be translated to an individual level.

The message behind Management by Objectives is the jointly determining and achieving of objectives and being rewarded for these achievements. It is important to make fair and correct assessments of the achievements against the setting of measurable goals. Clear performance indicators are essential for a good management by objectives approach certain things are expected of them. In this way, everyone can make their own translation of what their contribution can be to the objectives. This approach increases the involvement and commitment of the objectives. Instead of simply following expectations of managers and executives, everyone in a management by objectives approach will know what is expected of them.

By broadening the decision making process and responsibility throughout the organization, people are motivated to solve the problems they are faced with in an intelligent manner and they are given the information they need so that they can be flexible in the changing circumstances. This participatory process ensures that personal objectives with respect to general team objectives, department objectives, business unit objectives and ultimately organizational objectives are made clear.

### Keywords

- **Management by Objective:** Management By Objectives (MBO) is an performance management approach in which a balance is sought between the objectives of employees and the objectives of an organization.
- **Conflict Management:** Conflict management is the process of limiting the negative aspects of conflict while increasing the positive aspects of conflict. The aim of conflict management is to enhance learning and group outcomes, including effectiveness or performance in an organizational setting.
- **Power Over:** power-over is *coercion*, power-with is *coactive*. Sharing control provides personal enrichment for everyone and boosts morale.
- **Power With:** Power with is collaborative technique of sharing power with the subordinates.

### SelfAssessment

1. Peter Drucker belongs to which category of thinkers?
  - A. Management
  - B. Classical

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*Unit 12: Conflict in the Organization*

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- C. NPA era
  - D. NPM movement
2. Through Drucker's consultancy assignments, he has developed solutions to number of ..... Problems?
- A. Organisational
  - B. Management
  - C. Leadership
  - D. None of the above
3. 'Practice of Management' book written by Drucker came in which years?
- A. 1954
  - B. 1955
  - C. 1956
  - D. 1957
4. The book Age of Discontinuity is written by ?
- A. Simon
  - B. Drucker
  - C. Haller
  - D. Follet
5. Drucker was against?
- A. Bureaucratic management
  - B. HR management
  - C. Informal Organisation
  - D. None of the above
6. The basic objective of management is to lead towards .....?
- A. Better management
  - B. Innovation
  - C. Better processes
  - D. None of the above
7. Drucker belonged to.....?
- A. Normative school
  - B. Empirical school
  - C. Scientific management
  - D. H/R school
8. "Management is the organ of its institution. It has no functions in itself, and no existence in itself. He sees management through its tasks". This statement is attributed to?

- A. Simon
  - B. Terry
  - C. Drucker
  - D. Weiner
9. Which thinker occupies prominent place in “man’s world”?
- A. M P Follet
  - B. Drucker
  - C. Annie Frank
  - D. A M Antoinette
10. Which work Mary Parker Follet was edited by Urwick and Metcalf in 1941?
- A. The New State
  - B. Hungarian Administration
  - C. Management
  - D. Dynamic Administration
11. “Constructive Conflict” a term was provided by ?
- A. Drucker
  - B. Follet
  - C. Annie
  - D. Simon
12. Mary Parker Follett accords an important place to the problems of .....in her writings:
- A. Process
  - B. Conflict
  - C. Management
  - D. Hierarchy
13. Which among the following thinkers gave the concept of “Constructive Conflict”?
- A. M P Follet
  - B. Drucker
  - C. Peter Guys
  - D. Thomas Dye
14. Follett gives special attention to the problems of Power, Authority and .....?
- A. Process
  - B. Hierarchy
  - C. Control
  - D. None of the above

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15. "The ability to make things happen, to be a causal agent, to initiate change". This statement defines?
- Control
  - Authority
  - Power
  - Process

**Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. A  | 2. B  | 3. A  | 4. B  | 5. A  |
| 6. B  | 7. B  | 8. C  | 9. A  | 10. D |
| 11. B | 12. B | 13. A | 14. C | 15. C |

**Review Questions**

- Define the meaning of Organisational Conflict?
- Define the views on Organisational Conflict by Mary Parker Follet?
- What are the views on Management by Peter Drucker?
- Contrast the views of Mary parker Follet and Peter Drucker on Organisations?
- What is Management by Objective and Management by Exception?
- Elucidate the concept of Mary parker Follet on Managing conflict in Organisations?

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## Unit 13: Public Policy and Governance in India

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### Objectives

- To identify concept and significance of public policy
- To develop critical understanding of different stages of the public policy process
- To understand the meaning, nature and definition of the Public Policy
- To examine the scope and importance of the public policy for the society as a whole
- To elaborate the roles of government in making public policy
- To assess the nature of public policy making in India?
- To identify the challenges that Indian public administration/policy makers encounter

### Introduction

The unit emphasizes on two significant portions of public governance: public policy and governance, and public policy governance in India. The lives of the citizens everywhere are formed by public policies, whether we are aware of them or not. The dream for improved life while its achievement rest on our own efforts, will probable to contain public policies to aid the result of it. Public policy is a subject or field of inquiry has a long past, though the current public policy analysis have a specific American and 20th century fragrance. The public policy seeds were sown in 1940s and made a significant influence on the government and academic organizations over these years. In the early 1950s public policy has developed as academic search and from then it has been securing new measurements and is stressed tough to attain the position of a discipline in the area of Social science. As a study of products of government, policy forms a component in many a course and academic programme in various disciplines like political science, public administration, economics and business management. This unit gives complete information about public policy governance and public governance in India at two different sessions namely; lecture 1 and lecture 2.

## **13.1 Lecture 1- Public Policy and Governance**

### **Introduction**

Public policies are as old as governments. Whatever is the form, oligarchy, monarchy, aristocracy, tyranny, democracy etc., – whenever and wherever governments have existed, public policies have been formulated and implemented. To cope with the varied troubles and demands of the people the government has to create several policies, these policies are called public policies. Public Policy is a proposed course of action of a government within a given environment providing opportunities and obstacles which the policy aims to utilize and overcome to realize a given role.

The above definition clearly states that public policies are governmental decisions and resultant actions in pursuance of certain goals and objective. It requires a thoroughly close knit relation and interaction between the important governmental agencies – the political executive, legislature, bureaucracy and judiciary.

### **Nature of Public Policies**

- Goal Oriented
- Collective actions
- Decision are made.
- Positive/Negative

Public policy is positive in the sense that it depicts the concern of the government and involves its action to a particular problem on which the policy is made. It has the sanction of law and authority behind it. Negatively, it involves decisions by the governmental officials regarding not taking any action on a particular issue.

### **Characteristics of Public Policy Formulation**

- Complex: Policy making involves many components which are interconnected by communication and feedback loops.
- Dynamic: It is a continuous process that requires regular input of resources and motivation.

### **It also changes with time.**

- Comprises of various components
- Lays down guidelines: Public policy, in most cases, lays down general directive on the main lines of action to be followed.
- Results in action
- Futuristic
- Public Interest: A larger public interest guides the policy making strategy.
- Wide consultation

## **13.2 Types of Public Policy**

**Substantive:** These are policies related to general welfare and development of the society, the programmes like provision of education and employment opportunities, economic stabilization, law and order enforcement, anti-pollution legislation.

**Regulatory:** These are concerned with regulation of trade, business, safety measures, public utilities. Organizations like LIC, RBI make these regulations on behalf of the government.

**Distributive:** These are meant for specific segments of society and are related to area of grant of goods, public welfare or health services. Examples include adult education programme, food relief, social insurance, vaccination camp etc.

**Redistributive:** The Redistributive policies are concerned with the rearrangement of policies which are concerned with bringing about basic social and economic changes. Certain good and services that are divided disproportionately are streamlined.

**Capitalization:** Under this policy, financial subsidies are given to state and local governments by Union governments.

### **13.3 The stages of a Policy Cycle**

Policy is a course of action, selected from various alternatives, that an individual or an organisation adopts, which influences the present and future decision making. Policy cycle is the most optimal model through which policies are made, put into action and evaluated. It is described usually in six stages, which are: agenda setting, policy formulation, adoption, implementation, evaluation and policy maintenance. It is understood as a cycle, as the outcome of the implementation of the policy will help in determining any alteration in the existing policy or the creation of a new one.

**A. Agenda Setting:** In this stage, the issues that are in need of government action are brought to the attention of the policy makers, and various aspects of these issues are assessed; the most concerning areas are prioritised. This assessment is helpful in determining the objectives of the policy. The definition of problem setting is always contestable and depends on the ruling government's ideologies, their sight of benefits and prejudice. One of the main problems with policy making in India is the fragmentation in the structure. The Planning Commission was an institution in the Government of India, which formulated India's Five-Year Plans and was then replaced with the NITI Aayog. These plans were then approved by the legislature. However, with the passing of years, more power has shifted into the hands of the executive.

Other than this, India has adopted the parliamentary form of democracy, as well as a quasi-federal structure of governance, which means that there are various levels of hierarchy to be considered before setting objectives. Such fragmentation fails to recognize that actions taken in one sector have serious implications on another and may work at cross purposes with the policies of the other sector. Besides, it becomes very difficult, even for closely related sectors, to align their policies in accordance with a common overall agenda.

**B. Policy Formulation:** This is the stage that gives structure to the policy. Goals are set, costs are determined, policy instruments are chosen, possible effects are evaluated, and stakeholders are established. Multiple solutions are put forward, with consideration of meeting objectives within established limitations. Public policy is often prepared without sufficient input from sources external to the government, and without adequate examination of the issues involved. Some of the best experts in many lines of work lie outside the government, yet the policy processes and structures of government do not have efficient methods for obtaining inputs from external sources, which can prove to be detrimental to the groups affected by the policy as they too are often not involved enough; at times, different solutions with different impacts are not evaluated to the best extent.

Before converting policy proposals into policies, a number of analyses like the cost-benefit analysis, economic forecasting, operations research and systems analysis, and budgeting analysis can be run using up-to-date data. Opinions of those affected by the policy should also be taken into account as it can influence the success of the policy.

**C. Adoption or Legitimation:** This is the stage of decision making where the best solution is chosen from amongst the different solutions that vary based on the policy instruments used. This approval of the policy may come from various sources- legislative, executive, in tandem with interest groups or from referendums. Policies require approval from various levels of the government before being adopted. India's federal structure makes demarcations for certain legislative powers and duties, that is, the power to make laws on certain subjects is divided across Centre, the States or both. However, some of the autonomy provided to States is subject to financial requirements, which are often decided by the Centre. Friction or differences in understanding between the States and the Centre can also prove to be detrimental to the policy makers, where certain States refuse to follow the mandate of the Centre.

**D. Implementation:** This is with regard to how the policy will be put into action. This often means creating working networks where actors, resources and knowledge are connected. This may involve clear communication with the required agents, such as executive public bodies like the Ministry of Human Resource Development, or creating say, an organisation, to implement policy decisions. These agents will have to account for the usage of resources, whether monetary, human, legal or the likes.

Monitoring implementation is another important part of this stage. Proper implementation is critical to the success of any policy's objectives. This means establishing a clear chain of command and putting effort into its coordination and control. This can come at a great expense to the government. The successful implementation of social sector schemes requires a high degree of political commitment and administrative coordination.

Aadhar linkage and Kerala's Kudumbashree scheme are cited as successes. Aadhar, India's biometric ID system, is used to avail multiple utilities, such as food rations, to those who are registered with the Aadhar Ecosystem. Kudumbashree through micro-credit and empowerment schemes like vocational training allows poor women at the grassroot levels to organise themselves.

In India's case, while many policies of social inclusion have been put into place, the implementation has been suspect. Illiteracy, lack of awareness and lack of empowerment means the weaker sections of society, which any given policy is supposed to target, are often unable to access the benefits. It is also the case that the services offered by the government are usually of poor quality. Autonomy in implementation at various levels can help the cause. Execution of the policy is often hindered by confusion in the government as bureaucratic ineffectiveness, ineptitude and corruption confounds the policy implementation process.

Let us look into the example of the Right To Education Act, which made free and compulsory primary education a basic right for children of the age group of 6 to 14 years. It sets aside a 25% quota for children from economically and socially weaker sections in unaided, non-minority schools. It has been contended that there has been more focus on the quota than on the quality of education, with issues of teacher absenteeism, lack of teaching resources, lack of basic infrastructure, etc. This has resulted into high enrolment in schools, however, it has also responsible for high dropout rates. One could say that the policy is input oriented as opposed to outcome oriented.

Swachh Bharat Abhiyan also faced problems in having to adjust with mindsets of people, lack of proper waste management practices, often a lack of water, lack of sustainability of the provided infrastructure, as well as a lack of dedicated on-ground enforcers.

**E. Evaluation:** Government assesses the effect of the implemented policy at this stage. This is to determine how successful the policy was, in its impact, and whether the policy has been implemented correctly. This can be difficult to evaluate as the policies may have several objectives to meet. There may also be multiple ways to measure the impact which can lead to different evaluations on the effectiveness, depending on the standards of measurement used. Under the current government, NITI Aayog actively monitors and evaluates the implementation of government programmes and initiatives.

**F. Policy Maintenance, Succession or Termination:** This stage determines whether the policy is to be maintained by improving or further developing it. Often, if problems are identified with the current policies, they are either modified or terminated. Using the example of the Right to Education Act, the Centre is currently considering the extension of the Act to cover students till class 12, where currently it covers students till class 8.

Policy cycle is not only a model of policy making but is also a method of analysis of the policy process. This model does help us in looking at policy in orderly or organised manner but as expressed before, this can be overly simplistic for a complex and dynamic world.



### 13.4 Lecture 2- Public Policy and Governance in India

One of the essential functions of government is policy-formation. In the words of Dr.Appleby, the essence of public administration is policy making. Without policy, government and administration are rudderless. Policy is prior to every action. It is pre-requisite to all management.It is the policy which sets the task for administration. It provides the framework within which all actions for the accomplishment of an objective are to be activated.Policy is in fact planning for action; it is getting ready for setting the sails to reach the desired destination.

Ever since Wilson wrote his essay on "The Study of Administration" published in 1887, politics-administration dichotomy school of thought tended to regard policy as outside the scope of administration.In the words of Wilson: "The field of administration is a field of business. It is removed from the hurry and strife of politics." Wilson was followed by Good now and as late as 1926, L.D. White drew a distinction between administration and politics.It is now being increasingly realized that politics-administration dichotomy cannot work and that administration cannot be completely divorced from policy-making. Luther Gulick was one of the first advocates of this view.

To quote Dr. Appleby:"Administrators are continually laying down rules for the future, and administrators are continually determining what the law is, what it means in terms of action, what the rights of parties are with respect both to transactions in process and transactions in prospect..... Administrators also participate in another way in the making of policy for the future; they formulate recommendations for legislation, and this is a part of the function of policymaking."

Public officials are associated with policy-formation in three important ways:First, they have to supply facts, data, and criticism as to the workability of policy to the ministers or to the legislature if the initiative for policymaking comes from them. The members of the legislature or the ministers are amateurs who have risen to positions because of the popular will and not because of administrative talent and as such, they have to give due weight to the suggestions of the officials.Second, in many cases the initiative for policy or legislation emanates from the administration. This is because of the fact that it is the administration which is in constant touch with the general public and is in a better position to understand the difficulties that arise in the execution of legislation.

It has, therefore, to make suggestions and formulate proposals for removing those difficulties and in the process, it may have to, if need be, ask for amendments in the existing law or even for more laws. In such cases policy proposals emanate from the administration and legislature only puts its seal of approval on them.Third, on account of lack of time and knowledge, the legislature passes skeleton Acts and leaves the details to the administration. It is here that administration is most supreme in policymaking.

In order to execute these Acts, the administration frames rules, regulations and byelaws which is a major contribution to policy-making. It may, therefore, be said that there are two main types of policy-political policy and administrative policy.Political policy is the policy made by the government. It is the general policy set out by the Parliament and political executive in pursuance of the promises made at the time of election by the party in power. Administrative policy is the form in which the minister, administrator or Board carries the will of the government into effect.

In the words of Dr. M.P. Sharma "...administrative policy is largely concerned with the determination and establishment of appropriate machinery and procedure for the implementation of legislative policies, setting the timetable or work programme of activities for guidance of its own staff through rules, regulations or orders, and taking precedent-making decisions on specific novel issues which may arise in the course of day-to-day administration."

### 13.5 Basis of Policy-Making

Policy, from whatever source-legislature or administration-it may emanate, must be based on factual data and accurate information. to the legislature, it is the administration which supplies the necessary information but wherefrom the administration obtains that information?

**Broadly speaking, there are four ways through which administration collects the necessary information:**

**1. Internal Sources:**

Every department is a centre to which flow periodic reports, returns, statements, accounts and various other materials from various field establishments. These reports and other material are recorded by the department for future use whenever the need arises.

Some departments employ special agencies for the collection of data in certain special fields. Several Ministries in India have made special arrangements and established special machinery for the collection of statistics and data helpful for policymaking.

The Central Statistical Organisation, the National Sample Survey, the Bureau of Public Enterprises, Directorate of Industrial Statistics, and various other organisations are working for the collection of information and statistics. The data so collected is properly processed, organized, and interpreted to reveal certain facts essential for policymaking.

**2. External Sources:**

To supplement the internal data which may be insufficient, the administration takes to collecting information from external sources. It establishes contacts with private bodies, unions, associations, chambers, etc., in order to get a true picture of facts.

Internal information is likely to be biased and hence inaccurate and unreliable because it travels through the official channels and the agency reporting it may not like to reveal all that is fact. In our country, the government does consult and tries to know the essence of public opinion through various labour unions, chambers of commerce, and other professional associations.

Before the Five-Year Plan is actually approved, the draft outline is thrown open for discussion to various bodies all over the country. The suggestions received are duly considered and incorporated, where approved, in working out the final Plan.

**3. Special Investigations:**

Special investigations may be conducted by the appointment of Commissions and Committees of enquiry for finding facts in respect of a particular matter of field. Such investigations are very useful for policymaking as they provide the maximum thought in a particular field. Examples of such Commissions/Committees are numerous both in our country and abroad.

The Royal Commissions appointed from time to time in England, the Hoover Commission, in U.S.A., the Central Pay Commissions, the Universities Radhakrishnan Commission, the Local Finance Enquiry Commission, the Secondary Education Commission, the Press Commission, the Taxation Commission, the Monopolies Commission, the Administrative Reforms Commission, etc., in India are the examples of special investigating bodies.

These Commissions have specific terms of reference; they examine witnesses, both official and non-official and obtain facts and views which they convey to the government in the form of recommendations. These recommendations serve as the basis for policymaking and effecting reforms.

**4. Research and Study:**

Research and studies may be organized by the Government and non-official agencies to discover certain facts and views. Administrative research may be conducted by such bodies like Division of Administrative Management in the Bureau of Budget in U.S.A., O & M in the British Treasury and in various other departments.

Organization and Methods Division in the Cabinet Secretariat with its cells in other departments in India. Similarly, non-official bodies like Brookings Institution, the Public Administration Clearing House in U.S.A., the British Institute of Public Administration and the Indian Institute of Public Administration also conduct research and provide facts for policy formulations set up for the purpose.

The Geological, Botanical, Zoological Surveys of India, the Council of Scientific and Industrial Research, various laboratories devoted to research in building techniques, drugs, food, technology, electro-chemicals, metallurgy, mining, salt, etc., the Atomic Energy Commission, the Oil and Natural Gas Commission, etc., are some of the examples of institutions engaged in research.

Every modern government, anxious as it is to make improvements, has to depend on these research bodies for the mine of information and facts they supply. Every new policy must take cognizance of the new research and material provided by these bodies.

## **Organs that Participate in Policymaking:**

Policymaking is a collective activity in which many organs participate.

**In our country, some of the important organs are:**

### **1. Constitution:**

Constitution is the supreme law of the land and every policy that is framed must be in consonance with constitutional framework. Being a very comprehensive document, it clearly lays down how the machinery of the government shall work, what shall be its objectives and what shall be its limitations.

The Preamble to the Constitution declares the objectives while Directive Principles lay down the principles according to which the machinery of the state shall frame policies.

### **2. Legislature:**

Legislative assemblies enact laws to give effect to the policies laid down in the Constitution. Legislation is the declared will of the sovereign state and an expression of the popular opinion of the people.

The role of legislature is primarily that of vetoing and controlling policies because it itself rarely takes the initiative in sponsoring legislation. It influences and moulds policies through general discussions, adjournment motions, interpellations and resolutions, etc.

### **3. The Cabinet:**

The cabinet is the chief source of policies in our country. It is the most important body, and its meetings make every one await its decisions. It is the overall directing and controlling body headed by the Prime Minister. All-important policies are approved by it. It works through several subject-matter sub-committees which report to it on specific matters.

### **4. Planning Commission:**

Although it is a staff agency and hence an advisory organ to the Government of India, it exercises important influence over the formulation of policies relating to the entire field of administration.

### **5. National Development Council:**

National Development Council, consisting of the Prime Minister, a few Central Ministers and Chief Ministers of all States, is also the supreme policy-making organ. It is said to have acquired a role of 'supra-cabinet'.

### **6. Public Services:**

Public Services, though mainly concerned with the execution of policies, participate in policy making in so far as they advise and supply the necessary data to the Ministers for policymaking, give legislative form to the policies and lay down administrative rules and regulations for giving effect to the approved policies.

### **7. Judiciary:**

Through its power of judicial review and advisory power, the Supreme Court exercises influence on public policies.

### **8. Professional Associations:**

Professional Associations, like the Bar Association, All India Medical Council, and Teachers' Association also play a prominent role in formulation of policy in India.

### **9. Political Parties:**

Through election manifestoes the political parties display their respective policies and make an effort to win the elections for implementing these policies. Besides the above organs, there are several other bodies which influence policymaking.

Mention may be made of the Advisory bodies such as Standing Labour Committee, Indian Labour Conference, Import and Export Advisory Committee, Central Advisory Board of Education, University Grants Commission, Pressure groups such as trade unions and chambers of commerce. All these bodies advise, suggest and sometimes protest and demand correctives in regard to a particular policy. Under the impact of information technology, mass media is playing an important role in building pressure on policymaking.

### **Summary**

It is obvious that the agrarian policies can be implicit and assessed only with the overall economic progress and the elementary policies followed to attain the objects set for the nation. Agriculture is a method of life, a ritual, which, for centuries, has designed the belief, the viewpoint, the ethos and the economic life of the people of India. Agriculture, thus, is and will remain to be dominant to all plans for strategic socio-economic growth of the nation. Indian agriculture has, since Independence, completed fast steps. In taking the annual food grains production from 51 million tons in early 50s to 206 million tons by 2000, it has backed considerably in attaining self-reliance in food and in evading food scarcities.

Over 200 million Indian farmers and farm workers have been the pillars of Indian agriculture. It can be observed that in 1950s and early 1960s there was substantial battle in India to the proposals for the price support for agriculture. This resistance curtailed largely from the worries that the political negotiating power of farmers founded on their numerical strength will be castoff in democracy to move incomes excessively in their favour. It is obvious that to be feasible of such policy, the price support must be very clear and the supplies must be safeguarded by the help of Public Distribution System (PDS) have to be restricted firmly to a little elementary requirements such as staple food. What is required to be extended is the real coverage of the population contains that in the remote rural places so as to the basic commodities must be obtained and supplied by the public agencies at rational prices in all places all through the nation.

### **Keywords**

- **Substantive:** These are policies related to general welfare and development of the society, the programmes like provision of education and employment opportunities, economic stabilization, law and order enforcement, anti-pollution legislation.
- **Policy Formulation:** This is the stage that gives structure to the policy. Goals are set, costs are determined, policy instruments are chosen, possible effects are evaluated, and stakeholders are established.
- **Adoption or Legitimation:** This approval of the policy may come from various sources- legislative, executive, in tandem with interest groups or from referendums.
- **Constitution:** is the supreme law of the land and every policy that is framed must be in consonance with constitutional framework.
- **Judiciary:** Through its power of judicial review and advisory power, the Supreme Court exercises influence on public policies.

### **SelfAssessment**

1. The Constitution of India has clearly articulated the social and ..... goals and has specified agents for achieving the promised social revolution?
  - A. Economic
  - B. Political
  - C. Scientific
  - D. None of the above

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2. .... would transform the social, political and economic life of the people, within the framework of democracy.
- A. Conflict
  - B. Good Governance
  - C. Political conflict
  - D. None of the above
3. Good Governance involves Delegation, decentralization and .....?
- A. Devolution
  - B. Deconcentration
  - C. Both A & B
  - D. None of the above
4. The three tier Panchyat system in India includes: Gram Panchyat, Panchyat Samiti and .....?
- A. Zila Parishad
  - B. Councils
  - C. Urban councils
  - D. None of the above
5. Panchyats can be made effective in India through devolution of: Funds, Functions and .....?
- A. Processes
  - B. Functionaries
  - C. Hierarchy
  - D. Personnel
6. ....generally consists of the set of actions – plans, laws, and behaviour – adopted by a government?
- A. Public Policy
  - B. Political Parties
  - C. Systems
  - D. Process
7. ....tends to concentrate on strategies by which the state can manage and promote particular types of organizations; its exponents typically offer advice about how the state can realize its policy agenda within a largely given institutional setting
- A. Institutionalism
  - B. Professionalism
  - C. Exceptionalism
  - D. None of the above

8. .... theory tends to promote dialogic and deliberative approaches to public policy
- A. Public Policy
  - B. Interpretative
  - C. H R theory
  - D. Classical
9. Formal strategic planning did indeed play a prominent role in much state activity in the latter .....Century?
- A. 19<sup>th</sup> Century
  - B. 20<sup>th</sup> Century
  - C. 21<sup>st</sup> Century
  - D. 18<sup>th</sup> Century
10. ....helps to establish the goals and visions of the state and its agencies, and they facilitate the concentration of resources
- A. Plans
  - B. Processes
  - C. Hybridity
  - D. Hierarchy
11. .... want the state to concentrate on steering, not rowing, and they have sometimes argued that a focus on steering would enable the state to plan more effectively
- A. Liberals
  - B. Classical theorists
  - C. Neo Liberals
  - D. Authoritarians
12. .... represents less a repudiation of planning than an attempt to contract out or otherwise devolve the delivery of policies to non-state actors
- A. Liberalism
  - B. Political Processes
  - C. Neo Liberalism
  - D. None of the above
13. Social scientists often conclude that the withdrawal of the..... from service delivery led to a proliferation of networks and regulatory institutions?
- A. Politics
  - B. Private Players
  - C. State

D. Corporates

14. .... and ..... as means to give greater control of the policy process to citizens

A. Dialogue and Deliberation

B. Processes and Institutions

C. Theories and Practices

D. None of the above

15. Public servants are answerable to the elected politicians who, in turn, are accountable to the .....

A. Voters

B. Politicians

C. Private Players

D. Corporates

### Answers for Self Assessment

1. A      2. B      3. A      4. A      5. B

6. A      7. A      8. B      9. B      10. A

11. C      12. C      13. C      14. A      15. A

### Review Questions

1. Write a short note on the meaning, nature and definition of the Public Policy
2. Write in detail about the scope and importance of the public policy in the society and
3. What are the roles of government in making public policy?
4. How do you assess the nature of public policy issues in India?
5. What are the challenges that Indian public administration/policy makers encounter?



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**Unit 14: Public Policy Issues and Challenges in India****CONTENTS**

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**Objectives**

- To understand the meaning of public policy
- To examine the issues and challenges in public policy
- To assess the major public policy issues and challenges in India
- To find out solutions to policy issues and challenges in India
- To analyze the constraints in policy implementation in India

**Introduction**

This unit covers two significant topics: public policy issues and challenges in general and India in particular. Implementation is the heart of administration as it consists of carrying out of basic policy decisions. In the policy cycle, it is critical to the successful fulfilment of policy objectives. But implementation is not automatic. The implementation phase is faced with numerous problems.

Effective Implementation requires a chain of command, and the capacity to coordinate and control; often there are shortfalls in this exercise, more so in a developing country like India. In this Unit, the -- focus of discussion is on explanation of the implementation deficit. Problems in the implementation of policy are common in all countries, be they developed or developing. Even with relatively good administrative structures, public policy often does not have its intended impact due to conceptual and political problems. Implementation deficit may be due to insufficiency of the requisite resources -of time, material, money or manpower. We will discuss problems in policy issues and challenges.

**14.1 Lecture 1- Public Policy Issues and Challenges****Challenges to Public Policy Formulation**

Challenges to public policy formulation and evaluation may be similar at times. In this trajectory, the author draws them from the questions of; What is public policy? Who is involved? How is it arrived at? What types and models? The first question in this maze of challenges views the diverse definitions and gaps as a source of challenges since it is one of the causes of the justification of what

practitioners do. Underneath this includes factorial elements that determine policy formulation. These include; political/social factors, environmental factors, and even economic factors. Dimock (1958) defines public policy as consciously acknowledged rules of conduct that guide administrative decisions. This line of thought poses the challenges such as an existence of a body of laws whose existence are not questionable in a way and thus are external from the subjects.

The issue of mental existentialism makes this thinking very disturbing and applications have been made wholesome on the basis of such notions. Fischer, Miller, and Sidney (2007), are of the view that although policy advice-giving is as old as government itself, the increasing complexity of modern society dramatically intensifies the decision makers' need for information. Policy decisions combine sophisticated technical knowledge with complex social and political realities, but defining public policy itself has confronted various problems. Some scholars have simply understood policy to be whatever governments choose to do or not to do. Others have spelled out definitions that focus on the specific characteristics of public policy.

Lowi and Ginsburg in Fischer, Miller, and Sidney (2007), for example, define public policy as "an officially expressed intention backed by a sanction, which can be a reward or a punishment." As a course of action (or inaction), a public policy can take the form of "a law, a rule, a statute, an edict, a regulation or an order." The origins of the policy focus are usually attributed to the writings of Harold Lasswell, considered to be the founder of the policy sciences. Lasswell (Laswell, 1951) envisioned a multidisciplinary enterprise capable of guiding the political decision processes of post-World War II industrial societies. He called for the study of the role of "knowledge in and of the policy process."

To those who see everything that government does as policy, the challenge is reiving on the aftermath of decisions meaning ignorance of what policy ought to be in real terms. This goes hand in hand with those that rely on characteristics of policies. Policy as the "outputs" of the political system, and in a lesser degree to define public policy as "more or less interdependent policies dealing with many different activities. The challenge of being interdependent breeds laxity which is common in public policy implementation. Many policy players here choose a 'wait and see' attitude. Another challenge of public policy is the fear of failure. Given that to others it is action or inaction. And most often than not, it is normal to fail. Failure here may in other terms mean unpopularity of a course of action due to the general view of implementers or just the changes in environment to affect what was initially popular to lack people's goodwill.

Defining policies as general directives on the main lines of action to be followed fail to give them authoritative force and renders their enforcers as feeble actors at citizens' mercy. By understanding the concept of policy as denoting among other elements guidance for action. It might hence mean; a declaration of goals, course of action(s), general purpose; and authoritative decision. It becomes a binding document which a government signs with the people. Like any other law therefore, lack of fulfillment means failure.

### **The Challenges arising out of who is involved**

The question about who is involved is another area from which challenges arise. The multi-actor activity makes it laden with challenges.

Policy analysis involves "systematic and data-based alternative to intuitive judgments about the effects of policy or policy options". Defining policy as the study of the causes, processes, formation, implementation and consequences of public policy implies the focus is purely on stakeholders. Additional to this is the perfect bureaucracy in action, which in case where interests are thwarted then leads to corruption- a syndrome synonymous with developing states. With many stakeholders also, the question of time factor is another challenge, hence will the policies remain relevant! What of time value of money as far as policy costs are involved? That is cost relevance.

Detailed evaluation again about who is involved in policy formulation may require deep delving into the characteristics of the mentioned stakeholders to know their likely challenges in the process of policy initiation, making, and implementation.

### **The Challenges**

### Unit 14: Public Policy Issues and Challenges in India

On the issue of how it is arrived at, this session wish to borrow from Jones, 1977 the formulation procedures and dissect through to arrive at the likely weaknesses. In his analogy, he identifies formulation of policies as likely to take routine method, being analogous, or being creative in nature. They have their strengths, but in this discourse the business is to come up with possible challenges thus focusing on weaknesses. These same challenges will also cover the issue of types and models of public policy.

First, the case of routine formulation implies a repetitive and essentially changeless process of reformulating similar proposals within an issue area. The result of this is policy makers and implementers are likely to experience boredom, inhibition, and similar syndromes which translate to inefficiency and unproductive service. Secondly, the analogous formulation where there is tendency of treating a new problem by relying on what was done in the past may lead to underutilization of skilled and expertise human capital which ultimately leads to the same misnomers as in point above. The idleness then causes the personnel to engage in alternatives for self-actualization to fill existing gap that the organization subjects them to. In this case past becomes the stone upon which all casting is done. Third and last for this part of discussion is the creative formulation which involves treating any problem with sheer lack of precedence.

This belief is that historical factors are archaic and hence have no place in the present. This may pose numerous challenges of resistance from status quo, and the reality that societies don't change that fast. All organizations, institutions, systems, and cultures have a life tied knightly with the past which can only be shed gradually. Therefore policies must bear some link despite its bearing much creativity in the contemporary. Does creativity do away with the structures, beliefs, values, and systems at a go? Probably not hence attachment is necessary as new adoptions are incorporated. It is using new and creative methods in old fashioned environment which requires tact and seeking available local goodwill.

Further to the categorization of challenges discussed above, this paper finds that these challenges can be generally and broadly be identified as;

- Level of expertise and knowledge of field and discipline,
- The understanding of Public Policy is (derived from the definitions); is outcome of struggle? Or actions of government/ non-actions which is a philosophical dimesion.
- Systemic, structural, and institutional limitations (challenges),
- The role of actors/stakeholders, both internal and external,
- The cross- cutting nature of public policies,
- The political interference, dependence, and will as determined by the interests of the ruling elite,
- Globalization and international regimes (has been seen in SAPs, MDGs, now SDGs; but also through immigration policies world over,
- Other challenges are the Developing Country Syndrome (e.g. development strategies, unwarranted adoptions of external policies, internal fluidity, e.t.c.), and
- The issue of presence of adequate policy legal frameworks and their abidance.

## **14.2 Constraints in Policy Implementation**

### **Conceptual Problems:**

#### **Policy Design**

Hogwood and Gunn argue that the chances of a successful outcome will be increased if, at the stage of policy design, attention is given to potential problems of implementation.

- **Problems of policy design include**
  - ambiguous and ill-defined objectives,

- inappropriate measures to achieve the stated goals, and
- lack of political will and social support.
- **lack of key regulatory principles in most public policies in India.**

**Other problems include:**

1. Lack of staff
2. Financial and infrastructural constraints
3. Lack of help and support from top
4. Shortage of time
5. Gigantic targets
6. Political Pressure
7. Citizens are not cooperative
8. Lack of will
9. Lack of team spirit
10. Lack of motivation
11. Lack of accountability

**Challenges in Policy Evaluation**

Policy evaluation should enable an objective assessment of the performance of a programme, and identify the need for a new policy to be framed in an optimal manner. Policy evaluation is comparatively a neglected area in the total policy process. It faces a number of problems, challenges and dilemmas.

**1. Unclear Policy Goals**

Policy instruments such as, statutes are often drafted in ambiguous language and the goals are vaguely defined.

- Policy specifics are not clearly spelt out;
- Often they are grandiose statements of aspirations.

**2. Problem of Measurement**

In the public sector, measuring results or output is difficult.

- There is absence of any ready means of judging the value of what is being produced. For example in the case of welfare, health or defence, easy yardsticks for evaluation are not available.
- Problem of time span over which the benefits of many public programmes are delivered.
- Long-term goals in health, education, rural development, etc. relate to quality of life and enlightenment, which are elusive qualities to measure when an evaluation must be done quickly.
- Both time and cost constraints affects policy evaluation
- The factors associated with the characteristics of population also cause problems in measurement. For instance, among the poor sections of society, it is difficult to assess the

impact of health policies because of their inherent problem of malnutrition and the unhygienic environment in which they live

- In the measurement, problems of administrative organisation, skill and competence of the personnel also pose problems.
- Temptation to inflate or cook-up data tend to defeat the very purpose of objective measurement.

### 3. Targets

Goal's fulfilment is related to the achievement of targets. In this context, it is important to know not only what you intend to do but also to whom you intend to do it.

- In India, a number of schemes of rural development, women and child welfare and poverty alleviation have not made much impact on the target groups, but the policy evaluation indicates the fulfilment of targets.
- Programmes may create a false sense of success, although most of the time the creamy layer knocks off the benefits.
- Programmes that have stringent criteria for admission may select clients who actually need little help rather than those who have the greatest need.
- The "success" of such policies is misleading.
- In most of the cases defining the target population tends to be a political exercise and much less an exercise in rational policy analysis.

### 4. Efficiency and Effectiveness

- Much like the difficulty in measuring results, it is often difficult to assign costs to particular results, even if those results are measurable
- Difficulties may arise in measuring the effectiveness.
- Effectiveness.
- Much of the assessment of performance in government depends on the evaluation of the procedural efficiency which is linked with the fulfilment of legal requirements besides expected procedures, such as:
  - budgeting
  - accounting and
  - audit compulsions

It is 'efficiency', which is projected and measured rather than the services produced.

#### 1. Values and Evaluation

Values and perceptions among the policy evaluators, make proper valuation of the outcomes of a programme difficult.

- especially true when the programme has significant unintended effects that must be weighed against the intended consequences.
- value system of the analyst or evaluator may have a substantial influence over the final evaluation of outcomes.

The organisations involved in evaluation may also have their own collective values to guide them in evaluating outcomes.

- Only the professionalism of a high order can enable objective evaluation.

## 2. Information and Data

- Accurate, comprehensive, and comparable data is the pre-requisite for an objective analysis
- Data collection is not a simple task, it requires a lot of time, skill, energy, and resources, which the evaluation agencies must possess.
- It is not easy to extract accurate information, particularly when it is of qualitative nature.
- There may be non-availability of records or data in the desired formats

## 3. Methodological Problems

- In evaluation task, usually there is doubt in regard to the methodology employed and the accuracy of results
- Capability of the evaluator or agencies evolved in evaluation is very crucial

### 1. Shortage of Resources

In most of the developing countries there is the shortage of resources:

- Human
- Financial
- Instrumental

### 1. Pressure groups

Various pressure groups in the society also affects the effective evaluation of policies.

- Finner has characterized pressure group as anonymous empire.
- Richard. D. Lambert views it as an unofficial government.

2. Some policies are not provided adequate budgetary support.

Diversion of funds or non-release of funds is also a recurring feature.

## **14.3 Lecture 2: Public Policy Issues and Challenges in India**

Improved governance requires an integrated, long-term strategy built upon cooperation between government and citizens. This requires proper design of policies keeping all stakeholders benefits in mind along with proper implementation of programmes and policies at the ground level. Thus the critical element of governance is **policy making**: how to design policy for problems in society, and how to manage the most complex policy phase, namely that of **implementation**?

### **Public Policy Making**

Public policy making is the principal function of the state. Public policy making is a complex, dynamic process whose components make different contributions to it. It decides major guidelines for action directed at the future, mainly by the governmental organs. These guidelines formally aim at achieving what is in the public interest by the best possible means. Public policy can be authoritative allocation of values by the political system, a slight variation from the previous or existing policy, equilibrium reached out of the competing group struggle, a rational choice or the preference of the governing elite.

## Issues in policy making in India

### Excessive Fragmentation in Thinking and Action

One of the main problems with policy-making in India is extreme fragmentation in the structure. Such fragmentation fails to recognize that actions taken in one sector have serious implications on another and may work at cross purposes with the policies of the other sector. Besides, it becomes very difficult, even for closely related sectors, to align their policies in accordance with a common overall agenda.

### Excessive overlap between policy making and implementation

Another problem is the excessive overlap between implementation, program formulation and policy making which creates a tendency to focus on operational convenience rather than on public needs. Policy-making in Indian ministries occurs at the levels of Director and above, but the most important level is that of the Secretaries to the Government of India, who are their Ministers' "policy, advisers-in-chief". However, Secretaries spend a large part of their time bogged down on routine day-to-day administration of existing policy. Time is spent anticipating and answering parliamentary questions, attending meetings and functions on implementation issues etc. The result is that sub-optimal policies, where adequate attention has not been paid to citizen needs, tend to emerge.

### Lack of non-governmental inputs and informed debate

Often public policy is made without adequate input from outside government and without adequate debate on the issues involved. The best expertise in many sectors lies outside the Government. Yet the policy processes and structures of Government have no systematic means for obtaining outside inputs, for involving those affected by policies or for debating alternatives and their impacts on different groups. Most developed countries have a system of widespread public debate before a policy is approved.

### Lack of systematic analysis and integration prior to policy-making

Policy decisions are often made without adequate analysis of costs, benefits, trade-offs and consequences. There are several underlying causes for this:-

I. Fragmentation has led to a widespread prevalence of the 'blind men and the elephant' syndrome in policy-making.

II. Inadequate time spent on policy-making, mainly due to excessive overlap of policy-making and implementation and to over-centralisation of implementation authority.

III. Inadequate professionalism of policy-makers and advisers

IV. Inadequate consultation of in-house specialists.

V. Mediocrity of in-house specialists: While there are many outstanding specialists working for the Government, there is a widespread feeling that many in-house specialists are not on top of their specialisms. This perception of mediocrity vis-à-vis outside experts tends to worsen the problem of inadequate consultation of even the good in-house specialists who get tarred with the same brush. It also promotes an undue respect for outside specialists and the error of accepting poorly formulated prescriptions from outsiders simply because they have a more professional or expert image.

## Policy Implementation

Implementation is the heart of administration as it consists of carrying out of basic policy decisions. In the policy cycle, it is critical to the successful fulfilment of policy objectives. But implementation is not automatic. The implementation phase is faced with numerous problems. Effective

implementation requires a chain of command, and the capacity to coordinate and control; often there are shortfalls in this exercise, more so in a developing country like India.

In India there has been a dramatic rise in expenditure on programmes of social inclusion in the last five years but this is accompanied by growing complaints about implementation. The weaker sections of the society, for whom these schemes are primarily intended, are often not able to benefit because they are not sufficiently empowered to access the benefits due to them. This is despite the fact that there have been a number of legislations aimed at securing legally guaranteed rights to the Indian people, through the Right to Information Act, the Forest Rights Act, the Right to Education Act, the Mahatma Gandhi National Rural Employment Guarantee Act and the soon to be introduced National Food Security Act.

### Dealing with implementation deficit

- India needs to work on the implementation and reforms processes in a wider manner, with the primary aim of attaining fast-paced development and effective delivery of the intended public benefits.
- The first requirement would be a capable implementing machine – or what has been called the “**perfect administration**”, driven by passionate team leaders.
- The guiding urge should be to complete the task before schedule.
- Other critical determinants include:
- Unambiguous **demarcation of responsibilities**.
- Frequent brainstorming sessions to anticipate and take formal note of likely challenges and agreeing upon solutions.
- Ensuring and authorizing a largely freehand with matching resources, and the ability to make on-the-spot decisions.
- The evergreen strategy to make **the implementation of a near-perfect process** is to build in a vigilant monitoring and evaluation mechanism.
- A **dynamic monitoring mechanism** makes use of technology, which today is being built into various flagship programs initiated by the present government.

### Achieving Implementation

- In the interest of achieving wholesome implementation, it would be desirable to set up an autonomous “**Monitoring Trust**”.
- The trust will act as an integral part of all important public policies and programs.
- The proposed Trust can comprise core technical, administrative, and legal members, along with stakeholders and social activists.
- Engaging stakeholders and implementers, through various methodologies, is fast emerging as an effective strategy.
- Sharing information and progress through dashboards and other technology tools, inviting suggestions through IT portals like MyGov democratize and enrich both policy formulation and execution.

### Models proposed for reforming governance is *Good Governance Model*

Good governance helps create an environment in which sustained economic growth becomes achievable. Conditions of good governance allow citizens to maximize their returns on investment.

Good governance does not occur by chance. It must be demanded by citizens and nourished explicitly and consciously by the nation state. It is, therefore, necessary that the citizens are allowed to participate freely, openly and fully in the political process. The citizens must have the right to



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compete for office, form political party and enjoy fundamental rights and civil liberty. Good governance is accordingly associated with accountable political leadership, enlightened policy-making and a civil service imbued with a professional ethos. The presence of a strong civil society including a free press and independent judiciary are pre-conditions for good governance.

Thus, for proper implementation of programmes and policies effectiveness, efficiency, equity in formulation and implementation is needed.

### Summary

In the preceding text, problems in policy implementation have been discussed. The implementation of a decision is just as important as the policy itself. No policy formulator can assume that decisions will automatically be implemented as envisioned. Policy implementation requires a wide variety of actions, including issuing policy directives that are clear and consistent; creating organisational units and assigning personnel with the information and authority necessary to administer the policies; coordinating personnel, resources, and expenditures to ensure benefits for target groups; and evaluating actions of the personnel regarding implementation. However, none of these steps is easy. Thus, serious efforts are required for policy implementation at the level of policy-making itself, because the process of implementation starts from the policy formulation stage. The political leadership both at the national and the state level is the most crucial force behind the success of the implementation machinery. An endeavor's effective implementation alone can provide the coverage with good governance, bold innovation, rewarding delivery, and the transformation of marginalized human lives.

### Keywords

**Good governance model:** Good governance model helps create an environment in which sustained economic growth becomes achievable. Conditions of good governance allow citizens to maximize their returns on investment.

**Public Policy Making:** Public policy making is the principal function of the state. Public policy making is a complex, dynamic process whose components make different contributions to it. It decides major guidelines for action directed at the future, mainly by the governmental organs.

**Policy analysis:** Policy analysis involves "systematic and data-based alternative to intuitive judgments about the effects of policy or policy options".

**Policy implementation:** Policy implementation is the heart of administration as it consists of carrying out of basic policy decisions.

**Policy evaluation:** Policy evaluation should enable an objective assessment of the performance of a programme, and identify the need for a new policy to be framed in an optimal manner.

**SelfAssessment**

1. .... is made in response to some sort of issue or problem that requires attention?
  - A. Policy
  - B. Processes
  - C. Management
  - D. Data
  
2. Policy is made on behalf of .....?
  - A. Private Players
  - B. Citizens
  - C. Both A & B
  - D. None of the above
  
3. Policy is oriented towards a .....goal?
  - A. General
  - B. Specific
  - C. Both A & B
  - D. None of the above
  
4. Policy is ultimately made by .....?
  - A. Governments
  - B. Private Players
  - C. Corporates
  - D. None of the above
  
5. Policy making is essentially a process of .....?
  - A. Hierarchies
  - B. Structures
  - C. Decision making
  - D. None of the above
  
6. Bottom up approach reduces corruption in organisations. This statement is :
  - A. True
  - B. False
  - C. Can't say
  - D. None of the above
  
7. "Increasing gaps between targets and achievements in the matters of planning and the programme implementation marks the era of the bureaucratic apathy in India".This statement signifies....?
  - A. Corruption

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- B. Bureaucratic Apathy
  - C. Accountable
  - D. Transparency
8. "It is observed that increasing corruption in the matters of delivery of goods and services has become a challenging factor. Less emphasis on bottom-up accountability has also enhanced the administrative inefficiency". This statement signifies...?
- A. Transparency and Accountability
  - B. Bureaucratic Apathy
  - C. Corruption
  - D. None of the above
9. "The chances of a successful outcome will be increased if, at the stage of policy design, attention is given to potential problems of implementation". This statement is attributed to?
- A. Hogwood and Gunn
  - B. Herbert Simon and Barnard
  - C. Tery and Follet
  - D. Weiner and Feller
10. Increasing numbers of planners and analysts promote the judgment of policies and programmes on the basis of economic criterion. This statement signifies?
- A. Policy making
  - B. Policy Design
  - C. Policy Analysis
  - D. Policy Implementation
11. Problems in policy statements are created when they are:
- A. Ambiguous and contradictory
  - B. Clear and formal
  - C. None of the Above
  - D. Both A & B
12. Challenges to policy formation are created when there is lack of :
- A. Personnel
  - B. Finances
  - C. Resources
  - D. All of the above
13. Problems of policy design include
- I. ambiguous and ill-defined objectives,
  - II. inappropriate measures to achieve the stated goals

- III. Lack of political will and social support.
- IV. Lack of key regulatory principles in most public policies in India.
- Both I & II
  - I & III
  - II & III
  - All of the above
14. Policymaking is part of a/an ..... that does not always have a clear beginning or end?
- Static Process
  - Ongoing Process
  - Both A & B
  - None of the above
15. Improper monitoring and supervision has also crippled the functioning of administration in India. This statement reveals .....in Indian Administration
- Efficiency
  - Inefficiency
  - Responsiveness
  - None of the above

### **Answers for Self Assessment**

- |       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 1. A  | 2. C  | 3. B  | 4. A  | 5. C  |
| 6. A  | 7. B  | 8. A  | 9. A  | 10. C |
| 11. A | 12. D | 13. D | 14. B | 15. B |

### **Review Questions**

- Define the meaning of public policy
- Elaborate the issues and challenges in public policy
- What are the major public policy issues and challenges in India?
- Write short note on the solutions to policy issues and challenges in India
- What are the constraints in policy implementation in India?



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