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Managerial response to globalization**Report prepared by the Secretariat****Introduction**

Public services are responding to globalization challenges by reforming themselves. The issue of retooling through innovative management methods will be dealt with in a later section of the present report. Governments have a critical role to perform in preparing their societies to thrive in light of the globalization challenge. In recent centuries, bureaucracies have played a stabilizing role, their traditions and procedures symbolizing continuity and security. Efforts to implement stabilizing administrative reforms have proved disappointing in many developing countries. Therefore, at the beginning of the twenty-first century, Governments in developing countries face a double challenge: to continue efforts to stabilize the State, and at the same time to adapt to globalization. This level of challenge and uncertainty can provide an opportunity to create strategies for achieving sustainable human development. The role that public service employees have to play will be examined in this report in terms of both strengthening the managerial capacity of the State for social and economic growth and creating an enabling environment for civil society to flourish in.

Increasingly, the concept of public service applies to multiple levels of government: international,

national and subnational. It encompasses elected and non-elected officials, governmental and non-governmental organizations. Moreover, it is argued that there is not one profession of government but many. At both the central and local levels, the government recruits all types of employees: librarians, doctors, teachers, public security officers, accountants, engineers, mechanics, secretaries and so forth. They all have a shared commitment to the public interest rather than to private gain. Serving in all sorts of capacities, they all operate within a framework of laws and regulations, which not only carry special constraints and entail special duties or obligations, but also create opportunities that may be absent elsewhere.

The public task environment makes extraordinary demands on all professionals: expertise, sound judgement, objectivity, impartiality, availability, responsiveness to citizens, respect for law and order, respect for human rights and service to the community. Duties are multifaceted and often very complex: they include policy advice, management of human, financial and other resources, provision of critical services, handling of sensitive data, and drafting, interpretation and application of laws, other enactments, decisions and regulations. They must perform those functions under often stressful conditions for very little pay and yet must be held accountable for their actions and

discharge their functions under conditions of great stringency. They are expected to abide at all times by rules regarding conflict of interest, privileged information, transparency, due process and objectivity. They must subordinate their official public duties to the highest professional standards, and demonstrate unwavering commitment to democratic principles and to the general interest. Meeting all these requirements demands a unique combination of knowledge, skills and attitudes. These values seldom coexist, and rarely grow spontaneously, but must be nurtured assiduously. These conditions differ to a certain extent from those observable elsewhere in private or non-profit organizations.

In all organizations, but in the public service in particular, human resources are the inputs with the greatest relative value. More than anything else, they determine both the quantity and the quality of the outputs. Sound human resources management and development in the public sector are the key to success and to optimization of results. Sound human resources management encompasses both static (recruitment, retention, motivation) and dynamic (professional development, adjustment to changing organizational requirements, esprit de corps) functions.

Since the inception of its Programme in Public Administration and Finance in 1948, the United Nations has consistently emphasized the issue of strengthening human resources in the public sector with a view to achieving sustainable development for newly independent countries. With the dramatic changes in the late 1980s, the 1995 World Summit for Social Development and the resumed fiftieth session of the General Assembly on public administration and development in 1997, the focus on human resources has become even more critical. Initiatives such as the 1991 Interregional Technical Meeting on Human Resources Development in Civil Service Systems in Manila, the 1994 and 1998 Pan-African Conferences of Ministers of Civil Service, the 1994 Expert Group Meeting on Human Resources Development in the Public Sector in New York, and the 1998 Meetings on Professionalism and Ethics in Thessaloniki and Brasilia have all contributed to disseminating information and raising awareness about these issues, while concurrently highlighting the factors of success or failure.

I. Critical challenges faced by public services in dealing with globalization

Public services are under severe strain in the face of the challenges and the complexity of demands imposed by globalization and by citizens. These trends have resulted in a greater role for the private sector in national development, thereby shifting the responsibility of public administration from operating the economy to steering and facilitating it. This shift has increased the need for public administration capacity to coordinate, manage conflict, promote private sector development, manage subcontracts, and enforce legal and regulatory frameworks. Efforts to decentralize, privatize, engage in public-private partnerships highlight the need to develop innovative approaches in the performance of public administration. Changing social values and a shift in paradigm from a traditional bureaucratic organization to a managerial model are exerting an impact on the character and operations of the public service. These trends demand new human resource capacities, professional behaviours and values. The public services of the future need to develop the capacity to adapt to a changing global situation as well as to meet the raising expectations about government performance.

Competition for knowledge workers is robust, both among Governments and among sectors. The private sector, public institutions and non-governmental organizations all compete for the most creative and hard-working talent. The private sector attracts the best of those motivated by money and innovation. Public institutions attract the best of those motivated by public interest. The non-governmental organizations attract the best of those motivated by altruism, special interests and independence. As the conditions in the private, public and non-governmental organization sectors become more similar, it will be difficult for public institutions and non-governmental organizations to compete with the private sector with respect to salaries and benefits offered by the latter. Public institutions need to review their conditions of work, the material benefits of work and the intrinsic values of public work. Knowledge workers value material rewards, but they also value recognition, self-fulfilment and the opportunity to be relevant, to be creative and "to make a difference". A number of

strategies can make public institutions more interesting places to work in: new technology, more open, less hierarchical ways of organizing work, and more direct means of delivering public services. Few public institutions have kept pace with the necessary structure and systems for acquiring and developing human capital. There are increasing concerns with respect to replacing an ageing workforce with personnel possessing the right mix of skills. After extended periods of downsizing, buyouts, hiring freezes and dependence on temporary workers, many talented entry-level workers have not considered joining the public service as a promising career path.

The public service is challenged to introduce flexibility, although public bureaucracies have long emphasized security and stability, as well as the merit principle, to a greater or lesser extent. The merit system was created to provide an expert and efficient public service and to provide protection from the excesses of political clientelism. The classification and compensation systems focused on process and procedures, not excellence in human capital resource acquisition and not on performance. The increased concern for respect of human rights and equity in opportunity issues requires more creativity to implement a truly representative bureaucracy, with the full inclusion of various identification groups such as race, ethnic group, gender, religion, class, disability, age and sexual orientation.

Leadership is a key quality in public institutions. Government leaders in a wide variety of institutions need to be technically competent, politically astute and skilled in building consensus and partnerships. While there are many models of governance systems, every model has some mechanism(s) for developing leadership, including selection, recruitment, training and teamwork in various governmental institutions. Both specialized technical and managerial competence are necessary in order to operationalize vision into strategies, programmes and activities for development. Improvement and intensification of these leadership development processes are key to achieving development successes, especially in a highly complex and competitive international environment. Many Governments are establishing sensitization and skill-building programmes for top leadership, often not only for senior civil servants, but also for politicians and leaders of private sector organizations and non-governmental and community-based organizations.

These programmes led to significant improvement in policy development and managerial issues.

II. Critical changes in human resources policy and management to deal with globalization

A national conference of practitioners and scholars in the United States of America in 1999 developed a consensus on focus for a successful adaptation of the public service in the context of globalization:

- The people resources of government — its human capital — must be valued more highly and developed more carefully than current practice allows;
- Performance — high performance — must become a way of life and a critical part of the culture of the national civil service;
- Strong leadership from both the political and career executives must come centre stage;
- Partnerships with unions, with other levels of Governments and with other sectors must be front-loaded and must focus on mutual goals and performance objectives.

Human resources development has been focused on “knowledge, skills and attitudes”; in the 1990s, it became popular to refer to “knowledge, outcomes and values”. This shift indicates the overriding importance of knowledge, but also a specification of those skills that can lead to outcomes and a specification of those attitudes that lead to values. Related to this triumvirate are the values of integrity, professionalism and respect for diversity. With these values, it is assumed that people working together in an organization will be able to accomplish tasks, work together and use resources effectively and efficiently. At the dawn of the twenty-first century, there is added emphasis on use of information technology, the Internet, communication, negotiation, teamwork, client orientation, results orientation, cost-effectiveness and partnerships with other sectors, including private and civil society. Furthermore, the influence of globalization has led to an emphasis on one other essential characteristic of people and organizations: continuous learning.

For the public service of the twenty-first century to be successful, it will have to embrace the philosophy of the “learning organization”, that is to say, with globalization and other forces, change is not unusual, but organizations need to plan for change. In order to manage change, an organization will need to scan its environment with a view to envisioning long-term scenarios and strategies; to build capacity to study implementation, consequences and unintended results; to manage resources (human, financial and information); and to continuously monitor and evaluate results.

The impact of this new shift on human resources in the public sector will have consequences for various personnel management processes such as recruitment, personnel administration, career development, performance assessment, succession planning, job security, work patterns and use of technology. In particular, organizational performance assessment has been clearly distinguished from personnel appraisal, given that its purpose is not to hold managers liable but rather to secure feedback and thus determine causes and effects in respect of systems. With this organizational philosophy, the administrative system scrutinizes its own workings and both those who make decisions and those who implement them share a joint responsibility.

On the other hand, the purpose of evaluation mechanisms is to assess the results of the administration in relation to costs and to permit public servants to be held responsible for their performance. Accordingly, these mechanisms require a precise definition of the posts and attributes of each public servant. While evaluation of job performance is relatively easy on assignments where output can be quantified, assessing performance where judgement is the main attribute has proved especially difficult. Measuring performance in a situation seriously impacted by globalization is even more difficult owing to the greater dispersion of results and to the greater diversity of inputs. Globalization requires greater knowledge about the scope and impact of the international factor.

Finally, in a time of shifting values and systems, preserving integrity and work ethics is a major challenge for the public service. Traditionally, public service employees were bound by the obligation to serve and to dedicate themselves to service; subordination of personal interest; obedience; and

confidentiality and professional discretion. These ethical values, although very appropriate, are not sufficient to preserve or promote moral integrity in the behaviour of officials in their changing environment. Although these obligations tell civil servants what they must do, they do not tell them how to do it. Some countries have developed codes of ethics for their civil services; but a code of ethics is effective only if an ongoing monitoring process accompanies it, if organizational mechanisms are available to make it appropriately concrete, if it is linked with clear and tangible rewards and punishments and if, when a major ethical crisis occurs, steps are taken to rebuild the organization’s credibility.

III. Key roles of leadership and training

A critical factor in the success of administrative reforms is the role and quality of leadership. The nexus between leadership and reform efforts has several dimensions. In one respect, leadership provides the impetus for reforms. Leadership is also critical to the implementation process. The process of globalization calls for a progressive transformation in the thinking of an organization. Implementing global strategies requires careful attention to the management of human resources within multicultural organizations. To develop and manage a globally oriented organization implies developing and managing people who can think, lead and act from a global perspective and who possess a global mind as well as global skills. Among desirable traits and skills, cultural empathy and adaptability are increasingly demanded. Senior managers have to be not only physically mobile but also mobile in their minds, and able to travel across boundaries by understanding the international implications of their work.

The most relevant competencies for the manager of the future include the following:

- Integrity;
- Vision and leadership;
- Capacity for policy analysis;
- Judgement and capacity for decision-making;
- People empowerment;
- Managing performance;

- Building trust;
- Accountability.

Globalization requires a change of mentality, but experience shows that “telling” is not as effective as “seeing”, and “seeing” is not as effective as “doing”, in regard to learning new attitudes and behaviours. The most effective change environment is that in which, every day, work is accomplished. The context in which people work must be modified in order for them to adopt different behaviours that will change their attitudes and have a long-term influence on their values. In this new environment, the choice of means and their use are subordinated to the achievement of the goals; the law is a framework that sets the limits, not a model that prescribes the process to be followed. Through experiencing a new framework, managers can learn to value action, results and concrete realities.

Knowledge of globalization is essential. While most Governments have units studying aspects of globalization, such as economic ones, there is need for overall and integrative comprehension of globalization by senior staff and units. Therefore, necessary measures may include setting up in relevant government agencies an analysis unit, staffed with top-quality professionals, to focus on globalization and its implications, incentives and opportunities. Through sabbaticals or seminars at such a unit, senior government professionals and executives can gain better comprehension of globalization. First steps should include knowledge of languages and familiarity with the Internet by staffs dealing with globalization. Intensive training programmes can meet this need.

In order to close the globalization gap, appropriate training is needed for human resources development through a wide array of means such as formal education at all levels, on-the-job training and continuing education, distance learning and use of modern technology, coaching and mentoring.

A key element in modernizing training and education systems for globalization is the conscious linkage of these systems to the labour market, especially globally. Such linkage would contribute significantly to the usefulness of human resources development policies and programmes. At present, the education system cannot always meet the demands for specific skills in the labour market. On the other hand, some people with legitimate qualifications and degrees cannot secure jobs. This imbalance between available

human resources and their inappropriate preparation for the workforce requires an immediate change in the configuration of education.

In-service training is necessary for the purpose of keeping abreast of changes in relevant technologies and processes and scientific developments. A particularly important target group is supervisory and managerial personnel who need to learn about new management techniques for dealing with employees' empowerment and new methods of work such as teamwork, as well as new methods and strategies for planning and managing change efforts.

After serious training efforts, it is common for trained personnel to be neither utilized properly nor provided with working conditions suitable for application to their organization of their acquired skills and knowledge. Frustration leads some trained personnel to revert to traditional practices, while others leave the public service for opportunities to utilize their newly gained skills in the private sector or in other countries. Likewise, public personnel trained abroad are often educated in state-of-the-art strategies and techniques, and upon their return to their national administration do not find the enabling environment in which to apply their knowledge. Strategic competency planning will enable the public service to develop training programmes adapted to the global environment.

All managers need to be familiar and comfortable with the technical aspects of public affairs in general, and especially with how technology impacts on management systems. Training needs are particularly acute in countries with a tradition of generalist administration, where the “conventional wisdom” that it is expected will be exercised by senior administrators may not be adequate to effectively manage the more technical aspects of public administration. Specific and technical applications, which are popular in the management science approach, often require a more specific set of skills such as statistical analysis and familiarity with automated information collection and management systems. The situation stresses the urgent need to introduce training in computer literacy and various software applications. Indeed, the introduction of new technologies should be accompanied by in-service training programmes directly linked to the practical applications of the technology in management processes. Otherwise, the resources invested in

designing and acquiring new technologies may be wasted or may yield negative results.

IV. Observations on future public service

In the intersection of globalization and human resources management, several key observations emerge:

- In a competitive and global labour market, any serious public institution needs to provide meaningful careers and conditions of service in order to attract high-quality job aspirants to the public service;
- The new model of public sector productivity combines concepts of cost-efficiency with those of programme effectiveness. At the same time, the use of the merit principle and the need to represent key societal diversity issues in the recruitment and promotion of civil servants should be addressed;
- Competencies describe a combination of skills, attributes and behaviours needed in order to build a new organizational culture so as to meet future challenges. They help organizations clarify their expectations, define future development needs and undertake more focused recruitment and development planning. Competencies also provide a sound basis for consistent and objective performance standards by creating a shared language about what is needed and expected in an organization;
- As the pace of change increases, organizations must become more flexible and focused on results rather than on activities and tasks. When individuals see their role as being to provide products and services, they are more likely to recognize opportunities for productivity improvement than when they see their work as entailing “performing tasks and following procedures”;
- Civil service codes and a code of ethics for the public service are essential, but cannot guarantee actual implementation, in particular in developing countries where there may be no enabling environment for those working in the public sector. Regional initiatives such as the Charter for

Public Service in Africa could provide benchmarks against which to monitor progress and implementation of common standards;

- Taking advantage of networks in public administration offers another opportunity to provide greater access to information about the public service, facilitate exchange of experience and promote South-South cooperation, while at the same time creating new ways of training. The United Nations Public Administration Network (UNPAN) project is designed to create knowledge-sharing among public administration professionals;
- Experience illustrates that improving the performance of the public service operates best on two tracks. The first track constitutes the legal and regulatory framework for all civil servants or for subsets of civil servants. The second track constitutes the opportunity framework in key ministries in the particular country. In many rural, agriculturally based countries, the key operational ministries are education, health and agriculture. When focused success is achieved in one or more of these key ministries, the population gains confidence in the government, and other ministries are led to demonstrate similar competencies;
- Finally, vision and integrity will be critical to successful partnership in the world of globalization. Leadership and managerial skills have to be strengthened as well as capacities for anticipation, in particular policy and data analysis. Establishing ethical public management systems will guarantee credibility and foster the trust needed to attract international investment. Performance assessments and use of a computerized personnel database will also help in establishing mechanisms ensuring transparency of personnel procedures and building trust organizations.

V. Role of management systems, tools and culture

In responding to the speed and diversity of globalization challenges, public servants need to utilize innovative methods and practices. The present section will review managerial methods and organizational

technology, focusing especially on the need for baseline data, situation analysis, reliance on home-grown perceptions and perspectives, and development and adoption of management tools and practices that are suitable to the State's changing role, particularly as development facilitator, through both the private and entrepreneurial sectors, as well as non-governmental organizations.

One of the main effects of the technology revolution comprises the evolving relationships among government officials, innovative businesses and a new breed of entrepreneurs, which often reduce the number of apparent layers of middlemen who have been interceding in the provision of services to customers. In the late twentieth century, quality of service became more important to consumers. With competition increasing from the private sector, entrepreneurs and non-governmental organizations, organizations can succeed only if their owners and managers are flexible and adaptable with respect to citizens' needs. This adaptation to citizen-oriented "results" becomes irreversible as citizens begin to expect more effective and efficient services. As the new breed of entrepreneurs discards old ways of doing business, they develop new organizational and managerial models for business and government. The era of globalization and information technology has experienced a shift from task-centred to process-centred organizations, which has allowed for the integration of tasks into connected processes. Information technology allows all employees and even customers to understand the "big picture" and enables everyone to share information with each other. Under such an organizational structure, each worker becomes responsible both for doing work and for ensuring that it is done correctly.

For businesses as well as government, technology presents a dilemma in terms of the control of centralization and the empowerment of decentralization in managing work. However, there is no standard formula for resolving this dilemma aside from the imperative to be flexible, with the citizens' needs as the first priority. Organization structure in any large enterprise or government depends upon the nature of the task. For example, managing the foreign currency exposure of a government or a globalized enterprise requires considerable centralization, while within the same government or global firm, serving customer needs requires considerable local autonomy.

The technology revolution has illustrated that, increasingly, more and more workers are becoming knowledge workers, rather than subordinates simply following manuals of rules and regulations. Even in relatively low-level jobs, workers are now expected to utilize discretion in applying organizational principles. Knowledge workers cannot be managed as mere subordinates. More accurately, they can be labelled as associates. The "new organization" is flatter, lateral and egalitarian: workers are neither superiors nor subordinates. Knowledge workers own their means of production: their knowledge. Managing knowledge workers is increasingly challenging for supervisors trained in old-style top-down methods of "telling workers what to do". All workers achieve satisfaction through the organizational production of results, rather than through exercising "power" over subordinates. This shift requires significant changes in management culture, systems and tools. Each element requires complete revamping of traditional top-down control structure and methods.

Likewise, managers of government agencies, and sometimes businesses, often emphasize managing inwardly rather than outwardly, that is to say, they focus on ordering subordinates, rather than on sensitizing themselves and their organizations to the changing environment. This inward behaviour is especially inappropriate in the globalized world, in which the forces that influence any organization come from both inside and outside the organization. Management requires constant streams of information on a systematic basis, both from outside and inside the organization. Management needs to identify relevant events and trends outside the organization and to develop appropriate systems and tools to deal with the external pressures and opportunities.

Along with pressures emanating from increasing global integration — economic, social, cultural — there are strong internal pressures applied to Governments to provide quality services with fewer resources. Many management techniques have been developed in the private sector that, owing to their profit-loss bottom line, are generally more responsive to change than those in the public sector. Some of these private-sector-oriented management techniques have been experimented with in some public sector organizations. These experiments led to a new public sector trend that encouraged re-engineering and reinventing public administration institutions,

including not only the central bureaucracies, but also local governments, electoral management bodies, legislatures and judicial systems. In particular, local governments in developed countries have been resourceful and innovative in the way they have been using available information technologies to provide better social and business services. By contrast, most local governments in the developing world, many of them emerging from State-centric traditions, have not yet been able to develop the local resources, the local innovation capacities and the initiatives needed to achieve the necessary autonomy. These governments are struggling to cope with the advent of technology innovation with very limited resources — financial, human and knowledge.

That management innovation is often understood as advancement in “machine” technology disregards the fact that the process and the procedures that lead to the use of that technology are as important as the technology itself. Fortunately, several schools of thought have focused on the socio-technological innovations that arose in the last half of the twentieth century. These socio-technical processes can make the difference between success and failure. In public administration, the process is especially important because, whatever the technological innovations, the end product should be an output or an outcome that benefits the citizen, improving well-being and representing a positive cost-benefit ratio in the use of the public resources including taxes. Innovation in socio-technical strategies can lead to a new paradigm for governance and public administration. This organizational paradigm is more flexible, more effective, more timely, more motivated and more responsive to the needs of the citizens, as well as more efficient and cost-conscious.

An innovative management culture is essential to the development and use of suitable management tools and practices in the public administrations of developing and transitioning countries. An innovative culture emphasizes the need for a management with vision and clarity of goals that is able to see how and when to apply innovative processes or technological innovations, while taking into account the realities of major policy and programme areas and the dynamics of their interrelationships. By the beginning of the twenty-first century, most, but by no means all, innovative management models had been developed in so-called Western countries. These Western models can

in no way be imposed in toto in diverse settings. However, managers can adapt “popular” innovations to their sociocultural and economic environments. To assure the success of newly designed processes, goals need to be situation-specific. Successful innovations can be widespread but their application elsewhere requires thoughtful adaptation. Thus, government policies need to encourage scanning for appropriate innovations and for adapting them to local conditions.

Globalization has accelerated modifications of behaviour and culture within various areas of governance, for instance, local government, legislatures, courts, executive coordination and even voting in elections. The existence and popularity of various socio-technical innovations encourage further innovation. Thus, globalization is indeed a driver of innovation. For example in some countries, public agencies are making access to government resources more convenient. On-line, one can, for example, download an application for a business licence, search for a government job, track the status of a building permit and file a tax return. In addition, the Internet is being increasingly used by citizens as a vehicle for organizing and expressing their views, thereby enabling thousands of viewers to learn more about administration and policies by clicking on an Internet link. This up-to-the-minute information is changing the way citizens learn about and become involved in important public issues. In some cases, the Internet already serves as a medium for voter registration and on-line voting.

Globalization forces innovation, because managers are often faced with new, unexpected global problems without many reference points that need new solutions. For instance, computer hackers have attacked various sites on the World Wide Web and successfully halted business and operations for hours and sometimes days. Businesses, citizens and public agencies alike have concerns about security, privacy, confidentiality and ease of use.

Speedy action as well is highly valued in a globalized world. An organization needs to identify needed competencies, management culture and necessary systems so as to ensure that it can be steered in a way that enables it to cope with changing environments. This steering capacity could make the difference between success and failure.

VI. Re-engineering/reinventing management system in public sector

Re-engineering (which implies tinkering with means to an end) and/or reinventing (which implies a more transformative change) the public sector comprise(s) strategies for public sector organizational improvement. These tools involve: (a) review of the processes used to produce a specific outcome; (b) an assessment of the efficiency and effectiveness of the processes; and (c) an action plan to design and implement a new (or re-engineered) process using the current available technology so as to improve the quality of the outcome and the cost/benefit ratio.

At the dawn of the twenty-first century, many of the emerging innovations are technological, but it has been noted in the “productivity paradox” that technological innovations are of limited value for an organization if the processes are not redesigned to take full advantage of the new features and characteristics of these innovations.

As the processes are the main engines leading to implementation, service success depends very much on a design that takes into account the singularities of the environment in which it operates. This means that while the tools are universal (the same computer can provide the same capabilities in any place in the world), the processes need to be customized. A process that works in country A might be a complete failure in country B. Examples of an innovation that is programmatic rather than technological are the structural adjustment programmes (SAP) which proved to be a success story for some countries but a failure to others. Apparently, the SAP model does not have enough flexibility to adjust to the specificity of each country.

Affordable technologies are currently available but there is a need for vision, clarity of goals, well-designed strategies, policies, processes and the determination of managers, decision makers and leaders to establish priorities so as to ensure maximum use of those technologies.

In 1999, one European Government published a white paper entitled “A modernizing Government” in which it stated that the government strategy is to ensure an effective response to its citizens’ needs. The Government will aim to provide high-quality public

service, matching the best anywhere in the world in its ability to innovate, share good ideas, control costs and, above all, to deliver what it is supposed to. In addition, the Government makes a specific commitment to the use of the new technologies and not to trail behind technological developments.

Globalization allows a sharing of experiences, both worst and best practices. These experiences can facilitate the customization of the processes and prevention of already identified problems. Learning from past bad practices is essential; one city created an award for a bad practice to emphasize that failure is part of the process of learning and innovations. This award illustrated that failure that is integrated into learning is positive. Scientists, both natural and social, have progressed over the centuries by failing often and learning from each failure.

Over the last half of the twentieth century, several management tools have been developed and rather thoroughly tested, and they have matured. Taken together, and along with the newly developing tools, they support the processes for reinventing public administration. Some essential tools include:

- (a) Organization of performance management;
- (b) Identification of performance indicators;
- (c) Performance measurement and monitoring;
- (d) Implementation monitoring;
- (e) Impact assessments;
- (f) Productivity measurements;
- (g) Outcome measurements;
- (h) Benchmarking for best practices.

At the same time, several other processes have been used to evaluate the effectiveness of management tools and their suitability to particular situations. These include:

- (a) Management of change;
- (b) Managing behaviour results;
- (c) Organization development;
- (d) Strategic planning and scenario-building;
- (e) Quality management;
- (f) Results-oriented management;

- (g) Technology management;
- (h) Management of information systems.

There have been several partnership innovations derived from extending management innovations outside the specific organization and into the organization's environment. These interesting experiences often involve the quest for better service delivery and better responsiveness through increased citizen participation, identification of community-based indicators of development and the use of the new technologies to improve service delivery. Some countries have also developed public/private partnerships and co-production of social services (public/private/civil society) that further developed the list of partnership innovations.

Although each re-engineering process emphasizes different methodologies, all advocate activities such as identifying objectives, planning, analysis, monitoring and informed decision-making. Underlying each approach is an unwritten assumption that the information infrastructure and technology necessary to perform key activities are present. Therefore, the specific contributions of the information technologies to the innovative management processes may be summarized as follows:

(a) Availability of cheap and powerful computers makes possible the collection, updating and manipulation of huge quantities of data with a high degree of reliability and timeliness. This supplies the first level of the information infrastructure and contributes directly to the so-called transaction processing systems such as budgeting, accounting, expenditure transactions, personnel, payroll, procurement and inventory;

(b) The information systems developed to manipulate the data allow cross-tabulation between data in the organization and data consolidation which can increase substantially the quality of monitoring procedures and provide long-range information to managers, allowing comparisons of present and past activities in relation to organizational goals and management expectations;

(c) Decision support systems aggregate data to be used to support unstructured questions and planning functions within an organization;

(d) The advance of telecommunications allows for these data to be collected and shared worldwide,

and decision makers can access the information worldwide in record time.

Various ingenious low-cost technologies such as telecommunication systems using low earth-orbiting satellites connected to ground stations, such as the Fideo-Net Programmes, reinforce the notion that technology with needed functionality can be made available at a reasonable cost, but only *institutional change* and creativity can make these technologies accessible to citizens in need. Even communications technologies can be adapted to a country's/region's specific circumstances. Some additional concrete examples of processes adopted in some countries can be noted.

Country A

A new public management culture is giving public sector managers greater freedom of action by reducing centralized rules, giving more emphasis to outputs, developing accountability mechanisms and decreasing lifetime career employment. In addition, public officials no longer hide behind political or governmental action, as they are held personally responsible and accountable for the decisions and actions that they take in office and even after they retire.

Country B

A mission-like statement can give importance to the spirit of innovation. According to the words of the highest career official of a country, its public service must become a borderless institution committed to reducing the barriers to the flow of ideas and information within public sector organizations. To prove the commitment to creativity and innovation, this country has created a policy research initiative (PRI), overseeing four integrated ongoing networks around the themes of growth, human development, social cohesion and global challenges and opportunities. These networks, chaired by high-level career executives, provide a forum for ongoing discussion of policy issues, identification of emerging trends and dissemination of information and new research findings, and have the task of finding innovative ways to share policy research. In addition, PRI develops active partnerships with academia for

policy research and provides a forum for unconventional thinking.

Country C

About 10 years ago, this country embarked on an ambitious process of redesigning its public administration to reduce some services and to move away from being a welfare State. Although some parts of the initial plan have been abandoned, the Government did change, moving towards adherence to more technocratic public management precepts. The size of government was drastically reduced while outsourcing and individual contracts increased substantially. Processes were drastically changed. According to some studies, most economic benefits went to high-income households, while lower-income households felt increased hardship which resulted in a higher number of welfare recipients.

Country C offers a good lesson learned in the management of innovation and processes because there was clarity of goals when the process started. There was a determination by leadership to proceed, taking full responsibility for the uncertainty of the outcome. Although it would seem that some of the goals were not reached, it is interesting to note that the national debate did shift towards issues such as what level of welfare the State should provide, how welfare should be delivered, to whom welfare should be provided and for what purposes, and to achieve what objectives.

VII. Core management competencies for globalization

To successfully develop and utilize management innovations within the framework of globalization, three essential core competencies are needed: vision, clarity of goals and a culture of valuing creativity.

Vision is essential to enable an organization to implement its mission. Management needs to be able to identify related issues, opportunities, threats and risks. After designing a strategic plan, management needs to take the necessary steps to transform it into an action plan leading to the successful implementation of the goals stated in the mission. When the Asian economic crisis started, one country pursued an often criticized course, by halting the floating exchange rate for about one year in order to protect, stabilize and at the same time prepare itself for re-entry into the world economy.

In this way, the impact on the citizens was relatively minor, and it seems to have survived relatively well.

Clarity of goals seems to be another competency necessary to assist a vision in becoming a reality. The economy of one Latin American country underwent an astonishing turnaround during the last 30 years, improving substantially the country's standard of living, by establishing precise and clear goals that were translated into policies that in turn were transformed into achievable results and outputs. In this case, a group of technocrats was given the independence to set and implement clear objectives for the development of the country, with notable success

Valuing creativity seems to be important for generating innovation. At the end of the twentieth century, stimulated by technological innovations that penetrated private houses, industries and government bodies, entrepreneurs and managers learned to value creativity to an extent that allowed an astonishing pace of innovations in all fields. At a large software company, each has an office with a whiteboard on which people can write ideas or priority lists to be shared with colleagues during meetings. Rules are kept to a minimum. At this company, the creation of an environment friendly to new ideas seems to be the priority and part of the secret of success.

For developing countries, effective managerial and institutional response will be the key to dealing with the challenges and opportunities presented by globalization. Reforming and developing appropriate institutions, building a responsive, well-trained and public-spirited civil service and providing these with an environment for adapting and utilizing suitable managerial tools and practices will become critical issues in the governance and management systems of many developing countries. Success in improving services for the citizens will largely depend not on imitating processes used by others but rather on adapting and/or reinventing them in a way that takes into consideration the peculiarities in key areas of governance and management. The spirit of innovation, the determination of the leaders and a well-designed strategy will constitute a key factor for the access of developing countries to the benefits of globalization. As stated earlier, to deal successfully with globalization, those countries need: to develop their unique brand of management culture with vision, to be able to state clear goals, to design good strategies, to

create good implementation plans and to cultivate professionalism, creativity and innovation.
