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# **Management, norm and leadership. Which relations are possible?\***

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## **ABSTRACT**

In Italy, these regulatory interpositions represent the start of the process of the public management reform in Italy.

The effectiveness of public administration action (and its management) is not synthesized – nor is it synthesizable – with few objective and quantitative parameters. This is particularly so for the central administration, where the distribution of single and specific services assumes very minor importance.

Managerial intensity can therefore be defined as the quantity of managerial principles understood as well as tools and techniques used by the management of a public organisation in a given period.

The judgment of public action effectiveness and the results achieved is often associated to leadership skills; but positive results are due to all the community. In this case it is possible to don't call it leadership but "community ship".

# 1. Introduction

During the last decade of the last century, the process of managerial reform gradually spread throughout the public sector. However, the organization of Ministries remained excluded for a long time from this process of renewal and rationalization. Only recently, has the process of diffusion of management logics and techniques within Ministries started. This study examines which relations are possible between management, norms and leadership within the Italian Ministries, considering the current changes.

From a normative point of view, the process of renewal has developed in two directions: on the one hand, it has introduced the obligation, from every Minister, to issue the annual Directive on the administrative activity and management, while on the other, it has introduced a new system of rules for public management.

The system of the Directives includes:

- Directives of the Prime Minister through which political priorities are communicated to the various Ministers so that they can adapt them to their own Offices;
- Directives of the individual Ministers, through which (for each Ministry) the process of strategic planning and identification of objectives begins.

The essential elements that the various Ministers have to include in their own annual directives on the administrative activity and management are: the definition of the institutional mission and the identification of the objectives to achieve. The set up of the processes for the reform of the administrative action. Definition of the objectives for the centers of responsibility; the identification of the projects that are particularly important as well as the definition of the role and the functions of the services of internal control (A. Buccellato, A. Asquer, A. Spano, 2004).

The principal steps of the legislative public management reform are:

- D.Lgs n.29/93, subsequently modified by the D. Lgs. N.80/98 and from D. Lgs. N.286/99, and then modified by the D. Lgs. N.165/01 (Testo unico delle leggi sul pubblico impiego) and from Law 145/02.

The paper is structured in five parts:

- a general presentation of the methodology (cfr. 2),
- analysis and interpretation of the regulatory set-up (cfr. 3),
- a synthetic illustration of the output of the research (cfr. 4)
- a discussion on the concept of managerial intensity and the importance of its measurement (cfr. 5),
- conclusions (cfr. 6).

# 2. Methodology

The research reported in this paper was structured in two phases. The first was to analyze the existing management systems within Italian Ministries in terms of their development, the barriers to their introduction and the problems with their implementation. Particular attention has been given to the study of the regulations that are the basis of the public administration reform process, of its coherence and concrete realisation. The concept of the managerial system to which we refer is that traditionally accepted by managerial disciplines, with the activity being identified through the aims and objectives (planning); organization of the activities and the structure; management and guidance of the personnel; evaluation and control (Mintzberg, 1991).

In this phase, an empirical investigation was carried out in order to verify to what extent the normative evolution of the last fifteen years has constituted the environmental condition for the development of managerialism. The empirical analysis was conducted through the study of two elements: a review of the evolution of the regulations that have globally characterized the ministerial system over the last fifteen years and following the examination of the general regulatory set up, a detailed study of

the Directives of the different Ministries was carried out. The time period of the this second step was from 2001 to 2005\*.

The research assumption was that, particularly in those countries where the tradition of administrative law is strong, the normative rules represent at least an initial condition for the start of the change process. The regulations, therefore, constitute the necessary environment for the acceptance of managerial principles. In fact, the regulations are considered by the public employee to be a guarantee against the possible accusations of illegal behavior, with it limiting the spirit of individual initiative as well as the tension towards reaching objectives.

Along with the analysis of the environmental conditions, documents from a sample of Ministries were also analyzed in order to have an initial understanding of the state of the managerial systems currently implemented. The analysis of the directives and other ministerial documents was developed in an evolutionary perspective: it was carried out by taking into account the different sections in which the directives are generally articulated and making temporal comparisons within the individual Ministries.

The objective was to analyze the fit between the regulation, firstly on a general level and then on a specific level (limited to the case studies) and the concept of management adopted in this paper. In other words, the aim was to verify to what extent norms and directives had adopted the rules of management with particular reference to the areas in which they are composed: planning, organization, management and control. In particular, the analysis has:

- verified to what extent the process of planning designed by the directive has been characterized by objectives identified on the basis of the political priorities. The existence of a suitable correlation between available resources and objectives; the presence of the temporal variable in the definition of the objectives; the assignment of responsibility in the pursuit of the objectives;
- highlighted the actual organizational structure of the Ministries through analysis of the ministerial regulation.

The second phase used detailed interviews in order to understand the approach adopted in relation to the regulations, leadership as well as evaluation of the effectiveness of public action. During the interviews, the relationship of public managers with managerial tools was also investigated, either their acceptance or refusal to use them as well as the reasons for this type of behavior. Considering that the analysis is based on highly personal elements that can give either positive or negative attitudes towards managerial tools, the interview was the most effective way to discover the underlying reasons for this particular type of behavior, with the use of a series of semi-structured questions.

The qualitative results will therefore be important rather than the quantitative ones. For this reason, the more significant answers will be highlighted, due to being considered useful in understanding the results.

### **3. Analysis and Interpretation of the regulations**

The Italian Constitution sets out that the action of the public administration should be impartial and carried out efficiently. However, efficiency is often sacrificed in favour of impartiality and equality. In fact, management of the Italian public administration has always been characterised by an administrative, bureaucratic and normative approach, with every action being regulated by a specific norm in order to prevent abuse of the citizens as well as different types of behavior.

In this context, the action of public administration was inefficient and ineffective. For these reason the change requirement was developed over the last two decades of the last century.

The Ministries reform process has developed in two directions:

- the introduction of the system of the Directives;
- a new system of rules on the public management.

In both cases, following an initial legislative intervention to try and establish a united regulatory set up, subsequent norms were approved, poorly coordinated, that determined fragmented regulations and a partial return to the past.

### 3.1 The context

Even if the principles based on the private sector experience and economic theories as well as New Public Management (Aucoin, 1996; Hood, 1991; Pollitt, 1990) do not include a regulatory interposition that bring about “deliberate changes of the structures and processes of organizations in order to make them work better” (Pollitt C., Bouckaert G. 2000), these regulatory interpositions represent the start of the process of the public management reform in Italy.

“The articulation of the Italian reform has been conducted via the enactment of a number of sectorial laws, mainly concerned with the definition of either new governance structures or more advanced system of accounting and auditing” (Arnaboldi, Azzone, 2005, pag. 2).

In relation to the first point (new governance structures), the analysis of the normative evolution allows us to identify the legislative decree of July 30<sup>th</sup> 1999 number 300 as a real watershed between the two periods with substantially different (if not opposite) characteristics.

The first period (that starts in the second half of the Eighties up to Decree 300/99) is characterized by the presence of a number of attempts to reform the organization of the central government administration. In fact, several projects of laws that drew a new structure of the State Offices were presented but none of these were transformed into law during this first long period. What really lacked was a general regulation with a deep reforming spirit. Norms about specific and individual Ministries were introduced over time, resulting in a rigid and fragmented regulatory system. In fact, on the one hand, the different norms are so detailed that they precisely identify assignments, procedures and organizational structures of the individual Ministries, by regulating all the possible articulations, while on the other , every norm has been elaborated independently from the others. Consequently, the normative *corpus* is characterized by a myriad of particular interventions which are not coherent at all with one another and above all without the identification of any general and unifying criterion that drove and affected the action of the individual administrations. This has produced a structure characterized by a strongly sector-based development and duplication of the functions, lack of coordination, heterogeneity and fragmentation (Pajno, Torchia, 2000).

It is with the Legislative Decree 300/1999 that, within the wider process of the Public Administration reform (which started with the laws 142/1990, 241/1990 and D.Lgs n.29/93), the reform of the ministerial model is carried out in a unitary and organic way from both the functional profile and the aspect of the organizational structure.

From a functional point of view, the decree 300/99 attempts to reorganize the central administrations on the basis of complementary and unitary competences with the objective of reducing the problems of coordination and disentangle the political responsibilities in terms of functional areas, primarily production, welfare and territory (Pajno, Torchia, 2000).

Therefore, the intent of functional reorganization appears notable and surely ambitious especially when compared to the fifty years of 'regulatory confusion' that characterized the period after the approval of the republican Constitution (see *supra*). Nevertheless, the project seems to be developed according to a traditional approach without fully considering the relationships with the European Union, the strengthening of the local autonomies and their increasing functions, the impact of the new information technologies on the organization of the workflows and the way of “doing administration” (Verbaro, 2004).

From a structural profile, the model drawn up by the Lgs. D. 300/99 is based on a common central nucleus for all the Ministries and some structures that can vary within a set of predefined categories and typologies.

The common nucleus consists of:

- political top;
- staff for political guidance and management;
- first-level units.

Different options are possible in relation to these units. First-level units can be articulated in either departments or general management offices. In the latter case, there is also a general secretary<sup>†</sup>. Finally, though not expressly mentioned in the decree, they can be considered as agencies, (external) first-level units.

With reference to the Italian central Government control systems, Decree number 286 of 1999 claims the need for an internal control system aimed at “guaranteeing the legitimacy and regularity of the administrative action (internal audit); verifying the effectiveness, efficiency and cost of the administrative action for optimizing the cost/benefits ratio (management control); evaluating top management performances (top management evaluation); evaluating the adequacy of plans, in terms of coherence between achieved results and defined objectives (strategic control and evaluation)” (Legislative Decree n. 286/99).

Even from a juridical perspective, public management of the Nineties was characterised by a profound change, initially started for the managers of the central administration, with Legislative Decree 29/1993.

Up until the Nineties, the labour relations of public managers were an integral part of the organisation of the public administration and were regulated by administrative norms and acts. The position of the employees as well as their rights and commitments (even managers) were entirely disciplined either by the law or unilateral acts (the juridical status).

The main points of the reform were:

- the division between managerial and administrative roles. In substance, legislation gave the political agencies, the task of defining the objectives and programmes as well as verifying the correctness of the results of administrative management to the general directives. While, it gave autonomous managers the power to spend, organise human resources and equipment, control as well as adopt all those managerial actions, including those that orientate the administration towards the outside;
- privatisation of labour relations. This is no longer regulated by administrative law and characterised by the supremacy of the public administration in relation to its own employees who only had legitimate interests. It is regulated by common law and characterised by the presence, for the employees, of subjective rights and obligations;
- attribution of greater autonomy to managers. Public managers have been given the same power as their private counterparts. Public managers can, therefore, autonomously manage their resources. On the other hand, greater autonomy has led to greater emphasis on the results (and not on single actions). For this reason, there are various forms of managerial evaluation and control (not formal);
- the spoil system;
- the single role managers. This is based on the figure of the manager perceived as a unit regardless to the type of organisation. For this reason, art. 23 of Legislative Decree n. 29/93 created the Order of managers in service in public administrations of the Ministries- Department of Public Functions, with the aim of making the discipline continuous.

### ***3.2. Revolution and return to the past.***

Referring to the governance structure of central government, the legislative decree 300/99 represented a step of great innovation compared to the past, due to it introducing a general reorganization of the Ministries, whereas the subsequent legislation does not seem to go in the same direction<sup>‡</sup>.

It is worth noting that, while for the elaboration of the Decree 300/99 a unique coordinating centre was founded in order to enhance the adoption of common and shared choices, in the following act of delegation, there was not a unitary management. In particular, the changes of Decree 300/99 were carried out by different norms with little coordination with one another, resulting in a scarcely clear general framework. On the basis of the interventions, it appears evident that, through different legislative decrees, every single administration operated according to differentiated and particular demands (Verbaro, 2004, p. 57).

Not only did specific regulations affect individual Ministries but some decrees (e.g. Legislative Decree 287/2002) also modified the general criterions proposed by the Lgs. D. 300/99 through the elimination of the rule that distinguished Ministries, where the Departments were the first-level structures and the Ministries the organization upon which General Management Offices were based.

Basically, with the Lgs. D. 300/99, there had been an attempt to identify a common and potentially homogeneous matrix structure, while with the following legislation such objective was definitely abandoned.

Even the reform process of the norms that regulates the labor relations of public managers was halted, in some cases by sudden interruptions while in others by what seems to be a return to the past.

The public management reform, initially started with Legislative Decree 29/93, assumed the ministerial model as the only reference for the whole public management system. However, when comparing the starting point with the final destination constituted by Legislative Decree 165/02, we can easily recognize how it progressively loses the characteristics of a monist model. This is due to:

- the growing awareness of the interconnections between the organization and management, with it being a different type of organization in relation to the specific administrations, requiring a different type of configuration for management;
- the creation of sectorial legislation.

The single ministerial model is currently going through a crisis period.

The first significant distinction between the elected public institutions and those that are not elected. In the first (Ministries, Regional and Local Authorities) the entire public function (justice, defence etc) assume a more important role than the distribution of single and specific services (University, healthcare, social welfare and services, secondary school).

In the first, the moment of politics is important (imminent in relation to the technical aspect, while in the latter, there seems to be a managerial model characterised by a greater degree of autonomy. The public management reform process was forced to privatise the labour relations (in the sense that it was subject to the regulations of private law and no longer to those of public-administrative law). Nevertheless, 15 years since the start of the reform process, it is no longer possible to discuss a convergence of disciplines between public and private management. The first is regulated in detail “in positive” while the latter are only sporadically “in negative”, in relation to the particular departures from contracts in peuis relative to the general rights of subordinates. The diversity between public and private management lies in the different management relations. In private management, the normative is neutral in relation to the organization (this is for all the organisations), while in public management, this does not happen with a consequent proliferation of different rules, exceptions and particularities that, in the name of the need of the organization to adapt, in fact make the discipline multiform in its transformation from public to private management.

Regardless of any judgment about the opportunity of such a choice, it is undeniable that the reforming period that is affecting the Ministries shows the characteristics of a typical "stop and go" process of advancement in which the continuous revision of the organizational models could negatively affect the creation of a favorable environment to the implementation of managerial models.

It is worth noting that the Constitutional Court has partially cancelled the spoils system. In fact, the Court with ruling n. 103/2007 has declared the constitutional illegitimacy of Law 145/02 (subsequently modified with Lgs. D. 165/01) in the part that deals with the automatic suspension of managerial tasks of a general level, permanently, prior to the expiring of the fixed term contract.

## **4. Results and Research Proposals**

In this section, the first results obtained from the second phase are reported <sup>§</sup>. They confirm the research hypotheses as well as new current considerations that will be studied in further detail. In extreme synthesis, the scientific starting point is based on New Public Management (NPM) and New Public Governance (NPG) assumptions. At the same time, we strongly agree with Keynes' idea that “the

formation of entrepreneurial expectations in an uncertain environment depends on conventional judgements and animal spirit, in addition to and supporting rational calculation. It is reasonable that in an uncertain environment the decisions of economics agents should depend on not-rational motives also.” The second hypothesis is that in the public administration, the application of the principles of management takes place in a not-proper environment. Norms do not allow by themselves to push toward innovation in a managerial sense (Crozier, 1979): beyond norm, further elements affect (stimuli, drivers, organizational inertia, etc.) any process of reform (Rebora, Meneguzzo, 1990). Nevertheless, particularly in those countries where the tradition of administrative law is strong, the norm represents, at least, an initial condition for the start of the change process.

Upon analyzing the results of the interviews, the following themes will be dealt with:

- concept of management in the public administration and the relationship between norms, environment and management behavior;
- effectiveness of managerial action and the need for measurement;
- relationship between results and leadership.
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#### ***4.1 Concept of management in the public administration and the relationship between norms, environment and managerial behavior***

Analysis of the literature on the concept of "management" is substantially convergent in considering management as a complex activity through which different decisions concerning the pursuit of objectives, deployment of resources, management of people and control of performance are simultaneously assumed (Sciarelli, 1997; Mintzberg, 1991).

In the first part of the interviews, the sample of ministerial managers was asked, what in their opinion management actually was as well as what the main activities and main tasks of a manager are. The answers were homogenous. In nearly all the cases, for non specialized managers too, the activities considered to be managerial were those that can be found on the directional cycle model. In some cases, several in staff managers believed that they were not real managers because they had no access to their own financial resources. This consideration highlights the problem previously discussed (cfr 3.2), relating to the diversity of the activity in agencies with a political importance (such as Ministries) where the difficulty of measuring and identifying output is amplified. In fact, in these agencies significant output is not necessarily measured in economical-financial terms, nor it is specifically a technical-productive service, with it often having a economic-political importance. This aspect can make it difficult to interpret the role of the manager but it obviously does not limit the applicative possibilities of tools connected to the managerial cycle or at least to several of these.

Survey evidence confirms that it is possible to intend management - as research postulate as well as in a simple perspective - as the set (limited in both space and time) of actions that concern: identification of aims and objectives (planning); organization of the activities and the structure; management and guide of the personnel; evaluation and control (Mintzberg, 1991).

The evaluation of the suitability of the managerial approach in the public sector is different. Most of the managers agree in positively evaluating the application of managerial principles in the public sector (even though with great care). However, there are those managers that criticise a priori the application of organisational principles in public administration.

An other observation worth noting from survey: in the public administration the application of the principles of management takes place in a not-proper environment.

In fact, the firm is the environment in which the management itself was born and developed. This is not true for the Public Administration. For more than one reason, the environment of the Public Administration is not suitable (where not hostile) for an effective adoption of managerial principles. Therefore, for the Public Administration there is the need to create an environment that enables the diffusion of the principles of management. The norm represents at least an initial condition for the start of the change process.

Some managers said “in Italy, the tradition of administrative law is so strong that managers do only what established by laws and rules, for this reason it was very important the insertion in the laws of the managerial principles and the introduction system of the directives“ and also “if it were possible to explain in a law all the steps to use a managerial tool a bureaucrat would be a manager”, in other case managers said ”it’s impossible to explain with rules and law prescription what and how a manager have to involve”, and again “we absolutely need good laws, but we not only need good laws. We have to change our culture”, finally “to change we need a new generation of managers, laws are not enough”.

Therefore, it is possible to formulate the following postulate: *"in the Public Administration the norm contributes to the creation of a functional environment to the acceptance of the managerial principles"*.

As it is an environmental element, the norm has to be evaluated in relation to the factors of strength and continuity in order to analyze whether it enhances the introduction of management techniques. Moreover, the rules contribute to the generation of the environmental conditions, the organizational climate as well as the culture that characterize the organization.

Given this picture, the directive is the tool that generates some of the environmental conditions defined above because it reinforces a way of thinking based on the logical categories of the management. At the same time, it is also a partial operationalization of the modes through which political priorities are to be pursued\*\* ..

#### ***4.2 Effectiveness of managerial action and the need for measurement***

The topic of the measurement of the managerialism has been scarcely investigated<sup>††</sup> especially referring to central government and ministries. The lack of management research on such aspects probably depends on two reasons:

- the correlation between the judgment on the quality of the management and economic and financial performance of the enterprise;
- the difficulty to identify in Public Administration and Ministries objective parameters for the measurement.

The application of the principles of management to the organizations of the State (i.e. to a sector in which not only the concept of administration prevails on that of management, but there is no reference to the measurement of performance and management standards are to be implemented through a strong reforming spirit) raises the issue related to the evaluation of the extent to which “management” has been so far imported from and into government organizations. In the firm, the dividend and share quotations represent one of the main parameters for the evaluation of the performance of managers and for this reason the need to measure the managerial capacity has not been perceived (being it already synthesized by the dividend and share quotation. In public administrations, the simultaneous presence of multiple purposes gives rise to opportunism in the sense that any performance can be justified *ex post* on the basis of certain social objectives As highlighted by the response: “The result of the public action can assume either positive or negative judgments and evaluations according to the different type of emphasis attributed to the social objectives followed” and “ we have a good result because we have introduced norms that, having sacrificed the local economy, have contributed to preserving the environment while at the same time, obtaining a negative result because we have introduced norms that have preserved the environment but have damaged the local economy”.

In these organizations, up to the end of the 80’s, the management approach has been synthesized and interpreted through a concept of “administration for the benefits of third parties” (citizens). The administration is developed on behalf of the citizens and for the satisfaction of their needs by an organization which is almost entirely insensitive (not to say “deaf”) to the topics of management. The lack of any references to the typical indicators of business performance such as efficiency, effectiveness and economic equilibrium, characterizes not only the activities of the public administrations but also the legislative *corpus* up to the introduction of Law 142/90. Regulation essentially referred to the

administration, to fair course, to equity, etc. The concept of control is a significant example of this approach: given the framework of an administration founded upon a bureaucratic organization (Weber, 1968), the activity of control itself is bureaucratic, too, as it builds on the “act”, rather than “results” (Guarini, 1995)

The introduction of a managerial approach that characterizes public administration throughout Europe today as well as the different reforming incentives drawing from New Public Management, Public Governance, etc. are slowly shifting the managerial logics towards the logics adopted within the firm. Therefore, the issue of defining as well as measuring (where possible) managerial intensity is emerging.

### ***4.3 Relationship between effectiveness of public action and leadership***

Leadership studies have highlighted how it not only influences the characteristics of the leader but also those who interact with it as well as the organisational situation in which the relations are developed (Hersey, Blanchard, 1984). All the attempts to try and identify the characteristics of efficient leadership have not been very convincing. It is, however, possible to identify different styles of leadership as well as try to associate them to different levels of effectiveness (Blake, Mouton 1986). This does not necessarily lead to defining the characteristics that a leader should have. McGregor Burns (1978) defined a leader as a person who can induce others into carrying out functions that represent values and motivations – will, needs, aspirations and expectations – shared by the leader as well as those who follow him.

In the interviews carried out, it was almost unanimous that the effectiveness of a public administration action is closely correlated to a good leadership. In other words, it seems that good leadership is a sufficient condition in determining the success of the public organisation. Rare cases have also highlighted how public managers with good leadership skills, according to the interviewee, were unable to achieve good results. In this case, failure was attributed to external environmental factors (incoherent normative system, unclear aims, incompetent staff, organisational inertia etc). No cases were reported of satisfied public organization output in the absence of a good leader.

From the detailed analysis of the answers given by the managers on the judgment attributed to their own leadership skills as well as to those of their colleagues, and the action effectiveness levels of their public organisation, several noteworthy considerations emerged. In fact, when defining good leadership, almost all the managers interviewed recalled the concept of good results of the organisation, not distinguishing between those due to the leader and those of the collaborators. In one case, a manager of a central office was defined a good leader due to having achieved the objectives set even though the merit was attributed to his team of collaborators.

It is worth noting the metaphor given by a manager who compared the leader of a public organisation to a football team coach. “When the team wins, its always due to the coach, but when the team loses it’s sometimes the coach’s fault and sometimes the players”.

The judgment of public action effectiveness and the results achieved is therefore associated to leadership skills, according to the managers interviewed. If this is the case, then positive results are due to all the community, with it no longer being relevant to call it leadership but rather what Mintzberg defines “community ship” (Mintzberg, 2007).

From the interviews, it also emerged that the output of a public organization depends on both the capacity to assume rational and planned decisions but also on the capacity – at times irrational – to sense the external and internal environmental context and assume impromptu and unplanned decisions. Nevertheless, most of the managers interviews considered the action effectiveness of the public organisations to be positively correlated to the understanding of managerial principles, techniques and tools.

## **5. Managerial intensity**

Etymologically, the concept of intensity expresses the strength, the continuity and the frequency with which a given phenomenon reveals itself (cfr. Merriam Webster dictionary).

Frequency represents how many times a phenomenon has showed itself. Strength signals the power of the phenomenon. It is necessary to verify the extent to which the phenomenon has developed and assumed significance in relation to the object of analysis. Finally, continuity represents the qualitative and time-based aspect. It shows the durability over time and its variability: temporal analysis allows a judgment on the continuity (or discontinuity) of a phenomenon.

Nevertheless, management as an ontological category is not measurable at all or, in any case, there has been no direct attempt of measurement. As it has been anticipated, proxy variables (indicators of performance) have been adopted within the firm so as to make an evaluation of the management. As a result such variables can represent an indirect measure of the managerial and entrepreneurial capacity of the persons who are responsible of the management of the firm.

In the firm the management, intended as activity of planning, organization, administration and control is always present even if with different levels of formalization. Rather, in the case of the Public Administration, this is not always true. In some circumstances it is possible to find activities that are not coherent with the managerial activity.

From a theoretical point of view the match between the two concepts illustrated above seems to allow the identification (in terms of a research assumption) of a *continuum* in which managerialism assumes different configurations: within the context of the public administration, at one extreme the mere bureaucratic activity is placed, while at the opposite extreme there is the pure management.

Bureaucratic activity is characterized by the absence of behaviors based on management categories (planning, organization, administration and control), while management represents the concrete and full application of those categories.

Drawing on the expressions adopted by a number of well-known researchers, the intermediate forms can be define as “quasi-bureacratic” and “quasi-management”. Bureaucracy (as an ideal-typical model) is characterized by null managerial intensity while management (as an ideal-typical model) is characterized by maximum intensity.

In the private organization, few values (profit, cash flow etc) synthesize the effectiveness of managerial action, while in the public sector the presence of social objectives make the evaluation of management complicated.

On the other hand, the assumptions of New Public Management (NPM) and New Public Governance (NPG), confirmed and shared by the managers interviewed, the adoption of managerial principles, tools and techniques in the public administration improve the effectiveness and efficiency of public action.

A possible result of the effectiveness of public administration action can therefore be the degree of use of managerial principles, tools and techniques within the public administration. Not being able to fully measure the effectiveness of public administration action, the manner of the action can be measured, assuming that there is a positive correlation between the adoption of managerial principles, tools and techniques and the effectiveness of the action assumed by the authors through the study of NPM and NPG.

Managerial intensity can therefore be defined as the quantity of managerial principles understood as well as tools and techniques used by the management of a public organisation in a given period.

According to this definition, managerial intensity is an approximate measurement of managerial effectiveness. Measuring managerial intensity has many limits but it also has the advantage of being a quantitative measurement that assumes greater meaning over space and time.

We know that the measurement of managerial intensity raises problems as all the elements of management include a certain component of subjectivity: their effectiveness is not only associated with the application of techniques and instruments but it derives from subjective interpretations of the individuals, resulting from their own intuition, of sensibility, culture, etc<sup>††</sup>.

However, before Simon (1947) and Barnard (1938), Keynes had already clearly pointed out that "most, probably, of our decisions to do something positive, the full consequences of which will be drawn out over many days to come, can only be taken as the result of animal spirits - a spontaneous urge to

action rather than inaction, and not as the outcome of a weighted average of quantitative benefits multiplied by quantitative probabilities. [...]... human decisions affecting the future, whether personal or political or economic, cannot depend on strict mathematical expectation, since the basis for making such calculations does not exist... it is our innate urge to activity that makes the wheel go around... " (Keynes, 1936, pp. 161-162).

Survey evidence combined with this considerations consentono di isolare the above mentioned postulate for the next step of the research:

- it is not possible to measure the result, positive or negative, of managerial action in the public administration due to the lacjìk of indicators in direct synthesis and independent as for the organisation;
- it is possible to adopt the management cycle in order to isolate principles tools and techniques that allow managerial intensity to be measured, even though approximately;
- this measurement is also approximate because the formation of entrepreneurial expectations in an uncertain environment depends on conventional judgements and animal spirits;
- leadership is generally a function of this animal spirits. In Italian ministries, it could be partially related to normative environment.

## 6. Conclusions

The concept of management within private organisations is clear and refers to the management cycle (planning, organisation, conduction and control). Action effectiveness of a private organisation (and its management) is synthesized by objective and quantitative parameters (profit, invoiced, cash-flow, dividend, share-quotations etc) that express the manner and more or less significant – even if approximate – the progress of the organisation as well as the possibilities of its survival in the future.

The effectiveness of public administration action (and its management) is not synthesized – nor is it synthesizable – with few objective and quantitative parameters. This is particularly so for the central administration, where the distribution of single and specific services assumes very minor importance.

The theory of improper earnings (Saraceno 1967) highlights the duality of the objectives of the public administration action, defining the social cost of the public administration but not overcoming the problem of measuring the results of the public administration action. The problem is shifted onto the evaluation of the congruence of improper earnings. The result of public action can assume either positive or negative judgments and evaluations according to the different emphasis attributed to the social nature of the objectives followed.

The assumptions of New Public Management and New Public Governance, the adoption of managerial principles, tools and techniques in the public administration improve the effectiveness and efficiency of public action.

A possible result of the effectiveness of the action of a public administration can therefore be the degree of use of managerial principles, tools and techniques in the public administration. Managerial intensity can therefore defined as the quantity of managerial principles understood as well as tools and techniques used by the management of a public organisation in a given period.

In conclusion, not being able to fully measure the effectiveness of the action of the public administration, the manner of the action can measured, assuming that there is a positive correlation between the adoption of managerial principles, tools and techniques and the effectiveness of the action assumed by the authors with the study of NPM and NPG.

One of the main limits of the analysis lies in not taking into account the irrational elements (the animal spirits of Keynes, limited rationality of Simon and the emerging strategy of Mintzberg) that drive single individuals and at time has influenced, in quiet an important way, the leadership capacities and its results of the entire organisation.

On the other hand, the advantage of this analysis of managerial intensity is in the definition of a measurement model that – notwithstanding the logical limits previously described – gives quantitative

measurements (even though they maybe approximate and with a certain degree of subjectivity) that assume even greater value over time (over several years) and time (e.g. in different ministries).

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\* Before 2002, neither the President of the Council of Ministers nor the Ministers had issued any directive concerning the management system of the Ministries.

† The General Management Office represents an articulation based on thematic, functional, instrumental or specific areas within the ministerial activities.

Viceversa every department should be characterized by a real mission or "policy" (consisting, in its turn, of broad as well as integrated purposes and attributions) rather than by the summation of a specific set of assignments and competence. Put in different words, the general mission of a Ministry is divided in some wider areas or "policies". Each of these can be assigned to the responsibility of a departmental structure. In this sense, therefore, unlike the organization for General Management Offices, departments should not be adopted just for the management of instrumental functions (for example, management of the personnel or financial resources). These functions should be carried out by common offices of management that can be placed inside a department but working on behalf of the all the structures

‡ The new government modified the number of Ministry (which were reduced to fourteen – L.D. 317/2001 converted into L. 317/2001) and issued the delegating law 137/2002 which allowed the Government to adopt the legislative decrees that could modify or correct the Lgs. D. 300/99.

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<sup>§</sup> At the moment of the presentation of the results discussed in this paper, the first phase of the research which has been mentioned in the abstract can be considered concluded. The research includes a second phase that is not discussed in this paper as it is still in progress. Such phase covers the evaluation of the managerial intensity

<sup>\*\*</sup> The Directive of the Prime Minister of 2001 covers also methodological issues, focusing on the Minister's need to elaborate an "easy" document, in which a limited number of really significant objectives are to be identified. At the same time it is strongly recommended the introduction of both a monitoring activity so as to measure the degree of attainment of the objectives and a system for the evaluation of executives. On the basis on the regulation, the process seems to introduce, within the public sector, the typical mechanisms which characterize the mainstream of the "business policy" (Andrews, 1980) and the "planning school" within the firm (Ansoff, 1965). There is an attempt to emphasize the process of planning by regulating its development according to a pseudo-rational scheme, which is reinforced by the mandatory elaboration of a number of documents and by the adoption of a series of instruments (managerial control, evaluation of executives). Little attention is paid to the problem of strategy implementation and to all the issues that can emerge in the phase of realization.

<sup>††</sup> In theoretical terms, is it possible to maintain that in the organization A there is more management than in organization B? To which extent is there management in A and B? Put in different terms, what is the managerial intensity that characterizes the organizations A and B?

<sup>‡‡</sup> Several management decisions do not result from the application of management techniques or complex decision making models but they are characterized by a significant component of subjectivity in the analysis and interpretation of a problem. Besides, it is largely and fully acknowledged that the actual strategy is not "planned" but "emerging" from the what individual people want and are able to actually implement (Mintzberg, Water, 1985). The same reasoning applies to the second component of management. Even in this case, if we refer to a broad concept of organization, we can argue that not only the organizational form but also its fit with the concrete situation is important. In addition, the management of resources is the area in which the personal and subjective component is stronger as it is highly related to leadership style. Finally, also in the control activity and specifically in the operating control the interpretation of results is largely dependent on the personal sensibility which plays an absolutely relevant role.