

# HUMAN RESOURCE MANAGEMENT IN PUBLIC SERVICE – THE ORIENTATION TOWARDS THE MANAGERIAL MODELS FROM THE PRIVATE SECTOR OR THE DISPLACEMENT OF PUBLIC SERVICE ETHOS?

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## ABSTRACT

*The challenge of motivating employees is becoming significant for the Romanian public organizations in the context of the recent changes in the salary system.*

*Using financial incentive systems, generally in the form of merit base promotion and financial rewards, have introduced in the public system the incentives of the market, aiming to lead towards the efficiency and the effectiveness of the private organizations. Those practices are based on the presumption that the labour force in the public and private systems is substantially the same, avoiding the essential differences between the public and private employees. The public servant does not answer only to financial incentives; a variety of nonfinancial motives affect the behavior: trust, sense of duty, altruism or community reputation.*

*The incidence and consistency of financial motivation in time must be attentively correlated with the impact on the organizational performance as well as the ramifications of the public service ethos.*

**KEYWORDS:** *motivation, recruitment, employees, public administration, private companies*

The identification of the most effective ways to recruit and motivate the employees, as essential needs of human resource management, are a permanent challenge of the managers both in private and public sector. Taking into consideration the particularities of the public sector, the motivation of public servants, needs close analysis. “The implication for responsive and cost-effective government is that failure to properly understand the motivations of public employees may lead in the short term to poor job performance and in the long term to permanent displacement of public service ethic”<sup>1</sup>.

This paper deals with two aspects of human resource management in public service. On the one hand, we will see how aspects from the private sector could be introduced in the motivation of the public servants and the problem of the displacement of public service ethos it brings with it, and on the other hand, we will underline that the actual recruiting system of the public servants in Romania needs serious changes to bring well equipped and motivated individuals.

## Public service motivation

The most important risk in human resource policies in public service is to treat the public organisation as a private company because such a measure does not identify the specific motives of public service and the way a bureaucracy works.

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<sup>1</sup> Crewson, Philip E., 1997, Public Service Motivation: Building Empirical Evidence of Incidence and Effect. *Journal of Public Administration Research and Theory*, 7 (4): 499-518, p. 500

In the 1980-90s, the public service introduced fundamental changes oriented to the managerial models from the private sector. Those models are seen as a key for employee motivation: responsibility, flexibility, efficiency, effectiveness, productivity, communication, and initiative, all of these according to the orientation of the New Public Management.

Being one of the central themes of the new wave, the theories of rational choice are well embraced by the contemporary public administration. Hondeghem and Vandenaabeele<sup>1</sup> underline that, although well described by the literature, behaviours like: abnegation, the public interest, the altruism are very difficult to be explained in terms of rational choice.

The public-private debate about the motivation of the employees tried to see if one work for financial rewards (*in a company for profit*), and the other takes into consideration other rewards that are associated with goals than are not for profit (*employees in the public organisation*), debate that lead to the creation of the concept of Public Service Motivation.

The definition of the Public Service Motivation takes into consideration the “*individual’s predisposition to respond to motives grounded primarily or uniquely in public institutions*” or the wish to have an impact in the well being of society, a intrinsic motivation in opposition with the extrinsic one, based on salary, promotion, job security etc.

Other definitions cited by Myers include:

- -the motivational force that induces individuals to perform meaningful public service<sup>2</sup>;
- -a general, altruistic motivation to serve the interests of a community of people, a state, a nation or humankind<sup>3</sup>;
- -the belief, values and attitudes that go beyond self-interest and organizational interest, that concerns the interests of a larger political entity and that motivate individuals to act accordingly whenever appropriate<sup>4</sup>; showing that the common element of all these is the focus on motives and action in the public domain, that are intended to help the others and shape the well-being of society. It is reflected in the care of the teachers care for the performance of their students, doctors and nurses about their patients’ health, police officers concern about the safety of a community, social workers about the welfare of their clients etc.

Philip E. Crewson<sup>5</sup> insisted on the duality of motivation, **intrinsic** (personal orientation of the individual) and **extrinsic** (economic orientation of the individual) as being fundamental for the analysis of the motivation of human resources in public sector while Brewer, Seldon and Facer have identified four different conceptions of motivation:

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<sup>1</sup> Hondeghem Annie, Vandenaabeele Wouter, 2005, Valeurs et motivations dans le service public - Perspective comparative, Revue française d’administration publique, 3 (115): 463 – 479, p 464

<sup>2</sup> Breuer, Gene A., Coleman Selden, Sally, 1998, Whistle blowers in the Federal Civil Service: New Evidence of the Public Service Ethic, Journal of Public Administration Research and Theory 8 (3): 413-439, p. 417, cited in Myers, Jarrett, 2008, Public Service Motivation and Performance Incentives: a literature review, Oxford Policy Institute p.1

<sup>3</sup> Rainey, H.G. and Steinbauer, P., 1999, Galloping Elephants: Developing Elements of a Theory of Effective Government Organizations, Journal of Public Administration Research and Theory 9 (1): 1-32, p. 23, cited in Myers, Jarrett, 2008, Public Service Motivation and Performance Incentives: a literature review, Oxford Policy Institute p.1

<sup>4</sup> Vandenaabeele, Wouter, 2007, Toward a public administration theory of public service motivation: an institutional approach, Public Management Review, 9 (4): 545-556, p. 547, cited in Myers, Jarrett, 2008, Public Service Motivation and Performance Incentives: a literature review, Oxford Policy Institute p.1

<sup>5</sup> Crewson, Philip E., 1997, Public Service Motivation: Building Empirical Evidence of Incidence and Effect. Journal of Public Administration Research and Theory, 7 (4): 499-518

samaritans, communitarians, patriots, and humanitarians<sup>1</sup>, with an emphasis on the intrinsic dimension. Their difference looks at the concentration towards individuals, community, nation or human being.

Analyzing the extrinsic motivation, Crewson considers the opportunity of four questions: the incidence of financial motivation, its consistency in time, the impact in organizational performance and the ramifications of the ethics of public sector. He then shows that the financial incentives generally in the form of merit *pay promotion* and *cash awards* have the rationale that, instilling market-based incentives and values in the public sector will inspire market-like efficiency and effectiveness. The assumption behind those practices is that the public labour force is substantively the same as the private one.

Using data from surveys from employees in private and public organisations, Rainey<sup>2</sup> concluded that public employees have a greater interest in altruistic or ideological goals such as helping others or doing something worthwhile for society and less interest in monetary rewards than do their private counterparts.

It is important to draw a clear understanding of the intrinsic and extrinsic motivation role in the design of motivation systems in public organizations. Thus, providing extrinsic rewards for tasks that have high intrinsic value alters individual perceptions of the locus of causality<sup>3</sup>. Offering monetary rewards for exceptional performance that was intrinsically motivated could have the adverse effect of reducing the possibility that intrinsic rewards will motivate further behavior. The effect is that an inner sense of accomplishment has been excluded as a motivator. On the same time Frey and Osterloh<sup>4</sup> show that exacerbating the extrinsic rewards may signal switching value from normative values to an expectation that doing one's duty without extra pay is not enough.

Prentice<sup>5</sup> shows that it is possible that external financial incentive could overwhelm public service motivation, since it suggests the employees that their employer recognises no association between output and effort other than a pure, market relationship. Thus, the introduction of a contractual relationship may affect the original connection between the worker and the activities.

In the same way, Etzioni<sup>6</sup> shows that the exacerbating of *the economic man* and the domination of extrinsic incentives means an exaggerated simplification of the human motivation and such approach fails in recognising the "moral dimension" or extrarational motivation that guides in the decision-making process.

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<sup>1</sup> Brewer, Gene A., Sally Coleman Selden, and Facer, Rex L., 2000, Individual Conceptions of Public Service Motivation. *Public Administration Review*, 60 (3): 254-264.

<sup>2</sup> Rainey, Hal G., 1982, Reward Preferences Among Public and Private Managers: In Search of the Service Ethic. *American Review of Public Administration*, 16: 288-302, cited in Crewson, Philip E., 1997, Public Service Motivation: Building Empirical Evidence of Incidence and Effect. *Journal of Public Administration Research and Theory*, 7 (4): 499-518, p. 500

<sup>3</sup> Crewson, Philip E., 1997, Public Service Motivation: Building Empirical Evidence of Incidence and Effect. *Journal of Public Administration Research and Theory*, 7 (4): 499-518, p. 501

<sup>4</sup> Frey, B., S., and Osterloh, M., 2005, Yes, managers should be paid like bureaucrats, *Journal of Management Inquiry*, 14 (1), 217-235, cited in Paarlberg Laurie E., Perry James L., Hondelghen Annie, 2007, *From Theory to Practice: Strategies for Applying Public Service Motivation*, Pre-conference on public service motivation. USA: Newark, Delaware p.16

<sup>5</sup> Prentice, G., Burgess, S., Propper, C., 2007, Performance pay in the public sector: review of the issues and evidence Office of Manpower Economics, cited in Myers, Jarrett, 2008, *Public Service Motivation and Performance Incentives: a literature review*, Oxford Policy Institute p.6

<sup>6</sup> Etzioni, Amitai, 1988, *The Moral Dimension: Toward a New Economics*, New York: Free Press, cited in Crewson, Philip E., 1997, Public Service Motivation: Building Empirical Evidence of Incidence and Effect. *Journal of Public Administration Research and Theory*, 7 (4): 499-518, p. 501, 502

The private sector employees could be more oriented towards connecting the external motivation with individual productivity, but the work in the public sector could be more challenging intrinsically. **Unlike the managers in the private firms, the managers in the public system cannot share the profit if their agency has good performance and will not loose their jobs if the agency has bad performance.**

David Giaque and Valérie Barbey<sup>1</sup> show that the public servants benefit a job security that may create a certain limitation of selfdevelopment. The risk averse, the lack of initiative and the concentration on formal rules are some characteristics that are easy to be given to public servants, labels that are present in the popular discourse and scientific literature of liberal economists.

Thus, the remedy is simple, encouraging the public servants to prove “entrepreneurial spirit”, the performance pay, all introducing more internal and external competition, including the abolition of some “privileges” given to the state agents. David Giaque and Valérie Barbey underline that this vision has the merit to be that simple, but in the same way it is fundamental wrong about the diagnostic of the drivers of motivation and job satisfaction of a public servant.

Thus, trying to treat the public service as private company could force a decline in developing the social and democratic goals and of the bureaucracy.

### **The recruitment of public servants**

In their analysis about the characteristic motives of the public agents comparable with the private one, Gabris and Simo did not have the same conclusions as the supporters of the Public Service Motivation. Thus, they concluded that all employees in private and public organisations agree with what they appreciate most but they did not provide similar answers on what they disagree most.

What the public sector employees appreciate less are the problems of the bureaucratic obstacles and the structure of the organization. Gabris and Simo concluded that “if the jobs in the public sector would be more challenging, more attractive from the financial side, more stable, based on accountability, authonomy, then the best and dedicated employees could be recruited”<sup>2</sup>.

The problem raised by the two authors has thus a significant meaning in what regards the performance of the public organisations in the context of the evolution of the public service in Romania.

The recruitment system in Romania, although from the normative side answers the imperative of performance, coherence and transparency, in practice, because of a complex of factors (*political, socio-economical and cultural*) has been displaced so that the accomplishment of the legal requirements is only a formality.

The normative requirements about the knowledge and abilities for the public service (*the test, exam*) have become only a box that need to be thicked by the institutions that employ a public servant. Thus, displacing the normal sense of the recruiting procedure, the public organizations employ personnel that do not answer from the calitative point of view to the needs of the job and from the ethic of public sector, the motivation for the public service is questionable.

In this context, the question is if the orientation towards the managerial models from the private sector would be the best solution?

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<sup>1</sup> Giaque David, Barbey Valérie, 2005, Réformer la fonction publique par la motivation professionnelle de ses agents, Le Temps (Europe), Eclairages, no. 2554 p.1

<sup>2</sup> Gabris, Gerald T. and Simo Gloria, 1995, Public Sector Motivation as an Independent Variable Affecting Career Decisions, Public Personal Management, 24: 33-51 p. 41

The approach of the private models could leave every public institution the liberty to establish its own compulsory requirements for personnel recruitment. Thus, an automatic application of the experience in the private sector towards the public one would be, not only ineffective, but could determine an aggravation of the quality of human resource in public service.

The solutions that could be effective in the recruitment need to agree about the performance imperatives from the private sector but adapted to the particularities of the public service.

Thus, the solution proposed is a dual system, with a **preliminary recruitment at the national level** (similar to the system used for the European Union institutions), preliminary recruitment that would ensure a minimal quality standard at national level for all persons that enters the public service and a **subsequent recruitment at the institution level**, recruitment that would be centred on the particularities of the job and the institution.

**Preliminary recruitment at the national level** can be realised in a unic consortium of a specialised state agency, academics and nongovernmental organisations so that the entrance in the public service to be transparent (*without any possibility of political influence*) and respecting minimal standard requirements related to knowledge and abilities of the employee (*knowledge about the Romanian and European administrative systems, communication abilities –including in a foreign language-, modern technique abilities etc*). The candidates that are declared admitted will become part of the *reserve body of public servants* that will be the pool for the subsequent recruitment of every institution.

**The subsequent recruitment at the institution level** will be realised from *reserve body of public servants*, the public institutions having the possibility to recruit the candidate that best answers the needed profile. This subsequent phase will be centred on the technical, specialised abilities and knowledge that the specific job needs (such as chemists, biologists, communicators etc).

Such a model would ensure, on the one hand, a safeguarding in what regards the entrance in the public service that would be realised exclusively on the merit base and, on the other hand, would permit the employer to recruit from the reserve body of public servants, the candidate that answers the specific needs of the job. The quality of the human resource in public sector is a compulsory step towards the growing ethic of public service.

A challenge that this proposal would bring is that due to the rigidity of the recruitment for the *reserve body of public servants*, it needs to have in place an adequate salary system so that it attracts significant number of well equipped candidates.

### Conclusions

If the intrinsic motivation is more important for the public service employees, the introduction of the extrinsic economic incentives could, in the best situation, have a limited efficiency and, in the worse, could eliminate the intrinsic motivation and as a result would diminish the performance. Individuals with a public service ethic have the tendency to appreciate the valorization of the intrinsic motivation than an extrinsic reward, which is why, the use of extrinsic incentives should be carefully managed and complementary to the intrinsic motivation and not a substitution factor.

It is necessary to be enabled a reform of the recruitment system for the public service in Romania, which would bring well equipped public servants and consequently a higher performance of the public organization. Thus, a solution that would ensure the accomplishment of this performance aim is a dual system with a *preliminary recruitment at the national level* and a *subsequent recruitment at the institution level*.

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