

Changing Approaches to Public Sector Reform in an Anglophone Country: The Australian Case in a Comparative Perspective

John Halligan^{*}

UDK 35.071.2(94)

Izvorni znanstveni rad / original scientific paper

Primljeno / received: 5. 10. 2011.

Prihvaćeno / accepted: 15. 12. 2012.

For Anglophone countries, the reform era featured bold agendas that were comprehensive and systemic. The reputations of the central governments were based on managerialist and New Public Management (NPM) reforms that other countries had difficulty in emulating. Three decades on post-NPM agendas focused on countering the limitations of reforms driven by conviction and ideology, but sustaining the results of first generation reforms and defining and implementing coherent new directions have proved to be problematic. A new round of major reform inquiries has now occurred in Anglophone countries in an international context of fiscal instability and complex environmental pressures. How is a comprehensive reform managed under these circumstances? There is also the question of how to

^{*} John Halligan, Professor of Public Administration at the ANZSOG Institute for Governance, University of Canberra, Australia (profesor javne uprave na Institutu za javno upravljanje, Sveučilište u Canberi, Australija, e-mail: John.Halligan@canberra.edu.au)

frame and give meaning to expectations for a public service system that is citizen-centric, horizontally aligned, governance focused and able to support central direction. Can the existing platform be simply refined and extended or is a paradigm change required? Without the right preconditions for reform, implementation becomes problematic. The reform approach of Australia is examined with reference to the comparable reviews of New Zealand and the United Kingdom.

Key words: public sector reform – Australia, managerialism, New Public Management, post-NPM reforms, integrated governance, reform generations

1. Introduction

There are now three decades of experience of public sector reform in OECD countries. This era of reform was distinguished by the fact that reform programs could be executed in practice. It was widely acknowledged that a paradigm change occurred as traditional public administration was replaced by public management in a range of countries. It has become clear over the longer term that there have been significant issues with realising reformers' expectations over time and sustaining much of the management reform agenda (Duncan and Chapman, 2010; Gill, 2011; Halligan, 2011b). The details of how apparent success stories have lost focus over time cannot be explored in detail here. Rather this paper examines a case where an attempt has been made to regain the initiative by addressing the shortcomings and responding to new issues.

Analysis of public sector reform has focused on the content, rather less attention being given to the management of reform processes (e.g. Pollitt and Bouckaert, 2011). The exceptions include consideration of organisational change (as opposed to system-level reform), the politics of reform, and pathways to reform. This is somewhat surprising given that the Achilles heel of reform has often been the process: that is reform failure derived from implementation problems (Caiden, 1969; March and Olsen, 1989). A key question is whether the conditions that supported the more successful reforms in the past (judged in terms of capacity to implement rather than normative judgements about the appropriateness of reforms) exist and whether reform can be accomplished under a different set of conditions.

In an era where so much attention is devoted to intractable problems and the need for joined-up government, insufficient attention has been given to the complexity of systems of organisations that constitute a public service, and system management within a reform context. The paper identifies and analyses key process questions in reforming public sectors, with particular attention to longitudinal and comparative perspectives on the Anglophone system of Australia, with reference to New Zealand and the United Kingdom.

Given the past success in adopting a new paradigm, the question arises of how to address the current pressures on public sectors: improvements to existing public management or of a new paradigm. The conduct of the New Zealand 2011 reform process has been castigated for failing to frame the reforms (Ryan, 2012). However, it has rarely been the case that reformers have been explicit about presenting a reform framework of paradigm-changing proportions in the sense of the 1988 proclamation in New Zealand (Boston et al., 1996). More usually paradigm change, in so far as it occurs, emerges over time. In the Australian case, this was a two-step process, first to management, then to markets.

2. Reforming Complex Public Service Systems

Three questions need clarification about managing the reform process: the nature of reform at the system level, the character of reform, and the leadership components of the reform process. A distinguishing feature of the current era – that significant reform is implemented – has led to a second feature, that the character of reform in many contexts is rather different to that previously experienced. Of particular importance is that reform is complex and comprehensive, consisting of multiple stages and elements in programs conceived over time.

Much of the organisational literature is centred on change to a specific agency, but where public service systems are under consideration, several arenas of reform and a number of organisations of different types are involved. If a reform is comprehensive, it implies both multi-agency and multiple reforms. Comprehensive reform involves greater complexities and is more likely to lead to garbage can processes (Brunsson and Olsen, 1993: 26). Further, in a multi-level public sector, there is the core public service within the central (or federal) government, the broader public sector and possibly similar distinctions replicated at the regional level.

The national public sector may well be designated as the reform arena, increasing the layers of complexity.

There are further challenges in analysing complex and lengthy reform processes. If the reform cycle is depicted in terms of a simple policy model, we find that identifying the reform process may be difficult if it is not conveniently distinctive, clearly promulgated and implemented. In addition, with reform programs that extend over time, more than one reform cycle may be apparent.

2.1. Types of Reform Process

Administrative change has traditionally been recognised as a constant feature of organisational environments, and has been regarded in terms of adaptation to the environment. In the public sector, this has typically involved the expansion of activities and the organisations that provide them, and has normally been incremental, piecemeal and based on a department, ministry or another type of agency. There is a lack of coherent and sustained strategy or direction in application and implementation.

What is different in the reform era is the presence of at least three major orders of reform. These involve both questions of scale and substance: the magnitude of change is greater, but there is also a qualitative dimension because the substance represents a fundamentally different way of doing things. Two less extensive but nonetheless significant orders of reform are specialised reform (significant reform types such as corporatisation or decentralisation); and sectoral reform of a policy field (e.g. such as health) or one major system component (e.g. local government or the outer public sector). By comprehensive reform is meant that a range of reforms are introduced that affect most aspects of the functioning of a public service or public sector or both. This large-scale reform will of course encompass various specialised and sectoral reforms (Halligan, 2001).

These distinctions correspond also with organisation-centred categories (Dunphy and Stace, 1990) involving forms of incremental (fine tuning, incremental adjustment) and transformative (modular and corporate) approaches. Such categories may present some difficulties because of the differences between a focused organisation and a multi-organisational public sector, although a number of the private and public organisations that are considered have the features of conglomerates.

Four types of reform can be distinguished. The first, system maintenance, is the most basic and focuses on fine-tuning and reconditioning. Reform

enhancement, the second type, is about introducing new instruments and techniques. This includes giving impetus to reform agendas that need a driver e.g. citizen engagement. The third type, system design and maintenance, addresses systemic coherence and balance in which there is systematic refurbishing of the components. This type is in the tradition of a comprehensive review and provides a reform context in which systemic fine-tuning and the introduction of new techniques can also occur. The fourth, paradigm reform represents a fundamental form of change that subsumes the others, and can be observed in the historic shift to new public management.

Table 1: Types of reform

	Systemic	Comprehensive
1. Basic maintenance: ad hoc fine tuning of accepted practices and instrument settings	–	–
2. Reform enhancement: New instruments & techniques	x	–
3. System redesign & maintenance: Systematic refurbishing & redesign	x	x
4. Framework (paradigm) change: Framework guiding action, specifying goals & instruments	x	x

The fourth case may occur rapidly, as in the case of New Zealand, or by steps over longer periods of time, as in the case of Australia. Many OECD countries have not reformed comprehensively, generally falling into categories one and two (Halligan, 2001; cf. Pollitt and Bouckaert, 2011). The language of comprehensive reform may be there, but not the results.

2.2. Political Engagement

The conventional wisdom once regarded the lack of political support and the failure of politicians to sustain their commitment to reform as key factors in reform failure (March and Olsen, 1989). There is evidence that major change requires the intervention of politicians, and that politicians have been actively seeking to play a more active role in reform (Aucoin, 1990; Halligan and Power, 1992).

The political executive can be the key factor in the success of major reform, at least at certain strategic points in the reform process. The reasons for this are obvious: fundamental change means new approaches, and leadership, and the existing senior public service is unlikely to support change of this order if it undermines their positions and values. Contrariwise, where governments are divided and reliant on special interests for support, or on lack of tenure in office, they face greater obstacles to achieving change. The non-implementation of Australian proposals in the 1970s was attributed to the neglect of political factors. The enhancement of the political executive's power resulted in a set of political mechanisms for influencing and directing the public service. Australia continued to rely heavily on tight political control to sustain reform, whereas New Zealand resorted to the principles of its well-known model as the basis for driving reform (Halligan, 2001; Boston et al., 1996).

3. Reform Models in Australia

An interest in the long-term fate of major reform programmes leads to a consideration of reform generations. The term generation can denote countries that are considered first generation new public management reformers (i.e. the 1980s) in contrast to latecomers. It also applies to systems that have sustained reform sufficiently long for several generations to be evident, hence the reference here to the third generation reformer. Generations reflect distinct phases in extended reform programmes in which the overall tenor is significantly modified. There are different ways of characterising generations, for example a sequence of phases with a distinctive leitmotiv (e.g. management, market and governance).

The Australian experience can be summarised with reference to three models of reform each associated with a generation and coinciding with the decades 1980s–2000s. Managerialism best reflects the first phase in which management became the central concept and reshaped thinking. This was succeeded by a phase that for a time came close to the mainstream depiction of new public management (Hood, 1991), in which the market element was favoured and features such as disaggregation, privatisation and a private sector focus were at the forefront. In turn, NPM was followed, although not displaced, in the 2000s by integrated governance (Halligan, 2006; 2007).

The initial period of reform displaced traditional administration with a package of reforms based on management. Over about a decade, a new

management philosophy was developed and implemented which replaced the emphasis on inputs and processes with one on results. Unlike New Zealand's theoretically driven approach, the management framework was evolved pragmatically (Halligan and Power, 1992; TFMI, 1993).

The first phase displayed incipient NPM features in several respects, but the dominant theme was management improvement. The commitment to neo-liberal reforms in the 1990s led to the public service becoming highly decentralised, marketised, contractualised and privatised. The new agenda centred on competition and the contestability of service delivery, contracting out, client focus, core business, and the application of the purchaser/provider principle. The agenda also covered a deregulated personnel system; a core public service focused on policy, regulation and oversight of service delivery; and greater use of the private sector. A new financial management framework was introduced that included budgeting on a full accrual basis, implementation of outputs and outcomes reporting, and extending agency devolution to budget estimates and financial management. The devolution of responsibilities from central agencies to line departments and agencies was highly significant with a diminished role for central agencies being one consequence (Halligan, 2007).

The integrated governance model had several dimensions, each embodying a relationship and reflecting several themes: delivery and implementation, coherence and whole-of-government, and performance and responsiveness to government policy. The four dimensions draw together fundamental aspects of governance: resurrection of the central agency as a major actor with more direct influence over departments; whole-of-government as the new expression of a range of forms of coordination; central monitoring of agency implementation and delivery; and departmentalisation through absorbing statutory authorities and rationalising the non-departmental sector. In combination, these provide the basis for integrated governance. These trends increased the focus on the horizontal by emphasising cross-agency programmes and collaborative relationships. At the same time, vertical relationships were extended and received reinforcement. There was also a centralising element in that central agencies were driving policy directions systemically and across several agencies. The result was a tempering of devolution through strategic steering and management from the centre and a rebalancing of the positions of centre and line agencies.

4. A New Phase and Reform Agenda

Unlike the previous three phases, the 2010s have been characterised by greater environmental instability as government have contended with high fiscal stress. The Australian reform process on government administration was unusual in that it occurred amidst the international crisis, but was not essentially a product of it (for details of the process see the analysis by Lindquist, 2010).

Australia's report *Ahead of the Game: Blueprint for the Reform of Australian Government Administration* (AGRAGA, 2010) represented an exception as well as continuity. It posed as a case of comprehensive reform even though many of the constituent elements were not inherently significant. In terms of the reform era, it was unusual in that an extensive document was produced to channel reform (the precedent was the more formal inquiry and report of the Coombs Royal Commission of 1976).

The Australian report was the first of three produced by Anglophone countries. New Zealand's Better Public Services report followed a year later (BPSAG, 2011), and belatedly the United Kingdom's Civil Service Reform Plan (HM Government, 2012) appeared. The contexts of the three countries differ substantially. The impact of the fiscal crisis on the Australian public sector has been less than for other OECD countries. Nevertheless, it was highly significant for the budget: a large federal surplus was converted into a sizeable deficit, and cuts in workforces were prevalent within the federation. At the national level, the consequences for dimensions of governance (central steering, leadership and capacity) and the evolution of public management were potentially more far-reaching. The reform agenda in particular was subjected to significant cuts. The United Kingdom in contrast has experienced horrific cuts in central government expenditure, and the main imperative has remained how to address this in the short and medium term. New Zealand falls in between the two. The official position is that 'although New Zealand entered the global economic downturn with a stronger financial position than most OECD countries and has weathered the storm better than many, we face essentially the same imperatives for fiscal consolidation, service realignment, and an economic recovery.' (BPSAG, 2011: 5).

4.1. Explaining the Reform Agenda

Why does Australia have an explicit and full-fledged reform process? Leaving aside Australian state governments and territories that had been running reform agendas in recent years, there appeared to be nothing comparable internationally. Yet Australia was far less constrained by the fall-out from the financial and economic crisis, and was not driven by the need to cut the public service heavily.

One interpretation is that a party out of power for eleven years wished to launch a reform agenda in order to differentiate itself from the previous regime, yet the government was already undertaking a range of reforms (Halligan, 2010a). Of direct relevance were the expectations of an activist government, and in particular a prime minister with a highly ambitious policy and reform agenda. The expansive programme was already making demands on the public service that exceeded capacity and exposed implementation weaknesses.¹ With the government's extended agenda of change, the official view was that there were significant capability weaknesses and a lack of coherent direction for the public service sufficient to justify the appointment of an Advisory Group. According to the Prime Minister, 'the next stage of renewal of the APS requires more than just piecemeal change. We need a more sweeping reform driven by a long-range blueprint for a world class, 21st century public service' (Rudd, 2009: 12; Halligan, 2010a).

The specific diagnosis suggested lack of capacity and accountability, a series of deficits (e.g. a shortfall in capability), a lack of high performance, and creeping bureaucratisation and compliance issues (termed 'red tape') (Rudd, 2009; AGRAGA, 2009; 2010).

In contrast, the UK Civil Service Reform Plan was produced in a context that was overshadowed by fiscal stress, and which had already led to a radical reform program centred on savage cuts to department budgets. The 'scale of the challenges and persistent weaknesses' were said to justify a formal reform plan (HM Government, 2012: 7). New Zealand's Better Public Service report was a response to the demands from the economic environment, although much less affected by a budget deficit than the UK, and the need to improve the quality of its services despite being ranked as one of the best performing systems internationally (BPSAG, 2011: 2, 5).

¹ For details, see Edwards et al., 2012. A further factor was the role of the review's its chair, Terry Moran, who spent his early career in a Commonwealth central agency, and later ran the Victorian state government's Premier's Department before becoming secretary of the Department of the Prime Minister and Cabinet. He had a strong mandate, and an understanding of how to manage a large and complex public sector, the systemic requirements and the interplay between elements.

4.2. Character of the Reform Agenda

Two features define much of the character of the reports: the coherence and focus of the narrative and the mode of implementation. The Australian review picked up a number of matters already the subject of discussion, debate and reports. The Blueprint report covered 28 recommendations in nine reform areas organised under four themes: citizen needs; leadership and strategic direction; capability; efficiency and high standards. The catalogue of items compiled in the report included efficiency dividends, revising APS values, reducing red tape, the roles of secretaries, including stewardship as a response to short-termism, weaknesses in policy making, and the consequences of different conditions of employment for joint activity (Appendix 1) (AGRAGA, 2010).

There were a number of ideas that were new to the Australian public service, but based on practice elsewhere. The question of relating to citizen engagement had been around for some time (Briggs, 2009), but conducting satisfaction surveys was borrowed from Canada and New Zealand. The UK capability reviews were adopted for departments, but the concept was being substantially adapted to Australian needs. By its nature, this was not an exercise that had the potential to yet generate innovations that would rank internationally,² which is not to say that innovation might not emerge in the implementation process.

Taking a comparative perspective, the main themes that emerge from the three reports are services for citizens, capabilities, and collaborative activity. This assumes that the prominent theme of leadership is integral to capability. Improved policy can also fit under capabilities, but is somewhat broader. The New Zealand document, with the benefit of the earlier Australian report, presented a more sustained narrative and displayed greater coherence through its treatment of and focus on the main themes: better results; better services and more value for money; and stronger leadership, the right culture and capability (BPSAG, 2011). Whereas in Australia, the lack of a distinctive and unifying core issue or theme added to the mixed acceptance of the reform agenda overall within and beyond the public service. Without an 'urgent, politically »hot« reform trigger, the Moran group clearly found it difficult to weave a coherent narrative that holds the disparate activity clusters together.' (t Hart, 2010).

² Compare the earlier innovation of Centrelink, which was originally hailed internationally as a one-stop, multi-purpose delivery agency for providing services to several purchasing departments, and for seeking customer-focused delivery that provided integrated services (Halligan, 2008).

4.3. Back at the Reform Frontier

The limits of reform can be seen in the several significant departures from current practices envisaged by the Blueprint, which are difficult to contemplate by public servants inured to standard bureaucratic procedures and departmental programmes. The Australian public service essentially provides the machinery for a state-centric system of government.

There are clear comparisons to be made between the situation now and that of the 1980s when the shift from administration to management was underway (Halligan and Power, 1992). A different model has emerged during each of the last three decades reflecting the tone and content of the then reform agenda: the concept of managerialism in the 1980s, new public management in the 1990s and integrated governance in the 2000s. International trends suggest that collaborative governance within government, but with an increasingly society-centric focus, provides a benchmark, if hazy, for official aspirations for public governance in the 2010s. The key question is to what extent this can be properly reflected in a formal agenda. *Ahead of the Game* gives the idea of collaborative governance a possible foundation in public governance. At the very least, collaborative governance requires wider societal accountability, shared intra- and inter-governmental governance accountabilities, and participatory governance (Edwards et al., 2012). Specific areas given prominence in the Blueprint were citizen engagement, joined-up government, shared outcomes, and more generally accomplishing and sustaining cultural change (AGRAGA, 2010). In combination, they had the potential to re-define much of public governance as it was currently understood, but a great deal remained to be spelt out and institutionalised.

However, an ironclad rule of reform is that it is extremely difficult to introduce a significant new instrument or approach where it is in conflict with the dominant paradigm. Consequently, public servants responsible for introducing shared outcomes have been focusing on how they can be accommodated within existing processes, and forcing them to fit within the parameters unsympathetic to the concept of sharing. For citizen engagement, a number of agencies have embarked on pilots, but there is no coherent approach beyond moving towards a survey of citizens' attitudes. Horizontal management and joined-up government is a theme that permeates the Blueprint for reform report, but there has yet to be an overall strategy articulated or high-profile leadership on this question. This was given priority by the last head of the public service, Peter Shergold, but was not sustained in the medium term.

The ultimate aim of the Blueprint for reform was cultural change presented as a culmination and enveloping product of the reform process (Moran, 2010). The question of sustaining cultural change, long an Achilles heel of reform, depends on whether the rigidities of an existing system can be breached or bridged by tangible requirements that affect behaviour. This suggests that for the agenda to be successful something of a paradigm change would be required, despite the absence of the conditions that supported the more successful reforms in the past.

Old agendas have resurfaced whether from neglect or changing circumstances. Australia and New Zealand have reassessed how to handle respectively the financial management and results foci of the 1980s. The United Kingdom echoes agendas from the Thatcher years of the early 1980s in terms of both cutbacks and coming to terms with the role and accountability of the senior civil service. The general focus on service delivery and citizens reflects the 1990s, while the integration wave of the 2000s receives a new impetus. Nevertheless, the current emphasis on capability and leadership is far more adamant and sustained. The centrality given to collaborative and cross-system solutions is striking.

However, the recommendations are mostly 'single-loop learning: technical, managerial solutions to soft spots in the machinery of government. What the review does not do much is to lay down truly 'double-loop' learning ambitions; that is, fundamentally re-examining and redesigning some of the key underlying assumptions, values and design principles that underpin the current Australian public service system' (t Hart, 2010). Similar types of observation were made of the New Zealand agenda for giving insufficient attention to framing the reforms and for mechanistic managerial prescriptions (Ryan, 2012; Jackson and Jones, 2012).

4.4. Conditions for Implementation

What was original about the Australian review was the exercise itself, in both the conception of comprehensive design and maintenance and the execution. The Blueprint provided a prolegomena to an extended reform process managed by the public service. There was a rolling agenda for change with a large range of elements that encompassed many players (in particular, two leadership groups, a new Secretaries' Board and APS 200, a senior leadership forum for supporting the secretaries). Similarly, the New Zealand report was represented as 'the starting point for an ongoing

programme of reform' (BPSAG, 2011: 3). The UK projections for cut-backs and associated reforms extend to at least the mid-2010s.

In Australia's case, implementation was divided between the three key central agencies: the Department of the Prime Minister and the Cabinet, the Department of Finance and Deregulation and the Public Service Commission with the last being assigned a more prominent role. In New Zealand, the State Services Commission has overall responsibility. It appears that the modestly resourced Cabinet Office has the lead role in the United Kingdom.

The NZ agenda is the most ambitious in seeking collaborative and horizontal refocusing across the public service as part of the better results agenda. The complexities with elaborate change management processes and multiple implementation strategies are substantial. The supporting documents for the review indicated thinking that regarded 'the design and implementation of these reforms as merely complicated, not as complex' (Eppel and Wolf, 2012: 43; Ryan, 2012).

The implementation of comprehensive reform is contingent on particular conditions being in place. Based on earlier experience there must be high and sustained commitment from the political leadership even if it does not actively manage the process (Halligan and Power, 1992). The public service leadership must be both equipped to handle a large reform agenda and believe in it as a whole. Clear imperatives for reform must exist, either in the environment or because of internal dysfunctions, and be reflected in a thematic core of issues that can be readily communicated and provide focus. The combination of these factors is what makes the difference between success and failure.

With the displacement of the Prime Minister Rudd by his own party in 2010, the implementation process in Australia was disrupted. The Australian Public Service Commission's powers had been augmented by government endorsement of the Blueprint, and it became the lead agency for around half the Blueprint's recommendations. The new Prime Minister Gillard subsequently cut this funding heavily when projecting fiscal rectitude in the election campaign. The Prime Minister's apparent lack of interest in the reform agenda was subsequently reaffirmed by the inattention given to it in the Institute of Public Administration Australia's Garran Oration (Gillard, 2011). As the chief adviser to the prime minister (and head of the public service) has reaffirmed, the role of the Department of Prime Minister and Cabinet has been shaped by the prime ministerial styles and preferences (Watt, 2012: 2).

5. Conclusion

This article has examined the comprehensive reform program of Australia under the environmental conditions of the 2010s. Australia had considerable success with sustaining reform over three decades, yet has faltered when it came to designing and implementing comprehensive reform for a governance era (cf. the Canadian case: Dutil et al., 2010). The global financial crisis complicated the process by producing resource constraints and diversions. The case shows that when the conditions that had facilitated implementation in previous phases of reform were not present, the reform agenda became vulnerable.

The Australian case has been located within a comparative perspective of two other Anglophone countries, New Zealand and the United Kingdom. There was considerable common ground with the core themes for reform centred on improved services and results, collaborative governance, and capability and leadership. As governments attempt to move beyond state-centric modes of operation, the need for an active system design and governance approach intensifies because the conventional wisdom of machine bureaucracy is much less applicable. Future assessments of the medium term implementation of the reforms will be able to clarify whether the foundations for a new paradigm have been laid.

References

- AGRAGA/Advisory Group on the Reform of Australian Government Administration (2009) Discussion Paper, Reform of Australian Government Administration: Building the World's Best Public Service. Commonwealth of Australia
- AGRAGA/Advisory Group on the Reform of Australian Government Administration (2010) Ahead of the Game: Blueprint for the Reform of Australian Government Administration. Canberra: Commonwealth of Australia
- Aucoin, P. (1990) Administrative Reform in Public Management: Paradigms, Principles, Paradoxes and Pendulums. *Governance* 3(2): 115–137
- Australian Government (1983) Reforming the Australian Public Service. Australian Government Publishing Service
- Boston, J., J. Martin, J. Pallot, P. Walsh (1996) Public Management: The New Zealand Model. Auckland: Auckland University Press
- BPSAG/Better Public Services Advisory Group (2011) Better Public Services Advisory Group Report. Wellington: New Zealand Government
- Briggs, L. (2009) All Those Who Stand and Wait – Putting Citizens at the Centre. John Curtin Institute of Public Policy, Curtin University of Technology, 21 May

- Brunsson, N., J. P. Olsen (1993) *The Reforming Organization*. Bergen: Fagbokforlaget
- Caiden, G. (1969) *Administrative Reform*. London: Allen Lane, the Penguin Press
- Duncan, G., J. Chapman (2010) *New Millennium, New Public Management and the New Zealand Model*. *Australian Journal of Public Administration* 69(3): 301–313
- Dunphy, Dexter, D. Stace (1990) *Under New Management: Australian Organisations in Transition*. Sydney: McGraw-Hill Book Company
- Dutil, P., C. Howard, J. Langford, J. Roy (2010) *The Service State: Rhetoric, Reality and Promise*. Ottawa: University of Ottawa Press
- Edwards, M., J. Halligan, B. Horrigan, G. Nicoll (2012) *Public Sector Governance in Australia*. Canberra: ANU Press
- Eppel, E., A. Wolf (2012) *Implementing Better Public Services*. *Policy Quarterly* 8(3): 41–48
- Gill, D. (2011) *The Iron Cage Recreated: The Performance Management of State Organisations in New Zealand*. Wellington: Institute of Policy Studies
- Gillard, J. (2011) *Garran Oration*. Institute of Public Administration Annual Conference, Hobart, 26 August
- Halligan, J. (2001) *The Process of Reform in the Era of Public Sector Transformation: Directive and Retrospective*. In: T. Christensen, P. Lègreid (eds.) *New Public Management: The Transformation of Ideas and Practice*. Ashgate, pp. 73–89
- Halligan, J. (2006) *The Reassertion of the Centre in a First Generation NPM System*. In: T. Christensen, P. Lègreid (eds.) *Autonomy and Regulation: Coping with Agencies in the Modern State*. Cheltenham: Edward Elgar, pp. 162–180
- Halligan, J. (2007) *Reintegrating Government in Third Generation Reforms of Australia and New Zealand*. *Public Policy and Administration* 22(2): 217–238
- Halligan, J. (2008) *The Centrelink Experiment: Innovation in Service Delivery*. Canberra: ANU Press
- Halligan, J. (2010a) *Australian Public Service: New Agendas and Reform*. In: C. Aulich, M. Evans (eds.) *The Rudd Government*. Canberra: ANU E-Press, pp. 35–54
- Halligan, J. (2011b)
- Halligan, J., J. Power (1992) *Political Management in the 1990s*. Melbourne: Oxford University Press
- ’t Hart, P. (2010) *Lifting Its Game to Get Ahead: The Canberra Bureaucracy’s Reform by Stealth*. *Australian Review of Public Affairs*, July
- HM Government (2012) *The Civil Service Reform Plan*. London: HM Government, June
- Hood, C. (1991) *A Public Management for All Seasons?* *Public Administration* 69(1): 3–19

- Lindquist, E. (2010) From Rhetoric to Blueprint: The Moran Review as a Concerted, Comprehensive and Emergent Strategy for Public Service Reform. *Australian Journal of Public Administration* 69(2): 115–151
- March, J. G., J. P. Olsen (1989) *Rediscovering Institutions: The Organizational Basis of Politics*. New York: Free Press
- Moran, T. (2010) Presentation to APS Staff by Terry Moran, Secretary of Department of the Prime Minister and Cabinet, Canberra, 21 May
- Pollitt, C., G. Bouckaert (2011) *Public Management Reform: A Comparative Analysis: New Public Management, Governance and the Neo-Weberian State*, 3rd ed. Oxford: Oxford University Press
- Royal Commission on Australian Government Administration (Chairman: H. C. Coombs) (1976) Report. Canberra: Australian Government Publishing Service
- Rudd, K. (2009) John Paterson Oration. Australia New Zealand School of Government Annual Conference, Canberra, 3 September
- Ryan, B. (2012) Better Public Service: A Window of Opportunity. *Policy Quarterly* 8(3): 16–25
- TFMI/Task Force on Management Improvement (1993) *The Australian Public Service Reformed: An Evaluation of a Decade of Management Reform*. Canberra: Australian Government Publishing Service for the Management Advisory Board
- Watt, I. (2012) Reflections on my First Year as Secretary of the Department of the Prime Minister and Cabinet and Thoughts on the Future, Address, Parliament House, Canberra, 5 October.

Appendix 1 Nine Reform Areas and Selected Recommendations in the Blueprint

A HIGH PERFORMING PUBLIC SERVICE			
Meets the needs of citizens	Provides strong leadership and strategic direction	Contains a highly capable workforce	Operates efficiently and at a consistently high standard
<p>1. Delivering better services for clients Simplify Australian Government services for citizens Develop better ways to deliver services through community and private sectors Deliver services in closer partnership with State and local governments</p> <p>2. Creating more open government Enable citizens to collaborate with government in policy and service design Conduct a citizen survey</p>	<p>3. Enhancing policy capability Strengthen strategic policy Improve policy implementation</p> <p>4. Reinvigorating strategic leadership Revise and embed the APS Values Articulate the roles and responsibilities of Secretaries Revise employment arrangements for Secretaries Strengthen leadership across the APS Improve talent management across the APS</p> <p>5. Introducing a new APSC to drive change and provide strategic planning</p>	<p>6. Clarifying and aligning employment conditions Ensure employment bargaining arrangements support one APS Assess the size and role of the SES</p> <p>7. Strengthening the workforce Coordinate workforce planning Streamline recruitment and improve induction Expand and strengthen learning and development Strengthen the performance framework Encourage employees to expand their career experience</p>	<p>8. Ensuring agency agility, capability and effectiveness Conduct agency capability reviews Introduce shared outcomes across portfolios Reduce internal red tape to promote agility</p> <p>9. Improving agency efficiency Review the measures of agency efficiency Strengthen the governance framework</p>

Source: AGRAGA, 2010

CHANGING APPROACHES TO PUBLIC SECTOR REFORM
IN AN ANGLOPHONE COUNTRY:
THE AUSTRALIAN CASE IN A COMPARATIVE PERSPECTIVE

Summary

For Anglophone countries, the reform era featured bold agendas that were comprehensive and systemic. The reputations of the central governments were based on managerialist and New Public Management (NPM) reforms that other countries had difficulty in emulating. Three decades on post-NPM agendas focused on countering the limitations of reforms driven by conviction and ideology, but sustaining the results of first generation reforms and defining and implementing coherent new directions have proved to be problematic. A new round of major reform inquiries has now occurred in Anglophone countries in an international context of fiscal instability and complex environmental pressures. How is a comprehensive reform managed under these circumstances? There is also the question of how to frame and give meaning to expectations for a public service system that is citizen-centric, horizontally aligned, governance focused and able to support central direction. Can the existing platform be simply refined and extended or is a paradigm change required? Without the right preconditions for reform, implementation becomes problematic. The reform approach of Australia is examined with reference to the comparable reviews of New Zealand and the United Kingdom.

Key words: public sector reform – Australia, managerialism, New Public Management, post-NPM reforms, integrated governance, reform generations

PROMJENA PRISTUPA REFORMI JAVNOG SEKTORA
U JEDNOJ OD ZEMALJA ENGLESKOG GOVORNOG PODRUČJA:
SLUČAJ AUSTRALIJE U KOMPARATIVNOJ PERSPEKTIVI

Sažetak

U zemljama engleskog govornog područja razdoblje reformi karakteristično je po smionim, sveobuhvatnim sistemskim programima. Vlade tih zemalja temeljile su svoju reputaciju na menadžerskim reformama i novom javnom menadžmentu (NJM) koje su druge države dosta teško oponašale. Tri desetljeća kasnije, reformski programi nakon novog javnog menadžmenta usredotočili su se na neutraliziranje ograničenja koje su nametnule reforme pokretane uvjerenjima i ideologijom, ali se ustrajanje na rezultatima prve generacije reformi kao i definiranje i primjenjivanje novih koherentnih smjernica pokazalo problematičnim. Novi se krug velikih reformskih poteza pojavio u zemljama engleskog govornog područja u međunarodnom kontekstu fiskalne nestabilnosti i složenih pritisaka okoline. Kako upravljati složenom reformom u takvim okolnostima? Tu je i pitanje kako uokviriti i dati značenje očekivanjima da se dobije sustav javne uprave koji je orijentiran prema građanima, horizontalno povezan, usmjeren na javno upravljanje i sposoban odgovoriti na zahtjeve središnje vlasti. Može li se postojeća platforma jednostavno dotjerati i proširiti ili je potrebna promjena paradigme? Bez pravih preduvjeta za reformu, njezina primjena postaje problematična. U radu se razmatra reformski pristup Australije u komparaciji s onima Novog Zelanda i Ujedinjenog Kraljevstva.

Ključne riječi: reforma javnog sektora – Australija, menadžerizam, novi javni menadžment, reforme nakon novog javnog menadžmenta, integrirano upravljanje, generacije reformi