CHAPTER «STATE ADMINISTRATION»

THE PERFORMANCE OF THE PUBLIC ADMINISTRATION IN THE CONTEXT OF THE NEW PUBLIC MANAGEMENT

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Abstract. The performance of public services is a current and continuously expanding topic, debated both by academic researchers and practitioners, being a complex concept that can be defined from several perspectives, because a large number of activities must be managed, which to match users' interests. The concept of performance has gone through a remarkable evolution in the last decades, because, at the beginning, the definitions attributed to performance referred to financial indicators, but over time, non-financial indicators were also taken into account, which proved to be indispensable for good functioning of the organization, but, above all, for public sector institutions that must demonstrate social responsibility. The performance of services is viewed differently from public sector institutions, because there are different management, objectives, needs and costs. The increase in competitiveness between institutions, the decrease in funding from public sources and the pressure exerted by interested parties on public sector organizations led the management of institutions to the careful and periodic monitoring of internal processes and the results obtained. The definition of performance in the context of public institutions cannot be dissociated from the measurement process, being an activity of collecting, analyzing, reporting and using information regarding the inputs, outputs and results of the public institution. Demonstrating the assumed responsibility of the institution towards internal and external users is achieved with the help of the performance measurement process. Information on the performance of the public institution is provided with the help of financial and non-financial indicators, and the identification of the

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most relevant indicators for each activity is an important step. The reporting of information on the performance of services is a component of assumed public responsibility, through which the efficiency of management, the way of allocating public resources and spending public funds is demonstrated. The use of information on the performance of services helps to improve the processes of the public institution and to establish objectives. The present research is positioned in the public sector, in the area of public services, at the intersection of the fields of control, accounting and management, in a niche segment, less explored, namely the performance of public sector services. The research ends with the exposition of the main conclusions drawn from the scientific approach carried out and the own contributions brought to the state of knowledge for the studied field are presented, and at the end we have surprised the limits of the research and future research perspectives. The main objective of this paper is the theoretical analysis of the performance measurement process in the public sector, at the current stage of scientific research. The research ends with the exposition of the main conclusions drawn from the scientific approach carried out and the own contributions brought to the state of knowledge for the studied field are presented, and at the end we have surprised the limits of the research and future research perspectives.

1. Introduction

Public management is a dynamic, flexible system, through which the general and specific public interests of society members are achieved. Public management studies existing management processes and relationships between the components of the administrative system, but also within them in order to discover general principles and legalities, methods and techniques for improving forecasting, organization and coordination, resource administration and control-evaluation of activities with the aim of increasing the degree of satisfaction of the public interest [13, p. 35]. The fundamental objective of public management is to increase the degree of satisfaction of the public interest, being determined by general and specific needs. Public management believes that governments and public institutions are similar, in many respects, to organizations in the private sector.

As a result, there are some managerial tools that can be successfully used in both the private and public spheres, especially managerial tools that relate to increasing organizational effectiveness and efficiency. This interpretation overturns the traditional approach to public management which argued that, through its social and cultural components, public institutions (and, in this case, government) are so different from private sector organizations.

2. New public management (NPM)

Since the 80s, with the public sector reforms brought by the Margaret Thatcher government in Great Britain and the Ronald Regan administration in the United States, a new approach in public administration begins to take shape [10, p. 285]. Based on the wider participation of citizens in public decisions and theoretically supported by the liberal currents developed by the big business schools, the NPM seeks to improve the efficiency of the public sector and the control that the government has over it.

The main idea behind the NPM claims that a better orientation of the public sector to the needs of the market and citizens leads to increased efficiency of government costs, without having negative side effects on other objectives or areas. In fact, the NPM reflects a change in attitude, based on the idea that institutions in the public system can and should function like organizations in the private sector. Efficiency and effectiveness in the public sector must be improved, public management in public institutions must be oriented towards objectives and results, and public managers must be valued according to their ability to solve general and specific social problems.

Features of NPM [7, p. 440]:

1. The catalytic role of governance – Governance should have a catalytic role or be a steering mechanism for different service providers, such as the public sector, the private sector and various non-governmental organizations.

2. Empowerment of citizens – The Government should promote and facilitate the empowerment of citizens and communities, so that they can solve their own problems.

3. Efficiency and economy based on performance – The performance of public sector agencies must be efficient. Thus, agencies should focus on their results.

4. Focusing on goals rather than rules – The NPM perspective advocates goal-oriented administration. The administration's approach should not be an over-emphasis on rules and regulations.

5. Customer-oriented governance – The NPM perspective defines customers as "interested buyers" and advocates giving them choice by providing convenient services and being interested in customer suggestions.

6. Competitive governance – Governance should promote a competitive environment between different services in both the public and private sectors, which would generate efficiency and a solid economy.

7. Anticipatory approach – This means that the government must anticipate as much as possible the problems that may arise, rather than designing and applying treatments afterwards, in an aggravated situation.

8. Entrepreneurial Governance (Entrepreneurial Government) – The NPM perspective suggests that governance should focus on earning and saving money, rather than spending. Monetary resources can be mobilized through savings, user fees, etc.

9. Decentralization of authority – The authority structures of government should be decentralized to avoid the negative consequences of hierarchy. The decentralized authority should promote participative management and teamwork.

10. Focus on the market mechanism – Being influenced by the neo-liberal philosophy and the public option approach, the NPM perspective advocates the adoption of the market mechanism rather than the bureaucratic mechanism.

In essence, the NPM perspective includes [15, p. 51] increasing productivity and improving the cost-efficiency ratio in public services, the adoption of market strategies by the public sector, customer orientation, decentralization of authority structures, and the distinction between policy making and its implementation.

The practical implications of these principles are: emphasizing managerial skills in policy making, adopting appropriate management practices, establishing standards for performance measurement, preference for deregulation of private property and promotion of competition, contracting external services appropriate for governance, responsiveness and efficiency in delivery public services, etc.

NPM considers the beneficiaries of public services as customers, and citizens are assimilated to the shareholders of a private organization – these being other similarities with the private environment. Some authors consider that the NPM is in a continuous change and development, entering what they call the "digital era of governance" (digital era governance) through which communication between citizens and public institutions, as well as many of the services offered by these institutions are made through the internet and digital media. Efficiency and effectiveness in public institutions To determine how well or poorly an operation works, we need certain performance criteria.

One of the models based on which we can start identifying these performance criteria is the theory of the 4Es: Economy; Efficiency; Effectiveness; Ethics [16, p. 225].

By economy we mean obtaining the resources at the lowest price, under the conditions of compliance with the specifications.

Efficiency means doing what you do well, while effectiveness means doing what needs to be done. If efficiency describes how well the organization manages to transform its inputs (resources) into outputs (results), then effectiveness shows the extent to which the organization achieves its goals. If the first three criteria existed and were put into practice for a very long time, the fourth criterion – ethics – appeared later as a pressing necessity introduced, first at the level of private organizations, but very quickly taken over by public institutions.

Ethics represents the extent to which the behavior of an organization and its members rises to the moral standards accepted by society [1, p. 535]. This criterion is all the more important as it is closely related to the phenomenon of corruption.

Table 1

Model of the 4 E performance criteria

The 4 E	Meaning of terms
Effectiveness	Doing the Right Thing (What)
Efficiency	Doing what you do well (How)
Economy	Doing what you do cheaply (without compromising quality)
Ethics	Doing what you do morally

Source: developed by the author

The 4Es are used as performance evaluation criteria [9, p. 191]. Starting from the institution's mandate and the objectives it proposes, criteria can be established, measurement indicators can be defined, and then performance standards.

Table 2

Comparative analysis of performance indicators

	Classical administration	**New Public Management**	**Modern Public Management**
Performance indicators	Legality, compliance with procedures	Results obtained (predominantly quantitative terms)	Characteristics of the process: transparency, representativeness, participation
System type	*Closed:* administration is focused on following its own rules	*Open:* management is focused on producing results for clients	Natural: governance is focused on serving citizens and must ensure their access and participation

Source: developed by the author

3. Performance in the public sector

Performance can be defined both by results and by behavior. The word "performance" reflects a progressive approach, characterized by voluntary effort, the orientation to make things better. The developments of the last 20 years in public management have generalized the orientation towards performance and towards obtaining measurable results [2, p. 305].

There is today in modern administration management a complex set of tools, methods and techniques through which performance orientation is not a simple slogan, but the main framework in which decisions are grounded, implemented and then the results obtained and the distance from the expected ones are measured. In the context of public administration, performance represents the continuous improvement of the parameters of the public service provided both in terms of effectiveness and efficiency, but also ensuring a high degree of satisfaction of citizens in relation to their needs and expectations.

The idea of performance means the adoption of a set of quality standards, the continuous refinement and improvement of the methods and procedures used, respectively the involvement of beneficiaries, staff and higher hierarchical levels. The performance includes all the elementary logical stages of the action, from the intention to the actual result [5, p. 591]. This must not only be tracked and measured but must be managed considering four variables: cost, quality, time and organization.

Performance management involves obtaining the best results from the organization, teams and individuals, by knowing and managing performance. It is a systematic approach based on permanent processes of planning, evaluation and measurement of results, in accordance with its strategic objectives. The basic premise is that achieving the desired results leads to the fulfillment of the organization's objectives and to ensuring its performance. Performance management must be understood as a continuous process, reflecting normal management practices, and not as special techniques imposed on managers.

Its conceptual framework includes terms such as: "performance management", "performance", "performing organization". Since management is the set of methods and processes for defining objectives, training and control in the service of the quality of external services and internal functioning methods, management is of interest to the public organization.

According to some specialists, there is a strong managerial movement that seeks to more or less transform the public sector, through the following four major changes [11, p. 96]:

– from a central administration on its own to an open administration;

– from an administration of procedure and obedience to an administration of responsibility;

– from a vertical administration, where everything is ordered by the hierarchical pyramid, to a transversal administration, existing in the network;

– from administration with expenses to an administration with results.

Performance can be evaluated by reference to standards established at national level and applicable to all providers of a certain service or to local standards, used only by the local administration in question.

Performance management involves adopting a systematic approach to improving individual and team performance and is based on the following two assumptions [20, p. 1585]:

1. People are expected to work well when they know what is expected of them and when they have participated in setting those expectations.

2. The ability to meet these expectations depends on the level of individual competence and motivation, as well as the leadership and support they receive from managers.

Performance management involves, on the one hand, the ability of managers to establish strategic direction, to establish clear and relevant objectives, and on the other hand, the effectiveness of staff in fulfilling them. It seeks to obtain the best performance from staff and managers, motivating them in order to achieve the organization's objectives. In addition to staff evaluation, performance management uses a range of other techniques to encourage performance; these include team-building, quality circles, benchmarking, total quality management systems, as well as a variety of "quality standards" (some of which are internationally recognized). Performance management systems include ways to integrate employees as well as techniques for evaluating and measuring performance and controlling poor performance.

Features of performance management include [12, p. 96]:

– Clear connections with the organization's objectives;
– Clear connections with job requirements;
– Rigorous and objective evaluation processes;
– Emphasis on individual development plans;
– Continuous evaluation;
– Evaluation-based reward systems.

The connections with the organization's objectives. The objectives of teams and people derive from the overall strategic objectives, so that they understand what they need to do to contribute to the effectiveness of the organization. In addition to individual performance, team effectiveness is also important; team objectives are established, and performances are evaluated and reviewed. Good communication and engagement is an essential aspect of performance management. The organization's mission and objectives must be equally understood. Communication must not be done only from top to bottom, but there must also be communication from bottom to top and also horizontally.

Connections to the job description. In performance management systems, job descriptions are reviewed regularly, with managers and employees agreeing on them. The job requirements must be clearly formulated and easy to understand. Complex requirements are less likely to be reviewed, and very cumbersome ones are unlikely to be met.

Rigorous and objective assessment. The manager and the employees define the objectives together and propose clear, measurable targets that contribute to individual development, represent a challenge and contribute equally to the overall goals. Teams or working groups may also have goals and objectives to achieve. Performance indicators can be used to set standards and measure effectiveness; for example, all correspondence will be acknowledged in no more than 2 working days. The system needs procedures to control, monitor and evaluate the activity. Techniques for measuring and evaluating low performance are also used, including Pareto analysis, fishbone diagrams, SWOT analysis, etc.

Individual development plans. Each individual can have a personal development plan, intended to provide goals and activities that allow the individual to achieve a series of objectives and develop his professional career. This fits the quality standard as well as the modern concept of "lifelong learning organization". Organizations are increasingly dynamic, subject to change. This is why employees need the ability to develop new skills and abilities.

Continuous evaluation. As with the staff review, there will be an annual review, but usually the review is much more frequent. This evaluation process is likely to involve teams, individuals and managers to help them focus on performance and ways to improve it. In this context, communication is important. Reward systems. In performance management systems, the annual evaluation is often linked to remuneration and intends to reward those who have managed to achieve their objectives [14, p. 18]. There are issues regarding the link between performance and pay, namely: are we aiming to reward results achieved or effort expended? There may also be a conflict between staff's need to speak openly about their performance and their fear of doing so if it could affect their pay. For this reason appraisal meetings are usually held separately from salary reviews.

General and specific managerial performances

a. Methodological-managerial performances.

The most important performance is the quality of managerial tools. This is highlighted by:

– the opportunity to call and use a certain managerial tool (management system, method or technique);

– the integrity of the system, method or management technique called for, in the sense of the appropriate use of all its components, any truncated approach being doomed, sooner or later, to failure;

– compliance with the specific operationalization methodology of the chosen managerial tools;

– synchronization between the requirements and demands of the system, method or managerial technique chosen for promotion and use, on the one hand, and the competence of the managers and executors directly involved in their operationalization;

– the synchronization between the managerial tools used and the management functions in the exercise of which he directly participates.

The second methodological-managerial performance is the quality of the design, operation and maintenance methodologies of management and its components. This is reflected by:

– respecting the specific stages and phases of managerial design/redesign, as a fundamental premise of the success of such a complex approach, of a strategic nature and with a pronounced innovative character;

– taking into account the specifics of the application environment (the organization or the procedural and structural components at which it is operationalized);

– the correspondence between the content of the methodology, the requirements and demands imposed by its application and the competence of those who operationalize it; it is very important that the methodology, regardless of complexity, be understood by managers and executors, so that the application proceeds smoothly towards performance;

– the appropriateness of the design/redesign methodology, highlighted by the period requested for application; it is very important to operationalize the methodology in an optimal time interval, when the change, modernization or fundamental improvement of an area is necessary.

b. Decision-making performance.

The most important performance is the quality of managerial decisions. This can be highlighted by:

– scientific substantiation – ensured, on the one hand, by the existence and utilization of relevant information regarding the problems to be solved and, on the other hand, especially in the case of strategic decisions, by the use of appropriate managerial tools for the substantiation and adoption decisions, depending on the decision-making situation in which the problem to be solved is included;

– empowering the decision – given by the effective involvement of the person or persons who have the necessary authority (the decision-making power or the right to decide in a certain field);

– decision-making competence – it assumes that those who adopt decisions have the necessary knowledge, qualities and skills to capitalize on the official authority conferred on the position, that is, they have the personal authority required to solve the problems they face;

– the appropriateness of the decision – respectively, the adoption and application of the decision in a time interval considered optimal; any exceeding of it renders the adopted decision useless. Thus, a less substantiated decision adopted during the optimal period is preferable to a superior substantiated decision, adopted outside of it;

– the integration into the whole of microeconomic decisions implies, first of all, the outline of some objectives, which belong to the organization's categorical system of objectives (fundamental, derived or specific). Secondly, a horizontal correlation is necessary, in the sense of harmonizing the decisions adopted by managers located on the same hierarchical level, regarding complex decision-making problems, which require the presence of several departments;

– the appropriate wording of the decision, i.e. finding, in its text (the decision-maker is responsible for it), the following parameters: the decision-maker (explicitly expressed), the decision-making objectives, the implementation methods, the necessary resources, the date of adoption, the date of application, the place of application and the person responsible with the application of the decision.

Also, the quality of the decision-making mechanisms (acts and decision-making processes) is of particular importance:

– the opportunity of substantiating, adopting and applying decisions based on documents or decision-making processes. The premise of such a qualitative parameter is the typological framing of the adopted decisions. Only the current decisions are the consequence of the decision-making acts, in their adoption being necessary, with priority, the experience, flair, talent, intuition of the manager (the decision-maker);

– respecting the specific methodology of strategic-tactical decision-making processes, that is, finding some representative stages, without which the quality of the "finished product", that is, of the adopted decisions and its efficiency, suffers;

– the quality of the parameters of the documents and decision-making processes, ensured by: the competence of the decision-makers, individual and group; with reference to their knowledge, qualities and skills (personal authority); the realism of the decision-making objectives; the accuracy of the decision criteria; substantiation of the decision options; the realism of decisional consequences/results;

– the synchronization between the hierarchical position of managers (decision-makers) and the types of decisions adopted, the extremely high variety of adopted decisions and the equally diverse decision-making involvement of managers being known;

– the correspondence between the decision-making requirements of each management function and the adopted decisions (the decision-making intensity per function of the management processes).

– correspondence of the organization's functions – adopted decisions (decisional intensity by functions). Given the fact that the exercise of managerial functions affects the procedural components (work processes, found in different aggregation formulas, from tasks to attributions, activities and functions), it is very important to give them a distributive attention, in relation to their importance in the economy of the organization and with the contribution to the achievement of various types of objectives.

– correspondence official authority – personal authority (granted competence – actual competence);

– the correspondence between the typology of decisions and the content of some trends in management and its major components.

c. Information performance. The quality of information is a fundamental requirement, which is ensured by:

– realism, respectively, the use of information that faithfully reflects the situation of the organization and its contextual environment;

– multilateralism, ensured by approaching phenomena and processes from the perspective of economic, technical, social, etc. aspects. and finding them in the information;

– dynamism, in the sense of highlighting work processes in their evolution;

– timeliness, meaning the collection, recording, transmission and processing of information in a timely manner, thus ensuring effective decision-making and operational processes;

– adaptability. The quality of information circuits and flows is evaluated according to the length, content and costs regarding the transmission of information.

The quality of the informational procedures can be highlighted by: the quality of the information processing means and the quality of the informational situations (documents).

d. Organizational performances.

These performances refer especially to procedural organization and structural organization. The procedural organization can be evaluated by the accuracy of the delimitations and dimensions of the procedural components (tasks, attributions, activities, functions). The structural organization can be evaluated by: the accuracy of the delimitation and dimensioning of the structural components. Practically, the work processes, delimited in tasks, attributions, activities and functions, cannot be exercised, and the fundamental objectives, derived I, derived II, specific and individual, cannot be achieved if the structural-organizational components are not properly defined and dimensioned: positions, functions, departments, hierarchical levels, hierarchical weights or organizational relationships.

Significant are the positions and compartments (regardless of their name), where work processes take shape.

The correspondence hierarchical levels – hierarchical weights, implies the outline of dimensions of management norms as balanced as possible for managers located on the same hierarchical level.

The flattening of the organizational structure, which calls for the most reasonable number of hierarchical levels, which allow a fluency of information (circuits and informational flows as short as possible) and, on this basis, a quick information of the managers and executors involved in the foundation and adoption of decisions and actions.

The quality of organizational relations is dependent on the constructive and functional characteristics of the organization and the type of organizational structure adopted. It would be desirable for the structure of organizational relations to be oriented towards cooperation and authority relations of a functional type, much closer to participative management.

The degree of functional specialization of positions and departments is another criterion of organizational performance, which implies a certain procedural endowment of these two structural components. An exaggerated specialization, especially at the level of positions, can generate their occupants routine in everything they do and, over time, even inefficiency.

The quality of organizational documents is another important qualitative parameter in the assessment of the organizational system. It assumes that the organization and operation regulation, the organizational chart, job descriptions and job descriptions faithfully reflect, procedurally and structurally, the organization, departments, functions and management and execution positions.

The mobility-stability correspondence is an asset of any type of organizational structure, to the extent that it allows the operation of changes whenever needed, without, however, substantially disturbing the normal functioning of the organization.

4. Management by objectives (MBO)

The process of establishing the objectives of an institution is a part of the strategic planning system, which should be implemented at the level of every public or private organization. Planning by setting objectives involves terms that classify objectives [3, p. 275]:

– long term – over 10 years;

– medium term – over 5 years;

– short-term – under 1 year.

In their planning activity, managers actually start from the 6 fundamental questions: Who? What the? How? Where? When? Why? In practice, planning involves a number of procedural steps, which can be adapted to all planning activities at all organizational levels:

Step 1: Setting goals and objectives. The planning function begins by establishing goals and objectives, without which the organization may fail to set priorities and allocate resources.

Step 2: Defining the current situation. Only after the management has established the company's competitive position in relation to its competitors, plans can be made regarding the future direction. In this analysis, it is important to identify the weak and strong points of the organization and the resources that can be used to achieve the goals.

Step 3: Establishing assumptions about future conditions. In this stage, managers evaluate the internal and external environment in an attempt to identify those factors that could create problems in the attempt to achieve the objectives. Managers then forecast future trends based on these factors because, although difficult, anticipating problems and opportunities is an essential part of the planning process. Each alternative must be carefully evaluated from the point of view of the assumptions taken into account for that alternative to be effective.

Step 4: Creating alternatives and setting direction. During this stage, managers develop alternatives and choose the option that seems most appropriate. The evaluation also includes a critique of the premises on which the respective alternative is based, those alternatives that are based on unrealistic assumptions being eliminated. Decisions are made regarding future actions.

Step 5: Implementation of plans and evaluation of results. Planning is the first of the elementary functions of management and is the basis of the other functions. This stage of the planning process emphasizes the relationship between planning and control: action plans are the basis of the control process. The MPO makes the connection between the organization's purpose and individual performance through the participative involvement of managers at all levels and in all planning, organizing, directing and controlling activities in order to execute the work. Management by objectives (MBO) is the most used method of evaluating the performance of managers. The MBO system is the deepest of the three standard approaches to personnel evaluation and requires the evaluator to have experience, reasoning and foresight. Thus, management by objectives through its evaluation component appreciates the achievements in quantitative and qualitative terms of the goals or objectives agreed upon by the two parties (boss + subordinate). Management by objectives is suitable for middle-level managerial positions (heads of sectors, workshops, services).

Objectives and indicators are established in agreement with the subordinate, with a fixed period of time before the evaluation (usually one year) [8, p. 930]. It is assumed that these managers are well trained regarding the strategic elements of the decision-making process and managerial planning. On the other hand, the evaluator must also know the theoretical and practical elements of the process of forecasting, setting objectives, evaluation and interview technique.

We observe that in performance management the focus is not on the activities within the processes, but on their results, which are continuously reviewed, in a continuous evaluation cycle. On the other hand, managers identify the actions taken in the key result areas that thus contribute to the overall objectives. Afterwards, each task must be defined and performance standards established as objectives that reflect the quality, quantity, cost and time agreed upon by managers together with employees. Standards can be described as a "statement of the conditions that will exist when the required results are satisfactorily achieved". It does not represent a series of actions, but their final result.

A standard is established according to the task and must not vary according to the employee. In practice, there are objectives that can be quantified and measured through quantity indicators through budgets, costs, work performed, etc., but often the objectives must be assessed through quality indicators, such as those standards which, although they cannot be measured directly, can be appreciated or observed, for example customer relations. The way of setting the objectives is decisive for the performance of their achievement. Thus, if the objectives are unimportant, set in the short term or cannot be measured, managers, regardless of the form of motivation (positive or negative), will not achieve the proposed goal [3, p. 267]. The degree of achievement of the objectives also depends on the information/reporting system implemented by the managers. It involves the development of methods of gathering information in relation to the control objectives of the managers.

Accurate information – which can be easily gathered – about what has been achieved is essential. They are then compared with what should have been achieved and it is analyzed whether the necessary measures can be taken to correct the performance. It is important to decide what information is crucial for control purposes and to prepare reports that convey this information to those who need it and can take action. Information systems can also help to identify constraints that can prevent the achievement of objectives. The action plans, which describe the institution's objectives, are reviewed periodically.

The performances of departments, units and specific functions in the organization are also regularly reviewed against established objectives and standards. The employee's individual performance is also reviewed, often through staff appraisal reports. The purpose of these reviews is to support employees at work and continuous development. Action plans are detailed descriptions of how the objectives are achieved; the plans are established prior to the implementation of the activities and are revised periodically.

The 7-step method for drawing up an action plan:

Step 1. establishing what needs to be done;

Step 2. defining the main activities intended to support the objectives;

Step 3. establishing the relationship between these activities;

Step 4. clarifying roles and links and assigning the main responsibilities for each action;

Step 5. estimating the deadlines for the completion of each main activity and secondary activities;

Step 6. identifying the resources needed to perform each activity;

Step 7. checking the deadlines and modifying the action plan, so that there is sufficient flexibility for possible modifications.

Defining specific objectives in accordance with the SMART requirements package and correlating them with the general objectives of the institution. Any public institution must define its general and specific objectives in accordance with the purpose for which it was created and compliance with internal laws, regulations and policies.

The general requirements regarding the definition of objectives are:

– The general objectives are consistent with the mission of the public institution;

– The general objectives are detailed in specific objectives and expected results for each activity;

– The objectives must be defined in such a way as to respond to the set of "S.M.A.R.T." conditionality;

– Establishing objectives is the attribute of management, and the responsibility for their achievement rests with both management and employees;

– For each objective, the expected results (targets) must be defined;

– The established objectives and expected results must be communicated to employees and stakeholders.

The general objectives of any public institution refer to the realization of good quality public services, under conditions of maximum efficiency and effectiveness, as these objectives are presented in the normative act that regulates its organization and operation.

Conditionalities like S.M.A.R.T. applied to the objectives:

1. Precise ("Specific"): takes into account the fact that the objective must be clear and well defined, in other words any employee in the field can understand it, and its interpretation by the employees is unitary. Example of an objective that is not precise: "Improving the procurement process". (it is impossible to know what is desired regarding the improvement of this process – the purchase of a software, new hires, professional training, etc.).

2. Measurable and verifiable: represents the most important attribute and helps in establishing the following elements:

– the objective can be met;

– the period of time established until its total realization;

– when the objective was met (in the case of evaluating the entity's performance).

Example of objective that is not measurable: "increasing the skills and abilities of the staff" without specifying the expected results (for example, a procurement course for 10 people).

3. Necessary ("Appropriate"): monitors whether the objective is correlated with the institution's mission and strategic objective. The avoidance of illegal or ethically and morally unacceptable aspects is also considered. Example of an objective that is not always necessary: "acquisition of a high-performance specialized e-commerce software" in conditions where it cannot be used by the purchasing structure, "acquisition of a Porsche", "the best/expensive laptop on the market".

4. Realistic: assumes that the objective can be achieved (it is not impossible) and that the employees have the skills, knowledge, resources and time necessary to achieve it. Example of an objective that is not realistic: "reducing the purchase costs for fuel by 20%", in the conditions where a 50% increase in the price of fuel on the market is forecast.

5. Deadline ("Time-dependent"): aims to establish a clear deadline in time. This term must allow the achievement of the objective, but not be excessively high so as to affect the performance of the activity (ie, cause low efficiency). Example of an objective that does not have a deadline: "the emergency purchase of an IT network". In this case, for some people the emergency regime can mean a few days, and for others a month or two.

KPIs (Performance indicators)

The indicator represents a quantitative, qualitative or other criterion measurement by which the performance of a process is evaluated, often by comparison with a standard or objective, agreed in advance. The correct definition of performance indicators means the effective evaluation of the strategy of a public institution, because it allows [4, p. 459]:

– knowledge of the degree of achievement of the objectives established by the strategy;

– monitoring and evaluating the performance of each process;

– analysis of the system and the processes within it according to several criteria/variables, which can be combined: quantity, quality, cost and time;

Purpose of using performance indicators:

– Evaluation, at certain moments of time, of the stage of meeting the objectives;

– Implementation of an early warning system regarding the occurrence of problems, which will allow corrective measures to be taken in a timely manner;

– Increasing managerial responsibility in public entities by establishing objective criteria for evaluating activity performance;

– Making comparisons to identify opportunities to improve activities;

– Promoting the improvement of activities by publishing the performance levels achieved by the entities, etc.

Characteristics of performance indicators:

– Consistency – to ensure comparison over time and for different entities with the same activity;

– Clarity – the indicators must be simple, well defined and easy to understand;

– Controllability – performance must be measured in areas that can be controlled by managers. However, there may be many other factors that influence performance that are not under management's control.

– Scope – the indicators must cover all important aspects of the activity. However, the excessive use of indicators can generate confusion and lead to the dissipation of efforts.

– Credibility – the defined indicators must be accepted as suitable for measuring performance and must be based on adequate sources of information. In practice, three types of indicators are used in the performance measurement process:

Table 3

Typology of performance indicators

Input indicators	Intermediate indicators	Final indicators
Input indicators	Output indicators (product/ servicice)	Outcome indicators (consequences/ effects)
Inputs (resources) are not ends in themselves, but contribute to the achievement of the institution's goals	Outputs are not ends in themselves, but contribute to the achievement of the institution's goals	Can measure the achievement of the institution's goals
		It measures the effect of the institution's intervention on the target groups (individuals, organizations)

Source: developed by the author

Performance monitoring in public institutions.

In the context of the adoption by a number of important public institutions of performance management (strategy, strategic plan,

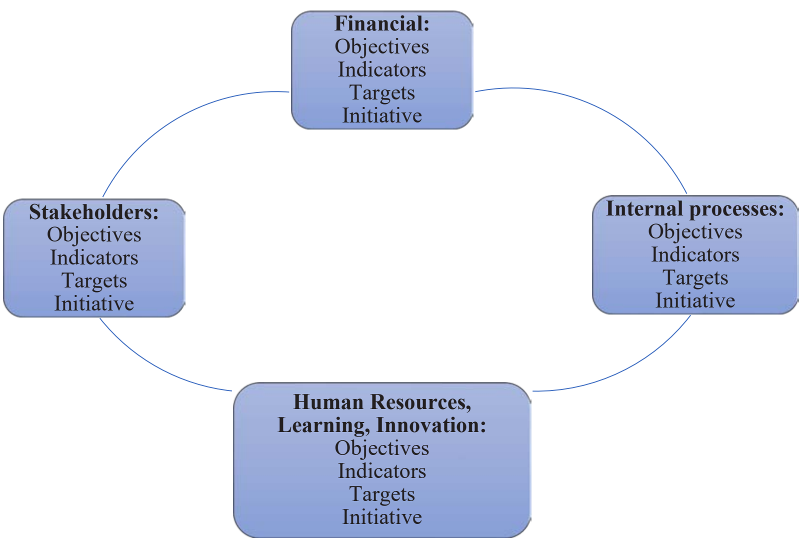

Figure 1. Balanced Scorecard model

objectives and performance indicators, etc.), an evolutionary step was the implementation of managerial tools that provide information about performance in real time [6, p. 349].

The Balanced Scorecard model became a conceptual platform on which these institutions designed their internal/external processes and flows so that staff and other stakeholders could monitor progress, take responsibility and manage results [17, p. 101].

The Balance Scorecard essentially defines the architecture of any integrated performance management system in an institution or between several institutions in functional relationships, so that the system as a whole focuses on the added value of public services provided and the improvement of institutional performance.

5. The managerial approach of the public service

The desire of public authorities and the expectations of users to transform public services so that they are in line with the public interest, determined the outline of this distinct approach, the managerial approach to public services, which appeared against the background of the diversification of activities in which public authorities are involved, especially in the economic and, implicitly, of the development of public interventions, as well as the inability of traditional methods to lead to performance.

The management approaches the public service as an activity and as an organization that carries out this activity, aiming to increase overall performance. Themes such as objectives of the service provider organization (mission, policies and strategies), its structure (relationship with objectives, design, operations, roles), technology (information processing, equipment), culture (values, leadership style), external environment (political, economic, social factors, the organization's customers, the relationship with them, public marketing activities), the decision-making system (approach, the participation of interested groups in the decision-making process) represents the center of managerial concerns over the public service.

Special attention is given to the main resources engaged in the public service [19, p. 1250]: the creative potential of people and the informational resource, considered to be the basis of public performances, as well as development methods: redefining the processes of recruitment and selection of personnel, motivation, career development, ethical aspects and deontology of the public function, training/improvement, the introduction of innovation, decentralization, privatization, entrepreneurship, user education. Last but not least, management is concerned with observing, analyzing and improving the knowledge and capacities of managers in the public sector, including the ethical aspects of their activity.

A new paradigm for the management of public services has emerged regarding the development of a new performance-oriented culture in a less centralized and resized public sector. In any discussion about public enterprise, questions about efficiency and management, as well as ownership, are imposed. Public enterprises try to be efficient by fulfilling their objectives. Their missions differ from the provision and provision of services for users (legal or natural persons) to the elaboration and implementation of public policies. Movements for performance orientation (efficiency, effectiveness and quality of public services) in the management of public activities require "the development of enterprises that continuously adapt to meet public needs".

It is also important to identify a set of indicators by which the performance of public services can be measured [18, p. 49]. The system of performance indicators makes it possible to evaluate the consumption of resources in relation to the results obtained after the completion of the processes of realization and provision of services and to compare them with the levels established as objectives.

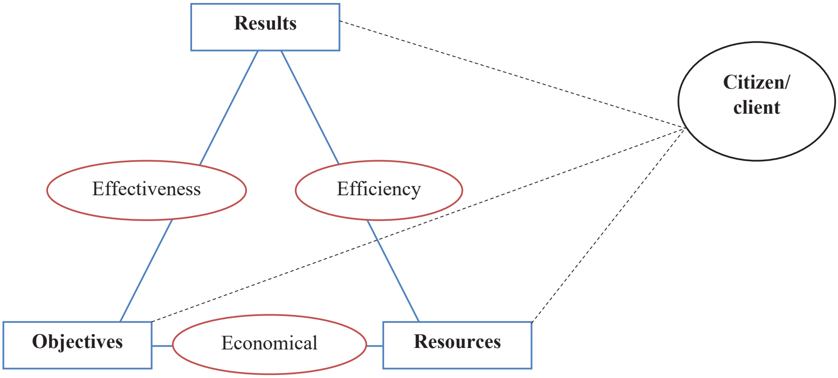

Figure 2. The performance triangle

The primary role of public institutions is to provide a service or product to a consumer or beneficiary, as opposed to providing jobs for civil servants, for example. The logic pursued by public enterprises in the realization of public services is defined by "the implementation of public policy, the provision of free services, redistribution, the provision of services that are paid for by the user when he benefits from them, etc.".

6. Conclusions

Reforming public services, the central concern of management, is more than necessary in any administrative system. Within the reformation process, certain stages are necessary, such as: establishing a unitary vision in accordance with the situation, with traditions and mentalities; defining the public sector, including the typology of public services; assigning responsibilities to public administration levels; establishing sources of income by administration levels; sharing the regulatory function on the administration levels; drafting legislation in the field of public service provision; opening the administration's access to the capital market and adopting some measures regarding the improvement of the financing framework of public services; creating the framework for the real professional improvement of civil servants and the improvement of public management. From the aspect of user involvement in the provision of public services, it is worth mentioning that users play a special role in the evolution of public services, claiming the need to be a component part in the management of public services, through the lens of representation mechanisms and claiming, more or less explicitly, an egalitarianism regarding the conditions of supply.

The efficiency of public administration depends, to a large extent, on the human resources management system applied in public authorities, on the level of professionalism of public servants, on their orientation towards satisfying the needs and legitimate interests of citizens. The degree of satisfaction of citizens' needs is conditioned by the performance of public authorities and, to a large extent, by the professionalism of human resources, by the way in which the officials understand the objectives facing the public authorities, by the extent to which they assume responsibility for the consequences of their activity, the way of providing public services, the way they work with citizens. Thus, the management of the public function and the civil servant has a substantial impact on citizens, civil society, public and private sectors, authorities and public institutions. At the current stage, the quality of public services that citizens benefit from is a problem of major importance for society. The mission of public authorities to provide public services to citizens in an effective and efficient manner can only be achieved through a modern management of all resources at system level, public authority and, in particular, human resources.

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